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Editor

## STRATEGIC DECISION-MAKING IN INTERNATIONAL CONTEXT

*Proceedings of the 1<sup>st</sup> Interdisciplinary Workshop  
held in Urbino on February 27, 2020*

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Fabio Musso  
*Editor*

# STRATEGIC DECISION-MAKING IN INTERNATIONAL CONTEXT

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Fabio Musso<sup>1</sup>

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## **Rationality, heuristics and biases in strategic decisions**

Foreword

### **Abstract**

*This introductory chapter proposes a discussion on the main issues as regards the research perspectives on strategic decision-making processes for companies, examining peculiarities and limits of the approaches based on full rationality of choices, and recalling those that take into account the behavioral dynamics of the decision-makers, as well as their psychological and relational characteristics, as factors affecting decisions. These aspects also emerge with reference to decisions related to internationalization processes, whose understanding an interdisciplinary analysis perspective is necessary.*

**Keywords:** Decision-making process; Heuristics; Bias; Intuition; Internationalization.

### **1. The decision making process between rationality and non-rational factors**

In business management, the use of theoretical models should guide managers in the complex decision-making process and provide an indication of the strategic choices to be made. Most of the models adopted are based on assumptions of full economic rationality, but managers and entrepreneurs, as individuals, reveal behaviors that are not fully rational, being subject to emotional factors that can have an influence on the decision-making process. Some of them are inclined to decide based on instinct and intuition, especially when a significant amount of experience supports them. Other managers or entrepreneurs overestimate their ability to control events, believing that their

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personal abilities are superior to the aleatory components. Indeed, a set of predetermined models based on rationality cannot be sufficient to investigate the complex process related to making decisions.

Knowledge about economic behavior and the decision-making mechanisms associated with it is still very little, and after decades of studies and theory building a cleavage is still persisting between the neoclassical approach to economics, which assumes that decisions are guided by rationality and related to the prospect of future rewards, and approaches that recognize the social and psychological bases of economic behavior, since decisions are made by humans, individually or as part of organizations.

The economic perspective assumes that decision-makers are rational and consistent with the objective of maximizing a subjectively expected utility, based on an assumed absolute rationality (Blume, & Easley, 2008).

The theory of expected utility, developed in the 1940s by Von Neumann and Morgenstern (1999), provides the theoretical basis for studying human decisions. It makes mathematical modeling of the decision-making process, but does not consider some important variables involved in the decision process, such as the affective evaluation of the alternatives of choice and the limits of the individual's cognitive resources. This theory hypothesizes a utility function that assigns a numerical value to the satisfaction associated with different events. As a result, the choices of individuals are based on the calculation of the expected value associated with each of the alternatives they can choose from.

On the other hand, the behavioral perspective adds more realistic parameters related to the influence of social norms, emotions, environmental factors, taking into account that humans' powers of computation and cogitation are limited, and people are not always consistent and stable in their behavior. Indeed, several other factors intervene in the decision-making processes, not only related to individual cognitive mechanisms, but also with regard to relational mechanisms, which are the basis of the functioning of markets. Market relations are nothing more than relationships between individuals who base their choices on apparently rational logics.

One of the most well-known theories on market functioning according to the firm's perspective is that of transaction costs analysis (TCA), proposed in its early versions by Coase (1937) and then by Williamson (1975; 1985) who formulated the most relevant statements about this theory. The TCA approach supported the academic literature in explaining the criteria of organizational forms and strategic choices, among which are diversification, vertical integration, internationalization, and various forms of cooperation and interaction among firms. Two key assumptions of human behavior support this theory: bounded rationality and opportunism.

Bounded rationality assumes that decision makers have limited cognitive capabilities and a not fully rational behavior. This is due to limited information

processing and communication ability (Simon, 1959). These constraints emerge in conditions of uncertainty, for which the context of an economic interaction cannot be specified *ex ante* and performance cannot be verified *ex post* (Rindfleisch & Heide, 1997).

Opportunism is defined as "self-interest seeking with guile. This includes but is scarcely limited to more blatant forms, such as lying, stealing, and cheating. ... More generally, opportunism refers to the incomplete or distorted disclosure of information, especially to calculated efforts to mislead, distort, disguise, obfuscate, or otherwise confuse" (Williamson, 1985, p. 47).

Unfortunately, the TCA literature lacks an understanding of what determines limited rationality and opportunism, and which are the factors that have an influence on these dimensions of human behavior.

In this debate, terminology itself should be clarified: the concepts of "utility", "rationality", "trust", and also "intelligence", do not have universal meanings depending on the influence of ethics, social rules, physiological factors and even "visceral factors" (e.g. hunger, thirst, sexual desire, anger, fear) (Loewenstein, 1996).

## **2. Heuristics, biases and cognitive errors**

Deepening the level of knowledge on decision-making processes is crucial in order to successfully deal with the management of choices characterized by high complexity (Lewin, 1999; Hannan & Freeman, 1989). A cognitive approach, aimed at studying the dynamics of the company also through the analysis of the non-rational and emotional factors that characterize the decision makers as individuals, represents an attempt to use an interdisciplinary approach to increase the knowledge of the company and of the decision-making processes within it.

Behavioral psychology, or behaviorism, represents an approach developed at the beginning of the twentieth century by John Watson (2017), based on the assumption that behavior detectable from the outside is the only unit of analysis scientifically studied by psychology. According to this approach, the individual in facing a decision-making process makes explicit a behavior that is influenced by emotional factors. According to this approach, the prospect theory (Kahneman & Tversky, 1979) follows an inductive-descriptive view, with the aim of integrating the theory of expected utility and providing a more precise representation of decision-making behavior.

The prospect theory, acting as an alternative theory to that of expected utility in conditions of uncertainty, represents a model whose main objective is to describe the real behavior of individuals with the purpose of explaining how and why the choices made by decision makers recurrently deviate from those described by the theories based on full rationality.

Decision psychology shows that individuals' choices do not take place following the economic principle of maximizing utility, but rather highlights how people are irrational in a systematic and replicable way, i.e. they follow behavior patterns that also depend on how the decision problem is presented.

Scarce information, combined with the limited propensity to look for alternative solutions, can push individuals to search in their minds for previous experiences that allow them to be able to make a choice quickly and without efforts. This behavior is defined as "availability heuristic (Folkes, 1988).

Within a company, many individuals have a natural tendency to continue what has been done in the past, ignoring the signals or changes coming from the external environment. Decision makers who adopt this behavior show an excessive self-confidence, which is defined by cognitive sciences as overconfidence (Carter et al., 2007; Moore & Healy, 2008; Kahneman, 2011).

Managers and entrepreneurs tend to simplify the decision-making process with systematic strategies, that is, using stereotypes or prejudices that allow to decrease the cognitive load and facilitate responses, defined by the cognitive sciences as heuristics (Busenitz & Barney, 1997; Kahneman, 2011; Guercini, 2012; Guercini et al., 2014).

Generally speaking, individuals tend to evaluate every possible outcome of a decision on the basis of a given reference point, with cognitive distortions that exert an influence on a normal decision maker, who is conditioned by psychological and emotional factors. The distortions that intervene in human behavior can be divided into three main categories: heuristics, systematic errors (bias) and framing effects (Kahneman & Tversky, 1979; Miglietta & Battisti, 2012).

*Heuristics* (Kahneman, Slovic, & Paversky, 1982) represent a shortcut for reasoning, deciding and evaluating. They ensure quicker decision-making processes but, on the other hand they expose to the risk of failure, since they reproduce approximations of rational choices. Heuristics can be considered as a kind of mental path that individuals follow in order to simplify, unconsciously, the assessments to be made when faced with a choice (Miglietta & Battisti, 2012). Consequently, they are difficult to avoid since they can only be recognized after they have been adopted. The main heuristics are: representativeness, availability, anchoring, and affect heuristic (Gilovich, Griffin, & Kahneman, 2001).

The *heuristic of representativeness* refers to empirical rules based on similarities or stereotypes that individuals adopt for making predictions or express judgments. According to this view, the probability of an event is estimated depending on its similitude with preconceived categories, and it can be used for classifying situations, individual or organizations. This leads to perceive others according to stereotypes, attributing them standardized behaviors even before knowing them (Kahneman & Tversky, 1974).

The *availability heuristic* is the ease with which examples of an event can

be recalled, influencing the estimates of how frequently the same event occurs (Kahneman & Tversky, 1982; Tversky & Kahneman, 1973). People assess the probability of an event by the ease with which instances or occurrences can be remembered. Therefore, availability heuristic can be summarized in the tendency to use the information that is more easily available, leading to estimate the frequency of an event based on the ease with which it manifests itself in people's minds.

The inadequacy of individuals to adapt to changes in the environment stimulates the so-called *anchoring*. According to Tversky and Kahneman (1974), the anchoring effect is the disproportionate influence on decision makers to make judgments that are biased toward an initially presented value. This means remaining anchored, before making decisions, to a reference value without adequately modifying previous assessments (Furnham & Boo, 2011).

Finally, the *affect heuristic* represents the behavior of individuals who believe in their own possibilities and acts by listening mainly to intuition and instinct (Dane & Pratt, 2007). As consequence, they set their decisions based on what, from an emotional point of view, makes them feel better (Slovic et al., 2007). In this regard, a very important component of people's behavior is related to the emotional aspect, which will be deepened later.

*Systematic error* or bias represents a form of distortion caused by various forms of prejudice. The most frequent biases are: excessive optimism, overconfidence, confirmation bias and illusion of control.

*Excessive optimism* and *overconfidence* fall within a broader state of mind in which the individual, in the context of a given situation, tends to overestimate his skills and competences (Riaz & Iqbal, 2015). In particular, overconfidence represents the tendency to show unjustified confidence in one's abilities, which often leads to not accepting that idea to be wrong, and to seek information in favor of one's opinions rather than objective information (Trevelyan, 2008; De la Rosa, 2011).

*Confirmation bias* occurs when individuals tend to make decisions by ignoring information that runs counter to their way of thinking (Nickerson, 1998). It is a mental process that consists in taking note of the information received and selecting them in order to pay more attention and give greater credibility to those that confirm previous beliefs and, conversely, ignore or diminish those that contradict decision-maker own beliefs.

*Illusion of control* is a bias that leads to overestimating the ratio of success for a task. As a result, the higher the perception of control, the higher the likelihood of underestimating risks (Durand, 2003).

Excessive optimism, overconfidence, confirmation bias and illusion of control lead decision-makers to misjudge exogenous variables, making decisions that weaken the rational components of evaluations.

The third category of distortions concerns the *framing effect*, such as loss aversion and certain loss aversion. A frame is a mental model (Johnson-Laird,

1983) of the decision that individuals use to solve the problem. It includes details on both the elements of the decision (i.e., information) and the context. The frame that is generated in a given decision-making situation depends on a number of factors: previous patterns and experience, norms and expectations, the desire for simplicity, and habits (Johnson-Laird, 1983; Schoemaker & Russo, 2001).

Framing is typically spontaneous and subconscious, but decision makers can also be deliberative in creating frames. However, in addition to creating their own frames, decision-makers can also be “framed” (i.e., the problem can be presented to them in a specific structure) (Slovic, 1972; Thaler & Johnson, 1990).

*Loss aversion* refers to people's tendency to prefer avoiding losses than acquiring equivalent gains (Abdellaoui, et al., 2007). This means that the attractiveness of a possible gain is not high enough to compensate for the aversion of the possible loss. What distinguishes loss aversion from risk aversion is that the utility of an economic payoff depends on what was previously experienced or was expected to happen (Sauner-Leroy, 2004). The popularity of loss aversion is due to the fact that it can explain many phenomena which remain paradoxes in traditional choice theory (Schmidt & Zank, 2005).

*Certain loss aversion* occurs when a person is led to choose an option with a risk of loss higher than the certain loss incurred if no option is chosen (Miglietta & Battisti, 2012).

### **3. Emotions and their influence on management decisions**

Considering the elements of distortion seen so far, it is possible to understand how decision makers within companies, whether they are entrepreneurs or managers, make their decisions imperfectly, often making cognitive errors that they are not able to regulate. It is not easy to manage emotional factors, but it is even more difficult to find a corresponding mechanism that can allow avoiding distortions and correct them through a systematic approach.

The heuristics, in this sense, represent mental shortcuts or rules of thumb to define a problem and quickly find a solution. Therefore, they differ from a rational process in which all possible alternatives are analyzed by the decision maker. If heuristics, biases and cognitive errors have been analyzed in depth, the role of emotions and in general of emotional factors that characterize the decision-making process of the individual is more ambiguous.

Although a large scientific literature highlights the effect of emotional factors on decision-making processes in economic decisions (Neumann, 2017; Huy, 2005; 2012; Daniels, 1998), there is no universally shared classification of these factors (Miglietta & Battisti, 2012).

Emotions are mental states associated with psychophysiological modifications, the latter depending on internal or external stimuli (Vigoda-Gadot, & Meisler, 2010). Emotions represent a complex response defined as "multidisciplinary reactive syndrome" (Reisenzein, 1983), with physiological, expressive, and postural components. Ekman (1992; 1999) identified six of them: fear, anger, joy, disgust, surprise, and sadness.

In evolutionary terms, the main function of emotions is to make the individual's reaction to situations in which an immediate response for survival is needed more effective, without the use of cognitive processes or other conscious elaborations (Miglietta & Battisti, 2012). Emotions enhance the logic of adaptability to the environment, they take into account environmental variability and responds flexibly and quickly. According to this perspective, they can be assimilated to a heuristic judgment strategy.

The presence of emotions demonstrates that two systems in individuals' choices coexist: the first analytical and rational, the second experiential and affective. A cognitive approach to decision-making processes should extend the investigation to the emotional aspects of the decision making process, by relating emotional factors and managerial decisions.

#### **4. Research directions for decision-making processes in international context**

Future research on decision making processes should be addressed to the analysis of decisions taking into account not only of rational process and factors, but also of behavioral distortions, such as heuristics, biases and framing effects, as well as emotional factors, that can act positively or negatively in the process of formulating choices. Decisions for international strategies of companies are among those choices that require such an approach.

International strategies mainly refer to market development decisions and supply chain-relate decisions, and they move between market and hierarchy choices. A wide literature exists on the strategic decision making process for internationalization (Child and Hsieh, 2014; Aharoni, Tihanyi, & Connelly, 2011; Dimitratos, et al., 2011; Nielsen & Nielsen, 2011; Guercini, 2012; Musso & Francioni, 2009; 2013; Gervais, 2018; Musso, 2012; Francioni et al., 2013) putting in light the influence of a series of factors affecting choices of both entrepreneurs and managers, and trying to identify the relationship with companies performances.

Behavioral traits, like intuition and overconfidence, combine their influence with decision maker's personality characters and mental processes, bringing to choices that change over time and depending on the context. Finding interpretive models that could support managers in behaving

effectively is a challenge that scholars are facing, with much work still to be done and many implications yet to be discovered.

Of course, when interpreting economic phenomena, the assumption of purely rational and coherent behavior is unlikely to be realistic. Adam Smith, who prior to introducing the concept of the "invisible hand" published in 1759 a book entitled "The Theory of Moral Sentiments", stated that to make economy improve, philosophers are required.

To understand the economic behavior, a multidimensional, interdisciplinary approach becomes necessary, the distance between different research communities must be reduced and opportunities from the integration of research methodologies must be pursued. Sociology, political sciences, psychology, neurosciences, biology, anthropology, can contribute in completing the analytical perspectives that are needed for the exploration of human behavior.

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## Section I

### Extended Abstracts



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## **Cognizione e regole di decisione per l'entrata nei mercati esteri**

### **Abstract**

*L'articolo propone una revisione sistematica della letteratura sul tema del decision making per l'entrata nei mercati esteri. Il processo decisionale in tale ambito risulta particolarmente sfidante per le imprese, data la scarsa familiarità con un ambiente internazionale caratterizzato da crescente complessità, e dunque l'elevato livello di incertezza. L'articolo adotta un approccio sistematico alla revisione della letteratura per indagare lo stato della ricerca sul tema, nonché i principali filoni teorici di riferimento e ed i processi decisionali per l'entrata nei mercati esteri. Vengono presi in esame 64 articoli pubblicati in riviste di international business ed international marketing. L'articolo propone una analisi descrittiva degli articoli ed evidenzia le prospettive teoriche di riferimento, le declinazioni del concetto di incertezza e le modalità di entrata come contesti decisionali per comprendere il rapporto tra formulazione del giudizio e gestione dell'incertezza nel decision making internazionale. Infine, l'articolo evidenzia le direzioni future della ricerca.*

**Keywords:** cognizione, decision making, entrata, internazionalizzazione.

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## 1. Introduzione

L'entrata nei mercati esteri è un tema fondamentale per il marketing strategico internazionale. Gli attori si trovano ad assumere decisioni importanti in tale ambito che possono riguardare la scelta dei mercati nei quali entrare (quali mercati), la concentrazione o diversificazione geografica (quanti mercati), la modalità di entrata definita anche in termini di strategia competitiva per i mercati esteri (come competere) (Kogut, 2002). Le decisioni degli attori aziendali di fronte all'entrata nei mercati esteri possono assumere particolare importanza per i processi di internazionalizzazione. Il processo decisionale può essere sfidante a causa dell'incertezza con la quale gli attori aziendali si confrontano, in quanto l'ambiente internazionale può risultare più vasto e meno familiare di quello nazionale. La presenza di elevata importanza ed elevata complessità sottolineano un ambito decisionale particolarmente complesso (Cavusgil & Godiwalla, 1983).

Il processo decisionale (decision making), anche in questo caso, comprende almeno due step fondamentali: la formazione dei giudizi e la definizione delle scelte. La relazione tra i due step mette in evidenza il rapporto tra la cognizione e la decisione da parte degli attori (March, 1994). Questo è vero anche per gli attori aziendali nel caso delle decisioni di entrata nei mercati esteri.

La dimensione aziendale può essere un elemento rilevante in quanto impatta le risorse disponibili per la formazione dei giudizi e delle scelte. Le risorse disponibili comprendono non solo dati e capacità di elaborazione, ma anche esperienze accumulate dai singoli decisori (Furlan & Grandinetti, 2011). La presenza effettiva sul mercato estero riguarda poi solo una parte relativamente minoritaria degli attori, anche nelle economie più aperte all'internazionalizzazione (per esempio, in Italia a fronte di 5 milioni di imprese, gli esportatori sono circa 230mila – fonte ICE, 2018).

La decisione da parte degli attori individuali in condizioni di maggiore incertezza può fare riferimento alla adozione di regole decisionali piuttosto semplici (Guercini, 2019). Questo è vero in particolare per le decisioni di entrata nel marketing strategico internazionale, dove a fronte di un contesto complesso, per esempio, per la scelta di quali mercati approcciare, nella analisi dei mercati esteri si sottolinea come la selezione dei mercati con maggiore potenziale possa avvenire attraverso regole di decisione quali: l'imitazione dei concorrenti; le esperienze precedenti dell'organizzazione e dei decisori; la definizione di soglie su fattori chiave (cut-off).

Il presente articolo intende dunque esplorare lo stato della letteratura circa la diffusione e l'efficacia di regole decisionali in relazione all'entrata nei mercati esteri, al fine di fare il punto sul rapporto tra cognizione e decisione di entrata. In particolare, l'articolo propone una revisione sistematica della letteratura sul tema, a partire dalle principali riviste internazionali di



international business (IB) e international marketing (IM). Nelle prossime sezioni si presentano le domande di ricerca, la metodologia ed i principali risultati della revisione sistematica della letteratura; l'articolo si conclude con una discussione dei risultati e delle direzioni future della ricerca.

## 2. Metodologia

Sul piano metodologico, l'articolo propone una revisione sistematica della letteratura al fine di indagare lo stato attuale della ricerca sul *decision making* in relazione alle modalità di entrata nei mercati esteri. Una revisione della letteratura secondo un approccio sistematico deve avere le caratteristiche di oggettività, trasparenza e replicabilità (Tranfield et al., 2003). A tale scopo, la revisione è iniziata con una fase di “pianificazione” volta a stabilire una procedura per lo sviluppo di un processo di ricerca trasparente, replicabile e sistematico. In questa fase sono state definite le seguenti domande di ricerca:

RQ1. *Qual è lo stato attuale della ricerca sul decision making per l'entrata nei mercati esteri?*

RQ2. *Quali sono i principali filoni teorici di riferimento e ed i processi decisionali per l'entrata nei mercati esteri?*

La revisione sistematica della letteratura è poi proseguita con la fase di “ricerca”, in cui il database Scopus è stato adottato come fonte di dati. L'identificazione iniziale degli articoli è stata condotta utilizzando una ricerca per parole chiave, coerenti con il sopracitato obiettivo del presente studio. Sono state pertanto utilizzate le seguenti parole chiave: “*market entry*”, “*entry mode*”, “*entry strategy*”. A queste parole chiave sono state abbinate, attraverso il connettore booleano AND, altre parole chiave – “*decision making*”, “*uncertainty*” e “*cognition*” – per un totale di 9 stringhe di ricerca, limitatamente al titolo dell'articolo, parole chiave e *abstract*. La ricerca non è stata delimitata a nessun periodo temporale specifico al fine di ottenere una visione ampia sul tema e sul suo sviluppo in senso cronologico.

La ricerca per parole chiave si è concentrata sulle principali riviste accademiche internazionali trattanti temi di IB e IM, escludendo dunque manuali, saggi e atti di convegno. Per la selezione delle riviste, sono stati considerati gli studi condotti da Dubois e Reeb (2000), Griffith et al. (2008) e Xu et al. (2008), che hanno identificato sei principali riviste: *Journal of International Business Studies* (JIBS), *Management International Review* (MIR), *Journal of World Business* (JWB), *International Marketing Review* (IMR), *Journal of International Marketing* (JIMktg) e *International Business Review* (IBR). Sulla base di Tüselmann et al. (2016), sono state incluse anche

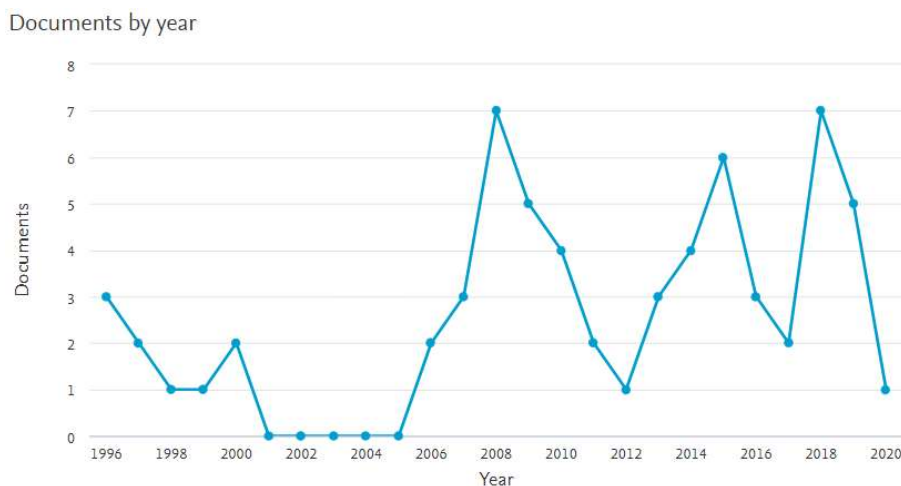
*Journal of International Management (JIM)* e *Global Strategy Journal (GSJ)*. La ricerca per parole chiave nelle 8 riviste selezionate ha portato ad un totale di 69 articoli. Ciascun articolo è stato letto indipendentemente dagli autori al fine di verificare che il tema trattato riguardasse effettivamente le decisioni per l'entrata nei mercati esteri, e dunque l'effettiva aderenza agli obiettivi di ricerca. Gli articoli che infine sono stati inclusi nella revisione sistematica della letteratura sono 64.

La revisione sistematica della letteratura prevede poi una fase di “*reporting*” che include l'analisi descrittiva e tematica degli articoli selezionati. L'analisi dei dati viene approfondita nel prossimo paragrafo.

### 3. Analisi degli articoli selezionati

I 64 articoli risultanti dalla revisione sistematica della letteratura (si rimanda all'Appendice per i riferimenti bibliografici dei 64 articoli selezionati) sono stati pubblicati nel periodo 1996-2020 (del 2020 è stato considerato solo il mese di gennaio). L'andamento temporale delle pubblicazioni è rappresentato nella Figura 1.

Figura 1. Articoli per anno



Si evidenziano dei picchi negli anni più recenti, in particolare nel 2008, 2015 e 2018. Ciò può essere riconducibile ad un rinnovato interesse per le tematiche di decision making in seguito al cambiamento dello scenario internazionale, con l'apertura di nuovi mercati e l'emergere di nuove modalità di approccio ai mercati esteri. Nella Tabella 1 si mostra la distribuzione degli

articoli nelle 8 riviste selezionate. Il 64% degli articoli sono pubblicati in due riviste: *Journal of International Business Studies* e *International Business Review*.

*Tabella 1. Articoli per rivista*

<b>Riviste</b>	<b>Articoli</b>
Journal of International Business Studies	23
International Business Review	18
International Marketing Review	8
Journal of World Business	5
Management International Review	5
Journal of International Management	4
Global Strategy Journal	1
Journal of International Marketing	0
<b>Totale</b>	<b>64</b>

Per quanto riguarda invece la tipologia di articoli, soltanto uno (Chi et al., 2019) è una *review* avente ad oggetto la *real options theory* in IB, mentre i restanti sono articoli empirici. Infine, un'analisi del numero di citazioni ricevute dagli articoli selezionati consente di identificare alcuni degli articoli più "influenti". Le citazioni totali dei 64 articoli sono 4114. L'articolo che ha ricevuto fino ad ora più citazioni è quello di Johanson e Vahlne, con 1663 citazioni, pubblicato nel 2009 su *Journal of International Business Studies*, in cui gli autori rivedono il loro celebre *Uppsala model of internationalization* pubblicato nella stessa rivista nel 1977. Altri 8 articoli superano le 100 citazioni. La Tabella 2 riporta dunque i 9 articoli che superano ciascuno le 100 citazioni: il 14% degli articoli raccoglie il 68% delle citazioni totali. Sono altri 10 gli articoli che superano le 50 citazioni. È dunque possibile affermare che l'interesse scientifico per il tema oggetto di studio appare evidente.

*Tabella 2. Articoli con più di 100 citazioni*

<b>Autori</b>	<b>Titolo</b>	<b>Anno</b>	<b>Rivista</b>	<b>Citazioni</b>
Johanson, J., Vahlne, J.-E.	The Uppsala internationalization process model revisited: From liability of foreignness to liability of outsidership	2009	JIBS	1663
Acedo, F.J., Jones, M.V.	Speed of internationalization and entrepreneurial cognition: Insights and a comparison between international new ventures, exporters and domestic firms	2007	JWB	185
Slangen, A.H.L., van Tulder, R.J.M.	Cultural distance, political risk, or governance quality? Towards a more accurate conceptualization and measurement of external uncertainty in foreign entry mode research	2009	IBR	168
Chandra, Y., Styles, C., Wilkinson, I.	The recognition of first time international entrepreneurial opportunities: Evidence from firms in knowledge-based industries	2009	IMR	158
Petersen, B., Pedersen, T., Lyles, M.A.	Closing knowledge gaps in foreign markets	2008	JIBS	146
Chi, T., McGuire, D.J.	Collaborative ventures and value of learning: Integrating the transaction cost and strategic option perspectives on the choice of market entry modes	1996	JIBS	140
Nielsen, B.B., Nielsen, S.	The role of top management team international orientation in international strategic decision making: The choice of foreign entry mode	2011	JWB	139
Evans, J., Treadgold, A., Mavondo, F.T.	Psychic distance and the performance of international retailers: A suggested theoretical framework	2000	IMR	113
Kumar, V., Subramaniam, V.	A contingency framework for the mode of entry decision	1997	JWB	101
<b>Totale</b>				<b>2813</b>

#### 4. Discussione e direzioni future di ricerca

A partire dall'analisi descrittiva in merito a riviste e articoli più influenti, la *review* sistematica ha avuto come obiettivo quello di identificare una serie di ambiti attraverso i quali declinare il rapporto tra formulazione del giudizio e decisioni inerenti la scelta in termini di market entry. Di seguito si dà conto sinteticamente di tali ambiti, evidenziando alcuni elementi peculiari degli articoli selezionati e, al contempo, identificando le principali direzioni per lo sviluppo futuro della ricerca.

Il primo ambito emergente dalla revisione sistematica della letteratura riguarda lo studio delle prospettive teoriche che sono alla base dei 64 articoli selezionati. Infatti, le decisioni in merito alle modalità di entrata vengono ricondotte a più prospettive e background teorici di riferimento. Come è noto, ad esempio, nella loro riformulazione del modello di Uppsala, Johansson e Vahlne (2009) affermano esplicitamente la rilevanza della visione network come ambito teorico chiave per una maggiore comprensione delle modalità di presenza all'estero delle imprese, concettualizzazione teorica che, peraltro, è alla base della proposta del concetto di *liability of outsidership*. Vi sono articoli che confermano la rilevanza di tale prospettiva network (Ojala, 2015), ampliando lo spettro decisionale delle modalità di entrata, ad esempio, affrontando anche la tematica del reingresso in un mercato (Vissak et al., 2020). La visione network è però solo uno dei framework teorici adottati. L'articolo di Acedo e Jones (2007), altro articolo tra i più citati nel campione, ha come ambito teorico di partenza la cognizione, secondo una concettualizzazione di taglio psicologico oltre che manageriale, considerata centrale per comprendere la velocità nei processi di ingresso in un mercato estero. Li e Parboteeah (2015), invece ricorrono alla *institutional theory* per comprendere l'impatto dei comportamenti imitativi da parte delle imprese nelle decisioni di entrata, enfatizzando specificatamente il ruolo della variabile culturale nel favorire o meno tali comportamenti. Gli assunti teorici sono quindi vari nei contributi considerati, arrivando anche a comprendere la *real options theory* (Li & Rugman, 2007; Chi et al. 2019) Ciò considerato, le direzioni della futura ricerca, sono indirizzate ad indagare quali teorie di riferimento emergono come le più utilizzate per analizzare la complessità del *decision making* e quali costrutti teorici assumono di conseguenza centralità negli studi in merito all'entrata nei mercati esteri. La revisione sistematica avrà quindi come sviluppo futuro di ricerca quello di verificare la diffusione delle principali prospettive teoriche tra gli articoli e le relazioni tra i costrutti individuati

Un secondo ambito riguarda come il concetto di incertezza è approcciato dagli articoli selezionati e come esso si relaziona alle decisioni di entrata. Il tema della distanza percepita tra il mercato di origine ed il mercato di destinazione assume centralità in molti studi, dato che viene considerato uno

degli elementi in grado di generare *liabilities* nel processo di sviluppo estero delle imprese ed incidere sui processi di internazionalizzazione. La concettualizzazione della distanza tra mercati è declinata secondo diverse accezioni, ad esempio come distanza geografica piuttosto che distanza linguistica. Vi sono articoli che affrontano specificatamente la *psychic distance* (Treatgold & Mavondo, 2010; Baack et al. 2015; Ojala et al. 2015) come aspetto peculiare su cui declinare l'incertezza e le difficoltà nelle decisioni di ingresso in un mercato estero. Non mancano però contributi che enfatizzano il ruolo di altre dimensioni connesse alla percezione di incertezza, come il concetto di *country familiarity* proposto da Clark et al. (2018), piuttosto che l'incertezza ambientale approfondita da Tseng e Lee (2010) o ancora l'incertezza nelle sue dimensioni endogene ed esogene (Sears, 2019). Si tratta di temi tra di loro evidentemente collegati, che però declinano in maniera differente il concetto di incertezza cui l'impresa deve fare fronte nelle decisioni di entrata. Futura ricerca sarà quindi tesa ad indagare, come l'incertezza viene ad essere definita nei diversi contributi da noi selezionati, come essa influenza le decisioni di entrata nei mercati esteri e quali sono i meccanismi posti in essere da parte delle imprese per affrontarla.

Un terzo ambito di analisi della revisione sistematica della letteratura riguarda le modalità di entrata che sono oggetto di investigazione negli articoli e che sono considerate contesti decisionali per comprendere il rapporto tra formulazione del giudizio e gestione dell'incertezza nel *decision making* internazionale. Infatti, negli articoli selezionati, il *decision making* viene declinato con riferimento alle tradizionali modalità attraverso le quali le imprese si inseriscono in un mercato estero, seppur con differenti enfasi tra le diverse forme. Vi sono articoli che concentrano l'attenzione sull'export (Morgan & Katsikeas, 1997; Freixanet et al. 2018), mentre una parte rilevante si concentra su forme che possono essere percepite come più rischiose, come l'investimento diretto all'estero (Boeh & Beamish, 2012; Dermibag et al. 2010; Li & Rugman, 2007; Ma & Delios, 2007) o le *joint venture* internazionali (Sartor & Beamish 2018; López-Duarte & Vidal-Suárez, 2010; McNaughton, 1996). Futura ricerca sarà tesa ad analizzare se e come, nell'ambito degli articoli selezionati, il *decision making* assuma caratteri specifici per specifiche forme di entrata, e quanto invece esso sia riferibile ad una concettualizzazione complessiva del fenomeno dell'entrata, in termini di formulazioni del giudizio e rapporto con l'incertezza nel processo decisionale, indipendentemente dalle forme assunte dall'entrata. Un ulteriore spunto di analisi riguarda in questo ambito la considerazione delle caratteristiche dimensionali delle imprese, dato che una analisi preliminare delle parole chiave degli articoli, sembra fare più esplicito riferimento al caso delle multinazionali, piuttosto che a quello delle piccole-medie imprese.

In conclusione, questo contributo rappresenta un tentativo di fornire un quadro conoscitivo sullo stato dell'arte della letteratura di *decision making* in

merito all'entrata nei mercati esteri. La nostra ricerca, ancorché preliminare, mostra un crescente interesse per il tema e la necessità di fornire un quadro d'insieme di quanto fino ad ora proposto nei diversi contributi pubblicati nei *top journals* di IB e IM. Questo contributo ha cercato di fornire una prima risposta a tali esigenze di sistematizzazione.

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## Appendice

Riferimenti bibliografici dei 64 articoli emersi dalla revisione sistematica della letteratura:

<b>Autori</b>	<b>Titolo</b>	<b>Anno</b>	<b>Rivista</b>
Vissak T., Francioni B., Freeman S.	Foreign market entries, exits and re-entries: The role of knowledge, network relationships and decision-making logic	2020	International Business Review
Elia S., Larsen M.M., Piscitello L.	Entry mode deviation: A behavioral approach to internalization theory	2019	Journal of International Business Studies
Chi T., Li J., Trigeorgis L.G., Tsekrekos A.E.	Real options theory in international business	2019	Journal of International Business Studies
Richardson C., Ariffin S.K.	A Leap of Faith? Managerial Religiosity And Market Entry Decisions	2019	Management International Review
Xu K., Hitt M.A., Miller S.R.	The ownership structure contingency in the sequential international entry mode decision process: Family owners and institutional investors in family-dominant versus family-influenced firms	2019	Journal of International Business Studies
Sears J.B.	A real options model of market entry: Endogenous uncertainty and exogenous uncertainty	2019	Journal of International Management
Luo Y., Bu J.	When are emerging market multinationals more risk taking?	2018	Global Strategy Journal
Freixanet J., Renart G., Rialp-Criado A.	The Impact of Managers' Global Orientation on SME Export and Economic Performance	2018	Management International Review
Jiang F., Ananthram S., Li J.	Global Mindset and Entry Mode Decisions: Moderating Roles of Managers' Decision-Making Style and Managerial Experience	2018	Management International Review
Kriz A., Welch C.	Innovation and internationalisation processes of firms with new-To-The-world technologies	2018	Journal of International Business Studies
Clark D.R., Li D., Shepherd D.A.	Country familiarity in the initial stage of foreign market selection	2018	Journal of International Business Studies
Sartor M.A., Beamish P.W.	Host market government corruption and the equity-based foreign entry strategies of multinational enterprises	2018	Journal of International Business Studies
Magnier-Watanabe R., Lemaire J.-P.	Inbound foreign direct investment in Japan: A typology	2018	International Business Review
Håkanson L., Kappen P.	The 'Casino Model' of internationalization: An alternative Uppsala paradigm	2017	Journal of International Business Studies



Lai J.-H., Lin W.-C., Chen L.-Y.	The influence of CEO overconfidence on ownership choice in foreign market entry decisions	2017	International Business Review
Müllner J.	From uncertainty to risk—A risk management framework for market entry	2016	Journal of World Business
Ji J., Dimitratos P., Huang Q.	Problem-solving dissension and international entry mode performance	2016	International Marketing Review
Wooster R.B., Blanco L., Sawyer W.C.	Equity commitment under uncertainty: A hierarchical model of real option entry mode choices	2016	International Business Review
Baack D.W., Dow D., Parente R., Bacon D.R.	Confirmation bias in individual-level perceptions of psychic distance: An experimental investigation	2015	Journal of International Business Studies
Meyer C.R., Skaggs B.C., Nair S., Cohen D.G.	Customer Interaction Uncertainty, Knowledge, and Service Firm Internationalization	2015	Journal of International Management
Maitland E., Sammartino A.	Managerial cognition and internationalization	2015	Journal of International Business Studies
Ojala A.	Geographic, cultural, and psychic distance to foreign markets in the context of small and new ventures	2015	International Business Review
Li C., Parboteeah K.P.	The effect of culture on the responsiveness of firms to mimetic forces: Imitative foreign joint venture entries into China, 1985-2003	2015	Journal of World Business
Williams D.W., Grégoire D.A.	Seeking commonalities or avoiding differences? Re-conceptualizing distance and its effects on internationalization decisions	2015	Journal of International Business Studies
Pla-Barber J., Villar C., León-Darder F.	Augmenting versus exploiting entry modes in soft services: Reconsidering the role of experiential knowledge	2014	International Marketing Review
Monaghan S., Gunnigle P., Lavelle J.	Courting the multinational: Subnational institutional capacity and foreign market insidership	2014	Journal of International Business Studies
Sartor M.A., Beamish P.W.	Offshoring innovation to emerging markets: Organizational control and informal institutional distance	2014	Journal of International Business Studies
De Beule F., Elia S., Piscitello L.	Entry and access to competencies abroad: Emerging market firms versus advanced market firms	2014	Journal of International Management
Ji J., Dimitratos P.	An empirical investigation into international entry mode decision-making effectiveness	2013	International Business Review
Alcácer J., Dezs C.L., Zhao M.	Firm rivalry, knowledge accumulation, and MNE location choices	2013	Journal of International Business Studies
Chung H.F.L., Tung R.L.	Immigrant social networks and foreign entry: Australia and New Zealand firms in the European Union and Greater China	2013	International Business Review

Boeh K.K., Beamish P.W.	Travel time and the liability of distance in foreign direct investment: Location choice and entry mode	2012	Journal of International Business Studies
Malhotra S., Sivakumar K.	Simultaneous determination of optimal cultural distance and market potential in international market entry	2011	International Marketing Review
Nielsen B.B., Nielsen S.	The role of top management team international orientation in international strategic decision-making: The choice of foreign entry mode	2011	Journal of World Business
Li J., Li Y.	Flexibility versus commitment: MNEs ownership strategy in China	2010	Journal of International Business Studies
López-Duarte C., Vidal-Suárez M.M.	External uncertainty and entry mode choice: Cultural distance, political risk and language diversity	2010	International Business Review
Demirbag M., McGuinness M., Altay H.	Perceptions of institutional environment and entry mode	2010	Management International Review
Tseng C.-H., Lee R.P.	Host environmental uncertainty and equity-based entry mode dilemma: The role of market linking capability	2010	International Business Review
Johanson J., Vahlne J.-E.	The Uppsala internationalization process model revisited: From liability of foreignness to liability of outsidership	2009	Journal of International Business Studies
Liang X., Musteen M., Datta D.K.	Strategic orientation and the choice of foreign market entry mode: An empirical examination	2009	Management International Review
Slangen A.H.L., van Tulder R.J.M.	Cultural distance, political risk, or governance quality? Towards a more accurate conceptualization and measurement of external uncertainty in foreign entry mode research	2009	International Business Review
Jiang M.S., Aulakh P.S., Pan Y.	Licensing duration in foreign markets: A real options perspective	2009	Journal of International Business Studies
Chandra Y., Styles C., Wilkinson I.	The recognition of first time international entrepreneurial opportunities: Evidence from firms in knowledge-based industries	2009	International Marketing Review
Christensen M., Knudsen T.	Entry and exit decisions in flexible teams	2008	Journal of International Business Studies
Petersen B., Pedersen T., Lyles M.A.	Closing knowledge gaps in foreign markets	2008	Journal of International Business Studies
Fisch J.H.	Internalization and internationalization under competing real options	2008	Journal of International Management
Perks K.J., Hughes M.	Entrepreneurial decision-making in internationalization: Propositions from mid-size firms	2008	International Business Review

Forlani D., Parthasarathy M., Keaveney S.M.	Managerial risk perceptions of international entry-mode strategies: The interaction effect of control and capability	2008	International Marketing Review
Fisch J.H.	Investment in new foreign subsidiaries under receding perception of uncertainty	2008	Journal of International Business Studies
Paul D.L., Wooster R.B.	Strategic investments by US firms in transition economies	2008	Journal of International Business Studies
Li J., Rugman A.M.	Real options and the theory of foreign direct investment	2007	International Business Review
Acedo F.J., Jones M.V.	Speed of internationalization and entrepreneurial cognition: Insights and a comparison between international new ventures, exporters and domestic firms	2007	Journal of World Business
Ma X., Delios A.	A new tale of two cities: Japanese FDIs in Shanghai and Beijing, 1979-2003	2007	International Business Review
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## **SMEs' decision making and entrepreneurial orientation. A focus on the Polish international new ventures**

### **Abstract**

*The study aims to analyze the relationship of the decision-making style of SME-exporters with their entrepreneurial orientation, and to characterize their decision-making mechanisms. A mixed mode CAWI/CATI method was applied on 300 Polish firms from the manufacturing sector in Spring of 2018. To assess their decision making we applied the scale adapted from Chandler et al. (2011), and to evaluate their entrepreneurial orientation, the scale adapted from Fiore et al. (2013) was used. We found that formal planning dominated the studied INVs' decision making. Moreover, there was a relatively strong correlation between the rational, predictive decision making and entrepreneurial orientation elements.*

**Keywords:** Decision making; Entrepreneurial orientation; Centralization; International new ventures

### **1. Research Objectives**

Doubts about an advantageous use of the effectuation logic in INVs and a criticism towards too simplified definitions of both effectuation and causation have been expressed by some authors (Kraaijenbrink, 2012, pp. 195–196). The assumption that the effectuation is suitable in particular for operating in new markets is doubtful and applying that mechanism to product innovation may not be appropriate at all (Arend et al. 2015, pp. 640–642). Therefore we decided to put forward the following question for this study:

**Question one:** *What is the nature of decision-making mechanisms in SME-exporters?*

On the other hand, it has been investigated whether planning and

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prediction efforts help young entrepreneurial firms prepare for challenges of internationalization. Perks and Hughes (2008) based on several case studies of medium-sized exporters confirmed that the risk tolerance and perception of opportunities related to a given business case are important moderating factors on the decisions of medium-sized firms to internationalize. Furthermore, Francioni, Musso and Cioppi's (2015) study shows that the decision-maker's attitude towards risk can be managed through a more systematic approach to the international market and entry mode selection process, which reduces the perceived level of risk. Thus, as a second research question is chosen for our study:

**Question two:** *Is there any relationship of rational decision-making with the entrepreneurial orientation of international new ventures?*

## **2. Research Method**

The data for the study were collected between January and May 2018 with use of a multi-mode method incorporating the CATI (computer-assisted telephone interviews) and CAWI (computer-assisted web interviews) techniques. The firms were drawn from the population of 8750 existing and active Polish manufacturing firms with 10-249 employees. They were manufacturing companies founded after 1997, not being a result of a merger or takeover, never being a subsidiary of a foreign company, and having at least 25% export share in total sales. The final sample comprised 304 SME, four of which were excluded from the analysis due to inconsistent answers. Most of them (93%) were owned exclusively by the Polish capital.

About 25% of the companies under study started exporting within the first year from inception, 48% went abroad between the first and third years after establishment and 26% needed more than three years for that. Using the classification of Knight et al. (2004), 44% of companies in the sample fulfilled the born global criteria. The Madsen (2013) classification allowed us to identify 82 Export-Import Start-ups (27% of the sample), 4 Geographically Focused Start-ups (1%), 108 Multinational Traders (36%), and 25 Global Start-ups (8%) among the studied firms.

We have used seven statements introduced to assess the firm's causal decision-making, adapted from Chandler et al. (2011) and in addition one statement to describe the decision making centralization. To assess the entrepreneurial orientation of the sample firms, we have used constructs of proactive orientation, opportunity focus, and risk management, adapted from Fiore et. al (2013) study of entrepreneurial marketing of US-based SMEs.

## **3. Major Results**

The descriptive statistics analysis shows that studied companies engage in both causal and effectual decision making. They tend to analyze long-term

opportunities in order to maximize their profits. They also claim to conduct a decent market and competitive analysis before making decisions. Finally, they carefully design and plan their production and control efforts, which indicates a strong causal logic. However, they are relatively weak at applying formal business strategies allowing them to make the best use of their resources and capabilities.

The effectual logic is used by Polish exporting SMEs to minimize their business risk. They invest in relationships with their network partners to make their business more secure and their decisions are in-line with acceptable loss principle. Moreover, most of the companies under study declared that all their important decisions are made rather by the company president.

The T-test for independent samples revealed some differences concerning the decision-making among types of INVs classified according to the Madsen (2013) criteria. The Multinational Traders differ in their decision-making approach from Export-Import Start-ups as they significantly more often claim to research and carefully select target markets (Games-Howell post-hoc test,  $p=0.039$ ). These INVs also significantly more frequently claim to use the agreements with their network partners to reduce their business risk (Games-Howell post-hoc test,  $p=0.040$ ). Moreover, the Global Start-ups also significantly more often claim to use their network to reduce the risk than do the Export-Import Start-ups (Games-Howell post-hoc test,  $p=0.005$ ).

As the next stage of the analysis, we intended to elaborate a SEM model of the relationships between decision making and entrepreneurial orientation of the studied firms. As a result of the exploratory factor analysis, the DM construct was divided into two components, of which only one (“Planning and control of risks”) had the reliability and validity level allowing to include it in structural modelling. The DM construct describes a style of reasonable, predictive decision making based on formal planning and predicting changes in the environment with the use of competitive analysis.

Next, SEM analysis with the use of IBM SPSS AMOS software was used to check the relationships between decision-making and entrepreneurial orientation of SME-exporters. The detailed description of the model properties and relationships between the DM and EO are presented in tables 1 and 2.

Table 1. Regression weights, composite reliability and validity assessment

			Estimate	S.E.	C.R.	P	Standardized Estimate	CR	AVE
q24s7	<---	P	.388	.050	7.793	***	.468	.760	.527
q24s1	<---	P	.594	.045	13.082	***	.788		
q64s1	<---	P	.741	.052	14.211	***	.861		
q64s3	<---	OP	.398	.044	8.980	***	.603	.557	.386
q24s5	<---	OP	.367	.039	9.374	***	.639		
q24s9	<---	RM	.501	.060	8.339	***	.631	.600	.429
q64s8	<---	RM	.546	.063	8.680	***	.678		
q25s5	<---	DM1	.545	.042	13.005	***	.832	.704	.458
q25s4	<---	DM1	.492	.044	11.255	***	.705		

			Estimate	S.E.	C.R.	P	Standardized Estimate	CR	AVE
q25s2	<---	DM1	.329	.048	6.862	***	.429		

Note:  $\max|rij|=0.628$ ;  $MSV=0.394$ ;  $ASV=0.177$ ; CR – composite reliability; AVE – average variance extracted,  $rij$  – inter-construct correlation; MSV – maximum shared variance; ASV – average shared variance.

As Table 1 shows, all factor loadings between constructs and their indicators are significant. The standardized loading values are above 0.5, apart from two indicators with loading between 0.4 and 0.5. The reliability was assessed with a criterion of  $CR>0.6$ . The standard criterion is  $CR>0.7$ , but due to the study's exploratory character, we used a less restrictive level.

Among the EO constructs, proactiveness (P) is reliable ( $CR=0.76$ ) and valid (convergent validity, discriminant validity, and eventually construct validity criteria are met). For the risk-management (RM) construct, the criterion of  $CR>0.6$  was accepted to show the reliability. This construct's AVE was below 0.5, but, based on the Fornell-Larcker criterion if the CR is acceptable, then convergent validity for RM is found. Finally, for opportunity Focus (OP) – CR was slightly below 0.6 but we decided to maintain it, as the factor loadings exceed 0.6. In relation to this construct, the convergent and discriminant validity criteria are only partially met.

Table 2. Correlations between the studied constructs

			Estimate	S.E.	C.R.	P
P	<-->	OP	.408	.073	5.567	***
P	<-->	RM	.000			
P	<-->	DM	.211	.068	3.119	.002
OP	<-->	RM	.628	.083	7.534	***
OP	<-->	DM	.568	.075	7.583	***
RM	<-->	DM	.365	.078	4.700	***

Note:  $n=300$ . Model with covariances (P, RM)=0 was assessed. P-proactive orientation, OP-opportunity focus, DM-decision making ("planning and control"), RM – risk management.

To test whether the relationship between the RM and EO dimensions have different strength we restricted the correlations to be equal in our model. Based on the Chi-square difference test we conclude that:

- the correlations between DM and proactive orientation and correlation between DM and risk management do not differ significantly.
- the correlation between DM and opportunity focus is significantly stronger than the other two correlations.

#### 4. Conclusions and Implications



The decision-making mechanisms of the SME-exporters are rooted simultaneously in both casual and effectual logic. On one hand, the companies under study carefully analyze their business environment, conscientiously select their target markets and plan their production and control efforts, which is typical for causative, rational decision making. On the other hand – their decisions are constrained by the affordable loss and the risk uncertainty reduction mechanisms typical for the effectual logic. These observations stay in line with the recent studies showing that effectual and causative logic not only are not opposites as suggested previously (for example by Brettel et al., 2012) but when used together they can lead to synergistic effects (Smolka et al., 2018).

The Polish SME - exporters' decision making is characterized by a strong centralization, which may be related to their small size, rather hierarchical organizational culture and missing competencies of the management. Our observation stays in line with the study of Franco et al. (2014) and Gáti and Bauer (2019), who argue that because of missing established management structures in SMEs, the company leaders such as owners or managers usually are involved in all aspects of the business and play a very important role in the decision making.

The comparison of decision making of companies classified according to the Madsen (2013) criteria showed that those firms which are more advanced as for the internationalization degree, tend to rely on their partners more often than other exporters, to reduce risk connected with their activities. Moreover, we may suspect, that the level of internationalization may be influenced by the decision-making style. The Export-Import Start-ups are present at fewer markets than the multinational traders, which may result from attaching less importance to foreign market research. If they do not study foreign markets carefully, they may be unable to enter them. Their presence on currently served markets may be a result of geographical proximity or a rather passive approach to internationalization. The less frequent use of networks by the Export-Import Start-ups also indicates their more “passive” business approach.

In an answer to the second research question, we can confirm that there exists a relationship between rational, planned decision-making of SME-exporters (including international new ventures) and their entrepreneurial orientation. These two constructs vary in the same direction, that is, the more planning is applied, the more focus on opportunities, proactive approach to market and the fewer risks accepted in the studied firms' management and marketing activity. The relationship of rational decision-making, exemplified by planning and control, with opportunity focus is stronger than with the other subconstructs of EO. This result also supports the co-existence of the causative and effectual approach to management in the exporting SMEs (Guo et al., 2016; Ortega et al., 2017). The correlation of rational decision making with opportunities exploitation may also be explained by a situation where careful environment analysis enables firms to spot opportunities more easily by comparing them to an earlier established benchmark concerning the competition and own capabilities.

The presented analysis, however, does not allow to specify the direction of the EO-DM relationship, as these two concepts seem to influence each other. Therefore, in future studies on international entrepreneurship, combining these concepts in one common construct may enable achieving interesting results.

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## **Global strategies and entrepreneurial firms: the role of the entrepreneur's features in the decision-making process**

### **Abstract**

*The paper presents a conceptual framework useful for supporting entrepreneurial decisions for globalization, drawing on an integrated analysis of the external environment and internal components, with a specific focus on the entrepreneur's characteristics. It is suggested to adopt a logical process aimed at identifying which strategic levers are available for global players to implement their global strategies, offering a contribution on the theoretical level. Regarding managerial implications, it can help global entrepreneurial firms or future global entrepreneurial firms to face problems related to the global dimension and make decisions to define the strategic levers for globalization.*

**Keywords:** Internationalization; Global Strategies; Entrepreneurial Decision-making; Entrepreneur's Profile; Successful Intelligence; Emotions.

### **1. Introduction**

In the current environment, internationalization represents the main path for companies' growth and development but it remains an open question whether international business development proceeds from globalization or a more circumscribed phenomenon like regionalization (Dunning, Fujita & Yakova, 2007; Ghemawat, 2007). According to Levitt (1983), companies oriented towards globalization develop according to a multinational model, establish strategies to serve a unique global market, and design a unique high quality/low-cost product addressed to an undifferentiated market or, at least, to global segments (Bartlett & Ghoshal, 1989; Doz, Santos, & Williamson, 2001; Ter Hofstede, Steenkamp, & Wede, 1999; Douglas & Craig, 1995). A significant chunk of the business literature analyses internationalization and globalization following similar

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frameworks, based on the indubitable connection between these phenomena.

Nevertheless, a neglected area of research is the complexity of global strategies and the related decision-making process undertaken by companies willing to pursue a global strategy and manage interdependencies between markets in the global context. Moreover, the available decision-making frameworks are few and often partial, while a specific decision-making framework useful for entrepreneurial firms seeking to pursue global strategies seems to be lacking.

In the international entrepreneurship domain, contributions focused on decision-making models for international entrepreneurs are limited (Jones & Coviello, 2005; Verbeke & Ciravegna, 2018). There is also a limited proposal of decision-making models designed to employ entrepreneurs' individual characteristics as a factor influencing the decision-making process and the choices related to strategic and managerial decisions in the global environment (Musso & Francioni, 2012).

In general terms, scholars in the entrepreneurial field apply the general concepts and principles of the decision-making literature to entrepreneurs' decision-making (Shepherd & Rudd, 2014; De Winnaar & Scholtz, 2019). However, considering that entrepreneurs want to have control of their destinies when dealing with uncertainty (Alvarez & Barney, 2004), decisions are affected not only by the features of the decision-making process (e.g. rational vs intuitive) but also by the entrepreneurs' individual characteristics (Cardon, Foo, Shepherd, & Wiklund, 2012). These characteristics are crucial for the creation, survival, success, and longevity of entrepreneurial firms (Shane & Venkataraman, 2000; Pellegrini & Ciappei, 2015). Academic contributions focused on antecedents of entrepreneurial orientation (Koellinger, 2008; Shane & Venkataraman, 2000) have studied 'personal' dimensions, e.g. pro-activeness, risk-taking, and innovativeness (Wiklund & Shepherd, 2005). Literature on decision-making has inserted the role of the entrepreneur within the process since an entrepreneur's profile affects the entire decision-making process and contents (Andersson, 2011; Sarasvathy, Kumar, York, & Bhagavatula, 2014).

Based on these premises, the purpose of this paper is to deepen the understanding of entrepreneurial decision-making about global strategies. A conceptual framework (proposed as a decision-making instrument) is developed to define the implementation patterns of global strategies. The model incorporates not only external and internal factors but also the individual characteristics of entrepreneurs.

## **2. First Insights from Literature Review**

### *2.1. Global Strategies and the Decision-making Process*

Concerning global strategy, the literature has proposed several models that aim to identify factors that a global decision-maker should take account of. Traditional models are mainly focused on external factors (Yip, 2000). Addressing the industrial organization-based theory or the resource-based theory (Barney, 1991; Roth, Schweiger, & Morrison, 1991), literature suggests that the strategic choice

of a firm competing in global markets is not only a function of market contexts (Birkinshaw, Morrison, & Hulland, 2005). Rather, authors (Yaprak, Xu, & Cavusgil, 2011) present a framework of global strategy implementation in which the role of internal factors (resources and capabilities to compete in the global marketplace) is relevant.

These frameworks for global strategies are designed with attention to large and managerial companies, while literature focused on the definition of an integrated framework for globalization suitable for entrepreneurial firms in their different forms (e.g. start-ups, SMEs, family firms, etc.) is still limited. Literature on international entrepreneurship has produced several decision-making models (see Musso & Francioni, 2012; 2013) but they regard internationalization patterns. Only in the “born-global” domain is possible to find decision-making models that are focused on globalization; but they are devoted to a specific type of firm (born-global) and privilege internal factors (Cavusgil & Knight, 2015), neglecting the role of external factors and the balance between global drivers and local features that are the “core” of global strategy.

## *2. 2. International Entrepreneurial Decision-making*

Two dominant theories regarding the decision-making process can be found in international entrepreneurship studies. The first refers to the causation process that is consistent with rational and planned strategy approaches (Sarasvathy et al., 2014), while the second is focused on the effectuation process, which starts from a given set of the entrepreneur’s characteristics (e.g. traits, mindsets, skills) that affect her/his knowledge and social networks (Andersson, 2011). In this latter perspective, the entrepreneur is regarded as an ‘effectuator’ that is: ‘[. . .] an imaginative actor who seizes contingent opportunities and exploits all means at hand to fulfil a plurality of current and future aspirations, many of which are shaped and created through the very process of economic decision-making and are not given a priori’ (Sarasvathy, 2001, p. 262). For this reason, we will insert her/his personal profile in the proposed model.

## *2. 3. Factors Affecting Entrepreneurial Decision-making: The Role of an Entrepreneur’s Profile*

The ‘effectuation theory’ explicitly situates the entrepreneur at the centre of the decision-making process (Andersson, 2011; Sarasvathy et al., 2014).

In the cognitive-knowledge approach, the entrepreneur’s personal profile has attracted great attention from scholars interested in understanding how decision-making processes develop (Shepherd, 2015; Zahra, Korri & Yu, 2005). The entrepreneur’s personal profile has been studied in terms of sociological and psychological features.

In terms of decision-making, sociological and psychological profiles bring a more versatile thinking style that balances both linear (analytic, rational, logical) and nonlinear (intuitive, emotional, creative) approaches to decisions. Considering that entrepreneurs attempt to match their mental images of the environment and perceptions of opportunities with the action of the company, Pellegrini and Ciappei (2015) focus on the concept of perspicacity. Another important concept is self-efficacy (Bandura, 1997). Reinforcing the role of

entrepreneurial self-efficacy, Sternberg (2004) proposes the concepts of successful intelligence, which is necessary to build a specific path through which an entrepreneur reads the external and internal context.

Decision-making is also affected by the entrepreneur's emotional filters (Shepherd, 2015; Cardon et al., 2012). Deepening this stream, it has been argued that entrepreneurial passion is the core of entrepreneurship (Cardon et al., 2012). Authors (Welppe, Spörrle, Grichnik, Michl, & Audretsch, 2012) find that emotions influence both the evaluation of opportunity and the exploitation of entrepreneurial decisions, while according to Shepherd (2015), emotions and knowledge-cognitive profiles have reciprocal influences on the decision-making process and content. Emotional intelligence (Salovey & Mayer, 1990; Ingram, Peake, Stewart, & Watson, 2019) is considered to help to connect the aforementioned profiles. The cognitive and emotional profiles are inserted in the proposed model.

### **3. Conceptual Framework**

The suggested framework is composed of several phases, into which the global strategies decision-making process can be organized (Benevolo, 2013).

The framework is synthetized in Figure 1.

#### *3. 1. External Environment Analysis: Globalization Drivers and Local Opportunities*

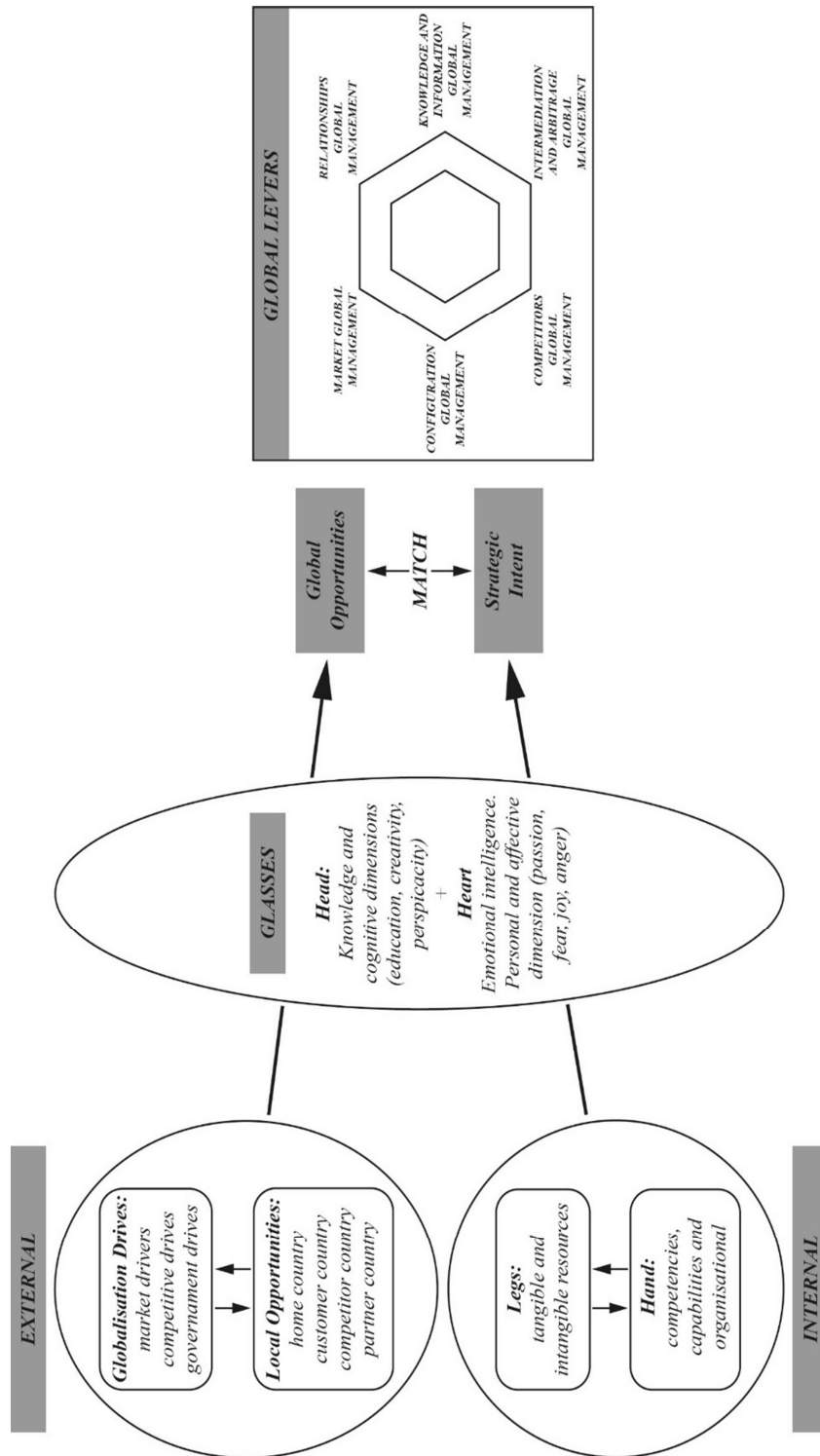
The external environment analysis adapts and enriches a framework originally proposed by Yip (2000; 2003). The first step regards the globalization drivers, which create the conditions necessary to develop global strategies and impact on modes and directions of global strategy. The second step in external environment analysis deals with local specificities and is based on the hypothesis that a global competitive advantage arises from the ability to combine global environment opportunities, that are available to every existing company, with local specificities (country factors) suitable for deployment as strengths on a wider basis (Benevolo, 2013). For this reason, country factors need to be identified. Regarding this issue, we enlarge and enrich the Spulber 'star analysis' (2007) and Ghemawat's approach to global strategies (2007).

#### *3. 2. Internal Analysis: the Firm's Legs and Hands*

The internal analysis considers the resources and competences required to manage risks and difficulties of the global environment. We name these features legs and hands.



Figure 1. The conceptual framework



Source: Our elaboration

*Legs.* The strategic management literature addresses this aspect within the theory of Resource-Based View (Barney, 1991; Roth, Schweiger, & Morrison, 1991). Examples of legs for a global strategy are business model transferability, presence at a global level, and tangible and intangible resources availability.

*Hands.* Hands are evaluable by addressing the analysis of core competence (Hamel and Prahalad, 1994) and the concept of dynamic capabilities (Teece, Pisano, & Shuen, 1997). Examples of ‘hands’ for a global strategy are: management culture and quality, relational qualities, coordination capacity, the possibility of leveraging the competitive advantage at a global level. A good mix normally translates into a high potential for globalization and can lead to develop a ‘global value connection’ (Spulber, 2007; Benevolo, 2013).

### *3. 3. Evaluation of Entrepreneurial Glasses: Entrepreneur’s Head and Heart*

Our framework includes the entrepreneur’s features (Musso & Francioni, 2012). Consistent with effectuation theory (Andersson, 2011; Sarasvathy et al., 2014), the entrepreneur is indeed the crucial and central part of the process to be evaluated since decisions are affected by his/her capabilities of detecting, understanding, anticipating, and synthesizing the environmental inputs in order to see and design a direction to move towards (Shepherd, 2015).

The entrepreneur’s capability and role are termed ‘glasses’ since glasses serve: i) to look ahead, forecast, imagine the future, and ii) to filter and perceive internal and external factors in order to scan global drivers and local opportunities and to create a global strategic intent.

Our framework considers that glasses are the result of a mix of ‘head’ and ‘heart’. It defines: i) Head as an overall and synthetic way of understanding, which comprises the cognitive perspective of the entrepreneur and the potential impact this perspective has on how he/she perceives environmental information; ii) Heart as an overall and synthetic way to consider emotions, moods, and feelings which influence entrepreneurial thinking and the exploitation of possible opportunities.

### *3. 4. The Output of the Decision-making Framework: Identification of Strategic Levers for Globalization*

The results of the external and internal analysis represent a starting point for the identification of the tools required to implement global strategies. These tools are termed strategic levers here, to underline the possibility of using and combining them into an original mix, for a globalization strategy (Benevolo, 2013).

## **4. Preliminary Scholarly/Managerial Implications, and Future Research**

This paper has developed an integrated analysis/evaluation/decision/implementation framework to suit companies intending to redefine their strategic behaviors and competitive schemes in the global market.

Our framework provides several theoretical, managerial, and political

insights. This paper provides an original conceptual framework for global decisions in which an entrepreneur's personal characteristics (heart and head) are both considered relevant variables for evaluation and drivers that affect the entire decision-making process. In terms of managerial implications, our framework can help global entrepreneurial firms or future global entrepreneurial firms to face problems and make decisions to define the strategic levers of globalization. It proposes a description of the different variables connected to the external environment, features of the internal firm, and personal traits of the entrepreneur, all of which an entrepreneur-decision-maker should take into account during the decision-making process in order to attain a successful decision.

From a broader perspective, the framework encourages governments, policy-makers, and entrepreneurs to invest together in promoting research and specific training interventions aimed at supporting entrepreneurs in enhancing their capacity to manage effective decision-making processes for globalization.

Our paper has several limitations. First, our framework is untested in an empirical setting. Further research is required to address this gap, analyzing multiple case studies in an experimental setting, by presenting hypothetical situations to entrepreneurs in order to understand its real applicability. Secondly, we have simplified the number of variables related to the cognitive and emotional aspects of entrepreneurs. The extension to other aspects, such as the role of an entrepreneur's cultural background when defining and implementing global strategies could be a suitable subject for specific future research.

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## **Innovative open processes in the international supply side relationships. Analysis of MSFs cases**

### **Abstract**

*This research focus on supply chain performance measurement systems (SCPMSs) for the purpose of offering the most appropriate managerial practices that suggests to innovative firms that want to improve their performance in dynamic competitive contexts, reconfiguring internal products/processes and repositioning their offer in modern and innovative and recently established international production chains, which moreover are very different (due to the technological back ground that characterizes them) from the supply chains to which they belong. As regards the methodology adopted, the qualitative analysis of the cases was carried out with an inductive method. 20 cases belonging to fashion system, mechatronics, automotive, packaging have been real research laboratories for 6 years are been investigate. The previous results suggest that there might be a close relationship between innovation efficiency and firm performance. In addition, many innovations are not technology driven, but related, for instance, to business models re-configuration.*

**Keywords:** Open innovation; Supply relationships management; Supply chain performance measures.

### **1. Innovative supply chain relationships in international open processes**

The reconfiguration of open innovative processes in supply side relationships of medium sized firms (MSFs) is an academic study discipline which through recent contributions (Van Weele & Van Raaij, 2014; Bäckstrand & Halldórsson, 2019; Bals et al., 2019). Among the cognitive findings that this research field identifies, we want to deepen here the most appropriate managerial practices that suggests to innovative firms that want to improve their performance in dynamic competitive contexts, reconfiguring internal products / processes and repositioning their offer in modern and innovative

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and recently established international production chains, which moreover are very different (due to the technological back ground that characterizes them) from the supply chains to which they belong. The results obtained by the newest studies on the subject suggest that the innovations of the supply chains that characterize the up-stream relationships deserve more convinced attention from management and researchers (Dahlander & Gann, 2010; Coviello et al., 2017; Ellram & Murfield, 2019).

This paper investigates within the theoretical fields of the resource base view (RBV) and knowledge based view (KBV) the supply chain relationships maintained by manufacturing firms with their suppliers in order to start innovative processes that improve both competitive performance (competitive positioning in the supply chains of the offer in the face of particularly intensive international competition) and market ones (turnover, share of market, realization of the combination of technical-functional and kinaesthetic variables in product design activities).

The improvement of competitive and market performances are new competitive challenges that provide new guidance for resource allocation decisions, especially in view of new digital decisions that require the reallocation of resources, precisely digital, not only in the internal value chain of the manufacturing company (however, the complete digitalization of the internal value chains is not conceivable, but the supply chain (supply side) of Italian manufacturing firms (belonging to the mechatronics, automotive, fashion, packaging sectors) that have been selected as cases to be investigated. It is an attention to the innovations of the supply chains that connote up-stream relationships. Moreover, the effectiveness of the innovative processes of the international manufacturing chains cannot be separated from the production skills embedded in the production processes of the many manufacturing firms constituting various new and increasingly diversified supply chain steps: this produces a profitable link between supplies and operations. In this study we want to emphasize the value creation processes triggered in modern industrial chains by manufacturing firms that seek to 'contaminate' through supply relationships with new players, such as start-ups, innovation communities, etc., production processes with technological principles, new and not yet industrialized. Managers need to work toward the development of an open-innovation capability, which comprises at least four processes (Appleyard & Chesbrough, 2017; Chesbrough et al., 2018): value provision, value negotiation, value realization, and value partake. Particular attention is also paid to crowdsourcing as an outside-in form of OI that firms use to enhance their innovation potential by leveraging fragmented knowledge that is dispersed over the crowd (Ghezzi et al., 2017; Acar, 2019; Cappa et al., 2019; Piesunka & Dahlander, 2019).

Firms can develop processes to seek out and transfer external knowledge into their own innovation activities. They can also create channels to move unutilized internal knowledge to other organizations in the surrounding environment. From here: a. the importance of new supply chain relationships in innovative open innovation processes; b. the amplification of the 'supply chain knowledge gap', which open innovation determines. About the latter



aspect (sub b.) It has been authoritatively argued that the greater the knowledge gap in innovative business processes, the greater the competitive opportunities that innovative processes generate in the firm itself (Tomlinson & Fai, 2016): this reveals the opportunity that open innovative processes can have for medium sized firms (MSFs) and the important role they can play in international competitive contexts.

This research focus on the design and implementation of a performance measurement systems for industrial collaboration, in which the purpose of the system is focused on supply chain performance measurement systems (SCPMSs) (see Figure 1). The difficulty faced was the choice of measures that more than others could allow assessing the significance of the technological knowledge, owned and applied, which in reality in the investigated case studies are technological-productive. The most encountered difficulties, which have been sought now of partially solving, derive from the fact that the system of performance measurement parameters should concern many or even all stages of the supply chain, and this is currently the real challenge for further research steps.

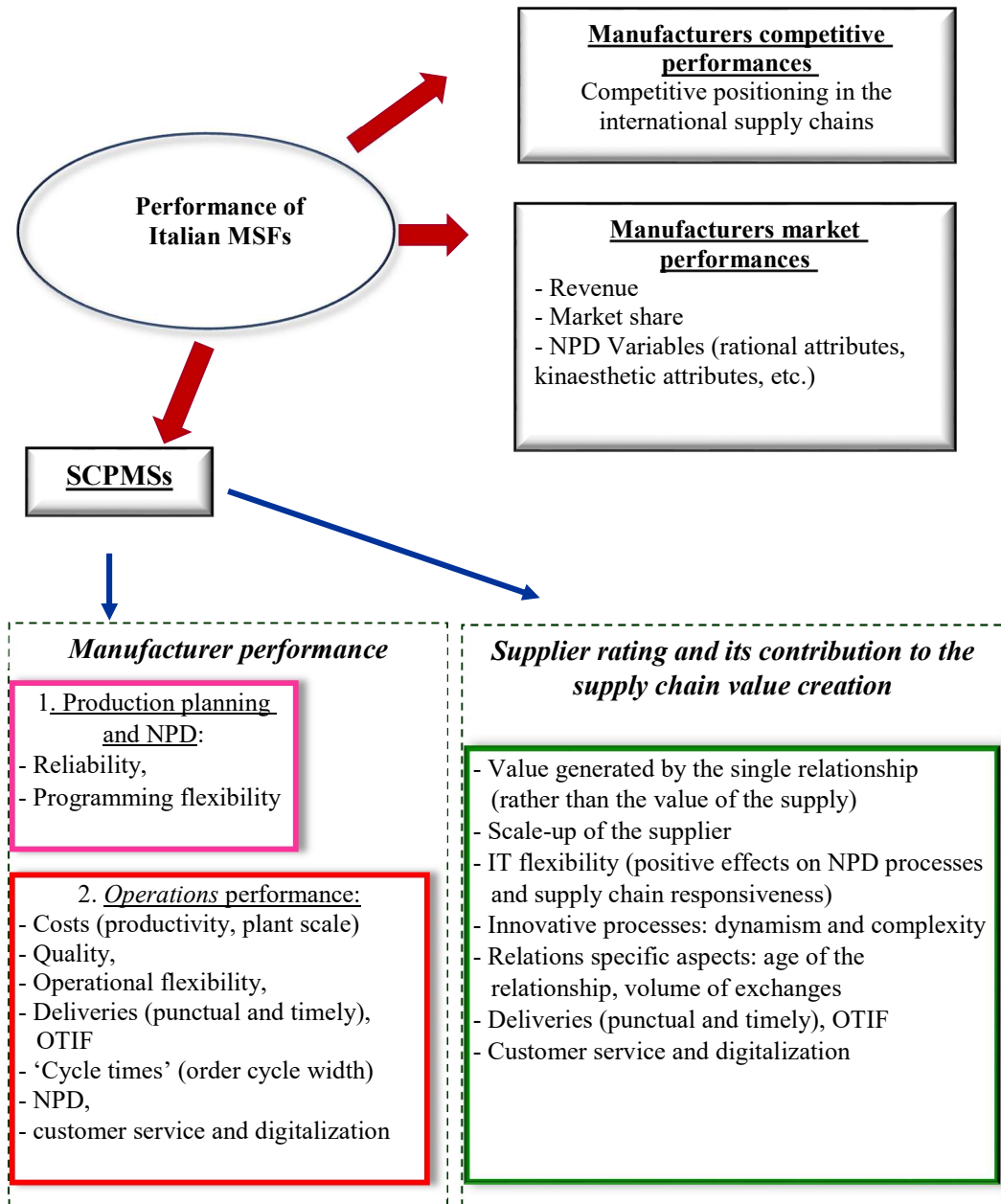
As regards the methodology adopted by business economists in open innovation studies, the qualitative analysis of business cases, as well as the more conventional quantitative analysis techniques, can represent a further opportunity to well interpret the evolution of the methods to innovate medium sized Italian firms, especially those belonging to traditional Italian supply chains (fashion system, mechatronics, automotive, packaging) (Doz, 2011; Welch et al., 2011).

The qualitative analysis of the cases was carried out with an inductive method and, at this stage, the qualitative method of re-processing the data detected by the empirical investigation (20 cases that have been real research laboratories for 6 years) allows the systematization of knowledge results with interpretative value of innovative business phenomena. The methodological line that has been chosen to follow is that already proposed by recent scientific contributions, which propose more than the dichotomy between qualitative / quantitative methodology the adoption of a balanced system of meters that highlight strategic, operational and market ones (Keller & Yeaple, 2013; Luintel et al., 2014; Ukko & Saunila, 2020).

The defined decisive factors in connoting business cases as important for the cognitive purposes of research and which end up bringing them together in a single sample group are the following:

- carry out in-house R&D activities and interact in the innovative processes with suppliers (supply side innovation);
- carry out product design and also frequent product / processes engineering activities (for each order or, for fashion, at each seasonal collection) both when processing orders and when re-industrializing internal production processes to make improvements to the production lines;
- initiate new ways of innovating such as open innovation.
- the prerequisite for their selection was the high export share (close to almost all the cases investigated at 50%) and having the production plants in Italy.

Figure 1. Supplier involvement in NPD and innovation operations processes



Source: Our elaboration based on empirical investigation.

We want to highlight that only the innovative phenomena that companies have started without the help of business incubators have been taken into consideration. Even if we are aware of the numerous studies, both qualitative and quantitative, that managerial literature has also recently produced on the important aid provided by business incubators to innovative economic actors (development of the absorptive capacities of manufacturing companies and therefore of their

internal capabilities ; incentive to external collaboration; in other words, to enhance the open innovative phenomena, which means to increase their performance and to decree the success of start-ups - i.e. value, scale up, etc.) (Sullivan & Marvel, 2011; Sideta et al., 2019).

In an accelerated competitiveness of the international offer structures, it is possible to think that creative firms create new products and processes often in an improvised manner. Extemporaneous inter-organizational collaborations in a 'supply side sense' thus is inevitable and has increasingly triggered scholarly interest due to its potential value in building innovative knowledge and innovative capabilities in diversified supply chains that relate to each other in an unthinkable way compared to the recent past. This improvisation is a key factor at the center of the broad concept of resource slack, intended to refer to more traditional approaches of analysis presented in the international managerial literature and to accept conceptual analysis tools and interpretations proposed by studies that are still experimental. The first approach was presented by the prior literature recognizing the important role of slack resources in intangible operational activities in converting improvised creative activities of the R&D activities such as new product office and style office (for fashion collections) and the engineering activities into enhanced innovation capability.

In the most recent interpretations resource slack manifests in the context of improvisation by helping the firm to interrupt a dysfunctional momentum and work out innovative solutions (Johannessen et al., 2015; Saemundsson & Candi, 2017; Lin, 2018) and also supply chain capabilities refer to the ability of a firm to identify, utilize, and assimilate both internal and external resources/information to facilitate the entire supply chain activities (Wu et al., 2006).

While the effect of resources and capabilities on many different performance metrics have been very carefully researched so far, significant gaps that require future research remain. The previous results suggest that there might be a close relationship between innovation efficiency and firm performance.

The commitment on innovative processes transcends that of technology-intensive activities. What is certain is that, given the results deduced from the empirical investigation, the innovative processes underway increase the technological content of many business activities. In addition, many innovations are not technology driven, but related, for instance, to business models re-configuration.

However, the empirical and theoretical analysis led to the emergence of this paper's focus (re-engineering of production processes and re-design of supply-side supply chain relationships) as the innovative process activities are connected to 'explorative innovative processes'. Although we analysed important parts of the innovative processes of competitive Italian medium sized manufacturing firms in international markets, such as the ability to do research, to explore the external fields of innovation, to implement external innovations, to design new production processes and to re-engineer those existing, and we asked ourselves how these innovative processes impact supply chain relationships in a supply side perspective. This paper seeks to advance both practice and theory.

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## **Digital transformation and internationalisation in Made in Italy SMEs: a capabilities perspective**

### **Abstract**

*This study examines the impact of digital transformation on business model innovation (with a focus on the customer value creation and co-creation) and internationalization. The context is small and medium-sized firms (SMEs) operating in the Made in Italy sectors. The study tries to answer the following research questions: 1) How is the digital transformation changing the consumer value creation and the co-creation process (in Italy and abroad) of entrepreneurial/family SMEs operating in traditional industries (made in Italy)? 2) What are the most important dynamic capabilities for digital transformation in value creation?*

*To answer these research questions, we present a multiple case study research on the digital transformation of three Made in Italy SMEs.*

**Keywords:** Digital transformation; Internationalisation; Capabilities; SMEs; Made in Italy.

### **1. Introduction**

In recent years, digital transformation is revolutionizing the way companies carry out their business, (Bresciani et al., 2018; Scuotto et al., 2019) and fostering business model innovation and internationalization processes. In this study, we define digital transformation as the way how “a firm employs digital technologies, to develop a new digital business model that helps to create and appropriate more value for the firm” (Verhoef, et al., 2019). Digitalization is shaping the traditional interaction between consumers and businesses (Taiminen and Karjaluoto, 2015; Verhoef et al., 2019). Extant literature has traditionally explored the implementation of digital technologies in large corporations (Cenamora et al., 2019) or in particularly innovative businesses, digital start-ups and high-tech giants (Ghezzi and Cavallo, 2019), while specific studies focused on SMEs operating in traditional sectors are relatively scarce, nevertheless this type of firm is recognized as innovative and a

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contributor to economic growth in many countries. However, to the best of our knowledge, understanding how entrepreneurial SMEs utilize new digital tools in order to “shape” the process of customer value creation and co-creation both in domestic and international context requires more in-depth investigation.

Regarding the adoption process, the construction of capabilities useful for digital transformation has received limited attention (Li et al., 2018; Warner and Wäger, 2019). This literature gap is especially present in the SMEs context. Literature has found that SMEs face increased difficulty in adopting new technologies because they may lack the necessary resources, skills, commitment and the real understanding of the digital opportunities (Giotopoulos et al., 2017). For these reasons, overcoming these difficulties will require SMEs to build various capabilities. Many issues have still to be solved, such as how SMEs build such types of capabilities and what are the essential dynamic capabilities for digital transformation.

Hence, to fill the literature gap, we ask: How the digital transformation is changing the consumer value creation and the co-creation process in Italian and international market of entrepreneurial/family SMEs operating in traditional industries (made in Italy)? And what are the most important dynamic capabilities for digital transformation in value creation?

To answer these research questions, we present a multiple case study research on the digital transformation of three Made in Italy SMEs.

## **2. First insights from the literature background**

### *2.1. Digital transformation and business model*

Digital technologies may enhance not only operational efficiency by optimizing process management but also market orientation through advanced market knowledge (Cenamor et al., 2019); moreover, they transform the way organizations create value and the way organizations and consumers interact and exchange value (Yadav and Pavlou, 2014). Digital technologies improve also communication with customers (existing and potential) (Barnes et al., 2012) and allow not only to create new distribution channels but also to integrate them in an omni-channel perspective (Verhoef et al., 2015), innovating the key components of the business model (BM) (Franceschelli et al., 2018; Ghezzi and Cavallo, 2018). This is true not only in high tech and digital industries but also in the traditional ones (Ferraris et al., 2018; Warner and Wäger, 2019)

More specifically, we are interested in examining how digital technologies could lead to BM innovation (Bouwman et al., 2017), with particular regard on how they affect the value proposition and customer relationships (Arnold et al., 2016).

The “mobile revolution” has promote a digital transformation of the customer value creation (Rachinge et al., 2018). The diffusion of platform as Alibaba, Amazon.com and eBay.com has modified not only the process of value delivery (the “place”) but also the relationship with the customers (Li et



al., 2018). Social media (with the raising relevance of mobile devices) have radically created new ways of interacting (Taiminen and Karjaluo, 2015): in terms of BMI; social media enhance and transform the customer value proposition and organize innovative delivery operations (Berman, 2012; Swani, et al., 2017). Big Data change the value creation, affecting the marketing mix (Erevelles et al., 2016; Yadav, and Pavlou, 2014).

### *2. 2. Value co-creation and customer engagement*

The integration of new technologies into the lives of consumers, due to the proliferation of several types of digital tools such as social networks, instant messaging, applications of augmented reality, digital platforms have created a radical change in consumers' product expectations, awareness, decision making and adoption processes (Parasuraman and Grewal, 2000). Nowadays, the web provides space for creating and sharing knowledge that can be easily accessed by new communication channels through smartphones and tablets, paving the way for value co-creation through customer's engagement processes (Jaakkola et al., 2014). One important consequence of digital transformation is the creation of new interaction and consumption environments; firms need to build new skills and marketing capabilities as well as new infrastructures that focus on co-creation. SMEs can overcome the disadvantage of small size through the use of digital technologies being able to generate and communicate content, target and engage consumers as well as to develop brand presence (Ashley and Tuten, 2015) quickly and at a much lower cost than ever before.

### *2. 3. Digital technologies and SMEs internationalization*

Some scholars (Etemad et al., 2010) introduce the term "internetization" to refer to the process of increasing adoption, diffusion, and deployment of internet-based technologies and processes that increasingly serve as the backbone of internationalization, especially in the SMEs. Increased use and investments in digital technologies lead to higher degrees of internationalization and growth (Davis and Harveston, 2000). One of the reasons is that they can provide a way to decrease the effects of liability of foreignness and resource scarcity, and herewith contribute to increase speed of internationalization (Arenius et al., 2006) and to widen market opportunities.

Digitalization adds a third choice beyond the diadic choice of internalization/hierarchy (Banalieva and Dhanara, 2019). Digital platforms and social media alleviate barriers to entry such as psychic distance, help firms with financial resource constraints and build up brand awareness at relatively low cost (Ciravegna et. al., 2014; Fernhaber and Li, 2013); they help to develop superior marketing capabilities that are the prerequisite to succeed internationally.

### *2. 4. Building Dynamic Capabilities for digital transformation in SMEs*

Dynamic capabilities play an important role in the process of digital transformation of a company (Eisenhardt and Martin, 2000; Teece, 2007).

Following Pavlou and El Sawy (2011) conceptualizations, the dynamic capabilities useful in the reconfiguration process may be divided into four clusters of activities: Sensing; Learning; Integrating; Coordinating.

Each organization has its own way to integrate the four dimensions and make dynamic capabilities unique, valuable and recognizable for the customers.

Sensing, learning, integrating and coordinating are therefore the result of a process that takes place mainly within a leadership executive team (Martin, 2011; Kor and Mesko, 2013), especially in case of SMEs, in which the role of the owners, often a family, is very important (Goerzig and Bauernhansl, 2018). Some capabilities (e.g. sensing) reside either in the entrepreneur only or is shared among his/her closest collaborators; other (e.g. integrating and orchestrating internal and external assets, physical and digital resources) reside in the executive team; others are spread in a granular way among many people. In SMEs, it has been found that “entrepreneurs invested in new digital technologies more based on their intuition than on detailed cost-benefit analysis” (Garbellano and Da Veiga, 2019). Then, a diversified team of managers with complementary knowledge and skills are probably necessary to stem the challenges of digitalization in SMEs (Hubschmid-Vierheilig et al., 2019).

### **3. Procedure and companies’ profiles**

The empirical data for this study were collected by applying a multiple case study approach (Yin, 2003; Cunningham, 1997; Eisenhardt and Graebner, 2007). Table 1 summarizes the research cases and the interviews conducted for this study.

### **4. Preliminary results and discussion**

#### *4.1. Digital transformation and impact on BM and internationalisation*

The studied SMEs are established in mature (Made in Italy) industries and have set up a digital transformation process for shaping, in particular, the relationships with their customers, changing the traditional business model, as emerging from Table 2.

First of all, our results confirm that SMEs use digital technologies to change their distribution and sales channels (Vial, 2019). Social media and e-commerce platform allow to reach and entertain a dialogue with new consumers belonging to international countries. According to the extant literature (Ciravegna et al., 2014; Fernhaber and Li, 2013), digitalization has supported the internationalization strategy pursued by Carli and Freddy. As regards if and how the selected companies use digital instruments, we found very interesting results. For all the companies, the most important benefits stemming from digital transformation seem to be related to the cross-valorisation of socialm, CRM and BigData Analytics. According to Taiminen

and Karjaluoto (2015), the results confirm that social media have radically created new ways of interacting and are actually considered the most important mean of communication and value co-creation within the business model. Moreover, according to Ashley and Tuten (2015), digital technologies help SMEs to overcome the disadvantage of small size, allowing to generate and communicate content and engage consumers as well as to develop brand presence quickly and at a much lower cost than ever before. This is true especially for international markets.

#### *4. 2. Digital transformation and the role of dynamic capabilities*

As all the investigated companies are family firms. In all the cases, the decision to implement a digital transformation was driven by the entrepreneurial family with the help of top management (North et al., 2019).

Among the different capabilities, the “sensing” capabilities to understand the potentials of digital technologies able to create customer value are considered determinant, especially for Carli (which invested in a digital channel in 1996, when e-commerce in Italy was not so diffused).

For Essequadro and Freddy, learning capabilities are not only fundamental for the digital growth and development, but they are also the driver of innovation and competitiveness, since it is vital to learn from the big companies that create fashion trend. Such learning process led to hire new managers, focused on e-commerce and social media marketing in collaboration with external professional communication agencies. The new knowledge belonging to these new human resources was then useful for disseminating a digital “culture” in the companies and the training of “old” employees has been considered fundamental.

It seems therefore evident that the companies tried to revamp existing operational capabilities with learning, and new knowledge and skills (Teece, 2007), but as the new knowledge created by the learning process was mostly owned by new employees, such knowledge had to be integrated to a collective level (Teece et al., 1997). The capability to integrate and coordinate the digital knowledge in the internal organisation has therefore been fundamental for all the selected companies.

Table 1. Profiles and used digital tools of the selected companies

Company	Profiles/Strategic Business Units	Year of foundation	Location	Strategic paths	Interview Position	Channel	Digital tools
Fratelli Carli S.p.A. (pure family business)	Olive Oil/Mediterranean food specialties Cosmetics	1911	Imperia	Focus on a market niche: home delivery/e-commerce High differentiation: brand image Diversification (cosmetics: Mediterranea) Internationalisation (FDI and export)	Family Entrepreneur Responsible for Cosmetics Division	Oil: Home delivery Mailing Call center E-commerce  Cosmetics: the same + Physical store Marketplaces (Amazon)	Social media Web (shop window and e-commerce) CRM Big Data Analysis
Freddy S.p.A	Fashion: dance and fitness	1976	Chiavari (Genova) and Milan	Focus on a market niche: apparel for dance and fitness Product innovation: patents (shaping pants) High differentiation: brand image and new Made in Italy line Contractual vertical integration with suppliers Internationalisation (FDI and export)	Member of the Board of Director CFO	Agents and distributors present in many international markets E-commerce Marketplace Flagship stores	App for B2B Web (shop window and e-commerce) Social media CRM Big data Analysis Chatbot Smart wall
Essequadro S.r.l.	Fashion: eyewear	2011	Ariano Irpino (Avellino)	Focus on a market niche: eyewear with a high handicraft and design content High differentiation: brand image embodying Italian culture Total vertical integration Internationalization (FDI and export)	Marketing Manager	Agents and distributors present in many international markets E-commerce Marketplace	App for B2B Web (shop window and e-commerce) Social media CRM Big data Analysis

Source: author's elaboration.

Table 2. Business models changes and capabilities useful for digital transformation

Company	BM transformation	Impact on international alization	Major trigger of digital transformation	Leader in the digitalization process	Main resources	Capabilities: Sensing	Capabilities: Learning	Capabilities: Integration/coordinating
Fratelli Carli S.p.A.	<p>Prior Business Model: B2C via mailing</p> <p>Replaced business model: E-commerce Omnichannel</p> <p>More intense relationship with customers</p>	New international markets	<p>Curiosity “of the first mover in the Italian e-commerce domain”</p> <p>New digital technology development</p>	Family	<p>Human Resources</p> <p>Technology</p> <p>Reputation</p>	<p>Scanning for technological trends</p> <p>Scanning of new consumer behaviours</p>	<p>Analysis of external environment</p> <p>Learning from others (big players)</p> <p>Hiring of new human resources</p>	<p>New organisational functions related to digital</p> <p>New human resources devoted to coordinate the omnichannel process distribution</p>
Freddy S.p.A	<p>Prior Business Model: B2B</p> <p>Replaced business model: B2C E-commerce Omnichannel</p> <p>More intense relationship with customers</p>	New international markets	New digital technology development	Family + CFO	<p>Human Resources</p> <p>Technology</p>	<p>Imitative behaviour related to digital marketing</p> <p>Scanning of new consumer behaviours</p>	<p>Organisational learning: willingness to learn different ways of doing business, new tools and instruments</p> <p>Hiring of new human resources</p>	<p>New organisational functions related to digital</p> <p>Re-organisation of processes and tasks</p>
Essequadro S.r.l.	<p>Prior Business Model: B2B production for private labels companies</p> <p>Replaced business model: B2B production with own brands B2C e-commerce</p> <p>Direct relationships with customers</p>	<p>New international markets</p> <p>Better knowledge of foreign market target</p>	<p>Young age of the company and of the entrepreneur, the management and employers</p> <p>New digital technology development</p>	Family + mkg manager	<p>Human Resources</p> <p>Relationship capital (with sales network)</p>	<p>Imitative behaviour related to digital marketing</p> <p>Scanning for fashion and digital trends emerging from the big players (like Gucci, Celine ecc.)</p> <p>Customers knowledge through social media</p>	<p>Organisational learning: Trends analysis Marketing research willingness to learn different ways of doing business</p> <p>Hiring of new human resources</p>	<p>New organisational functions related to digital</p> <p>Better integration between design/graphic and marketing departments</p>

Source: author's elaboration.

## 5. Implications and limitations

Our study makes some important contributions to the existing literature. First, focusing on the scope of the digital transformation in the value creation and co-creation process, we contribute to the business model and digital transformation literature for SMEs of made in Italy which provide a rich context for studying the application of digital marketing instruments to business model innovation and internationalization. Second, we contribute to the organizational capability literature, identifying what types of dynamic capabilities might be required for digital transformation. In addition to the theoretical implications, this study provides some managerial implications to accomplish the digital transformation of SMEs operating in the Made in Italy: neglecting the digital instruments is very risky and may seriously compromise the survivorship of the firm; in addition, the use of these technologies requires a change of management and vision that has its roots in the acquisition of new organizational and marketing capabilities. Despite the importance of these empirical results and practical implications, this study has some inherent limitations, which might be challenged in future research.

First, the study is based on a multiple case study design that does not provide statistic generalizations, yet it offers a “stepping stone” for building a new theory. In this sense, this study is a pilot study for other analyses. Further studies are needed to extend the number of case studies by including other SMEs, operating in the other sectors of the Made in Italy. Second, the number of investigated variables could be expanded by adding other factors related to the digital transformation, such as the production/logistics (Industry 4.0) and to the micro foundations of the organization (e.g human resource management).

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## **Inter-industrial comparison of the firms' financial performance**

### **Abstract**

*Two approaches, the strategic management theory and the industrial-organizational economics affect the firm financial performance. According to the framework of the survey and the background of the scientists, the results about their importance may vary. Thus, the current research targets to further the knowledge of the industry- firm performance relationship by comparing the financial performance of the firms over seven industries. The largest 500 firms are tested over various performance measures. It is verified that the industry that a firm belongs to, is essential to various financial performance measures and the services and manufacturing industries are found to significantly differentiate the most, of all industries.*

**Keywords:** Industries; Financial Performance; Financial Ratios; Multinational Enterprises (MNEs).

### **1. Introduction**

A strong debate that takes place in the academia during the last decades, relates to the influence of two main factors on the firm performance. The first is the industry that each firm belongs to and the second factor refers to the firm characteristics (Porter, 1987; Rumelt, 1991). Both the strategic management theory and the industrial-organizational economics have their supporters in the scientific community. Usually, the approach in each survey on this question, determines the possible outcome (Chi, Lieu, Hung & Cheng, 2016). Hence, one school of theory supports that industry specific factors influence the firm performance, whereas the second scientific community believe that the specific characteristics of the firms affect the performance of a firm.

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On one side, Porter (1987) admits that the company itself and its main features set the performance of a firm. It is mainly known as the strategic management perspective. On the other hand many scientists (Schmalensee, 1985; Rumelt, 1991; Roquebert, Phillips & Westfall, 1996; McGahan & Porter, 1997, 2002) have found that the key factor that affects the firm performance is the industry that each firm belongs to.

A few studies tried to shed light on this controversial issue and an outstanding study is Kamasak's (2011) who made a review paper with every paper that refers to this debate. Even though it is showed (Karabag & Berggren, 2014; King, 1966; Schmalensee, 1985) that the industry that a firm belongs to, significantly affects its firm performance, further research (Rumelt, 1991; Galbreath & Galvin, 2008; Caloghirou Protogerou, Spanos & Papagiannakis, 2004) states that firm factors are by far more important than the industry effects as far as the performance is concerned. The above mentioned studies were verified by Grant (1987), Roqubert, Phillips & Westfall (1996), McGahan and Porter (1997, 2002) and Andonova and Ruiz-Pava (2016) who reported that firm factors are more robust than the industry factors in affecting the performance of a firm. Contrariwise, as the firm effect is part of the industry effect, it is not able to estimate the industry-firm interaction effect (Chi et. al, 2016).

Additionally, researchers like Sengupta, Heiser & Cook (2006) have compared only the services and the manufacturing industries. Hence, by examining more industries, we can have diverse results. Finally, according to Fairfield, Ramnath & Yohn (2009) industry membership give a clearer view of the segment performance that the performance of the firm.

This study is inspired by Gadenne's (1998) paper which admits that every industry group has its sole "success factors". Additionally, it is supported that there is not sufficient research on various factors that evaluate success among different industries and also the performance across major industry types, associates with diverse management strategies. Analysts usually set a benchmark for each industry and all firms are compared with this benchmark. According to Barth (2003) when the economic variations across industries, like entry barriers, influence the firm performance, then the industry-specific models that assess the performance of a firm are sufficient. Also, the current paper's goal is to accomplish Phua's (2006) suggestions to research the firm performance variables by taking advantage of more industry and firm contexts.

This study does not test possible influence of an industry to the firms' performance, nor does it explain intra- or inter-industry variations. Supplementing the knowledge of the industry-performance relationship by demonstrating the differences among the industries on numerous financial performance measures is the purpose of this research. Due to the lack of relevant research on this field, this paper will show the exact correlations across the industries.

## 2. Theoretical and Hypotheses Development

### 2. 1. *Industries*

It is common sense to support that various industries associate with different firm financial performance and that in each industry there are specific characteristics and know-how (Lee, Chu & Tseng, 2012). Additionally, Kahle and Walking (1996) have proved the importance of the industry classification factor on financial research. Previous research on industries has mostly taken into consideration only one industry each time (Borisova, Kalugina, Kosarenko, Grinenko & Ishmuradova, 2019; Hazman, Nasir, Zairihan & Syahmi, 2018; Chowdhury, Rana, Akter & Hoque, 2018; Zheng, Farrish & Kitterlin, 2016; Chen, 2016). When there was a comparison of industries then only two industries were included, the manufacturing and the services industry (Grant & Yeo, 2019; Galbreath & Galvin, 2008; Sengupta et al., 2006).

According to Fairfield et al. (2009) firm financial performance is influenced by inter-industry variations based on their industry membership. Meanwhile, the main value-added firms and the losers in each industry play an important role in the impact of the firms to the industry as a whole as they significantly affect either positively or negatively the industry's value and monitor the intra-industry variance and the firm effects.

According to McGahan and Porter (2002), there are variables that have different weight of effect size in each industry and especially the services sector had tremendous significant industry effects. Moreover, a research (Bourgeois, Ganz, Gonce & Nedell, 2014) on the Fortune 1000 firms has shown that there is large divergence between the high-performing and low-performing industries, no matter which financial measurement was used.

### 2. 2. *Financial Performance Measures*

Numerous studies have discussed about the financial performance of a firm and the best performance measures that should be used in order to get the best results (Santos & Brito, 2012; Delen, Kuze & Uyar, 2013; Al-Matari, Al-Swidi & Fadzil, 2014). Hence, the question is not "which is the best ratio" but "which is the most suitable ratio" as the best answer lies in the conceptual framework of each paper. Depending on the scientific questions that are examined, one may use many financial ratio categories like liquidity, solvency, turnover, growth or asset structure ratios (Delen et al., 2013)

Three more measures are used to construct the financial performance variable, except for the financial ratios. Two of these variables are the size and the age of the firm. Previous studies have shown that there is statistically significant relationship between financial performance and the size and age variables (Evans, 1987; Shane, 1998; Wagner, 1994). The third measure is the degree of internationalization of a firm. Monaghan's and Tippmann's (2018) research

demonstrates the importance of the internationalization variable over its relationship with the industry.

### *2.3. Hypothesis Development*

McGahan and Porter (1997) admit that industry effects differentiate across the industries. Thus, future research should take into account more firm and industry-level variables to justify firm performance variations. Filbeck and Krueger (2005) found that there are significant differences among and within industries in working capital measures across time. The previous research guides the upcoming papers and this study elaborates further the previous scientific contributions.

Thus, the main objective of the paper is to establish the effect of industry on the financial performance of the largest firms in the world. Particularly, it is examined if there is any significant difference of their financial performance among industries. To obtain the paper's objective, this research investigates the following hypotheses. By referring to financial performance, all variables are examined separately. Thus we test if there is significant difference of the financial performance, among firms in different industries.

## **3. Data and Methodology**

The sample to be examined is the 500 companies with the largest sales worldwide. According to Fortune and the World Bank, the 500 largest firms generated 36.4% of the global GDP (World Bank, 2017; Fortune, 2017). This huge amount of sales by only 500 firms is what makes this sample worth surveying.

The industry categorization is the first independent variable. The industries included are Mining, Construction, Manufacturing, Transportation - Communications - Electric - Gas - Sanitary services, Wholesale trade, Retail trade and Services. Finance - Insurance - Real estate and Agriculture - Forestry - Fishing industries are excluded due to lack of available data.

The financial performance variables in this research were selected for their applicability across a broad spectrum of industries and because of the fact that give a spherical view of the financial performance of a firm. The financial ratios are from the following general categories: profitability ratios, growth ratios, liquidity ratios, solvency ratios and asset management ratios. Three more performance measures were taken into account, which are the degree of internationalization, the size and the age of the firms. All data refer to the 2016 fiscal year of each firm. SPSS was used to make the appropriate tests and one-way Analysis of Variance (ANOVA) is used to find statistically significant differences among the industries.

#### 4. Results

A one-way between groups analysis of variance (ANOVA) was performed to explore the impact of industry on financial performance. Thirteen dependent variables were used: return on investment, average market value, sales growth, current ratio, quick ratio, Debt to equity ratio, long-term debt ratio, current liabilities to total assets, debt structure, capital intensity, inventory turnover rate, degree of internationalization, size and age of the firms. The independent variable was the industry. The main results and the figures that demonstrate the significant differences across the industries per financial factor are presented below.

According to the above analysis, there was a statistically significant difference at the  $p < 0.05$  level in Sales Growth, Average Market Value, Degree of Internationalization, Current Ratio, Quick Ratio, Capital Intensity, Total Debt to Total Equity Ratio, Long-term Debt Ratio, Current Liabilities to Total Assets, Debt structure, Size and Age. Also, by far, the services industry has the most significant differences among the industries for the performance measures tested. The manufacturing and the retail industries followed in terms of number of significant differences.

#### 5. Discussion and Conclusion

This study tries to give another dimension at the debate between the strategic management perspective and the industry-specific approach. For this specific sample, we can see these interrelationships and especially the differences across the various industries for each specific financial performance measure. Even though the relationship between industry and financial performance is widely examined, there is minimal bibliography concerning such detailed and multivariate analysis across the industries.

Particularly, the service industry possesses the most significant differences among the industries in all financial factors and consequently, McGahan and Porter's (1997) study is confirmed. The manufacturing (second) and the retail (third) industries had also a high number of significant differences across industries. Thus, the hypothesis that there is significant difference of the financial performance, among firms in different industries is accepted for all financial performance measures apart from the return on investments.

In the current study, it is clear that the services and manufacturing industries have the most significant differences among the rest of the industries. This finding is indirectly verified by researchers who use only or mainly these two industries when they want to research the industry-financial performance relationship (Lee et al., 2012; Sengupta et al., 2006; Yang, Wang & Niu, 2007; Gadenne, 1998).

Also, McGahan and Porter (2002) showed that there were factors that had a different level of effect size in each industry. Particularly, the service sector had considerably significant industry effects.

Such findings are particularly important for their managerial implications too. Understanding of the differences of financial factors across industries would facilitate managers by offering one more benchmark to set new targets and do self-evaluation of their actions. It may also help to determine long-term strategies and recognize opportunities and threats. Finally, an industry analysis may show to the legislator the “identity” of each industry and possible decisions to be taken in order to give privileges to firms that belong to a specific industry.

Like every survey, this one has its own limitations too. Firstly, the sample is the 500 largest companies in the world according to their sales. Hence, not all firms in each industry are included and there is almost no induction to larger population. Consequently, the analysis is data driven.

Future research could take into account other samples more representative of the vast majority of the firms. Financial and agriculture, forestry and fishing industries were not represented due to the lack of data. Larger and more representative samples may reveal new relationships among the industries.

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## Section II

### Full Papers



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## **Causation, effectuation and bricolage in entry mode decisions**

### **Abstract**

*The theoretical perspectives of causation, effectuation and bricolage have emerged to understand entrepreneurial decision-making with respect to exploitation of market opportunities. The aim of this paper is to identify the role and impact of logics during internationalization and, in particular, to trace causation, effectuation and bricolage logics in entry-mode selection. A two-staged literature review was used to take stock of extant knowledge and to shed light on emerging research gaps and problems. The results show that entrepreneurs in their internationalization decisions can follow one, a combination, or a sequence of logics depending on the venture's or international lifecycle, their (perceptions of) internal and external context, network relations, and experience. Likewise, entry modes such as JV, Strategic Alliance and Export can be driven by different logics or their combinations, while the FDI entry mode is predominantly driven by causation logic. We also noted that bricolage has received little attention in empirical and theoretical work and, thus, is a future avenue for research.*

**Keywords:** Causation; Effectuation; Bricolage; Entry Mode; Entrepreneurial Decision-Making; Internationalization.

### **1. Introduction**

A number of new theoretical perspectives have emerged to explain entrepreneurial decision-making in contexts of uncertainty and resource

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scarcity. On one hand, the theoretical perspectives are driven by *economic thinking* that stresses planning, control and rationality and is expressed by causation logic where a “particular effect is taken as given and focused on selecting between means to create that effect” (Sarasvathy, 2001, p. 245). On the other hand, the *noneconomic thinking* emphasizes flexibility, improvisation and collaborative decision-making. This includes the effectuation logic where “the set of means is taken as given and focused on selecting between possible effects that can be created within that set of means” (Sarasvathy, 2001, p. 245) and the bricolage logic - “making do by applying combinations of resources at hand to new problems and opportunities” (Baker & Nelson, 2005, p. 33).

Also, in the context of internationalization and related decision-making, causation, effectuation and bricolage logics have been discussed with regard to exploring and exploiting foreign market opportunities. Our interest is in understanding the role and influence of these logics in foreign market entry decisions. In order to do so, we take stock of the extant literature. We perform a two-staged literature review (TSLR). In the first stage of the TSLR we review the literature to map the extant knowledge and evidence with respect to the role of causation, effectuation and bricolage logics in the context of internationalization. In the second stage of TSLR we systematically review the experimental design studies from highly rated journals to identify and trace the impact of causation, effectuation and bricolage logics on entry mode decisions.

## 2. Research Context

### 2.1. Causation, Effectuation and Bricolage Logics

Entrepreneurial decision-making is dependent on individual characteristics (knowledge, experience, networks, behavior, perception, culture and etc.) and external/internal factors inducing entrepreneurs to decide and take actions to face uncertainty, resource constraints, competition and customer preferences, as well to generate significant revenues to resist.

More often entrepreneurial ventures are organized under conditions of uncertainty where it is very difficult to foresee or link to the probabilities of the outcome (Reymen *et al.*, 2015). In particular, in the international environment the uncertainty is an important factor, thus the lack of knowledge and experience can cause an inability to predict a state, effect, or response of the environment relative to the venture’s own actions (McKelvie, Haynie, & Gustavsson, 2011; Milliken, 1987). Uncertainty, however, is different from risk with respect to market opportunity exploitation. The decision to exploit a market opportunity is considered uncertain “when the possible outcomes of this decision and the probability of those outcomes are not known” (Alvarez



& Barney, 2005, p. 778) and risky “when all possible future outcomes of exploiting that market opportunity are known at the time the decision is made and [...] when the probability of each of these outcomes occurring is also known at the time a decision is made” (Alvarez & Barney, 2005, p. 778). It follows that planning-based causation is useful only in situations when the data and information about the future is available and reliable (Alvarez & Barney, 2005). Whereas, when it is limited or lacking, the effectiveness of prediction and planning in uncertain environment appears to be limited (Brinckmann, J., Grichnik, D. & Kapsa, D., 2010). Therefore, a collaborative and flexible decision-making logic like effectuation confronts uncertainty and increases control through co-creative processes, starting from existing means. Afterwards, continuing with accumulated commitment and resources ideas emerge and converge in specific goals (Sarasvathy & Dew, 2005). Bricolage, an improvisational decision-making logic, seeks opportunities in penurious environments through the lenses of resources having at hand and facilitates the creation of something from nothing, i.e. “making do with what is at hand” (Baker & Nelson, 2005). The following table 1 gives an overview of key dimensions of the three logics along underlying conditions, givens, and dependencies. Effectuation and bricolage share some common elements, like, for example, the reliance on a set of means or resources that are available, exploitation of contingencies or the role of human action.

Table 1. Causation, effectuation, and bricolage - key elements

<b>Categories of differentiation</b>	<b>Causation</b>	<b>Effectuation</b>	<b>Bricolage</b>
Underlying conditions	Identifying and exploiting opportunities in existing markets with some levels of risk: - later entrants into an industry.	Identifying and exploiting opportunities in new markets with high levels of uncertainty: - successful early entrants into a new industry.	Entrepreneurs in penurious environment ignore the opportunity and seek resources by engaging in: - parallel bricolage = stalled growth, or - selective bricolage = growth.

Givens	<b><i>Effect is given.</i></b> Select between means to achieve that outcome by: - starting with ends; - analysing expected return; - doing competitive analysis; - controlling the future.	<b><i>Set of means/tools are given.</i></b> Select between possible effects created with given means: - starting with means; - applying the affordable loss principle; - establishing and leveraging strategic relationships and contingencies.	<b><i>Make do with what is at hand.</i></b> Create something from nothing by: - making do; - combining resources for new purposes; - using resources at hand.
Underlying logic	<b><i>Effect dependent,</i></b> excellent at exploiting knowledge. Decision makers deal with measurable or predictable future and predict it to the extent it could be controlled.	<b><i>Actor dependent,</i></b> excellent at exploiting contingencies. Decision makers deal with unpredictability and do not need to predict future to the extent they can control it.	<b><i>Resource dependent,</i></b> excellent at exploiting social constructions. Decision maker deal with socially constructed resource environments, allowing specific social and organization mechanisms to facilitate the creation of something from nothing to find a solution.
Context of relevance	Static, linear, and independent environments.	Dynamic, nonlinear, and ecological environments.	Resource environments are socially constructed.

Source: adapted from Fisher (2012) and Sarasvathy (2001)

Fisher (2012) and Sarasvathy (2001) discuss in more detail the differences across causation, effectuation, and bricolage logics. According to these authors, and as shown in table 2 and discussed hereafter, the logics differ with respect to the view on risk, resources, the attitude toward outsiders, the attitude toward unexpected events and the basis for taken actions (Dew *et al.*, 2009; Chandler *et al.*, 2011; Brettel *et al.*, 2012) (Table 2).

Table 2. Distinguishing characteristics of causation, effectuation, and bricolage logics

<b>Categories of differentiation</b>	<b>Causation</b>	<b>Effectuation</b>	<b>Bricolage</b>
<b>The view on risk and resources</b>	<i>Expected returns</i> - maximization of expected returns.	<i>Affordable loss</i> - a focus on projects where the loss in a worst-case scenario is affordable.	<i>Take identifiable actions to solve problems</i> - experiments by combining with available goods and resources to create solutions.
<b>The attitude toward outsiders</b>	<i>Competitive analysis</i> - business planning and competitive analyses to predict an uncertain future.	<i>Strategic Alliances</i> - an emphasis on pre-commitments and strategic alliances to control an unpredictable future.	<i>Involvement of customers, suppliers and hang-overs in projects</i> - regular interacts with other stakeholders.
<b>The attitude toward unexpected events</b>	<i>Pre-existing knowledge</i> - exploitation of pre-existing capabilities and resources.	<i>Exploitation of contingencies</i> - exploitation of environmental contingencies by remaining flexible.	<i>Usage of existing resources</i> - reuse of resources for purposes other than those for which they were originally designed and encouragement of the use of amateur and self-taught skills.
<b>The basis for taking action</b>	<i>Prediction of an uncertain future</i> - prediction of an uncertain future by defining the final objective up front.	<i>Control of an unpredictable future</i> - focus on short-term experiments to identify business opportunities in an unpredictable future.	<i>Works around rules and standards</i> - doing things on surprising people, transform norms and laws.

Source: adapted from Fisher (2012) and Sarasvathy (2001)

According to the key dimensions and differences shown above, causation, effectuation, and bricolage processes, "choose between means to create a particular effect" (causation), "choose between many possible effects using a

particular set of means” (effectuation) (Sarasvathy, 2001, p. 245), and choose the use, re-use, and mobilization of resources having at hand to find a workable solution (bricolage) (Baker & Nelson, 2005).

The *causation logic* is underlined by a process that “takes a particular effect as given and focuses on selecting between means to create that effect” and refers to rational and planning decision-making (Kotler, 1991), meaning that the future can be controlled to the extent it can be predicted (Sarasvathy, 2001). It is founded on the following principles: maximization of expected returns, business planning, analysis of competitors and their performance, exploitation of pre-existing capabilities/resources and prediction of the future (Sarasvathy, 2001). Thus, in the causation process the entrepreneurs recognize and evaluate opportunities and they are able to establish goals and plan the identified opportunity exploitation.

The *effectuation logic* is underlined by a process that “takes a set of means as given and focuses on selecting between possible effects that can be created within that set of means”. The effectuation process is initiated by entrepreneurs with an examination of the means available to entrepreneur: “Who am I?”, “What do I know?” and “Whom do I know?” (Sarasvathy & Dew, 2005). Through interaction with others and engagement with stakeholders, entrepreneurs discover new means and establish new goals giving the possibility to perform the revaluation of means and possible actions (Sarasvathy & Dew, 2005). The effectuation logic favors the building of different types of firms in absolutely different industries, thus “to create one or more several possible effects irrespective of the generalized end goal” (Sarasvathy, 2001, p. 247). Consequently, it allows the decision-maker to change or reconstruct the goal over time and take advantage of available contingencies (Sarasvathy, 2001). Thus, the *effectuation logic* is a flexible logic, meaning that to the extent the future can be controlled it does not need to be predicted. It is based on principles such as: affordable loss, pre-commitment/strategic alliances, exploration of environmental contingencies and short-term experiments (Sarasvathy, 2001).

The process underlying the *bricolage logic* rejects the traditional idea of resource acquisition in favor of experimentation with resources having at hand to solve problems and create new opportunities (Baker & Nelson, 2005). It is driven not only by economic thinking (to find the most productive use of resources, to select opportunities that are likely to generate significant economic rate, to grow firms to achieve superior competitive position), but also by noneconomic conditions related to improvisation and social construction of resources and opportunities (Sarasvathy, 2004). Hence, the bricolage logic can provide advantages in situations of resource scarcity, for example in initial stages of a venture’s life cycle, to ventures emerging in new industries, but also to firms in very crowded and competitive markets (Baker & Nelson, 2005). Bricolage can be applied in three domains: the input domain

(physical, labor and skills inputs), the institutional and regulatory domain (the 'test' of limits and codes, professional norms and standards) and the customer domain (customer becomes a friend) (ibid). According to Baker & Nelson (2005), the bricolage process can evolve in two different paths to identify and exploit opportunities, i.e. parallel and selective bricolage. In the case of parallel bricolage, the logic is applied in all or in multiple domains of the venture, using the same resources and skills minimizing the possibility to create new innovative solution and thus stalling the venture's growth. Selective bricolage instead implies application only in one or a few domains, i.e. here or there, meaning that it is not practiced as a core part in product/service creation. The selective bricolage allows to concentrate limited resources elsewhere, to take on new challenges or solve substantial problems, as well as to investigate and develop innovations (ibid).

Effectuation and bricolage logics have some similarities in their foundational dimensions and offer propositions contrasting the causation logic (1) *existing resources as a key source of entrepreneurial opportunity* (Fisher, 2012) meaning emerging opportunities from resources at hand are more actionable than those discovered through market/industry analysis (Sarasvathy, 2001; Baker & Nelson, 2005; Sarasvathy & Dew, 2005); (2) *taking action as a mechanism for overcoming resource constraints* (Fisher, 2012), meaning small chunks of time/other resources are devoted to experimentation to find a solution while working on other activities, (Sarasvathy, 2001; Baker & Nelson, 2005); (3) *community engagement as a catalyst for opportunity identification, exploitation and growth* (Fisher, 2012), e.g. the involvement of initial customers or suppliers to get early feedback and timely adjustment/creation of more appealing solutions (Sarasvathy, 2001; Baker & Nelson, 2005); (4) *resource constraints as a source of creativity and innovation* (Fisher, 2012; Sarasvathy, 2008). Bricoleurs, based on gradually accumulated knowledge, skills, intuition, creativity and problem-solving experience are able to create, develop, and exploit the opportunity through improvisation, i.e. to improve, imagine, combine, and search for new, unexpected resources (Wittell et al., 2017).

Chandler, G., Detienne, D., McKelvie, A. & Mumford, T. (2011) suggest that the pre-commitments/alliances dimension is a part of both, causation and effectuation logics. We note that, more in general, stakeholder engagement, corresponds to having resources 'at hand', so that it may also constitute an element of bricolage. What changes is its use, which comes for different reasons (Chandler *et al.* 2011). The effectuator follows pre-commitments to reduce uncertainty, minimize cost of experimentation (e.g. test markets without owing all necessary resources) and maintain flexibility; while the entrepreneur following the causation logic considers pre-commitment as a way to acquire essential resources and implement plans, clearly defined and

specified for the involved parties, the product offering, and the nature of relationship (Chandler et.al., 2011).

## *2. 2. Entrepreneurial Decision-Making in Internationalization and Entry Mode Selection*

Empirical findings suggest that internationalization is directly associated with “entrepreneurship” understood in the Schumpeterian (1934) sense, where the process of creatively discovering and exploiting opportunities lies outside the venture’s domestic market in pursuit of competitive advantage (McDougall & Oviatt, 2000), leading to a particular international market entry (Jones & Coviello, 2005). The IE literature states that internationalization is not always an incrementally evolving process (Oviatt & McDougall, 1994), neither in terms of entry modes nor in terms of moving from proximate to more distant markets. Sometimes, existing knowledge and relationships of entrepreneurs can be used to enter distant foreign markets soon after inception (Chetty *et al.*, 2015).

Most of the International Business and International Marketing literature models internationalization as a causation-based market entry process relying on defined goals and the presence of a plan implying international target market selection, entry mode selection and, overall, achievement of strategic goals. Only recently, the effectuation logic relying on emergent goals and flexibility, has been discussed (Chetty et.al., 2015). Bricolage, to the best of the authors' knowledge, has not yet been studied in an international context.

During the internationalization process one of the main decisions that must be made is the entry mode decision. In IB, entry modes can be classified in three principal groups: Export entry modes or non-equity entry modes (direct and indirect export), contractual entry modes or hybrid entry modes (licensing, franchising, technical agreements, management/services contracts, and contact manufacturing agreements), and investments entry modes or equity modes (fully, majority, jointly, or minority owned by the investor), which can be organized along a continuum of increasing control, commitment and risk (Root 1987; Harms & Schiele, 2012). However, with digitization new options like online market places and sites emerge which unite market entry mode and distribution channel choices in the target markets (Zucchella, A., Hagen, B.& Serapio, M.G., 2018). Not all entrepreneurial ventures follow an incremental or stepwise pattern of moving from export to investment entry modes. Entrepreneurial ventures, especially international new ventures, may exhibit a preference for entry modes that leverage partnerships and networks in the early phases of internationalization because they consider speed as a primary rationale driving selection of an entry mode (Zucchella *et al.*, 2018). Of course, the choice of (strategic) partnerships may also confront resource scarcity, the rational attempt to limit risk, or the use of acquaintances in terms

of existing means to help entry, and, thus, reflect underlying causation, effectuation, and bricolage dimensions.

### 3. A Two-Stage Literature Review Approach

This study is based on a two-staged literature review (hereafter TSLR) approach, as it is a well-established methodological approach aiming to make the literature search and review process transparent and replicable. It helps to effectively sum up evidence over long periods (Tranfield, D., Denyer, D. & Smart, P., 2003). The first stage is aimed to evaluate and map the knowledges and evidences (Tranfield et al., 2003) across the extant literature in international entrepreneurship, international business and international marketing with respect to the role of causation, effectuation and bricolage logics in the context of internationalization. The systematic review in the second stage is aimed to trace the impact of causation, effectuation and bricolage logics on market entry mode decisions, and is focused on empirical literature representing the use of experimental designs, which represents a key method in studies of decision-making.

The first stage review includes seventeen publications retained from Scopus and Google Scholar. Publications are from areas such as: entrepreneurship, international entrepreneurship, international business, business venturing, marketing, management and economics published between 1987 and 2018 (see Table 4 in appendix). The search was performed with the key words *causation*, *effectuation*, *bricolage* and/or “entrepreneurial decision-making”, “new venture internationalization”, “entry modes” or “internationalization entry-modes”.

The second stage, a systematic review, is based on international entrepreneurship, international business and international marketing literature limited to peer-reviewed journal articles from leading journals in international business, entrepreneurship and small business management, international marketing, general management and management science, published between 1975 and 2016. The selection of the journals was based on the ABS Academic Journal Guide 2015, including only those journals with an AJG 2015 rating equal or superior to 3, as these are the journals that tend to shape a theoretical and empirical work, setting the new horizons for future research (Keupp, M., Palmie, M. & Gassmann, O., 2012). Books, book chapters, reports and conference papers are excluded, as there is high variability in or no peer review processes (Jones et.al., 2011). The search was performed also in Scopus and twenty-four articles were retained. The search keywords are: *experiment* (to include also experimental design) and one of the following: *entrepreneur* (to include words such as entrepreneurship and entrepreneurial) and/or *international* (to include combinations such as international business

and internationalization), and/or “international marketing”, and/or “market entry”, “international new venture” and limited global to “born global” and/or “global” in either their titles, abstracts, keywords or body of the paper.

Upon closer investigation, from twenty-four experimental designs nine were retained for a final sample, as they are aligned with the investigation focus – the role and influence of causation, effectuation and bricolage logics on foreign market entry mode decisions (Table 5 in appendix).

Other fifteen *experimental design studies* are rejected for the analysis due to inconsistency with the core research issue as decision-making in these studies was not related to entry modes but to other internationalization issues. The *exclusion criteria by theoretical relevance* include: studies in which the primary focus is not international business/entrepreneurship; papers focused only on domestic entrepreneurship in the home country; cross cultural assessment of measures that focus on scale and measure development or validation; studies in which the main methodology is other than experiments; papers which focused on experiments and the development/improvement of this method; research published in edited books and conference proceedings; editorials, reviews and commentaries; articles discussing international business/entrepreneurship education; cross cultural comparisons of countries or regions.

## 4. Findings

### 4.1. Results from the First Stage of the TSLR

The first finding from the initial stage of the TSLR is that strategic entrepreneurial decision-making can be subject to a “**hybrid logic**” (Reymen et al., 2015; Ning Su, 2013; Harms & Schiele, 2013), i.e. more than one logic is applied simultaneously, and that shifts in dominant logics can occur over time (Dew et al., 2011; Ning Su, 2013; Chetty et al. 2015, Reymen et al, 2015). Secondly, flexible and improvisational decision-making seems to be more important in the earlier venture phases (idea phase) with a transition to more planning-based decision over time, as both, the new venture and its market mature (Reymen et al, 2015; Alvarez & Barney, 2005; Sarasvathy, 2001; Bojica et al., 2014). However, effectuation decision-making logic can reappear in later venture phases meaning that effectuation and causation not only co-occur but also reoccur in different patterns over the venture lifecycle (Reymen et al., 2015).

According to Reymen et al. (2015) the shifts from one dominant logic to another is influenced by the change in venture scoping decision, i.e. exploration of alternative technologies, products or markets. Scoping can be widened or narrowed due to external and internal developments of the venture meaning changes of perceptions relative to environmental uncertainty,



venture's resource position and stakeholders' pressure. The *widening of the scoping decision* mostly led to an increase of effectuation logic and a decrease in causation logic. The process of widening the scope precedes the observed increase of effectuation logic and decrease of causation logic, as no specific goal is yet pursued. Thus, the exploitation of contingencies would be preferred to the exploitation of the pre-existing knowledge (ibid). The *narrowing of the scoping decision* implies more causation and a decrease of effectuation logic. When the scope narrows, entrepreneurs focus on a specific set of technologies, products/services and specific markets to formulate goals, hereby targeting subsequent efforts at selecting and attracting the means to reach those goals (e.g. attracting people with the required expertise, protecting IP, new services for a new market development, new business model or plan implementation) (Reymen et al., 2015).

Ning Su's (2013) findings converge with the above-mentioned work regarding the evidence of hybrid and changing (bricolage)logics over time as well as with a dominance of improvisational logic in the early stages of internationalization. Entrepreneurs follow the bricolage logic driven by capability-based (existing operation capabilities) and relationship-based (existing client relationship) bricolage when entering their first markets (Ning Su, 2013; Bojica et al., 2014), similarly to what is reported for effectuators. Capability-based bricolage and relationship-based bricolage can coexist in venture internationalization, "but the degree to which each process takes place changes over time" (Ning Su, 2013). For example, entrepreneurs are inclined to follow the relation-based bricolage in the venture's infancy phase and only after acquiring significant capabilities they switch to capability-based bricolage by combining and leveraging its existing capabilities as a platform to expand. Additionally, discontinuous innovations achieved through bricolage push the internationalization process, or, vice versa.

Chetty et al. (2015) investigate causation and effectuation logics with regard to the closely intertwined decision of foreign market selection and market entry mode. Contrarily to the above reported work, the authors do not find co-existence of logics but report them as alternatives. An interaction takes place only sequences with regard to the single market selection - mode decisions as follows: (1) causation logic in FMS and effectuation in FME, (2) causation logic in FMS and FME and (3) effectuation logic in FMS and FME. If FMS and FME are understood sequentially and separately, there is also little evidence of logic change along time. The authors find that market selection driven by *causation* implies entry into physically and culturally more distant countries. *Effectuators* instead follow already existing relationships that push the venture's international growth and co-create further opportunities for expansion. They "follow the customer" or reactively execute orders from existing partner (ibid). When there is a lack of relevant relationships in FME, entrepreneurs turn to the *causation logic* hiring an external consultant to find

a partner or used the services of export promotion organizations; entry mode decisions following the *effectuation logic* favor the joint venture to benefit from partners experience and market knowledge (ibid). However, in some cases of entry decision, causation is alternated with effectuation logic due to the unpredictability of relationships and timing. Ventures can follow either causation or effectuation, depending on the foreign markets demonstrating that causation and effectuation logic can intertwine and work as substitutes depending on the context (Chetty et al. 2015).

While Bojica et al. (2014) finds bricoleurs to enter new markets with a similar institutional environment, Desa (2011) argues that bricolage can be a mean to overcome institutional constraints in internationalization in not supportive institutional environments. Ventures may invoke a bricolage resource mobilization to challenge existing rules and norms as well to fill gaps through informal practices by means of material, labor and skills bricolage components (Desa, 2011). According to Desa (2011) bricolage may trigger the emergence of new standards, i.e. a transformed institutional environment and processes of cognitive associations which lead to 'copies' of previously successfully used solutions (Desa, 2011).

Regarding the antecedents, Harms & Schiele (2012) state that causation and effectuation logics in the context of internationalization are driven by psychic distance, perceived uncertainty (dynamism), and task-specific/knowledge and experience. When *psychic distance* acts as a key element of predictability (the perception of entrepreneur of differences between home and target country), entrepreneurs are more inclined to causation logic and to entering markets with greater psychic distance. They are instead more inclined to effectuation logic when they enter psychically close markets to overcome the liability of foreignness or outsidership by the help of existing networks.

In *dynamic international markets*, and, thus, perceptions of high uncertainty, entrepreneurs are more likely to follow the effectuation logic. However, to be more secure some entrepreneurs hedge themselves and back up their effectuated entry mode processes with systematic information search indicating a higher degree of causation, which, again, gives evidence of co-occurrence of logics.

In uncertain environments, entrepreneurs tend to apply more effectuation or bricolage (Lesage et al, 2012; Desa, 2011; Ning Su, 2013) and less causation logic. Effectuation is a more viable strategic option to proceed in unknown circumstances as it is based on analogical reasoning which is means-driven and generated from personal experience (Harms & Schiele, 2012). In predictable environments instead, the experienced entrepreneurs can choose to follow the causation logic, as they may be aware of the benefits of formal planning under these conditions and realize the utility of trying to forecast the future (Harms & Schiele, 2012).

In general, the trajectory of entrepreneurs following the effectuation logic seems to be incremental. They follow their existing networks, go for incremental short-term investments, and exploit opportunities that emerge 'on the way'. Entrepreneurs following the causation logic instead internationalize immediately, tend to maximize expected returns through long-term investments, perform and trust their market analyses, and engage in international activities that are matched by current capabilities (Sarasvathy, 2001; Harms & Schiele, 2012; Chetty et al., 2015). Similar to effectuators, entrepreneurs following the bricolage logic internationalize through networks, partnering and collaboration abilities mobilizing external resources (materials, business relationship, financial) which extend the range of possibilities (Lesage et al., 2012; Witell et al., 2017). They use accumulated knowledge and experience from previously used strategies with key actors to design the trajectory of both internationalization and innovation (Lesage et al., 2012) through incremental steps.

Concluding from the review above, preliminary findings include that logics can co-occur and be used in synergy, along the venture's and the international 'life cycle'. Internal and external contexts determine the choice and the shifts of logics. It seems to be the case that in situations of uncertainty (e.g. at the early phases of internationalization or at venture start), entrepreneurs prefer to effectuate and/or to use bricolage. Since all entrepreneurial effort, be it the start of internationalization or the start of the venture, is inherently uncertain (Hagen, B., Zucchella, A. & Ghauri Pervez, N., 2019), the conditions of 'uncertainty' need more, more diversified and special consideration. It also points to the role of internal and external context, and their interlinkages, because not only the initial use but also shifts seem to be triggered by these different conditions and interlinkages. Importantly, according to different experience and knowledge levels, objective context and perceptions of context display in different decision-making logics and, consequently, different internationalization decisions and trajectories. It must be noted, however, that evidence on the choice and the impact of the logics on the process of internationalization and venture development is limited and confined to early stages, which makes the observation of actual choice sets and shifts difficult. Surprisingly, one of key decisions in internationalization, entry mode decisions, are studied explicitly only by Chetty et al. (2015).

#### *4. 2. Results from Second Stage of TSLR*

The analysis of experimental designs was performed through the match of theoretical dimensions of causation, effectuation and bricolage logics and entry modes identified during the previous stage. Experimental design may help to shed some more light on the outstanding issue since it enables the researcher to introduce multiple scenarios and choice sets and so identify preferences for particular entry decisions.

(1) *Causation logic* is identified and assessed through long-run opportunities in developing the firm (C1), maximization of expected returns (C2), business/marketing planning and competitive analysis (C3), competitive strategy/market share through competitive strategy (C4), exploitation of pre-existing knowledge (C5); focus on predictable aspects of uncertain future to reduce risk, i.e. control (C6);

(2) *Effectuation logic* is characterized by a focus on projects where the loss is a worst-case scenario/affordable loss (E1), an emphasis on pre-commitment and strategic alliance to control an unpredictable future/pre-commitment (E2), collaborative strategy to gain knowledge, experience and market share (E3), exploitation of environmental contingencies by remaining flexible (E4), focus on controllable aspects of an unpredictable future/control (E5);

(3) *Bricolage logic*: making do - took the action to solve problems (B1), combination of resources for new purposes - combination and reuse of existing resources (B2), the resources at hand - the use of existing resources rather than seeking resources from outside (B3), physical inputs - the use of forgotten, discarded, worn, or presumed "single-application" materials (B4), labor inputs - involvement of customers, suppliers, and hangers-on in providing work on projects (B5), skill inputs - encouragement to the use of amateur and self-taught skills (B6), and institutional/regulatory environment - the rejection of limitation of the environmental limitations, workaround rules and standards (B7)

In total, after the review of the experimental design studies, five choices of joint venture entry mode, three choices of FDI entry mode, five choices of strategic alliance entry mode, two export entry modes and one franchising entry mode were observed.

Table 3. Summarizing matrix - Causation, Effectuation and Bricolage logic in foreign entry mode decisions.

As is evident from the table 3, there is no clear distinction of particular entry mode-logic combination: for example, joint ventures, FDI, and strategic alliances can be motivated by causation, by effectuation, as well as by bricolage logics or by combinations of them. Export and franchising are driven only by combination of causation and effectuation logics. Also, evidence regarding bricolage is limited. The presence of bricolage logic in entry mode decisions was found only in four cases, and always in combination with causation or effectuation. Below we proceed with a more fine - grained analysis (table 6 in appendix) and discussion of findings of the reviewed experimental design literature.

		JOINT VENTURE					FDI			STRATEGIC ALLIANCE					EXPORT		FR <sub>7</sub>
		JV <sub>1</sub>	JV <sub>4</sub>	JV <sub>6</sub>	JV <sub>7</sub>	JV <sub>9</sub>	FDI <sub>2</sub>	FDI <sub>5</sub>	FDI <sub>7</sub>	SA <sub>3</sub>	SA <sub>4</sub>	SA <sub>7</sub>	SA <sub>8,1</sub>	SA <sub>8,2</sub>	EX <sub>6</sub>	EX <sub>7</sub>	
CAUSATION	C1							✓									
	C2						✓	✓					✓				
	C3	✓	✓		✓		✓				✓	✓		✓	✓		
	C4																
	C5	✓		✓			✓				✓		✓				
	C6		✓	✓	✓		✓	✓	✓		✓	✓	✓	✓	✓	✓	✓
EFFECTUATION	E1	✓					✓										
	E2					✓			✓						✓		
	E3					✓			✓					✓	✓		
	E4				✓				✓			✓				✓	✓
	E5	✓			✓	✓			✓			✓				✓	✓
BRICOLAGE	B1					✓				✓							
	B2					✓				✓				✓			
	B3																
	B4																
	B5								✓								
	B6																
	B7										✓						

#### 4.2.1. Joint Venture

As discussed above, in the earlier stages of the internationalization, the search process of foreign target markets could be idiosyncratic and 'opportunistic', following an effectuation logic ( $E_1$ ,  $E_5$ ). The drivers of such behavior are psychic distance, levels of perceived uncertainty and business risk, or the lack of experience. However, when information is received through support programs e.g. in the form of short overseas visits, a company training program, or even short videos, this can influence and change the entrepreneurial psychic distance and induce managers to enter into the foreign country through  $JV_1$  ( $C_3$ ,  $C_5$ ), instead of, for example small and incremental moves departing from exports (Baack, D., Dow, D., Parente, R. & Bacon, D., 2015). Moreover, these governmental support programs can be associated with turning points in scoping decision, and namely, narrowing scoping decision which imply the increase of causation logic and a decrease of effectuation logic in entry mode decision-making process which is consistent with Reymen et al., 2015.

In the case of Darendeli & Hill (2015)  $JV_4$  entry decision was a governmental-obliged entry mode for construction companies during the Gaddafi's regime in Libya. However, Turkish entrepreneurs before entering Libyan market performed a systematic information gathering and analysis ( $C_3$ ) within a certain bound to predict an uncertain future ( $C_6$ ) being driven by causation logic.

The experimental research of Forlani, D., Parthasarathy, M. & Keaveney, S.M. (2008) show that managers in higher capability firms choose  $JV_6$  entry mode for the R&D function, as they see the least risk in the equal/partial partnership entry mode, because of the partners resource complementary (exploitation of pre-existing knowledge ( $C_5$ ) and the focus on predictable aspects of uncertain future to reduce risk ( $C_6$ ), that is consistent with the causation logic. At the contrary, in the experimental study of Welch et al. (1996)  $JV_9$  entry mode was chosen by small companies as a way to build networks with emphasis on pre-commitment ( $E_2$ ) to control an unpredictable future in the Chinese market ( $E_5$ ) and gain knowledge, experience and market share ( $E_3$ ) which is in line with effectuation logic. The need to position themselves in the process (bidding) pushed firms to take action to solve problems and build personal and social contact with relevant Chinese decision-makers in the field ( $B_1$ ,  $B_2$ ) thus reflecting the bricolage logic. Consequently, the following proposition is offered:

**Proposition One:** *JV entry mode may be driven by causation logic during internationalization to overcome the liability of foreignness, to exploit the pre-existing knowledge, and to retain control over critical functions. It may also be driven by a combination of effectuation and bricolage logics to control unpredictable future and*

*to take actions and solve the problem.*

#### 4.2.2. Foreign Direct Investment

According to Buckley, P.J., Devinney, T.M. & Louviere, J.J. (2007), FDI<sub>2</sub> is a well-planned, hierarchical decision-making process, where managers choose the target market first by performing business plan analysis (e.g. concerning the cost of production, ROI, access to new resources, market growth and market size), as well as analyzing geographic, cultural, and political distance (C<sub>3</sub>) to predict an uncertain future according to strategic goals and business line (C<sub>6</sub>, C<sub>2</sub>), hence reflecting the causation logic. Secondly, experienced FDI-managers are taking a slightly more risk adverse stance when making the actual decision to enter foreign market through FDI. They prefer a smaller investment, and are more concerned than inexperienced managers with the existence of established relations (C<sub>5</sub>). Managers with less FDI-experience favor countries with democratic governments reflecting the affordable loss principle (E<sub>1</sub>) of effectuation logic.

The FDI<sub>5</sub> (Fetscherin & Toncar, 2010) by developing country car manufacturers entering the developed country markets is motivated by overcoming the negative country of manufacturing (COM) effect of their own brands. It reflects causation logic, as it is focused on the predictable aspects of uncertain future to reduce possible risks (C<sub>6</sub>) by performing customer preferences analysis and competitive analysis (e.g. the analysis of USA competitor producing its cars in USA and abroad) and assess long run opportunities and possibilities for company development (C<sub>1</sub>, C<sub>2</sub>) by entering the US with a production unit.

**Proposition Two:** *FDI may be driven by causation logic or a combination of causation in ‘consider’ and effectuation logics in ‘enter’ decisions depending on prior experience with the entry mode.*

#### 4.2.3. Strategic Alliance

Family-successor CEOs, and thus more mature firms, have been found to follow their supply chain through SA<sub>3</sub> (Chen et al., 2015). Such “follow-the-customer behavior” (E<sub>2</sub>, E<sub>3</sub>) is consistent with the effectuation logic, but their necessity to adopt quickly to supply chain changes and find a solution to survive competition reflects the bricolage logic, i.e. involvement of labor inputs (suppliers) (B<sub>5</sub>) to survive competition. Cross-border SA<sub>8.2</sub> (Siegel, 2009) were used by Mexican companies not only in terms of market entry but also as a tool to improve the quality of corporate governance in an emerging market during the crisis. From one side, the emerging economy partners gets both finance and technology from its US partner, which can make firms more productive and gain access to cross-border knowledge and finance (e.g. access

to cheap outside resources and attaining superior performance) thus, reflecting the causation dimension of business/marketing planning ( $C_3$ ) as well as effectuation through collaborative strategy to gain knowledge ( $E_3$ ). As a consequence, Mexican firms with cross-border alliances demonstrated superior corporate governance during a crisis as the focus was on predictable aspects of uncertain future ( $C_6$ ). The formation of tight strategic alliances with firms from a country with stronger legal institution helped them to overcome the crisis, which may be considered indicative of bricolage ( $B_2$ ) or effectuation ( $E_3$ ) to overcome legislative and environmental limitations. From the other side, the USA multinational partner forms  $SA_{8.1}$  (Siegel, 2009) following the causation logic underlined by maximization of returns and exploitation of pre-existing knowledge, investment in financial assets to apply know-how, thereby receiving the power to monitor and access performance ( $C_2, C_5, C_6$ ).

The formation of  $SA_4$  (Darendeli & Hill, 2015) with influential social groups with few ties to the Gaddafi family helped some Turkish construction firms to survive a power shift in Libya, and to enhance their license to operate, as well as to hedge the possibility of a government breakdown. In this case the analysis and well-planned strategy with the exploitation of the pre-existing knowledge to predict the future ( $C_3, C_5, C_6$ ) reflects the causation logic. The engagement in a variety of market and non-market activities (e.g. investments in social-benefit projects) helped to cultivate the moral and pragmatic legitimacy in the eyes of the Libyan social sector and to create value for Turkish companies and helped to reject the environmental limitation, i.e. the governmental obliged entry mode JV. Making do ( $B_1$ ) and the recombination of existing resources ( $B_2$ ) point to the bricolage logic, consistent with the outcome ( $B_7$ ). Thus, the following proposition is offered:

**Proposition Three:** *Strategic Alliances can be driven by causation, effectuation, and bricolage logics or a combination of these.*

#### 4.2.4. Export

Managers in smaller firms see least risk in  $EX_6$  (Forlani et al., 2008) reflecting the causation logic. Here the perceived risk is the function of both the degree of control offered by the entry mode and firm's capability of managing this control ( $C_6, C_3$ ). At the same time, the effectuation logic is reflected through the collaborative strategy ( $E_3$ ), emphasis on pre-commitment ( $E_2$ ) through outsourcing of the marketing function to the foreign agent or partner. This observation leads to the following proposition:

**Proposition Four:** *The export entry mode may be driven by causation logic and by effectuation logic simultaneously.*

Finally, in the experimental study of Kraus et al. (2015) entry modes



FDI<sub>7</sub>, JV<sub>7</sub>, EX<sub>7</sub>, FR<sub>7</sub>, and SA<sub>7</sub> are discussed in general as dependent on spatial and cultural distance. In choosing entry modes, managers take positive distances (e.g. better economy or simpler political conditions) into consideration, hence decreasing the perceived risk and focusing on predictable aspect of uncertain future (C<sub>6</sub>) reflecting the causation logic. In the study, internationalization is considered as a hierarchical decision (1<sup>st</sup> target market and 2<sup>nd</sup> entry mode), where target countries are primary drivers of risk and market entry modes can change the preference order, since entry modes can hedge against country risk (C<sub>6</sub>). Thus, the causation is dominant in the 1<sup>st</sup> target market selection decision, while in the 2<sup>nd</sup> entry mode decision entrepreneurs may use or effectuation or causation logic depending on having experience and country perception (E<sub>5</sub>, E<sub>4</sub>). The authors thus do describe one of the patterns found by Chetty et al. (2015).

## 5. Conclusions and Limitations

In contributing to the existing knowledge of effectuation, causation, and bricolage in entrepreneurial decision-making we show the fundamental similarities and differences of these logics in order to better understand their role and influence in internationalization decisions, and entry mode decisions in particular. Through a two-staged literature review, we identify first the drivers and underlying conditions of the three logics. In the second step, the systematic review of entry mode studies using experimental design, we match these characterizing dimensions with the process of entry mode decisions.

There is no clear evidence demonstrating that any particular decision-making logic coincides with or drives any particular entry mode. We show that causation, effectuation and bricolage logics can appear in entrepreneurial decision-making alone, simultaneously or in changing sequences. If acting in synergy or as substitutes, they can shift in the relative dominance depending on the lifecycle of the venture (Reymen et al., 2015) or its international trajectory, their (perceptions of) internal and external context, network relations, and experience. Likewise, entry modes such as JV, Strategic Alliance and Export can be driven by different logics or their combinations, while the FDI entry mode is predominantly driven by causation logic.

Ventures may come to the same entry mode decision although following different logics or combination of logics: for example, the JV entry mode choice was driven by causation logic when Turkish construction firms entered Libya, or in the case of the international R&D function, while the combination of effectuation and bricolage logics led to a JV during a bidding process in the Chinese market. This holds true also for the strategic alliance and export entry mode decisions which we found to be driven by causation, by effectuation, by bricolage logics or by a combination of these. Again, decisions were

conditioned on lifecycles, experience, and (perceptions of) the target market and/or partner.

There is also evidence of a shift in underlying logics during foreign market entry mode decisions, e.g. with accumulating experience or information, in line with the first stage review. Such a shift in logics may also motivate a change in initial entry mode decisions (e.g. from effectual export to causational JV) and it may be associated with turning points in scoping decision, and namely, widening of the scoping decision. This in turn, implies further changes like an increase in effectuation logic and a decrease in causation logic (Reymen et al., 2015).

The research has also some limitations. First, the focus on experimental designs only must be mentioned, as sometimes the experimental design can create artificial situations which do not fully represent real life. The reactions of the test subjects may not be true indicators of entrepreneurial behavior in a non-experimental environment. Second, the findings are related to the role of causation, effectuation and bricolage logics in foreign market entry mode decisions and may not be generalizable to other entrepreneurial endeavors. Still, convergence of our findings with the more general literature would point to its external validity. Importantly, we were not able to appreciate the consequences of the logic-entry mode choices and the impact on market, international, and venture performance in general. This limitation provides an opportunity for future research. It must also be noted, that especially bricolage is an understudied logic and, thus, presents is a further interesting research avenue.

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## Appendix

Table 4. Sample of the first stage of TSRL

	<b>Author</b>	<b>Year</b>	<b>Source</b>
1.	Alvarez and Barney	2005	Journal of Management
2.	Baker and Nelson	2005	Administrative Science Quarterly
3.	Bojica et al.	2014	Journal of Developmental Entrepreneurship
4.	Bretel et al.	2012	Journal of Business Venturing
5.	Chandler et al.	2011	Journal of Business Venturing
6.	Chetty et al.	2015	European Journal of Marketing
7.	Desa	2011	Entrepreneurship Theory and Practice
8.	Dew et al.	2009	Journal of Business Venturing
9.	Dew et al.	2011	Journal of Evolutionary Economics
10.	Fisher	2012	Entrepreneurship Theory and Practice
11.	Harms and Schiele	2012	Journal of International Entrepreneurship
12.	Lesage and Ronteau	2012	International Business Research
13.	Ning Su	2013	MIS Quarterly
14.	Reymen et al.	2015	Strategic Entrepreneurship Journal
15.	Sarasvathy	2001	Academy of Management Review
16.	Senyard et al.	2011	Proceedings of the 8th AGSE International Entrepreneurship Research Exchange, Swinburne University of Technology, Melbourne
17.	Witell et al.	2017	Journal of Business Research

Table 5. Sample the second stage TSRL

	<b>Author(s)/Year</b>	<b>Research issue</b>	<b>Source</b>	<b>Research type/Sample</b>	<b>Entry mode</b>	<b>AJG</b>
<b>1</b>	Baack, D.W <i>et al.</i> , 2015	How does confirmation biases affect perception of physic distance and influence on particular entry modes decisions	Journal of International Business Studies	<b>Experimental design</b> <b>Sample:</b> participants are randomly selected, Australian based managers; 129 complete surveys; 71 complete responses; respondents` average age 41.2 years with 19,4 years of work experience. The instrument was piloted on a sample of 35 mature age business students (average 35.2 years old)	Joint Venture	<b>4*</b>
<b>2</b>	Buckley, P.J. <i>et al.</i> , 2007	How do FDI-experienced and less FDI-experienced managers differs with respect to FDI location choices?	Journal of International Business Studies	Two experimental designs: 1. <b>Experiment manipulation</b> with DCM 2. <b>Best-Worst experiment</b> <b>Sample:</b> 200 approached firms with a net sample of 70 respondents (seniors in their organizations)	FDI	<b>4*</b>
<b>3</b>	Chen, Y.M. <i>et al.</i> , 2015	The investigation of effects of leaders/followers CEOs on international expansion strategy and market competitive position	Journal of Business Research	<b>Experimental mixed design:</b> 2 (market position: leader vs. follower) x 2 (generations of CEOs: founder vs. successor) x 2 (industries: project engineering vs. food processing) <b>Sample:</b> 150 SME`s CEOs randomly assigned	Strategic Alliance	<b>3</b>
<b>4</b>	Darendeli, S. and Hill, T.L., 2015	How do MNEs active in volatile institutional and political context can hedge against ongoing political risk with respect to entry modes?	Journal of International Business Studies	<b>Natural experiment</b> <b>Case study:</b> 9 Turkish construction MNEs in Libya during the Arab Spring	Joint Venture Strategic Alliance	<b>4*</b>
<b>5</b>	Fetscherin, M. and Toncar, M., 2010	How do developing countries` manufacturers entering developed countries markets through JV and FDI to overcome the negative COM effect on their own	International Marketing Review	<b>Experimental design:</b> Three-part questionnaires: 1 <sup>st</sup> part included photo; 2 <sup>nd</sup> part included 42 questions related brand personality; and 3 <sup>rd</sup> part included questionnaire with demographic information <b>Sample:</b> 119 UU undergraduate and graduate	FDI	<b>3</b>

		brands?		students, randomly assigned		
6	Forlani, D. <i>et al.</i> , 2008	How do opportunity for control and firm capability interact to moderate amount of risk that managers associate with various international entry mode strategies?	International Marketing Review	<b>Field experiment</b> <b>Sample:</b> 1595 e-mail addresses with 22,1% of response rate where 43% of respondents' firms participate in market outside of the USA, in business for an average of 12,7 years. Of the products offered, 61% are services, 39% goods most of which are sold in organizational market	Export Joint Venture	3
7	Kraus, A. <i>et al.</i> , 2015	Top managers risk perception in internationalization decisions.	Journal of Business Research	<b>Conjoint choice experiment</b> <b>Sample:</b> 126 German-speaking CEOs and top managers responding for internationalization in companies with headquarters in Germany, Switzerland and Austria.	FDI Joint Venture Export Franchising Strategic Alliance	3
8	Siegel, J., 2009	Cross-border alliances as a commitment opportunity for the emerging-economy firm to gain access to cross-border knowledge and finance.	Journal of International Business Studies	<b>Quasi-natural experiment:</b> country level <b>Sample:</b> 240 publicly listed firms	Strategic Alliance (MNC) Strategic Alliance (Mexican firms)	4*
9	Welch, D. <i>et al.</i> , 1996	The external facilitation of international project marketing activity as catalyst and vehicle to network development	International Business Review	<b>Natural experiment</b> Case study with semi-structured interviews and documentation analysis	Joint Ventures	3



Table 6. Results of Experimental design analysis

RESULTS OF EXPERIMENTAL STUDIES ANALYSIS		
<b>Baack</b>	<b>JV<sub>1</sub></b>	Managers seems to be more likely to process information and revise their perception of distance and risk and their preferences for a particular entry mode, when that information confirms their original beliefs. When the information contradicts their beliefs, they do not seem to process the information and/or are resistant to revising their perceptions and preferences. This may systematically cause managers to overlook opportunities in more distant markets and to overemphasize the potential opportunities in proximate markets ( <b>E<sub>1</sub></b> ). The confirming videos significantly increased perceived psychic distance, perceptions of business risk, and preferences for JV ( <b>C<sub>3</sub></b> ). In the early stages of internationalization, the search process can be idiosyncratic and opportunistic ( <b>E<sub>5</sub></b> ). In that sense a short video might stimulate the forms of information the managers receive from different encouragement programs ( <b>C<sub>5</sub></b> ). Thus, the confirmation bias affects may be profound in the early stages of manager's international carrier, but once he/she had sustained exposure to a country, the effect may dissipate.
<b>Darendeli &amp; Hill</b>	<b>JV<sub>4</sub></b>	JV entry was a governmental recommended-obliged entry mode to foreign construction firms, during the Gaddafi's regime in Libya. Before to enter Libyan construction market entrepreneurs performed a systematic information gathering and analysis within a certain bound to predict an uncertain future ( <b>C<sub>3</sub></b> , <b>C<sub>6</sub></b> ).
<b>Forlani</b>	<b>JV<sub>6</sub></b>	Managers with higher capability firms choose JV entry mode for R&D function, as they see the least risk in the equal/partial partnership entry mode, meaning the partners resource complementary and the focus on the predictable aspects of uncertain future ( <b>C<sub>5</sub></b> , <b>C<sub>6</sub></b> ).
<b>Welch</b>	<b>JV<sub>9</sub></b>	Under AGEP umbrella, companies building JV not only had the unique opportunity to build networks, they were also able to access the full advantage of the evolving information flow and contact other networks in the nexus ( <b>E<sub>2</sub></b> , <b>E<sub>3</sub></b> ). As well, under the AGEP umbrella Australian companies were able to reduce the degree of perceived risk and uncertainly entering Chinese market ( <b>E<sub>5</sub></b> ). For small Austrian companies the creation of JV was an important aspect for positioning for the bidding process( <b>B<sub>1</sub></b> ), therefore they were pushed to build personal and social contacts, i.e. to develop an active internal and external relationship with relevant Chinese government agencies involved in the decision-making process ( <b>B<sub>2</sub></b> ).

Buckley	FDI <sub>2</sub>	Experienced managers prefer large markets with big growth where they can exploit existing resources and lines of business. The overall respondent managers “consider” 26% and undertake 14% of investments, while in politically unstable markets this percentage drops to 25% and 9%. If cost of production increases the likelihood of considering an investment falls, while higher ROI are positively and monotonically related to the consideration on an investment (C <sub>2</sub> ). Access to new resources, market growth and market size are important to considering an investment (C <sub>3</sub> ), exploitation of pre-existing assets (C <sub>5</sub> ), pre-emption of competition. The existence of established relations in the market and avoidance of barriers to trade are all related to making or considering an investment, remain in the same line of business (C <sub>6</sub> ). But decision about “invest” - managers with less FDI experience are more likely to make any investment choice, but not in the politically unstable market-> managers are taking a slightly more risk adverse stance when making the actual decision to invest (E <sub>1</sub> ). FDI experienced manager also prefer smaller investments, and are more concerned than inexperienced managers with the existence of established relations. Managers with less FDI experience favor countries with democratic governments.
Fetscheri & Toncar	FDI <sub>5</sub>	The analysis of consumers preferences helped to identify and assess long run opportunities and possibilities for company development by entering with production unit into USA market (C <sub>1</sub> ). Developing country manufacturers entering the developed country markets might be well advised to consider FDI to overcome the negative country of manufacturing effect on their own brands (C <sub>2</sub> , C <sub>6</sub> ). This strategy has been followed in the USA by Toyota, Honda, Hyundai and KIA. The presence (FDI) of Chinese car manufacturer on USD market, i.e. to produce cars in USA is a good competitive strategy.
Kraus	FDI <sub>7</sub> EX <sub>7</sub> JV <sub>7</sub> SA <sub>7</sub> FR <sub>7</sub>	Managers view spatially distant countries or countries that score highly on cultural differences as riskier. They focus on predictable aspects and take into consideration positive distances (better economy or simpler political conditions) in considering entry modes thus decreasing perceived risk and focus on predictable aspect of uncertain future (C <sub>6</sub> ). The internationalization could be considered as a hierarchical decision in which managers first choose the target market and view entry - mode choice as subordinate to other environmental factors. Target countries during internationalization are primary drivers of risk and market entry modes can change the preference order depending of country perception (E <sub>4</sub> , E <sub>5</sub> ).
Chen	SA <sub>3</sub>	More than 95% of CEOs with strategic intent perspective will adopt an international expansion strategy regardless their current market positions and generations. Family-successor CEOs (food industry processing) might be more aggressive in terms of international expansion and have more latitude of action and act quickly to expand. Family-successor CEOs had to follow their supply chains to move to other countries (E <sub>2</sub> ) and to build new business with partners (E <sub>3</sub> ). This family-successor CEOs strategy also imply some aspects of bricolage like making do or took the action to solve problem by involvement of supplier (B <sub>5</sub> ) to survive competition.
Darendeli & Hill	SA <sub>4</sub>	The investment in social benefit projects and in social ties with influential families/groups, i.e. strategic alliance, may help some companies to survive a power shift, and to enhance their license to operate, as well as to hedge the possibility of a government breakdown. In the given case a well-planned and analyzed strategy with the exploitation of the pre-existing knowledge to predict the future reflect the causation logic (C <sub>3</sub> ,C <sub>5</sub> ,C <sub>6</sub> ) used by a part of construction companies, while the second part of companies engaged in a variety of market and non-market activities by involving skill inputs to create a company value, designed to cultivate moral and pragmatic legitimacy in the eyes of the social sector, as well rejected the environmental limitation by refusal to follow the governmental obliged entry mode (e.g. forced JV entry mode during the Gaddafi’s regime in Libya) hereby demonstrating the use of bricolage logic (B <sub>1</sub> , B <sub>2</sub> , B <sub>7</sub> ).

<b>Siegel</b>	<b>SA<sub>8.1</sub></b>	<i>US companies</i> Cross-border alliance of US MNC with Mexican firms provides the opportunity to US MNCs to share investments in fixed assets (property, plant, equipment) with Mexican firms (C <sub>2</sub> ). MNC through its shared investments were motivated to monitor the quality of the investment (C <sub>5</sub> ) and use their expertise in the same industry to study the Mexican company's book on an ongoing basis. This kind of SA provides to US MNC the control over complementary assets. This SA was seen as a mechanism to reduce the risk of entering an emerging economy (C <sub>6</sub> ).
	<b>SA<sub>8.2</sub></b>	<i>Mexican firms a way to overcome crisis in emerging market</i> For an emerging economy firm the SA gives the possibility to gain access to cross-border knowledge, technology and finance (C <sub>3</sub> ). Firms can access cheap outside resources and thus attain superior performance (E <sub>3</sub> ). Mexican firms with cross-border alliances demonstrated superior corporate governance during a crisis (C <sub>6</sub> ), thus enjoying the significantly better stock returns during the crisis period. As well the formation of tight strategic alliance with a foreign multinational firm from a country with stronger legal institution helped to overcome the crisis and meet a challenge (B <sub>2</sub> ).
<b>Forlani</b>	<b>EX<sub>6</sub></b>	Managers in lower capability firm, where the indicator of the capability is firm-size measured by full-time employees, see least risk in the non-equity entry mode, like export. This suggestion reflects the causation logic (C <sub>3</sub> , C <sub>6</sub> ) during internationalization, where the perceived risk is the function of both the degree of control offered by the entry mode in conjunction with the firm's capability of managing this control. At the same time, comparable low capability firms, follow the effectuation logic (E <sub>2</sub> , E <sub>3</sub> ) reflecting collaborative strategy, emphasis on pre-commitment/strategic alliances through outsourcing of the marketing function to the foreign agent or partner.

### Theoretical dimensions

*Causation logic:* C<sub>1</sub> - long-run opportunities in developing the firm; C<sub>2</sub> - maximization of expected returns; C<sub>3</sub> - business/marketing planning and competitive analysis; C<sub>4</sub> - competitive strategy/market share through competitive strategy; C<sub>5</sub> - exploitation of pre-existing knowledge; C<sub>6</sub> - focus on predictable aspects of uncertain future to reduce risk, i.e. control.

*Effectuation logic:* E<sub>1</sub> - a focus on projects where the loss is a worst-case scenario/affordable loss; E<sub>2</sub> - an emphasis on pre-commitment and strategic alliance to control an unpredictable future/pre-commitment; E<sub>3</sub> - collaborative strategy to gain knowledge, experience and market share; E<sub>4</sub> - exploitation of environmental contingencies by remaining flexible; E<sub>5</sub> - focus on controllable aspects of an unpredictable future/control.

*Bricolage logic:* B<sub>1</sub> - making do - took the action to solve problems; B<sub>2</sub> - combination of resources for new purposes - combination and reuse of existing resources; B<sub>3</sub> - the resources at hand - the use of existing resources rather than seeking resources from outside; B<sub>4</sub> - physical inputs - the use of forgotten, discarded, worn, or presumed "single-application" materials; B<sub>5</sub> - labor inputs - involvement of customers, suppliers, and hangers-on in providing work on projects; B<sub>6</sub> - skill inputs - encouragement to the use of amateur and self-taught skills; B<sub>7</sub> - and institutional/regulatory environment - the rejection of limitation of the environmental limitations, work-around rules and standards.

### Entry modes

*Joint Venture:* JV<sub>1</sub> – Baack; JV<sub>4</sub> – Darendeli and Hill; JV<sub>6</sub> – Forlani; JV<sub>7</sub> – Kraus; JV<sub>9</sub> – Welch.

*Foreign Direct Investment:* FDI<sub>2</sub> – Buckley; FDI<sub>5</sub> – Fetscherin and Toncar; FDI<sub>7</sub> – Kraus.

*Strategic Alliance:* SA<sub>3</sub> – Chen; SA<sub>4</sub> - Darendeli & Hill; SA<sub>7</sub> – Kraus; SA<sub>8.1</sub> – Siegel; SA<sub>8.2</sub> – Siegel.

*Export:* EX<sub>6</sub> – Forlani; EX<sub>7</sub> – Kraus.

*Franchising:* FR<sub>7</sub> – Kraus.



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## **Strategie di marketing internazionale: L'impatto della customer education sulla percezione del Made in Italy nel settore agroalimentare**

### **Abstract**

*Il presente studio si propone di indagare l'impatto della customer education nell'ambito della food experience nel settore agroalimentare sulle percezioni e sulle valutazioni dei consumatori stranieri nei confronti del Made in Italy. Dopo una review della letteratura, espone i principali argomenti di indagine quali la customer education, la food experience e il COO effect del Made in Italy e si propone l'obiettivo in letteratura riguardo l'uso strategico del COO da parte delle imprese, per promuovere prodotti e servizi nei mercati esteri, e l'impatto della customer education nel settore alimentare sulla percezione del Made in Italy.*

**Keywords:** Customer Education; Food Experience; Country-of-Origin; Made in Italy.

### **1. Introduzione, Obiettivi, Metodologia**

Negli ultimi decenni, l'economia mondiale ha subito profondi cambiamenti, causati soprattutto dalla globalizzazione intesa come *processo di crescente apertura e integrazione a livello internazionale delle economie* (Musso, 2009, p. 262), che ha determinato, oltre all'arrivo di nuovi protagonisti, anche un cambiamento delle strategie della concorrenza internazionale (Musso, 2009). Le altre ragioni della crescente attenzione ai mercati esteri riguardano la saturazione dei mercati occidentali, l'emergere delle nuove potenze economiche (in primis Cina e India, ma anche Brasile, Russia, Paesi Arabi, Sud Africa), il progresso delle tecnologie nei trasporti e nelle comunicazioni e la crescente articolazione a livello internazionale delle value chain dei

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prodotti e dei servizi. Queste tematiche assumono particolare importanza nel caso delle imprese italiane, attive nei tipici settori del Made in Italy, le quali possono sfruttare il vantaggio competitivo fondato sulla ormai stabile e duratura immagine di qualità e creatività dei suoi prodotti (Bertoli & Resciniti, 2013).

Le imprese, per mantenersi competitive, devono avvicinarsi alle esigenze dei potenziali compratori, sfruttando le caratteristiche dei prodotti e le tecniche di distribuzione e promozione al fine di migliorare la loro presenza diretta all'estero: occorre ripensare il ruolo strategico che assumono le decisioni di sviluppo nei mercati internazionali (Musso, 2009; G. Pellicelli, 2010).

Lamb, Sandberg e Liesch (2011) identificano quattro tipologie di approcci all'internazionalizzazione: opportunità di confronto, competizione sul prezzo, differenziazione, storytelling (Lamb, Sandberg, & Liesch, 2011). In questo contesto si inserisce il valore del brand "Made in Italy", utilizzato come strategia di differenziazione, rivolta ai clienti esteri in grado di apprezzare il valore dei prodotti e l'effetto country-of-origin: le aziende possono entrare con successo *in quei mercati esteri in cui il Made in Italy riflette i gusti, gli stili e le esigenze dei consumatori e in cui la qualità è un fattore chiave determinante per le loro scelte* (Cioppi & Pencarelli, 2014, p. 121) ma anche attuare strategie internazionali per far conoscere il vero valore del Made in Italy. Esso si distingue su quattro macro settori di eccellenza manifatturiera, indicati con le "4A": abbigliamento, arredo-casa, alimentare, automazione meccanica (Becattini, 2000; Fortis, 2005; Micelli & Di Maria, 2000).

In particolare il settore agroalimentare italiano ha registrato nel 2018 un tasso di crescita più che doppio rispetto al PIL nazionale (+2,2% contro +0,9%), superando per la prima volta la soglia dei 140 miliardi di euro. Le vendite sono state trainate dall'export, che è cresciuto del 3,6% a 56,3 miliardi, un valore pari al 12,2% di tutte le esportazioni italiane. Con una quota di mercato pari al 5,8%, l'Italia occupa la quarta posizione nella classifica dei maggiori esportatori al mondo di prodotti agroalimentari (dopo Germania, Francia e Paesi Bassi, e prima di Stati Uniti e Cina). I prodotti più performanti sono stati il vino, la pasta, i formaggi, le conserve e i salumi (Istituto Nazionale di Statistica [ISTAT], 2018).

Un approccio strategico internazionale potrebbe essere quello di fare leva sulla customer education nell'ambito della food experience, per influenzare maggiormente la percezione del COO e quindi del Made in Italy all'estero: ovvero insegnare al potenziale cliente le pratiche culinarie tipiche della tradizione italiana (es. la pizza) per portarlo eventualmente all'acquisto di prodotti Made in Italy relativi (es. farina, olio, salsa di pomodoro, mozzarella, basilico) e quindi replicare in autonomia quanto imparato.

Il presente studio si ispira alla precedente analisi sul ruolo del COO nel

sostenere le strategie internazionali dei consorzi nei mercati emergenti (Musso, Francioni, & Pagano, 2012) e si propone l'obiettivo in letteratura riguardo l'uso strategico del COO da parte delle imprese, per promuovere prodotti e servizi nei mercati esteri, e l'impatto della customer education nel settore alimentare sulla percezione del Made in Italy.

## 2. Stato dell'Arte

### 2.1. Customer Education

Un fattore importante riconosciuto dalla letteratura, ma non indagato in modo approfondito è la customer education, la quale può svolgere un ruolo importante nella costruzione e nel miglioramento della customer loyalty (Suh, Greene, Israliov, & Rho, 2015).

Secondo Meer (1984), il termine customer education fa riferimento a *qualsiasi attività di apprendimento intenzionale, sostenuta e organizzata, che è progettata da parte di un'azienda o di un settore industriale, per impartire atteggiamenti, conoscenze o abilità ai clienti attuali o potenziali. Gli strumenti utilizzati vanno dal materiale didattico per l'auto apprendimento a veri e propri corsi formativi relativi al prodotto o al servizio (Meer, 1984).*

L'educazione del cliente è fondamentale per la co-creazione di valore, in quanto gli permette di acquisire competenze e comportamenti rilevanti per l'acquisto, la produzione e l'uso dei prodotti o servizi e di realizzare tutto il potenziale relativo a questi (Bitner, Faranda, Hubbert, & Zeithaml, 1997; Challagalla, Venkatesh, & Kohli, 2009; Payne, Storbacka, Frow, & Knox, 2009). Infatti l'incapacità di utilizzare un prodotto può impedire a un mercato di espandersi al massimo delle sue potenzialità (Best, 2005).

McNeal (1978) sostiene che l'utilizzo della customer education come strategia di marketing abbia tre potenziali vantaggi, in quanto contribuisce a reclutare e mantenere clienti soddisfatti, infondendo un'attitudine positiva nei consumatori verso i prodotti, a ridurre i confronti con la concorrenza e a incrementare i profitti dell'azienda (McNeal, 1978).

I fattori chiave per il successo comprendono la comunicazione costante e l'apprendimento reciproco: la customer education è importante per la creazione delle competenze dei clienti e di conseguenza rafforza il rapporto azienda-cliente (Bell, Auh, & Smalley, 2005).

Gli strumenti educativi che possono essere utilizzati sono vari: consulenze professionali, seminari, pubblicità, opuscoli, blog, forum, interazioni con il personale, volantini, siti web (Aubert, 2007; Burton, 2002; Suh et al., 2015). Ad esempio, nel segmento B2C, i rivenditori DIY (Do It Yourself) come Castorama in Francia o Home Depot negli Stati Uniti, conducono programmi di formazione "face-to-face" e tutorials per aiutare i potenziali clienti ad acquisire e raggiungere le competenze base del fai-da-te

(Aubert, Khoury, & Jaber, 2005). Attività simili sono state osservate nel settore dell'elettronica, come nel caso di NikonSchool negli Stati Uniti, nel Regno Unito e in Francia, con la creazione di programmi educativi finalizzati ad indirizzare i propri utenti verso il corretto uso delle tecnologie e a migliorare le loro capacità complessive di utilizzo dei prodotti. Questo fenomeno è stato riscontrato anche in altri settori quali cosmesi, giocattoli e finanza.

Il settore alimentare si presta a un'ampia varietà di tecniche di marketing e promozione: ad esempio corsi in istituti culinari, dimostrazioni di chef professionisti, incontri e iniziative di sperimentazione con distributori, giornalisti e media locali (Musso et al., 2012).

Il presente studio si propone di applicare il concetto di customer education in merito all'insegnamento che si intende fornire al cliente riguardo le pratiche culinarie tipiche della tradizione italiana (es. la pizza) per indurlo all'acquisto di ingredienti Made in Italy (es. farina, olio, salsa di pomodoro, mozzarella, basilico) e quindi replicare in autonomia quanto imparato.

La customer education è fonte di maggiore soddisfazione e fedeltà da parte dei clienti: numerosi studi suggeriscono che la soddisfazione di un prodotto aumenta quando aumenta l'intensità dell'educazione del cliente (Bonfanti & Brunetti, 2014; Shih & Venkatesh, 2004; Suh et al., 2015). Inoltre influenza positivamente la fiducia dei consumatori, contribuendo a una comprensione più profonda delle qualità del prodotto - facilitandone l'acquisto - e del suo utilizzo - rendendolo più efficiente - infatti i clienti riescono ad apprezzare maggiormente il valore dei prodotti principalmente utilizzandoli (Bell & Eisingerich, 2007; Dankens & Anderson, 2001; Suh et al., 2015; Vargo & Lush, 2004a, 2004b).

## 2.2. *Marketing Esperienziale e Food Experience*

In un mercato altamente competitivo in cui il consumatore è sempre più informato, l'unico modo per attirare l'attenzione è creare un'esperienza di tipo sensoriale che coinvolga i cinque sensi (Pine & Gilmore, 1998).

Schmitt (1999) approfondisce la natura multidimensionale delle esperienze e le classifica in cinque "moduli strategici esperienziali", *sense, feel, think, act e relate* (Schmitt, 1999), sostenendo che la vera attrazione esperienziale consista nel fondere insieme tali caratteristiche in offerte ibride ed esperienze olistiche. Ne deriva il concetto di marketing esperienziale come leva con cui comunicare i prodotti attirando l'attenzione dei consumatori mediante la capacità di creare un'esperienza ed una relazione emozionale di lungo periodo generando referenze e passaparola favorevoli (Schmitt, 1999).

Studiando il comportamento emotivo dei consumatori, Addis e Holbrook (2001), hanno rilevato che questi pensano e provano sentimenti continuamente e di conseguenza sono alla ricerca di esperienze di divertimento e piacere (Addis & Holdbrook, 2001). Tali esperienze si



verificano quando i consumatori interagiscono con i prodotti, ad esempio fin dalle prime fasi della customer journey (consider - evaluate), e quando li utilizzano dopo l'acquisto: le esperienze di consumo sono multidimensionali e includono dimensioni edoniche quali i concetti di sentimento, fantasia e divertimento (Hoch, 2002; Holbrook & Hirschman, 1982; A. C. Pellicelli, 2008).

Si evince come la brand experience emerga da una varietà di situazioni - quando i consumatori cercano, acquistano e utilizzano i brand - pertanto può essere concettualizzata come una serie di risposte soggettive, interne del consumatore (sensazioni, sentimenti, cognizioni) e risposte comportamentali, evocate da specifici attributi esperienziali, relativi all'identità di un brand e può essere suddivisa in quattro dimensioni (sensoriale, affettiva, intellettuale, comportamentale) (Brakus, Schmitt, & Zarantonello, 2009).

I consumatori scelgono determinati prodotti o brand non solo perché questi offrono benefici funzionali e di performance, ma anche perché possono soddisfare esigenze psicologiche interne, che corrispondono al grado di coinvolgimento affettivo dei consumatori (Kim, Forsythe, Gu, & Moon, 2002). Tale coinvolgimento dei consumatori ha un effetto notevole sulle preferenze e sul comportamento nei confronti dei prodotti alimentari (Bell & Marshall, 2003; Juhl & Poulsen, 2000; Olsen, 2001; Verbeke, 2005). Sebbene questi siano stati classificati come a basso coinvolgimento, a causa del basso costo e quindi del limitato impatto sul reddito totale di una persona o famiglia, il loro acquisto e consumo può essere stimolato dai sentimenti di interesse e piacere che suscitano nei consumatori e quindi il ruolo delle componenti affettive ed emotive risulta essere più importante rispetto a quelle cognitive, nelle decisioni di acquisto (Beharrell & Dennison, 1995; Vaughn, 1980).

Inoltre la sensazione di piacere viene evocata quando i consumatori percepiscono le qualità sensoriali offerte dai prodotti alimentari e tale sensazione si accentua quando consumano un prodotto tipico etichettato con la regione di origine, che racchiude in sé diversi valori: il livello di coinvolgimento ha un effetto positivo sulle preferenze dei consumatori nei confronti dei prodotti alimentari della regione di origine, in quanto la risposta dei consumatori verso il cibo è di tipo affettivo e non cognitivo (Trigui & Giraud, 2013). Molti studi hanno scoperto che i consumatori più coinvolti nei confronti di prodotti alimentari con riferimento regionale, sono quelli che hanno connotazioni affettive e associazioni emotive con la regione di origine del prodotto (Obermiller & Spangenberg, 1989; Verlegh & Steenkamp, 1999).

Il piacere emozionale del cibo viene indagato più approfonditamente da Batat et al. (2019) che, partendo dal lavoro di Cornil e Chandon (2016a; 2016b) sul piacere epicureo del cibo (EEP - Epicurean Eating Pleasure), introducono il concetto di EPF (Experiential Pleasure of Food) come un viaggio che coinvolge il piacere cognitivo ed emotivo duraturo, che i consumatori provano assaporando i significati multisensoriali e culturali di

tale esperienza (Batat et al., 2019; Cornil & Chandon, 2016a, 2016b). Tale viaggio inizia ancora prima che gli eventi gastronomici abbiano luogo, nell'attesa di assaporare il cibo e prosegue con l'acquisto, il consumo e il suo ricordo: l'EPF si basa sulla filosofia del piacere esperienziale, secondo cui degustare sia fondamentale per creare associazioni ed emozioni positive e porti a un maggiore benessere del consumatore (Arnould, Price, & Zinkhan, 2002; Jose, Lim, & Bryant, 2012).

Inoltre sottolinea l'importanza di una prospettiva che re-incorpori l'esperienza del consumatore in termini di piacere e benessere alimentari all'interno di una specifica cultura alimentare (francese, asiatica, ecc.): infatti la food experience è integrata in una particolare cultura ed è modellata dalla storia, dalle norme sociali, dai valori e dalle credenze di questa cultura (Batat et al., 2019).

La sociologia contemporanea dell'alimentazione ha dimostrato che qualsiasi cucina può creare il piacere alimentare epicureo purché si concentri sull'autenticità e sulla propria identità: il cibo è il riflesso della cultura di un luogo e l'espressione di una società e del suo popolo, pertanto è un prezioso strumento di marketing e promozione per paesi e culture (Du Rand, 2006; Johnston & Baumann, 2007; Lokesoot & Hornby, 2019).

### 2.3. *Country-of-Origin Effect e Made in Italy*

Il fenomeno del Country-of-Origin effect è da tempo oggetto di studio da parte della letteratura di marketing internazionale. Questa importanza è data soprattutto dall'influenza che la nazionalità dell'impresa e del prodotto ha sui comportamenti d'acquisto dei consumatori. Il primo autore che analizzò l'importanza del COO, come variabile estrinseca in grado di influenzare il comportamento di acquisto dei consumatori, fu Schooler (1965); negli anni a seguire Nagashima (1970) dimostrò come l'atteggiamento nei confronti del COO sia mutevole nel tempo, sostenendo come il *made in rappresenta l'immagine, la reputazione, lo stereotipo che gli uomini d'affari e i consumatori associano ai prodotti di un specifico paese* (Nagashima, 1970); Roth e Romeo (1992) definiscono il COO come *l'insieme delle impressioni dei consumatori riguardo prodotti provenienti da un determinato paese, basato sulle percezioni dei punti di forza e debolezza della produzione e del marketing dei brand di quel paese* (Roth & Romeo, 1992) (Nagashima, 1970; Roth & Romeo, 1992; Schooler, 1965).

Emerge come tale locuzione venga intesa quale sintesi di *stereotipi, abilità, esperienze e conoscenze, reali e/o percepite, riguardanti un certo paese e la sua capacità manifatturiera* (Bertoli & Resciniti, 2013) e rappresenti una variabile estrinseca utilizzata dai consumatori come indicatore della qualità dei prodotti di un paese e quindi influenzi i processi decisionali di acquisto (Bertoli & Resciniti, 2013; Pappu, Quester, & Cooksey, 2006).

Infatti quando i consumatori non hanno familiarità con un brand o con

determinati prodotti, tendono a utilizzare il COO come indicatore per valutare la qualità e la performance, in quanto sono attributi ritenuti difficili da copiare e imitare; essi preferiscono acquistare prodotti o servizi di brand realizzati in paesi associati a immagini positive (Johansson & Nebenzahl, 1986; Shahrokh & Azodi, 2013).

Il COO mette in relazione un prodotto con la sua identità nazionale originaria e questo si traduce in un forte attaccamento emotivo a brand e prodotti provenienti da quel paese (Fournier, 1998). Inoltre è emerso come il COO abbia un impatto positivo su brand equity, brand awareness, brand loyalty e brand image: i paesi con un'immagine positiva sono familiari ai consumatori e percepiti come produttori di qualità, tali brand hanno la capacità di differenziarsi dagli altri e hanno un'alta popolarità (Hsieh, Pan, & Setiono, 2004; Shahin, Kazemi, & Mahyari, 2012; Yasin, Noor, & Mohamad, 2007). Un'immagine positiva del COO può aiutare i manager nella costruzione di una brand leadership a livello globale (Aaker & Joachimsthaler, 2000).

A livello internazionale, l'immagine del paese Italia, è basata su fattori come *storia e cultura, creatività, design, turismo, benessere, lifestyle* (Esposito, 2006). Tale immagine è inevitabilmente paragonata alle caratteristiche produttive del Made in Italy, che si distingue su quattro macro settori di eccellenza manifatturiera, indicati con le "4A": abbigliamento, arredo-casa, alimentare, automazione meccanica (Becattini, 2000; Fortis, 2005; Micelli & Di Maria, 2000). Di conseguenza il Made in Italy esprime cultura e i suoi prodotti rappresentano simboli significativi dell'immagine che il Paese vanta nel mondo, evocando attributi nella mente dei consumatori che caratterizzano positivamente l'immagine dell'Italia e che si riflettono nell'associazione prodotto-paese (Temperini, Gregori, & Palanga, 2016; Varaldo, 2001). Si evidenzia come l'immagine del brand "Made in Italy" sia positiva in tutto il mondo e sia caratterizzata da una natura multi-dimensionale, legata a significati e valori tipici e unici, tale da renderlo equiparabile a un globalbrand fino ad arrivare a essere considerato un megabrand in un'ottica di country branding (Marino & Mainolfi, 2009; Prometeia, 2015).

In un mondo globalizzato, in cui le persone hanno quotidianamente accesso ad una varietà di alimenti che riflettono la cucina di un Paese diverso dal proprio e tendono a sperimentarne di nuovi (tendenza particolarmente evidente nella crescente popolarità dei cibi asiatici nei Paesi occidentali e viceversa), le esperienze culinarie con alimenti tipici di altri Paesi (ad esempio il sushi giapponese, il bibimap coreano, gli hamburger statunitensi), possono portare a una migliore comprensione del Paese di origine e quindi influenzare la percezione dell'immagine di quel Paese e dei suoi prodotti (Institute of Food Technologists, 2011; Jo & Kim, 2014). Data la varietà di scelta, i consumatori selezionano gli alimenti che preferiscono e mangiare è, per la maggior parte, un'esperienza piacevole e positiva (Rozin, 1999).

Rispetto ad altre categorie di prodotti, quella alimentare ha ricevuto meno attenzione nelle ricerche inerenti il COO: tuttavia, dalle ricerche precedenti emerge come il COO possa influenzare le percezioni e le preferenze dei consumatori nei confronti del cibo. In primo luogo, in molti paesi, il cibo locale è preferito grazie alla disponibilità in loco e al fatto che rifletta la cultura del proprio paese (Henchion & McIntyre, 2000). Gli alimenti importati possono essere percepiti come di qualità inferiore rispetto a quelli locali e comportare una “liability of foreignness” (Newman, Turri, Howlett, & Stokes, 2014).

In secondo luogo, quando i consumatori valutano diverse alternative, utilizzano il COO degli alimenti come indicatore di qualità del prodotto (Schnettler et al., 2011).

Nel complesso, il contesto dell’ambiente decisionale è importante in quanto influenza la percezione del COO nelle valutazioni riguardanti i prodotti alimentari e nelle decisioni di acquisto dei consumatori; fattori come il tempo, le conoscenze pregresse, la demografia, l’ambiente circostante possono influire su tali valutazioni (Greibitus, Menapace, & Bruhn, 2011).

L’impresa può sfruttare l’immagine del Paese come strategia di entrata nei mercati esteri, l’immagine multi-sfaccettata di un Paese è il riflesso di vari elementi, quali geografia, storia, cultura, popolazione e prodotti; tra questi il cibo incide maggiormente sulla percezione di tale immagine rispetto ad altri elementi culturali, come i film e la musica, in quanto gli stimoli influenzano un numero maggiore di funzioni sensoriali umane (Elder & Krishna, 2010; Kotler & Gertner, 2002). Il cibo coinvolge tutte e cinque le funzioni sensoriali umane (mentre i film, la musica e l’arte solo alcune); in particolare il profumo è uno dei fattori chiave che non è mai presente negli altri elementi culturali, ma risulta fondamentale nell’influenzare positivamente le attitudini del consumatore e può fungere da indicatore della qualità di un prodotto. Inoltre la food experience comprende anche incontri e contatti con la popolazione di un determinato Paese e l’esperienza fisica dell’assaggio può imprimere ricordi più vividi e positivi nel lungo termine (Bone & Jantrania, 1992). Sperimentare alimenti di un Paese straniero può avere molte più ramificazioni culturali e incoraggiare una maggiore conoscenza di tale paese rispetto ai normali prodotti e merci (Jo & Kim, 2014).

Aiello et al. (2015) considerano tre settori italiani di eccellenza (fashion, furniture, food) in tre paesi europei (Regno Unito, Russia e Francia): emerge come i brand italiani del settore agroalimentare si posizionino ad un livello superiore rispetto ai brand del mercato interno e in alcuni casi siano situati nel reparto “etnico”, contribuendo maggiormente al loro posizionamento come “Specialty Brands”. La grande presenza di brand italiani mostra chiaramente come siano largamente conosciuti e si siano integrati nelle diverse culture. Si evince come il COO potrebbe supportare alcuni brand italiani, non ancora ben

noti nei mercati esteri, a costruire la propria reputazione e sfruttare l'immagine del Paese italiano per rafforzare il posizionamento (Aiello et al., 2015).

### 3. Conclusioni e Implicazioni per il Management

Per le imprese, servono modelli strategici che tengano conto del nuovo scenario competitivo mondiale, in quanto esse devono “pensare internazionale” e guardare verso altri paesi, non solo quello domestico, con i molteplici obiettivi commerciali, produttivi e per valutare ed esplorare nuove opportunità imprenditoriali (Eckhardt & Shane, 2003; Resciniti, Fortuna, & Matarazzo, 2012).

Un approccio strategico internazionale utile per il management, potrebbe essere quello di fare leva sulla customer education nell'ambito della food experience, per influenzare maggiormente la percezione del COO e quindi del Made in Italy all'estero.

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## Le enodestinzioni italiane di successo: un confronto 2008-2018

### Abstract

*L'enoturismo è un ambito che ormai costituisce una consolidata realtà socio-economica in molti Paesi tradizionalmente (e non) legati al mondo del vino. In Italia, il fenomeno si presenta "a macchia di leopardo" con zone molto sviluppate che si alternano ad altre in fase di sviluppo. Tale situazione è già stata evidenziata in un precedente lavoro (Maizza & Rosato, 2008) in cui si è realizzato un ranking di "destinazioni enoturistiche italiane", fruendo di dati secondari impiegati poi con una metodologia originale. A distanza di dieci anni, si è pensato di verificare la situazione attuale, ponendola a confronto con quella emersa nel 2008. Il lavoro, oltre a fare un bilancio decennale delle "destinazioni enoturistiche italiane", cerca di approfondire le modalità attraverso le quali possa emergere l'enoturismo. In tal senso, adottando la metodologia del benchmarking, sono state analizzate le best practices del settore per cercare di evidenziare le variabili di successo.*

**Keywords:** Wine destination; Wine tourism; Wine; Digital.

### 1. Premessa

L'Italia, da sempre, può considerarsi uno tra i più importanti Paesi al mondo per il comparto vinicolo, come testimoniano i volumi di produzione realizzati anche nel 2018, anno in cui si sono prodotti 54.150 milioni di ettolitri, che hanno determinato l'annata più prolifica del millennio. Un altro dato così elevato risale al 2000, quando vennero prodotti 54.1 milioni di ettolitri.

Quello del 2018 è stato un incremento del 23% sulla media degli ultimi 10 anni; ciò è determinato, soprattutto, dal segmento dei vini bianchi (30.6

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milioni di ettolitri, +35% rispetto alla media), dei vini DOC (22.9 milioni di ettolitri, +38%) e dei vini da tavola (17.8 milioni di ettolitri, +31%). Con riferimento alle regioni italiane più produttive, si segnalano i dati positivi di Veneto e Puglia, che registrano una produzione di oltre il 50% superiore alla media degli ultimi 10 anni, rispettivamente pari a 12.9 e 9.8 milioni di ettolitri.

Resta pressoché invariata la produzione rispetto alle medie storiche sia del Piemonte che della Toscana; Basilicata, Campania, Lazio, Marche e Umbria, invece, registrano dati inferiori alla media storica.

Positivo anche il valore del vino italiano venduto all'estero: i 6,2 miliardi di euro del 2018 equivalgono a un +3,3% rispetto al precedente anno. In generale, il trend è in crescita da diversi anni: nell'ultimo decennio, infatti, si è passati dai 3,67 miliardi del 2008 ai 5 miliardi del 2013<sup>1</sup>.

Per quanto attiene il turismo del vino in Italia, parliamo ormai di un fenomeno consolidato e di grande rilevanza. Le ricerche condotte in tale ambito – ad esempio, il XV Rapporto Nazionale sul Turismo del Vino in Italia di “Città del Vino Associazione Nazionale” – confermano la rilevanza del comparto, che ha fatto registrare nel 2018 oltre 14 milioni di presenze (tra pernottamenti ed escursioni) ed un fatturato complessivo superiore ai 2,5 miliardi di euro, ciò considerando l'intera filiera enoturistica.

Malgrado tali interessanti risultati, vi è da sottolineare che il fenomeno rappresenta ancora una piccola nicchia nell'ambito del più generale settore turistico, peraltro concentrato in prevalenza nel Nord Italia.

Volendo sintetizzare gli elementi che contraddistinguono l'enoturismo in Italia, possiamo far uso della *S.W.O.T. Analysis* (redatta sulla base di analisi e considerazioni poste in essere anche sulla scorta di precedenti nostri lavori – Fait, Scorrano, Cavallo, & Iaia, 2016; Fait, Cavallo, Scorrano, & Iaia, 2015; Cavallo, Fait, Iaia, & Scorrano, 2015; Maizza, Cavallo, & Iaia, 2014) così come rappresentato in Figura 1.

Come può evincersi dal precedente quadro sinottico, per migliorare la competitività si rende necessario enfatizzare la portata esperienziale che il vino naturalmente possiede per via del suo tradizionale legame con il territorio d'origine, facendo emergere il radicamento del prodotto al luogo di produzione, quindi alle sue tradizioni, colture e culture. Ciò agevolerebbe il processo di identificazione-differenziazione, quindi la percezione di valore che le nostre produzioni possono generare per loro stesse e per il territorio. Si tratta, in definitiva, di riuscire a creare l'effetto “*brand-land*” (Fait, Trio, & Scorrano, 2014; Iaia, Fait, Cavallo, Scorrano, & Maizza, 2014; Maizza, Scorrano, Iaia, & Cavallo, 2013; Scorrano, 2013; Scorrano, Maizza, Rosato, & Gravili, 2013; Maizza & Iazzi, 2011; Fait & Trio, 2011; Fait, 2010), ovvero quella condizione capace di veicolare – attraverso il nome del territorio – il

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<sup>1</sup> Dati Istat (<https://www.istat.it/>).

valore delle sue produzioni, le quali possono così diventare risorse non replicabili in altri contesti e, quindi, con un'elevata capacità competitiva.

Figura 1. L'analisi S.W.O.T. dell'enoturismo in Italia

<p style="text-align: center;"><b>PUNTI DI DEBOLEZZA</b></p> <ul style="list-style-type: none"> <li>• sottoutilizzazione della struttura</li> <li>• ridotte dimensioni dell'impresa</li> <li>• scarsa incidenza dell'intermediazione</li> <li>• scarsa integrazione con altra offerta turistica</li> <li>• ridotte capacità di adattamento del target</li> <li>• staticità del turismo verde</li> <li>• volatilità del mercato per la forte dipendenza estera</li> </ul>	<p style="text-align: center;"><b>PUNTI DI FORZA</b></p> <ul style="list-style-type: none"> <li>• offerta peculiare</li> <li>• target ben definito (familiare)</li> <li>• forte utilizzo di Internet</li> <li>• proiezione sull'estero</li> <li>• percezione positiva da parte del turista</li> <li>• attrattive complementari (enogastronomia, paesaggio, monumenti)</li> </ul>
<p style="text-align: center;"><b>RISCHI</b></p> <ul style="list-style-type: none"> <li>• incapacità a reggere l'offensiva <i>last minute</i></li> <li>• ghetizzazione soltanto sul "turismo natura"</li> <li>• scarsa tenuta del modello agrituristico</li> <li>• scarsa presenza sui cataloghi T.O.</li> <li>• eccessiva dipendenza dal turismo "fai da te"</li> <li>• difficoltà a programmare l'impresa</li> <li>• migrazione del turismo estero</li> </ul>	<p style="text-align: center;"><b>OPPORTUNITÀ</b></p> <ul style="list-style-type: none"> <li>• incremento dell'intermediazione attraverso strutture consortili</li> <li>• allargamento dell'offerta a gruppi e innovazione della formula per catturate quote di turismo <i>business</i></li> <li>• valorizzazione dell'enogastronomia</li> <li>• valorizzazione della specificità agrituristica</li> <li>• messa a valore della percezione positiva della campagna</li> <li>• allargamento dei <i>target</i></li> <li>• incremento del turismo didattico/esperienziale</li> </ul>

Fonte: ns elaborazione

Quando ciò accade, il *land* si eleva, così, a *brand* e, attraverso la *loyalty* del consumatore, diventa "bene comune", distribuendo valore per una pluralità di soggetti. Noti e numerosi sono i casi italiani che, anche nel mondo del vino, testimoniano la validità del predetto assunto teorico. Si pensi, ad esempio, a: Montalcino, Chianti, Asti, Valpolicella, Franciacorta, ecc.; tutti luoghi assurti a brand, grazie ad una saggia e comune strategia di sviluppo sostenibile basata sulla valorizzazione dei luoghi e dei prodotti realizzati. A livello internazionale, l'esempio emblematico è Champagne: nota area geografica, ma ancor prima vino noto in tutto il mondo per le sue specificità e qualità.

Il comune denominatore delle destinazioni enoturistiche di successo (a livello mondiale) è rappresentato dalla capacità di presentarsi con elevati livelli di servizio, con un'ampia varietà di offerta (non solo in termini di numerosità di produttori, ma anche di tipologie di vini), e con un'unica immagine (Fait, Scorrano, Cavallo, & Iaia, 2016; Cavallo & Iaia, 2015). Questo implica che il terroir debba riuscire ad operare in una logica olistica volta ad "armonizzare" le differenti realtà, non solo produttive, al fine di consentire l'emersione di un unico brand dell'intera destinazione enoturistica.

## 2. Tesi e metodologia di ricerca

Così come già precisato nel precedente lavoro del 2008, la tesi di ricerca può ricondursi essenzialmente al seguente assunto.

*Considerato lo sviluppo dell'enoturismo e la sua capacità di integrare realtà e territori economicamente differenti, è agevole ipotizzare che da tale formula possa discendere un modello di sviluppo socio-economico sostenibile, soprattutto per i territori vocati all'agricoltura ed alle tradizioni rurali. Il turismo del vino può, dunque, rappresentare, se adeguatamente valorizzato, un elemento centrale nella proposizione di valore di specifiche destinazioni turistiche.*

Ciò si può attuare allorché si ricerchino forme esperienziali di turismo autentico, dove gli elementi qualificanti e distintivi dell'offerta di destinazione siano rappresentati dal legame con il territorio, dagli elementi della cultura e delle tradizioni locali, nonché dagli stili di vita, in modo da intercettare e soddisfare una specifica domanda.

L'enoturista, infatti, rappresenta un viaggiatore che ha specifiche esigenze (nella Figura 2 sono sintetizzati i principali elementi distintivi desunti da nostre precedenti ricerche – Fait, Cavallo, Scorrano, & Iaia, 2015; Cavallo, Fait, Iaia, & Scorrano, 2015; Maizza, Cavallo, & Iaia, 2014), le quali necessitano di un'opportuna organizzazione dell'offerta che includa non soltanto l'esperienza enologica, ma anche un sistema più ampio, capace di offrire esperienze e servizi adeguati.

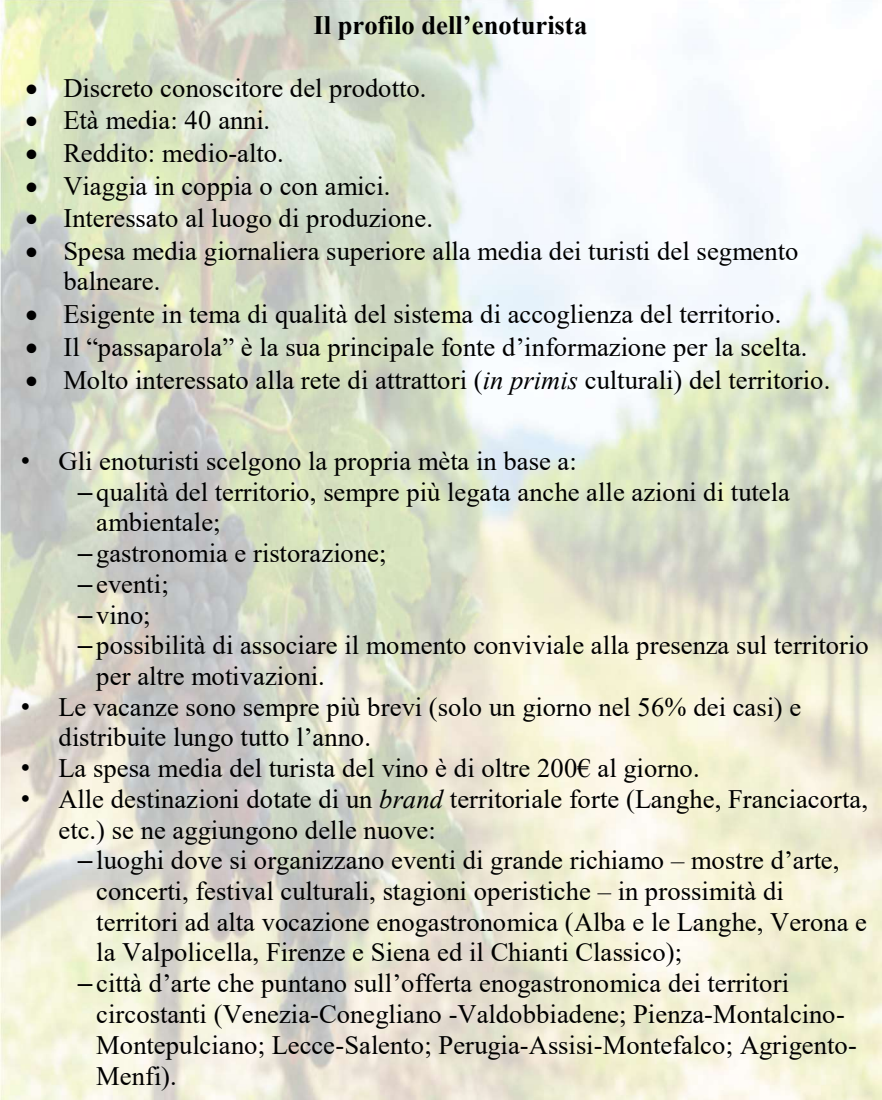
In virtù di ciò, il lavoro intende rispondere ai seguenti interrogativi di ricerca:

**Q1:** *Quali sono le principali enodestinzioni italiane e quali sono gli elementi distintivi?*

**Q2:** *Quali sono i fattori di cambiamento intervenuti nelle enodestinzioni rispetto al 2008?*

**Q3:** *Come sono percepite le enodestinzioni dai turisti?*

Figura 2. Il profilo dell'enoturista



**Il profilo dell'enoturista**

- Discreto conoscitore del prodotto.
- Età media: 40 anni.
- Reddito: medio-alto.
- Viaggia in coppia o con amici.
- Interessato al luogo di produzione.
- Spesa media giornaliera superiore alla media dei turisti del segmento balneare.
- Esigente in tema di qualità del sistema di accoglienza del territorio.
- Il “passaparola” è la sua principale fonte d’informazione per la scelta.
- Molto interessato alla rete di attrattori (*in primis* culturali) del territorio.
  
- Gli enoturisti scelgono la propria mèta in base a:
  - qualità del territorio, sempre più legata anche alle azioni di tutela ambientale;
  - gastronomia e ristorazione;
  - eventi;
  - vino;
  - possibilità di associare il momento conviviale alla presenza sul territorio per altre motivazioni.
- Le vacanze sono sempre più brevi (solo un giorno nel 56% dei casi) e distribuite lungo tutto l’anno.
- La spesa media del turista del vino è di oltre 200€ al giorno.
- Alle destinazioni dotate di un *brand* territoriale forte (Langhe, Franciacorta, etc.) se ne aggiungono delle nuove:
  - luoghi dove si organizzano eventi di grande richiamo – mostre d’arte, concerti, festival culturali, stagioni operistiche – in prossimità di territori ad alta vocazione enogastronomica (Alba e le Langhe, Verona e la Valpolicella, Firenze e Siena ed il Chianti Classico);
  - città d’arte che puntano sull’offerta enogastronomica dei territori circostanti (Venezia-Conegliano -Valdobbiadene; Pienza-Montalcino-Montepulciano; Lecce-Salento; Perugia-Assisi-Montefalco; Agrigento-Menfi).

Fonte: ns elaborazione

La metodologia seguita, per confermare la tesi di ricerca e per rispondere ai predetti interrogativi, presenta una duplice logica:

- una di tipo deduttivo finalizzata a verificare se sia possibile adattare la teoria del *destination management* all’enoturismo,
- la seconda di tipo induttivo, con la quale ci si pone l’obiettivo di

delineare le principali determinanti necessarie all'emersione di una destinazione enoturistica.

Tali approcci si sono impiegati ponendo a confronto i dati 2008 con le stesse ed altre fonti verificate nel 2018.

In particolare, sono stati rielaborati i seguenti dati:

- Rapporto sul Turismo del Vino in Italia, stilato dal Censis nel 2008 e da Città del Vino nel 2018.
- Quantitativi totali di produzione di vino e di qualità (DOC e DOCG) nei differenti ambiti territoriali (dati Istat 2008 e 2018).
- Vini di eccellenza (Guida Veronelli 2008 e 2018).
- Ristorazione tipica del territorio (Guida Slow Food 2008 e 2018).

Oltre a considerare il confronto con i dati della ricerca condotta nel 2008 (cfr. Tabella 1), sono stati analizzati anche i dati relativi all'attenzione che le principali cantine dedicano al fenomeno *digital*. In particolare, è stata approfondita la ricerca "Il Gusto Digitale del Vino Italiano", redatto nel 2018 da FleishmanHillard – Omnicom PR Group Italia.

Tabella 1. Le fonti impiegate nella ricerca

Parametro	Dati	
	2008	2018
Quantità della produzione di "vino di qualità"	Peso relativo della produzione di vino di qualità (DOC e DOCG) sul totale della produzione riferibile ai differenti ambiti territoriali (dati Istat 2008)	Peso relativo della produzione di vino di qualità (DOC e DOCG) sul totale della produzione riferibile ai differenti ambiti territoriali (dati Istat 2018)
Qualità della produzione di vino	Numerosità per regione dei vini definiti "I Super Tre Stelle" dalla Guida 2008 di Veronelli	Numerosità per regione dei vini definiti "I Super Tre Stelle" dalla Guida 2018 di Veronelli
Qualità della ristorazione tipica del territorio	Imprese della ristorazione citate nella Guida 2008 di Slow Food Italia per "una proposta di vini ricca e qualificata"	Imprese della ristorazione citate nella Guida 2018 di Slow Food Italia per "una proposta di vini ricca e qualificata"
Attenzione al digital		"Il Gusto Digitale del Vino Italiano", redatto nel 2018 da FleishmanHillard - Omnicom PR Group Italia
Analisi dell'enoturista		Somministrazione di un breve questionario online ai wine lover

Fonte: ns elaborazione



Si è, inoltre, proceduto alla somministrazione di un breve questionario ad un campione di *wine lover* che ha vissuto esperienze enoturistiche in Italia. Tale indagine è avvenuta, nei mesi Giugno-Settembre 2019, tramite la diffusione del questionario sulle principali piattaforme virtuali di comunicazione (*website, social media, community, forum, ecc.*) caratterizzate da interazione e condivisione di contenuti inerenti il mondo del vino.

L'indagine, somministrata *online* ai *wine lover*, è stata strutturata in diverse aree volte ad approfondire:

- la provenienza, la classe di età, la professione e le persone con cui viaggiano,
- la tipologia di strutture ricettive scelte per una vacanza enoturistica (albergo, villaggio turistico, residenze turistiche alberghiere, bed and breakfast, ecc.),
- i canali informativi utilizzati per decidere la destinazione (tour operator e agenzie viaggio, riviste specializzate, familiari e amici, website di enti istituzionali, forum e community, social media),
- gli elementi che vengono considerati nella scelta delle destinazioni enoturistiche, oltre al vino (Cooper, Fletcher, Fyall, Gilbert, & Wanhill, 2008):
  - *attractions*, ovvero le “attrazioni” culturali, naturali, eventi (chiese, monumenti, castelli, musei, parchi naturali, aree archeologiche, festival, ecc.),
  - *amenities*, ovvero le “attrattive” (ricettività, ristorazione, ecc.),
  - *accessibility*, ovvero le strutture d'accesso (aeroporti, porti, strade, ferrovie, ecc.),
  - *auxiliary services*, ovvero i servizi ausiliari erogati da enti locali per la promozione, coordinamento e sviluppo della destinazione,
- le principali tipologie di esperienze ricercate durante il soggiorno (cultura ed eventi, sport e benessere, mare, religione).

Il questionario è stato realizzato tenendo conto delle diverse finalità conoscitive (quindi degli interrogativi di ricerca) e predisponendo le domande anche in modo che l'intervistato potesse esprimere il proprio giudizio su una scala da 0 (per nulla importante) a 7 (molto importante), relativamente alle principali *wine destination* italiane individuate.

Al fine di approfondire l'esistenza di relazione tra due variabili (come e quanto variano due variabili insieme), è stata, inoltre, condotta un'analisi di correlazione che consente di osservare l'intensità del legame grazie all'indice di Pearson che varia tra -1 e +1; tali valori estremi rappresentano relazioni perfette tra le variabili, mentre 0 rappresenta l'assenza di relazione.

### 3. I risultati

Muovendo dalle predette fonti, si è proceduto alla rielaborazione ed al confronto dei dati 2008-2018 a partire da quelli riguardanti la produzione vinicola (cfr. Tabella 2).

Tabella 2. Quantità della produzione di “vino di qualità” (valore assoluto/000 e % su Italia)

	2018: Elaborazione dati ISTAT 2017		2008: Elaborazione dati ISTAT 2007		Confronto 2018-2008	
	<i>DOC e DOCG in hl</i>	<i>Produzion e totale di vino in hl</i>	<i>DOC e DOCG in hl</i>	<i>Produzion e totale di vino in hl</i>	<i>DOC e DOCG in hl</i>	<i>Produzion e totale di vino in hl</i>
Veneto	6.189	8.473	2.238.874	8.843	3.950.126	-370
	35,47	19,33	16,98	16,64	18,49	2,69
Piemonte	1.828	2.043	2.001.455	3.263	-173.455	-1.220
	10,48	4,66	15,18	6,14	-4,70	-1,48
Emilia Romagna	1.363	5.457	1.273.215	7.155	89.785	-1.698
	7,81	12,45	9,66	13,47	-1,85	-1,02
Sicilia	1.260	4.725	234.908	6.964	1.025.092	-2.239
	7,22	10,78	1,78	13,11	5,44	-2,33
Toscana	1.245	1.901	1.467.123	3.166	-222.123	-1.265
	7,14	4,34	11,13	5,96	-3,99	-1,62
Puglia	609	9.070	376.482	7.610	232.518	1.460
	3,49	20,69	2,86	14,32	0,63	6,37
Friuli Venezia Giulia	600	1.639	714.906	1.344	-114.906	295
	3,44	3,74	5,42	2,53	-1,98	1,21
Campania	224	1.293	193.216	1.878	30.784	-585
	1,28	2,95	1,47	3,53	-0,18	-0,58
Valle d'Aosta	9	10	11.300	22	-2.300	-12
	0,05	0,02	0,09	0,04	-0,03	-0,02
ITALIA	17.447	43.829	13.183.691	53.133	4.263.309	-9.304

Fonte: ns elaborazione

Rispetto a 10 anni fa, si è ridotta la produzione totale (ciò a testimonianza di un trend ormai consolidato), ma è aumentato il vino di qualità. Le prime 5 regioni produttrici il 68,12% del vino “di qualità” rappresentano il 51,56% della produzione totale di vino. Se a queste si aggiunge la Puglia (sesta nella classifica della produzione di vini di qualità e prima regione per produzione di quantità), le percentuali relative alla produzione totale di vino e di vino di qualità diventano rispettivamente il 72,26% e il 71,61%. Oltre a quanto sinora esposto, va considerato che l’aspetto inerente la qualità del prodotto considerato viene declinata anche al di là del possesso delle certificazioni DOC-DOCG ed attiene ad aspetti sensoriali e gustativi valutati dal consumatore e dagli “esperti”, secondo logiche variegata. Ciò comporta che, oltre al dato “soggettivo” (rappresentato dal possesso delle predette certificazioni), la qualità del vino viene anche valutata da altri aspetti, i quali sono presi in esame da note e storiche pubblicazioni le quali rivestono un ruolo rilevante per la comunicazione e diffusione del prodotto. Una sintesi di detta valutazione è rappresentata nella Tabella 3, nella quale sono riportati i dati rivenienti dalla “Guida Veronelli” (una delle principali guide del mondo del vino) da cui si evince l’esistenza di una certa convergenza con i risultati esposti nella Tabella 2. Nelle prime 5 posizioni, infatti, ritroviamo le stesse regioni (Piemonte, Toscana, Veneto e Sicilia), tranne l’Emilia Romagna sostituita in questo caso dal Trentino Alto Adige.

Tale situazione evidenzia un’elevata concentrazione della produzione che ben si sposa con le logiche di *destination management* in ambito enoturistico, posto che il primo elemento fondante il turismo del vino è rappresentato dalla presenza di un’alta varietà e qualità del prodotto. Di contro, però, si osserva che non tutte le principali regioni produttrici di vino hanno elevati tassi di visitatori. Ciò testimonia la presenza di un ritardo nel settore che, ove colmato, potrebbe contribuire molto positivamente non soltanto allo sviluppo socio-economico del contesto territoriale, ma anche ad un miglioramento della capacità competitiva del vino stesso.

Il nesso che lega tale asserzione, risiede nella elementare considerazione secondo la quale la visita e, quindi, la conoscenza diretta e personale dei luoghi di produzione, nonché degli stessi produttori, rappresentano nel mondo del vino un elemento fondamentale per la creazione della *brand loyalty*, quindi per lo sviluppo della competitività di prodotto.

Ad ulteriore conferma dell’aspetto qualitativo delle prime regioni produttrici di vini “nobili”, quindi del loro potenziale e reale valore in quanto destinazioni enoturistiche di eccellenza, ritroviamo il dato della ristorazione tipica.

Tale dato è desunto da un’importante guida del settore, qual è quella pubblicata da Slow Food Italia. Nella Tabella 4 viene riportata la classifica dei ristoranti “tipici” presenti nelle regioni italiane, ciò ponendo a confronto i dati disponibili nel 2008 e nel 2018, che riferiscono ai rispettivi anni precedenti.

Tabella 3. Qualità della produzione di vino

	<b>2018: Elaborazione dati “Guida Veronelli 2018 – I Super Tre Stelle”</b>		<b>2008: Elaborazione dati “Guida Veronelli 2008 – I Super Tre Stelle”</b>	
	<i>Vini di eccellenza (in valore assoluto)</i>	<i>Vini di eccellenza sul totale Italia</i>	<i>Vini di eccellenza (in valore assoluto)</i>	<i>Vini di eccellenza sul totale Italia</i>
Piemonte	87	27,70%	169	41%
Toscana	83	26,40%	116	28,60%
Veneto	23	7,30%	22	5,40%
Trentino Alto Adige	21	6,70%	19	4,70%
Sicilia	15	4,80%	9	2,20%
Campania	13	4,10%	14	3,40%
Lombardia	11	3,50%	6	1,50%
Friuli Venezia Giulia	11	3,50%	21	5,20%
Marche	10	3,20%	-	-
Umbria	7	2,20%	-	-
Puglia	7	2,20%	5	1,20%
Sardegna	6	1,90%	4	1%
Abruzzo	6	1,90%	6	1,50%
Basilicata	5	1,60%	8	2%
Lazio	3	0,90%	-	-
Calabria	3	0,90%	3	0,70%
Valle d’Aosta	1	0,30%	1	0,20%
Molise	1	0,30%	-	-
Emilia Romagna	1	0,30%	2	0,50%
Liguria	-	-	1	0,20%
ITALIA	314	100%	406	100%

Fonte: ns elaborazione

Tabella 4. Quantità della ristorazione tipica del territorio

	2018: Elaborazione dati Guida Slow Food 2017		2008: Elaborazione dati Guida Slow Food 2007	
	<i>Esercizi della ristorazione (in valore assoluto)</i>	<i>Esercizi della ristorazione sul totale Italia</i>	<i>Esercizi della ristorazione (in valore assoluto)</i>	<i>Esercizi della ristorazione sul totale Italia</i>
Toscana	28	10,10%	54	11%
Veneto	26	9,40%	65	13,20%
Lombardia	22	8%	37	7,50%
Campania	22	8%	36	7,30%
Piemonte	21	7,60%	56	11,40%
Emilia Romagna	20	7,20%	54	11%
Sicilia	20	7,20%	12	2,40%
Puglia	18	6,50%	20	4,10%
Lazio	16	5,80%	28	5,70%
Liguria	12	4,30%	13	2,60%
Friuli	11	4%	25	5,10%
Trentino Alto Adige	11	4%	22	4,50%
Abruzzo	10	3,60%	15	3%
Sardegna	9	3,30%	1	0,20%
Marche	8	2,90%	23	4,70%
Calabria	7	2,50%	14	2,90%
Umbria	6	2,20%	9	1,80%
Basilicata	6	2,20%	4	0,80%
Molise	2	0,70%	1	0,20%
Valle d'Aosta	1	0,40%	4	0,80%
ITALIA	276	100%	493	100%

Fonte: ns elaborazione

Nei primi 5 posti, ritroviamo Toscana, Veneto, Piemonte e si aggiungono rispetto al dato di cui alle tabelle precedenti Lombardia e Campania. Alla luce dell'importanza del fenomeno *digital* nei vari settori economici e, in particolare nel turismo e nel vino, si è pensato di integrare l'indagine considerando l'attenzione riposta da parte delle aziende enologiche a detto

fenomeno. Si è così esaminato il rapporto redatto annualmente da FleishmanHillard – Omnicom PR Group Italia, la cui sintesi è riportata nella Tabella 5 in cui vengono espone le aziende vinicole più attente al mondo digitale considerandone la loro posizione geografica. Tale indagine, evidenzia che le aziende più *digital* sono quelle venete (15 di 33); nelle prime posizioni, tuttavia, si ritrovano ancora le regioni presenti nelle prime posizioni di cui alle tabelle precedenti, ovvero: Toscana, Trentino Alto Adige, Piemonte e Lombardia.

Tabella 5. Attenzione al Digital Marketing

Posizione	Azienda Vinicola	Regione	Punteggio 2018	Variatione rispetto al 2017
1	Compagnia De' Frescobaldi	Toscana	84	=
2	Mionetto	Veneto	83	5
3	Masi Agricola	Veneto	81	=
3	P. Antinori	Toscana	81	-1
4	Casa Vinicola Zonin	Veneto	73	5
5	Villa Sandi	Veneto	71	3
6	Mezzacorona	Trentino Alto Adige	69	-1
7	Cavit Cantina Viticoltori	Trentino Alto Adige	68	-3
8	Gruppo Banfi	Piemonte	67	-2
9	Gruppo Campari (divisione vini)	Lombardia	62	5
10	Gruppo Santa Margherita	Veneto	60	=
11	Cantine Riunite & CIV	Emilia Romagna	57	=
12	Ruffino	Toscana	56	11
13	La Vis	Trentino Alto Adige	53	-1
14	Farnese Vini	Abruzzo	51	new entry
15	VS – Vinicola Serena	Veneto	49	=
16	Cantina Sociale di Soave	Veneto	48	-3
17	Gruppo Terra Moretti	Lombardia	44	13

18	Lunelli	Trentino Alto Adige	42	-1
19	Schenk Italia	Trentino Alto Adige	41	2
20	La Marca Vini e Spumanti	Veneto	40	-1
21	Enoitalia	Veneto	36	4
22	Fratelli Martini Secondo Luigi	Piemonte	33	4
23	Collis Veneto Wine Brands	Veneto	32	1
24	IWB – Italian Wine Brands	Lombardia	30	8
25	Gruppo Cevico	Emilia Romagna	29	-7
26	Casa Vinicola Botter Carlo & C.	Veneto	23	2
27	Vivo Cantine	Veneto	22	-5
28	Mondo del Vino Group	Emilia Romagna	19	-8
29	Caviro	Emilia Romagna	15	=
30	Quargentan	Veneto	12	1
31	Vignaioli Veneto Friulani	Veneto	9	new entry
32	Contri Spumanti	Veneto	5	-3

Fonte: ns elaborazione

Dopo quattro mesi (Giugno-Settembre 2019), i questionari compilati e ritenuti validi sono risultati essere pari a 430. L'anagrafica ci consente di affermare che il profilo medio dell'intervistato ha le seguenti caratteristiche: proviene dall'Italia meridionale (65,1%), ha un'età media compresa tra i 36 e i 50 anni (55,8%), è impiegato (16,3%), viaggia prevalentemente con la famiglia (51,2%), per soggiorni che hanno una durata media che va dai 3 ai 5 giorni (58,1%).

Il *wine lover* intervistato, per la sua vacanza enoturistica, predilige soggiornare in albergo (53,5%) e in B&B (30,2%).

Per individuare la sua "eno"destinazione si rivolge essenzialmente a tour operator e/o agenzie di viaggio (30,2%), nonché a familiari e amici (23,3%); importante nella scelta anche il ruolo di fonti online, quali social media (18,6%), forum e community (14%), website di enti istituzionali (11,6%); residuale l'utilizzo di riviste specializzate (2,3%).

La maggior parte dei rispondenti (74,4%) dichiara fondamentale nella

scelta la presenza di *attractions*, ovvero di attrazioni culturali, naturali e di eventi; a ciò segue anche la presenza di attrattive nell'ambito della ristorazione e della ricettività (*amenities*, 20,9%). Le strutture d'accesso (*accessibility*) hanno un peso sulla scelta pari al 4,7%; non sono, invece, ritenuti fondamentali i servizi ausiliari (*auxiliary services*) erogati dagli enti locali per la promozione, coordinamento e sviluppo della destinazione.

Coerentemente con quest'ultima risposta, le esperienze più ricercate durante il soggiorno, oltre all'enogastronomia, riguardano: la cultura e gli eventi (76,7%), il mare (18,6%), il benessere e lo sport (4,7%); nessun dato relativo alla religione.

Gli intervistati hanno quasi tutti visitato le principali *wine destination* indagate nel presente lavoro; se si esclude il 4,7% dei *wine lover* che dichiara di non essere mai stato nelle regioni in esame, in ordine il 67,4% ha visitato la Puglia, il 65,1% la Toscana, il 44,2% il Piemonte, il 30,2% il Veneto, il 27,9% la Sicilia.

Con riferimento alla percezione che i *wine lover* hanno delle enodestinzioni visitate, nelle due tabelle che seguono sono riportati i valori ponderati relativi agli elementi e alle esperienze vissute.

Nello specifico, considerando la valutazione relativa agli elementi considerati oltre al vino (ovvero *attractions*, *amenities*, *accessibility* e *auxiliary services* – cfr. Tabella 6), Puglia e Toscana sono le *wine destination* che registrano in media il punteggio più alto, rispettivamente 4,8 e 4,74. La regione che ottiene il valore medio più basso è invece la Sicilia (4), ma tale punteggio è quasi uguale a quello registrato dal Veneto (4,03).

Tabella 6. Punteggio medio registrato dalle *wine destination* relativamente agli elementi considerati nella scelta, oltre al vino

	<b>Attractions</b>	<b>Amenities</b>	<b>Accessibility</b>	<b>Auxiliary Services</b>	
Veneto	4,14	4,05	4,14	3,79	<b>4,03</b>
Piemonte	4,3	4,16	4,28	4	<b>4,18</b>
Toscana	5,02	4,74	4,65	4,56	<b>4,74</b>
Sicilia	4,67	4,16	3,49	3,7	<b>4</b>
Puglia	5,16	5,09	4,51	4,46	<b>4,8</b>

Fonte: ns elaborazione

Per quanto attiene il valore medio relativo alle esperienze vissute dai *wine lover* (cultura/eventi, benessere/sport, mare, religione – cfr. Tabella 7) nelle principali *wine destination* indagate, il primato spetta alla Puglia con una media pari a 4,98, seguita dalla Sicilia (4,46). Il valore più basso è registrato dal Veneto (3,63). Incide tanto su tale valutazione il peso assegnato alle



esperienze che riguardano il mare (il Piemonte non è considerato, poiché non ha tale elemento).

Tabella 7. Valore medio registrato dalle wine destination relativamente alle esperienze vissute

	<b>Esperienze che riguardano la cultura e gli eventi</b>	<b>Esperienze che riguardano il benessere e lo sport</b>	<b>Esperienze che riguardano il mare</b>	<b>Esperienze che riguardano la religione</b>	
Veneto	4,33	3,95	3,05	3,19	<b>3,63</b>
Piemonte	4,58	4,12	/	3,44	<b>4,05</b>
Toscana	5,05	4,53	4,23	3,81	<b>4,4</b>
Sicilia	4,84	4,28	5,02	3,72	<b>4,46</b>
Puglia	5,28	4,72	5,63	4,28	<b>4,98</b>

Fonte: ns elaborazione

Dall'analisi di correlazione effettuata (cfr. Tabella 8), è emerso che per tutte le enodestinzioni in esame esiste una relazione lineare positiva tra le variabili "attractions" e "cultura/eventi" (0,772 per il Veneto; 0,756 per il Piemonte; 0,854 per la Toscana; 0,800 per la Sicilia e 0,895 per la Puglia).

Tabella 8. Analisi di correlazione

	<b>VENETO [cultura/eventi]</b>	<b>VENETO [sport/benessere]</b>	<b>VENETO [mare]</b>	<b>VENETO [religione]</b>
VENETO [Attractions]	,772**	,652**	,450**	,503**
VENETO [Amenities]	,746**	,634**	,445**	,502**
VENETO [Accessibility]	,635**	,616**	,340**	,439**
VENETO [Auxiliary Services]	,619**	,622**	,392**	,540**
	<b>PIEMONTE [cultura/eventi]</b>	<b>PIEMONTE [sport/benessere]</b>		<b>PIEMONTE [religione]</b>
PIEMONTE [Attractions]	,756**	,689**		,662**
PIEMONTE [Amenities]	,757**	,746**		,652**
PIEMONTE [Accessibility]	,762**	,716**		,658**

PIEMONTE [Auxiliary Services]	,760**	,776**		,645**
	<b>TOSCANA [cultura/eventi]</b>	<b>TOSCANA [sport/benessere]</b>	<b>TOSCANA [mare]</b>	<b>TOSCANA [religione]</b>
TOSCANA [Attractions]	,854**	,818**	,664**	,456**
TOSCANA [Amenities]	,834**	,842**	,679**	,521**
TOSCANA [Accessibility]	,803**	,802**	,716**	,624**
TOSCANA [Auxiliary Services]	,786**	,800**	,672**	,595**
	<b>SICILIA [cultura/eventi]</b>	<b>SICILIA [sport/benessere]</b>	<b>SICILIA [mare]</b>	<b>SICILIA [religione]</b>
SICILIA [Attractions]	,800**	,740**	,774**	,380**
SICILIA [Amenities]	,753**	,735**	,741**	,438**
SICILIA [Accessibility]	,660**	,750**	,593**	,469**
SICILIA [Auxiliary Services]	,748**	,721**	,652**	,380**
	<b>PUGLIA [cultura/eventi]</b>	<b>PUGLIA [sport/benessere]</b>	<b>PUGLIA [mare]</b>	<b>PUGLIA [religione]</b>
PUGLIA [Attractions]	,895**	,706**	,736**	,488**
PUGLIA [Amenities]	,810**	,815**	,841**	,642**
PUGLIA [Accessibility]	,673**	,791**	,569**	,513**
PUGLIA [Auxiliary Services]	,783**	,755**	,605**	,541**

Fonte: ns elaborazione

Con riferimento al covariare linearmente ma in direzione negativa, per il Veneto si sottolinea la relazione tra “accessibility” e “mare” (0,340); per la Toscana tra “accessibility” e “religione” (0,456); per la Puglia tra “attractions” e “religione” (0,488); per la Sicilia tra “accessibility” e “religione” (0,380), ma anche tra “auxiliary services” e “religione” (0,380).

Nel caso del Piemonte, il valore più basso di relazione è pari a 0,645 ed esprime il legame tra “auxiliary services” e “religione”.

#### 4. Conclusioni ed implicazioni manageriali

Dall'indagine condotta si evince che non vi sono sostanziali modifiche relativamente alle regioni con spiccata vocazione e capacità enoturistica rispetto a quanto già rilevato nel 2008 (rispondendo così ai quesiti di Q1 e Q2). Ciò che emerge, come sintesi dell'intera ricerca, è che l'enoturismo di eccellenza richiede la presenza dei seguenti elementi: 1) qualità e varietà del prodotto vino; 2) ristorazione tipica; 3) attenzione al fenomeno *digital*.

Le principali destinazioni enoturistiche italiane sono percepite positivamente dai vari visitatori (Q3), considerando i seguenti aspetti essenziali: la presenza di *attractions* e l'offerta di esperienze legate alla cultura e agli eventi. Nello specifico, Puglia e Toscana emergono con riferimento agli elementi valutati dai *wine lover*, oltre al vino; Puglia e Sicilia registrano valutazioni più alte relativamente alle esperienze da vivere durante il soggiorno.

La qualità dell'offerta enologica rappresenta una condizione certamente necessaria per l'emersione di una destinazione e enoturistica di qualità, ma non sufficiente. Nella logica del *destination management*, infatti, la qualità della risorsa turistica “elementare” (Rispoli & Tamma, 1996), per riuscire a definire un prodotto adeguato a soddisfare le complessive esigenze della clientela, necessita di essere integrata in un sistema di offerta ampio ed articolato.

Ci si riferisce, oltre al vino, ai prodotti dell'enogastronomia, alle risorse culturali, agli eventi ed ai servizi al turista (Friel, 2012). Appare quanto mai necessario andare oltre il semplice momento della degustazione per trasformare i luoghi della produzione di vino – cantine e vigneti – in luoghi di attrazione turistica specifica, incentivando ad esempio la tendenza, già in atto in alcune aree, ad investire in progetti di ristrutturazione di antiche cantine, con l'obiettivo di trasformarle, con il concorso di architetti di chiara fama, in luoghi di attrazione turistica capaci di generare specifici flussi turistici (Friel & Maizza, 2015).

Dal punto di vista manageriale, quindi, si rende necessario operare lungo due direttrici: la prima per il miglioramento dell'offerta di servizi aggiuntivi rispetto al momento “degustativo”; la seconda per la revisione strutturale dei luoghi “cantine”. Il primo aspetto è certamente connesso ad elementi ed a condizioni operative non solo delle singole realtà, ma anche del contesto di riferimento (si pensi alla viabilità, ai collegamenti, agli eventi locali, ecc.). Il secondo, invece, attiene alle singole cantine ed alla loro potenzialità/possibilità di ristrutturazione dei tradizionali luoghi di produzione

vinicola. Quando entrambe le condizioni riescono ad emergere si genera un effetto olistico tale per cui i territori generano elementi esperienziali e culturali in grado di rendere la visita un momento unico e memorabile. Perché ciò accada diventa necessario ideare e realizzare luoghi, itinerari, strutture capaci di soddisfare le esigenze dei visitatori, contribuendo così alla valorizzazione dei territori oltre che delle singole realtà.

A livello internazionale, numerosi sono gli esempi, anche ampiamente indagati dalla letteratura: dalla Napa Valley delle architetture di Herzog e de Meuron e dei *wine design resort* (Skinner, 2000) alla valle della Rioja (Gilbert, 1992) con le cantine firmate, nelle strutture e negli arredi, da architetti e designer di fama mondiale come Santiago Calatrava, Zaha Hadid e Norman Foster. Interessanti esperienze sono riscontrabili anche in Italia; si pensi, solo per citarne alcune, a quelle del Piemonte (Castellani, Mancuso, Messaglia, Borra, Mazzarino, 2011; Borriero & Buzio, 2012), della Toscana o del Veneto (Galletto, Barisan, & Scaggiante, 2011).

Un processo di valorizzazione così composto richiede, dunque, un'azione corale che, muovendo dalle singole realtà produttive, riesca a coinvolgere (ed inglobare) le comunità locali, i luoghi e le Istituzioni, in modo da generare strategie di sviluppo endogeno tramite anche modalità di fruizione di un nuovo turismo, che sia fondato sulla creatività ed esperienzialità. Perché ciò accada, si rende necessario altresì ripensare ai luoghi di produzione, immaginandoli come entità ricche non soltanto di storia del passato, ma anche di elementi connessi al design ed alla modernità che l'evoluzione e la rivoluzione digitale in atto oggi impongono in ogni entità economico-produttiva.

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## **Causality and effects "beyond" strategy reinforcing organization: the process of decoupling decisions-actions towards ecologies**

### **Abstract**

*The "juxtaposition" between strategy and organization has seen in the last few decades a weakening of the former, while observing an increasing complexity and management of change as a modus operandi that has evolved the latter also to compensate for those weaknesses. A dynamic counter-balance process that therefore seems to improve the way people take decisions as well as their way of acting, decoupling them, to put them back together in better and more suitable organizational models (in terms of appropriateness and stability). Because they are able to cope with the complexities of permanent change and innovation to which (as in case of digital world) present and future organizations seem to be condemned. And yet also (but not only) as a substitute for an increasingly weaker concept of strategy and an alternative question to avoid being swallowed up by the logic of pure calculation of consequences (deterministic rationalism) or simple reactivity - more or less Pavlovian - (bound by external resources), or enclosed in the narrow spaces of a contingent intuitionism of the Bergsonian type (subjectivism and dependence on the constraints of internal resources). Which brings us back to the seminal contribution of Warren Weaver (1948) "Complexity and Science", in which it deals with "problems of disorganized and organized complexity", claiming that the latter ones, "are all problems which involve dealing simultaneously with a sizable number of factors which are interrelated into an organic whole".*

**Keywords:** Strategy reinforcing organization; Ecologies.

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## 1. Introduction

Starting from Warren Weaver (1948) of “*Complexity and Science*” these notes as a theoretical paper, along a jagged emerging ridge of dynamic learning organizations, want to try to synthetically formulate the ongoing transition from an evolution of operational and behavioral contexts, increasingly influenced by the paradigmatic shift between predictability and unpredictability, between simple linearity (in a *stable world*) and complexity (in an *unstable world*). Exploring the effects and emergence of substitutes, such as that of *ecology* that shows that it is possible to settle the crisis of the strategy with the appearance of new resilient organizations, just like in the *organic whole* defined by Weaver. Leveraging on non-linear and dynamic complexity models, which integrate interdependent biological, cognitive and social dimensions. *Ecologies*, where change can be understood as self-reorganization of results that derive from (social and cognitive) inter-connectivity between the members of the community, the sub-systems and the environment designed by *density overlapping feed-back loops of network* and *network-of-network* nodes, in the sense of Maturana and Varela(1987) and Capra (1996).

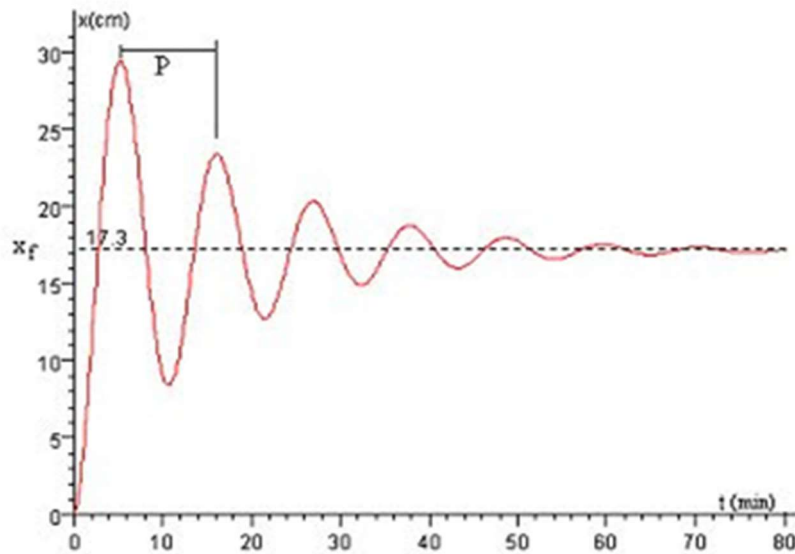
## 2. Human behavior between predictability and unpredictability

Science - as we know - works by connecting (or trying to connect) the causes and effects of natural and social phenomena. In the "hard" sciences, however, this connectivity turns out to be relatively simpler because the variables to be considered can be "isolated" in the laboratory and replicated in their relationships to verify that a simple correlation is also an expression of causation, capable of confirming or denying a research hypothesis and therefore also a theory or segments of it. On the contrary, in the social sciences this exploration of the relationships between causes and effects is more complex, because laboratory replicability is almost never possible. In the social sciences the methodological reductionism, that is usually adopted in the hard sciences to isolate some variables and replicate the experiments, is rarely possible, even if it has been tried to “align” economics and social sciences with the hard sciences, with frequent disappointing results. Such unsatisfactory results have been demonstrated, for example, by the scarce ability of economists - academic and / or professional - to foresee the crises that have occurred over the past 120 years.

Robust forecasting models have always been sought also in the management trying to connect the structure of behaviors to the performances, for example, as in the well-known deterministic approach S-C-P, on the basis of a substantive rationality followed by the agents and assuming a stable

world. This led Chandler (1962) to detect that “*structure follows strategy*”. Therefore, a linear approach of connection between structural market variables (average dimensions, number of occupied people, number of competitors, consolidated technologies), which would influence the conduct or choice behaviors (strategic behaviors), would eventually determine the (positive or negative) performances, precisely according to linear logics. But this would happen in the substantial absence of innovation and where the variables at time  $t$  cannot change at time  $t + 1$ , which configures what economists define *steady state* (borrowing the concept from biochemistry or physics (see figure 1): situation in which the starting conditions do not influence the final or exit conditions of the process.

Figure 1. Example of a chemical-physical steady state representation



In this case, the decisions would be determined by the original structural factors that would lead to specific performances, based on a good forecast of the future, having gathered the necessary and available information. "Good predictions", in this case, of the economy and management, will depend on the degree of complexity of the surrounding (as well as internal) environment. On one hand, low or no complexity will determine good predictions (which all agents should be able to provide, having the same information and knowledge, or the same technology), even for a prevalence of *close innovation*. A case in which the value of the information approaches the "0", because all the agents can access it at almost zero costs. While, on the other hand, high complexity will force us to formulate alternative scenarios (from *best* to *worst*), scoring the results based on the probability that some

circumstances will occur (or not) and in conditions of *open innovation*. In this case the information value is different from "0" and positive, because it will depend on alternative scenarios and differentiated emerging conditions. The latter, however, are perceived in different ways, which will influence the final results as well as the starting conditions.

### **3. Predictability and coincidence of decision-action: the concept of "efficient" strategy**

The linear-deterministic model in economics – and even more in management – does not work effectively in conditions of complexity of the interacting variables (internal and external), since we (decision makers) are ourselves part of the object of observation and therefore part of the process of decision-action.

Let's start with a practical example, like the persimmon plant and the farmer. The farmer's problem is to determine the best forecast of the times of fall of the leaves (and persimmons) and of their quantity to adapt the technology (trolley and broom) to collect them. The persimmon plant tend to differentiate the adopted strategies in a linear (or simple) world with respect to a non-linear (or complex) world. In the first case, the farmer has only the persimmon plant and only that in the absence of other disturbing variables (wind, rain, birds, other plants), in a short time and without innovation (the technology cannot change). In this context, the strategy represents the minimization of resources, given the technology and the time needed to reach the plant, according to a principle of energy saving. In this case we can speak – as known – of an optimization procedure. Here the concept of strategy is suitable because it leads us to accept a sequential and deterministic relationship between decision and action, that will ultimately tend to coincide, given the objectives, the resources and timeframe within which the phenomenon is assumed to have run, in a linear and highly predictable manner. The timeframe, however, is short (within a limited space) and susceptible to recourse to some form of stochastic or probabilistic forecasting, capable of giving us an (efficient) measure of the space that can be spanned and of useful or necessary energy consumption. In these situations and contexts, opposite and equivalent solutions cannot exist in the outcomes, in order to exclude possible errors in the chosen solutions to the problem. *The strategy is the calculation of the expected value* of the farmer's decision-action, without other considerations on the behavior, that is assumed to be rational and in which the outcomes will not be influenced by the initial conditions, also for the prevalence of *short termism*. On the whole, we would always face classes of *"reversible"* phenomena, as in the hard sciences.

Figure 2. The persimmon plant



#### 4. Unpredictability and non-coincidence between decision and action: catastrophes and the concept of effective ecology

Taking up the elementary example of the persimmon and the farmer, we must note that if together with the persimmon plant we have other plants, we introduce the wind (or snow) and also birds that lean on the persimmons and move them, or the presence of insects that condition the life of the plant the original problem changes. It can also change based on the behavioral influences of the farmer and the sense of proper actions and his own perceived identity as his competences. A set of factors that change - dynamically - the original steady state conditions. The outcome is no longer that of simple energy optimization or resource minimization given an objective which, moreover, in the short term is supposed not to change, but to understand the effects of the network or of the interdependence between the variables. In this case, then, the problem of the farmer is no longer to predict when the fruits will fall and *how many*, but *what to do when* they fall and *how to* collect them and whether he will have the appropriate technology, as well as the spirit (awareness of himself and of his potentials) to do it (Pilotti, 2019, 2011).

Therefore, we will no longer have a “standard forecasting” problem in a strict sense, but the need to understand and design the interaction perimeter between the relevant variables, which arise when all this will happen, so that our farmer knows how to intervene appropriately. Here the concept of strategy is no longer useful because the objective is not given and the process of interaction between the variables changes the relationships in space-time and even the self-perception of the farmer. Another concept is needed, capable of delimiting a *problem of appropriateness* in the variables interaction and/or in the networking and/or in the perception: the concept of *ecology* could be

useful for this purpose. Since the concept of ecology is able to point out the appropriateness of behaviors and useful resources - designed in their complex interactions - to accept the challenges of a multi-interaction context (also subjective and behavioral) between variables in unpredictable forms, with multiple effective solutions.

The question is then which solution to choose and furthermore: what connection between decision and action in an unpredictable world? If cognitive functions are co-emerging with respect to the reference environment, to individuals and activities, then decisions no longer coincide with actions but tend to decouple from them. The main reason is because the same decision can bring to more possible actions or, viceversa, the same action can be generated by multiple independent decisions, given the plurality of objectives and the generativity of knowledge emerging in the process. Therefore, the starting conditions can change the final results of the activities and thus we enter a class of *irreversible phenomenous* as in case of Butterfly Effect analyzed by Edward Lorenz for the first time in 1962 (New York Academy of Sciences, 1963). As we know by Lorenz (1963) - and anticipated by Turing in 1950 -, in *chaos theory*, the “*butterfly effect*” is the sensitive dependence on initial conditions in which a small change in one state of a deterministic nonlinear system can result in large differences in a later state. A very small change in initial conditions had created a significantly different outcome.

From this point of view Renè Thom (francophone mathematician, winner of the prestigious Fields Medal in 1985) proposing some form archetypes, tries to solve this problem of discontinuity and irreversibility of the phenomena of change with a qualitative use of quantitative models of geometric or topological type, suggesting the possible forms of change that would lead - in our case - the farmer to accept the challenges of leaps in process innovation and in the system of objectives, as well as in perception. The 7 catastrophes of Renè Thom have the purpose to draw, in a topological sense, the possible connective structures that the variables will or could have when the event takes place and adopt appropriate behaviors to absorb the impacts on subjects and institutions and certainly on the context. His major contribution is in differential topology and in particular in the catastrophe theory, applied mathematically to natural phenomena. In particular, the differential topological theory of catastrophes, by the use of mathematical models, represents those discontinuous phenomena caused by the continuous variation of the parameters on which they depend, i.e. those phenomena that introduce variations in the starting conditions. Thom classifies seven possible types of elementary catastrophes that tend to describe a sudden change in a process that is considered structurally stable. Such theory can be applied to the genesis and evolution of fields ranging from hard sciences (physics, climate change, bio-engineering, chemistry) to human and social sciences (linguistics, semiotics,

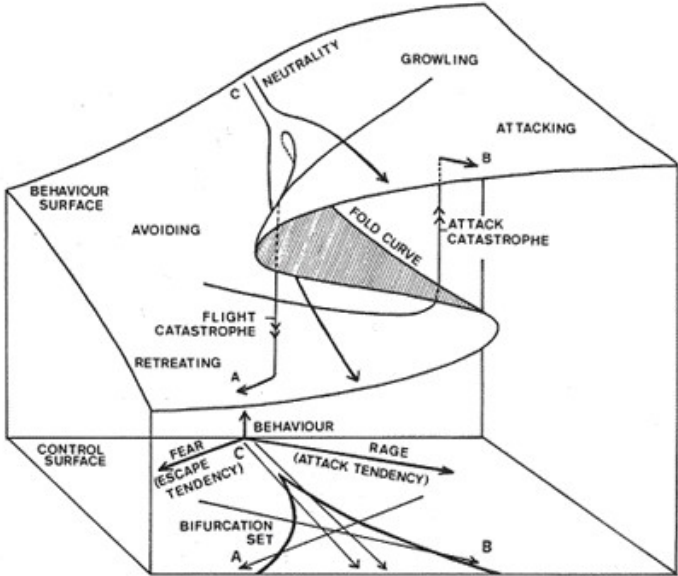
ethology, sociology, economics). According to this approach the world cannot be described as chaotic by itself, but it is the expression of a series of rational structures whose sequence is the object of a morphological investigation (Pilotti, 1984).

The specific case of the cusp of innovation adoption is representative of many of the complex problems that managers and organizations today have to face in circumstances of permanent and continuous or *disruptive* change, which normally determine behavioral situations of bifurcation of possible choices. Contexts of choice in which the prediction or the concept of standard strategy are misleading or not useful because they assume a stable, linear and substantially adaptive world for incremental changes. In situations of radical change, we need another concept, more capable of indicating a different complex (or ecological) relationship between the variables and of non-coincidence between decision and action. Not coincidence that occurs in a precise point in space where time collapses and gives rise to the innovative "leap" and the cusp. *The ecology of the relationships* between subjects and environmental contextual factors that give origin to the cusp is effective in representing the process of innovation in adoption in an ecological form, of which the cusp (final outcome) is among the possible forms and the surface describes instead process continuity.

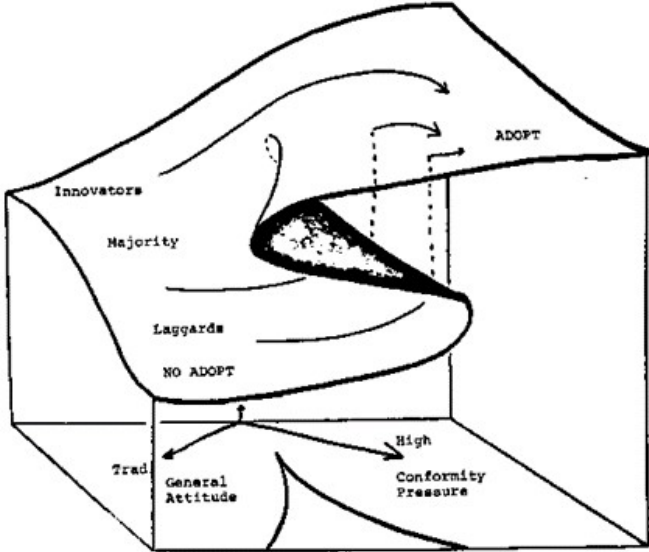
In Fig.3 we have the *cusp catastrophe* proposed by Renè Thom and adapted to interpret consumption adoption within a three-dimensional scheme, capable of discriminating between innovator and follower or, even, no consumption.

The cusp catastrophe (Fig. 3) that we have chosen, appears in systems which have two control factors (exogenous variables) and an axis of behavior (endogenous variables), which are interrelated by the action of a potential, which alters the energies of behavioral factors, influencing their direction. But, while in natural phenomena the geometry of the potential is given, in economic-social phenomena it is subject to mutation. The continuous changes of the slope of the paraboloid are generating discontinuous changes in the behavior of the system and determine explosive effects and divergence (unstable equilibrium); or, the discontinuous changes of the paraboloid are incapable of altering the continuity of the behavior of the system, so that they generate implosivity of the process and convergence (stable equilibrium).

Figure 3. The cusp catastrophe



Cusp Catastrophe Interpretation of Consumer Adoption





Topological languages help us to model the relationships between exogenous (discontinuity) and endogenous (continuity) variables along the crests of a radical and discontinuous change, not predictable, as can be consumption and innovation. They are offering the availability of appropriate tools and languages to grasp discontinuities and structural asymmetries of the changing nature of change (which is technological, but also social as well as economic), expression of a reunion between economic-non-economic, technological-non-technological, endogenous-exogenous factors. They prove also useful to explain the relevant passages from variables normally considered exogenous to an endogenous or behavioral dimension, that assign "autonomy" to the organizational and institutional aspects of a structure with respect to technological ones, changing the traditional causes between social, economic and technological factors towards bifurcation chains between action and decision. To be rejoined in an appropriate ecological understanding of change, that reassigns a role to the subjectivities and relationships, both in their organizational and inter-organizational aspects.

Overcoming, at least in part, the specialized exasperation assumed by academic studies, which shattering reality into thousands of micro problems and contingent micro solutions, is dispersed in a thousand rivulets and sometimes it loses the sense of the whole in the hard sciences and, in part, also in the social sciences, but that seems instead assured by the Italian corporate tradition. The lack of the sense of the whole constitutes a serious problem for all the disciplines, but in particular for the social sciences when they adopt methods and solutions translated *sic et simpliciter* from the natural sciences. And yet around the concept of *ecology* they show unusual convergences through, for example, the categories of self-organization, reflexivity, feedback, resilience, homeostasis. They are trying to resolve the structural conflict of each organization, namely that between monocratic centralization and pluralistic decentralization, between top-down and *top-down control* and *bottom-up* or *bottom-up self-organization*. Couples both necessary as long as one limits and enhances the other. Such as to found an organizational postulate so far not denied by the theoretical and practical history of the organizations: the power of government of an organization must be concentrated enough to allow to face the complexity of the problems in their organicity in "reasonable" times, but not so concentrated to inhibit the initiative, autonomy and skills of all actors in the space-time exploration of useful alternative solutions. Because sometimes those solutions even precede problems, especially in a world with a high rate of change that breaks down the causes from the effects, the decisions from the actions. Indeed, that postulate from the bottom up can be reformulated as follows: the nature of the problems, the speed of change, the role of specialist skills require an articulation of the power of corporate governance to endow each point of the company organization with autonomy, responsibility and capacity of initiative, useful

to feed creativity and widespread cognitive productivity. As long as they are compatible with the unity of direction and governance of processes, internal and external to the company.

### **5. Disruptive change management and (participant) dramatization of decisions. How to produce (meaningful) solutions before problems, based on scenarios**

We must start to recognize the irreplaceable importance of free, responsible, motivated actors, able to multiply their effectiveness through hybridization, cross-fertilization, respect for differences, awareness of the "ecological" long-term consequences of their decisions [Sérieyx 1993, p. 248]. Only in this way the company legitimizes its role and allows human capital to preserve itself and to develop, produce utility, consolidate ties, share values and meanings. Markets and organizations need rules but also meanings and certainly without the latter, neither the first nor the second are governed, because the calculation cannot foresee them. We are at the great historical and paradigmatic passage from the Fordist representation of the rigid and fortified enterprise like the castle to the net (from the 90s of the last century) and from this to the community (of the first decade of the century in progress), as was well underlined by Butera (2005) and by Dioguardi (2007). Transformations that - even under the lashes of globalization and digitalization, the Internet and AI, migrations and *climate change* - are paving the way for holocratic organizations, also in the form of ecologies. A form of organized ecologies aimed at privileging osmotic elasticity and flexibility in relations with the external (and internal too) environment as dynamic and complex, impressing trajectories of self-organization, towards a growing decoupling between decision and action, between cause and effect. In this way we could say that the space of the possible can be represented as a multidimensional matrix between actions-systems-ecologies. A matrix of systems and actions differentiating between spaces of uncontrollable variables with unlikely and high-value information (high uncertainty) and spaces with controllable variables with probable low-value information and high certainty. We see a differentiation of actions between single purpose (high specialization as replicaton of original conditions) reducing variety on one hand. With multipurpose to the other oriented to co-evolution (of / with original conditions) increasing variety. Complexity of the systems (organizations) coupling with multipurpose actions (and functions) create emergent ecologies.

Figure 4. The space of the possible (or emergent) like a Multidimensional Matrix Action-Systems-Ecologies Differentiate by the degree of complexity generating learning chains

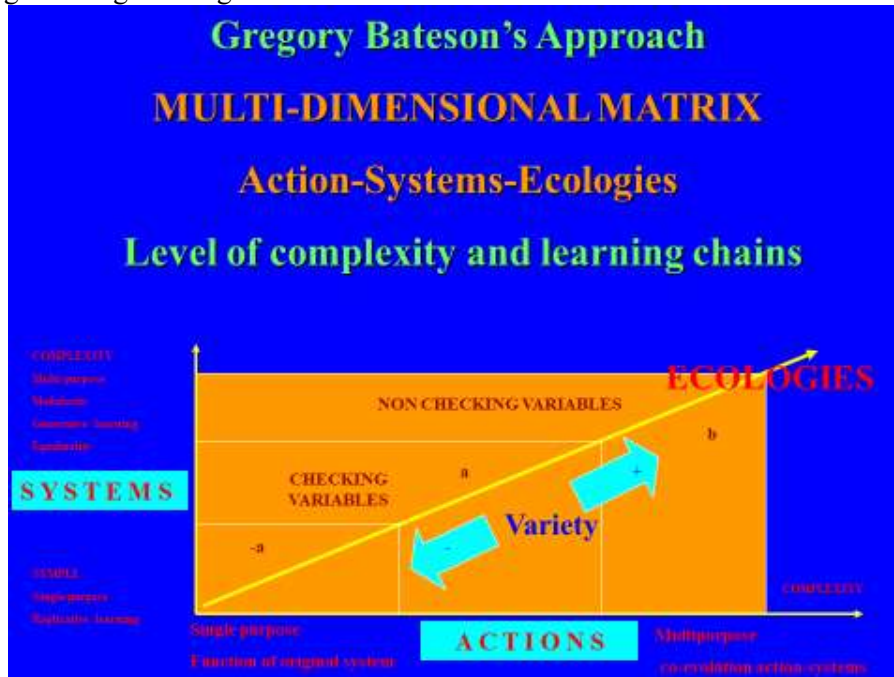


Figure 5. The institution-enterprise governs the risk-complexity pair by comparison of competitive solutions from fordism to post-fordism



The spaces of controllable variables correspond to historical and social situations that can be traced back to Fordism (since 1910 until the 1970s), while the spaces of non-controllable variables are attributable to post-Fordism or the current situation (after fall Berlin Wall in 1989 and start new globalization) and digital worlds of Artificial Intelligence in the last two decades. In the former, machines (calculation and performance) and hierarchical systems (authoritative and functional equivalence) prevail, governed by "well-functioning" and stable markets with incremental innovations and where decisions and actions are coupled linearly, as proposed by SCP linear modeling in 1960. Instead, in the latter, ecologies (compatibility and meta-standards) and subjects (meaning, communication and interaction) prevail in the presence of highly unstable markets triggered by radical innovation, where decisions and actions are decoupled, because subjects (stakeholderships and employeeshyp) are emerging by systems with self-organizations procedure supported by collaborative digitalization.

Figure 6. 4 Main Mechanisms by simple to complex Machines – Systems – Subjects – Ecologies



In situations of non-coincidence between decision and action – as in case of high complexity - there arises the need to offer sense and meaning, as in the innovative emerging contexts of the bifurcation of a cusp and where the concept of strategy is no longer useful. Consider, for example, the decisions of the managers to select a choice, which cannot be based strictly on a standard forecast, derived in some form from a sufficiently stable past and for unchanged contexts accompanied by performance calculations and supported by self-reference. In the current post-Fordism we need to "represent the change in an ecological sense", as it could happen in different configurations, to be able to accept its benefits as an essential part of that change. To do this we need representations of scenarios through a *theatricalization* of the decision-making process and assess the impacts on the context and on the actors where the solution anticipates or precedes the problem, in an ecological meaning: a dynamic mix between rationality and creativity as a viable connection exchanging intelligent collaboration and pluralism of points-of-view (Pilotti, 2011). The theatricalization of the decision-making process in the organization is then useful in giving a "living" form to ecology (script or storytelling towards scenarios) on which we will have to decide, by choosing between possible or only emerging scenarios, the direction to take, sharing it.

Choice of scenario that will no longer be of a reactive-adaptive type, but shared with all participants in the (*decisional*) *play* of dramatization within a new realistical narrative: achievable, defensible, sustainable.

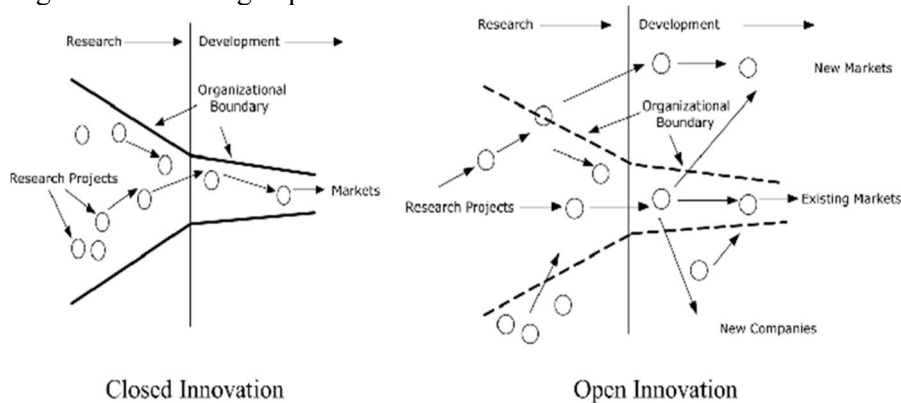
In the *standard approaches*, in fact, we see the centrality of indicators that generally refer to: costs, product, quality, level of profit, customer satisfaction. While in *ecological approaches* we see relevance: relationships, patterns, scenarios, processes, motivations-emotions and contexts.

We are replacing Caesarist, assertive and decision-making leadership with a democratic and shared, inclusive leadership that initiates and promotes motivating and involving *employeeeship*, building together the way to go with the business community. As in school contexts of children in primary school we see increase in heuristic, applicative and experimental reasoning. Because, inductively it does not sink its own thinking (predictive-mathematical logic, calculus) on a series of progressively acquired and gradually applied mental structures to various assimilable contexts, but rather on the concrete and experimental experience of concepts learning them in the reality, gradually experienced also by the theatrical representation that can variously be configured. Building "solution configuration scenarios" for problems that could only emerge later, and that, when emerged, will be able to accept and respond to the problem, having already tested the possible solutions.

In everyday practice we could cite the *cases of nudging*, that is, of policies capable of "educating" by encouraging virtuous behavior, such as in the separate waste collection where prizes are offered for those who on the basis of their virtuosity "certified" by the smart card that records the quantity discharged for the individual components (plastic, glass, damp, metals, etc.) through a subsidy. Or in driving incentives with the "points license".

All this pushes towards an ecological and eco-systemic balance between multiple variables of subjective behavior (of all the stakeholders) that crowd in an interdependent way and that must be "pushed" or encouraged to reciprocally condition each other towards "virtuous results" producing skills and abilities "evolutionarily constructive" in anticipating solutions to problems. Preparing to accept the shocks and becoming resilient by decoupling decisions from actions to reconnect them ecologically. Adopting a conscious decision today (separate collection / prudent driving), to carry out a responsible action tomorrow (clean up the environment / avoid accidents), contextualizing the overall "vision", minimizing costs and maximizing the creativity of those acts, assigning them sense and a good perception of the self.

Managers are interested in innovative skills with investments in R&D not because they identify a precise immediate result, but because they can climbing on the highest tree in the forest able to explore horizon. They will be able to send a longer look at the emerging landscape that those same investments contribute to achieve (*exaptation*) in *team projects*, continuously oscillating between exploration (open) and exploitation (close), as in the

Figure 7. Chesbrough open *innovation* model

It is evident in the Chesbrough model that the *research project processes* are displayable as ecological activators of connections between markets, companies, networks, team projects and single people, as a self-engaging tree capable of generating new ideas for multiple trajectories, generating complexity or entropy. A "persimmon tree" that gems solutions before problems, continuously decoupling and re-coupling decisions and actions without any need to predict the (unpredictable) future, but instead, with the imperative to build it and rebuild it in a warp of options and subjects without clear hierarchies and directionality. Where "dramatized narratives of possible scenarios" - hybridizing and contaminating languages-roles-functions (*semantic capital* of Floridi - 2019) - can try to shed light on disorder by constructing / reconstructing - tentatively - a new order, by assigning a *meaning* to those connections to reduce entropy without reducing variety. Giving origin in this way to resilient organizations, in the ecological activation of conversations and dialogues that Peter Drucker (1986) already referred to as a necessary outcome almost 35 years ago.

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Revathi Palat Rao <sup>1</sup>

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## **Achieving Global competitiveness in International wine markets: The role of knowledge sharing and value chain upgradation**

### **Abstract**

*This paper explores the possible means by which wine producers from 'New world' wine producing regions of the world have come to occupy a position of global competitiveness in the international wine market. In particular, the paper reviews literature and brings out case studies that look into, to what extent, and in which cases have knowledge diffusion of wine production and distribution processes as well as value chain upgradation led to a greater level of competitiveness in the wine market. The paper is divided into two parts: Part I is titled 'Knowledge sharing as a means of achieving competitiveness in the global wine market and Part II is titled 'Moving up the value chain: the product, process, functional and inter-sectoral upgrading/downgrading for New World wine producers. Part I and II is followed by the Conclusions section where the findings are discussed, and inferences and learnings are laid out. The paper finds that the diffusion and acquisition of knowledge plays a crucial role in achieving global competitiveness in the international wine market, even though, different firms acquire or diffuse knowledge in different ways and to different extents. Further, there is a need for a detailed study of the dynamics of specific value chains for a nuanced real-world understanding of patterns of upgradation in the wine industry since it could be the case that a better deal for new world producers may sometimes entail processes of functional downgrading and periods in which product downgrading may be the best option available.*

**Keywords:** Wine Industry; Global Value chains; Knowledge sharing

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## **1. Introduction**

The past few decades has seen the emergence of ‘New World’ producers as influential competitors in the international wine market. While the traditionally globally successful wine producers were located in Italy and France, since the 1980s, a significant share of global wine production and sales has been occupied by wines produced in countries such as South Africa, Australia, Chile, Argentina, United States and New Zealand – all of whom are relatively new wine producers (Ponte & Ewert, 2009; Outreville, 2014). The process of catching up with traditional wine producers has been attempted in countries with similar favourable conditions (terroir) but with varying levels of technological capabilities (Giuliani, 2007).

This paper is an attempt to explore the possible means by which wine producers from these ‘New world’ wine producing regions of the world have come to occupy a position of global competitiveness in the international wine market. In particular, the paper reviews literature and brings out case studies that explore to what extent and in what cases have knowledge diffusion of wine production and distribution processes as well as value chain upgradation led to a greater level of competitiveness in the wine market. The paper is divided into two parts: Part I is titled ‘Knowledge sharing as a means of achieving competitiveness in the global wine market and Part II is titled ‘Moving up the value chain: the product, process, functional and inter-sectoral upgrading/downgrading for New World wine producers. Part I and II are followed by the Conclusions section where the findings are discussed, and inferences and learnings are laid out.

Exploring the themes of this paper enables one to see whether there is in fact a pattern through which new world producers can reach a position of relevance and competitiveness in an industry where location and branding have traditionally been of great relevance. Further, this study will enable one to ascertain what trajectory a new entrant into the international wine market should follow in order to be globally competitive. Finally, this paper can provide useful guidance to new world producers of wine who wish to achieve an influential position in the international wine market.

## **2. Role of knowledge and knowledge sharing as a means of achieving global competitiveness**

Literature on new world wine producers tell us that while new market opportunities have increased the trade of wine worldwide, it is the scientific and technological learning of firms that has led to an improvement of quality of wine produced (Giuliani, 2007; Giuliani, E. and Bell, M. 2005). By scientific and technological learning, one means, the adoption of methods practiced by leaders in the industry to local conditions in order to gain global

competitiveness. This learning takes place as a result of ‘sharing of knowledge’ or ‘diffusion of knowledge’ between players within the industry. The sharing of knowledge takes place in different ways within the wine industry: between firms within a cluster, through independent ‘wine experts’ such as oenologists and agronomists hired to advise firms and between a large external giants and smaller local subsidiary. Further, literature has shown that the increased codification of wine production practices has played a key role in the diffusion of knowledge and the technological learning of new world producers in the last few decades (Giuliani, 2007; Giuliani, E. and Bell, M. 2005; Ponte, S. and Ewert, J; Goncharuk, A, 2017).

The kinds of knowledge in the wine industry can be broadly divided into two types- (a) Codified knowledge and (b) Tacit knowledge. While codified knowledge is a body of knowledge translated or expressed through formal language or code, as a result of the standardization of practices that have achieved the status of a convention over time applicable in all cases without exception, tacit knowledge is the result of a process of accumulation of experience over time and is often ‘localised’ in people and firms because such diffusion happens to be greatly dependent on mechanisms of learning that require face-to-face interaction and physical colocation (Guiliani, 2007).

The wine industry in the recent decades has undergone major technological changes that have refined grape-growing and wine production and, as a consequence, the degree of knowledge codification has increased while the role of tacit knowledge has changed. This is contrary to the common perception of the wine industry as a ‘traditional sector’ that is less adaptable to change (Guiliani, 2007). In particular, this change has occurred as a result of a shift from a ‘quantity-oriented’ phase to a ‘quality-oriented’ phase of wine production in new world producing countries. The ‘old’ ‘quantity-oriented phase’ used to privilege quantity of wine produced, and it produced standard wine sold mainly as bulk wine, while the ‘modern’, ‘quality-oriented phase’ developed during the last three decades is characterised by increased application of science and technological research to the wine-making practice.

In the ‘quantity-oriented phase’, knowledge was predominantly tacit and embodied in the experienced hands and thoughts of farmers, as a result of which, diffusion was highly localised and based on face-to face interactions, imitations and inter-generational transfer. The local level saw few incremental advances, with no technological leaps, and knowledge circulating from one firm to the other and from one generation to the other was subject to few changes. The modern quality-oriented phase, on the other hand, has seen the increased codification of knowledge facilities and international technology transfer and diffusion of techniques in general (Guiliani, 2007).

Guiliani (2007), has found that in the wine industry, the increased codification of knowledge, as a result of entering the ‘quality-oriented phase’ has played a crucial role leading newly producing countries to compete in the

international markets and close the technological gap with more advanced traditional producers by facilitating the diffusion of practices and techniques. Codification of knowledge in the wine industry, was found by her, to be mainly due to three components- (i) the scientific explanations of the mysteries of grape-growing and fermentation; (ii) the application of methods and recipes as codes of conduct to achieve given results and; (iii) the adoption of devices and machinery programmed or developed to carry out parts of the process in an automated manner.

Guiliani (2007), however, has also found in her study of the role of knowledge in the advancement of new world wine producers, that, in the world of wine production, while some activities are now increasingly structured and automated, so much so that, these activities can now be standardized regardless of location (these include tests led during fermentation, controlled fermentation, partial mechanisation in the vineyard, etc.), others continue to rely on manual dexterity of the workers, and are, therefore, localised, and require specific knowledge. In the wine production process, most standardization applies to what happens in the cellar, while viticulture presents less opportunity for standardization. Further, what may seem like a task requiring solely codified knowledge for it to be carried out, may in fact, require elements of tacit knowledge as well. For instance, while an agronomists' assessment of the nutritional state of plants in the vineyard could be done through a laboratory test on a sample of the vines' leaves, in practice, it is based on the agronomists' ability to visually detect sick leaves. Therefore, despite the increase in the levels of codification, tacit knowledge persists in being important in the context of the ill-structured decisions and problem-solving activities. In fact, Guiliani's (2007) study has found that there exists no significant evidence to support the claim of tacit knowledge being reduced to a residual as a consequence of massive codification. Rather, tacit knowledge has become more sophisticated and has evolved in line with the increased modification of machineries and techniques of production and continues to support critical phases of wine production.

Regardless of the nature of knowledge, however, there exists varying methods of knowledge diffusion amongst new world producers. Elisa Giuliani and Martin Bell's (2004) research on Cochagua wine cluster in Chile, for instance, examines the influence of individual firms' absorptive capacities on the functioning of the inter-cluster knowledge system and its interconnection with extra-cluster knowledge. By cluster, they mean, 'geographic agglomerates of economic activities that operate in the same or interconnected sectors. Their research has shown that knowledge is not diffused evenly between firms within the cluster. Rather, knowledge flows within a core group of firms characterised by advanced absorptive capabilities. By absorptive capabilities, they mean, the ability to 'absorb, diffuse and exploit-extra cluster knowledge'. Their research shows that different firms within the cluster have

different absorptive capabilities and the differences between the knowledge bases of firms will lead them to “play differing, sometimes asymmetrical roles within the cluster knowledge system.” Therefore, while firms with similar levels of knowledge base are likely to engage in balanced exchange, others with lower, but significant knowledge base, are likely to act as net absorbers within the cluster by absorbing more knowledge than they release. Finally, there are those firms whose knowledge base is so low that, as a result, they are neither likely to be able to offer anything of value to other firms, nor are they, in a position, to acquire and exploit knowledge that others may have. These firms are, therefore, likely to be isolated within the cluster. In short, their research of the Colchagua calls into question the extent to which clustered wine producers have benefited from knowledge transfer between each other.

Their research has found that the overall technological dynamism of the cluster seemed to have been driven by less than half of the sample firms. For some of the producers within the cluster, the learning links with other organisations ran strongly outside the cluster, sometime exclusively so. A substantial number of other firms were almost totally isolated from any learning process at all whether from within the cluster or outside. Among the firms that demonstrated cluster-centred learning relationships with one another, the cognitive positions and role varied greatly. The study shows that the heterogeneity observed is a result of the capacities of individual firms to absorb, diffuse and creatively exploit knowledge that shapes the cluster as a whole.

Elisa Giuliani and Martin Bell’s (2004) research does, however, indicate the increased importance that many new world wine producing firms place on external sources of knowledge to close the technological gap vis a vis old world producers. The Colchagua firm cluster was observed to be an ‘open’ knowledge system with many constituent firms establishing linkages with external sources of knowledge such as with leading research and technology transfer institutions and universities besides foreign consultant oenologists and agronomists often termed as ‘flying wine makers’. In Giuliani and Bell’s view (2004), these consultants represented a vehicle of national and international transfer of both tacit and codified knowledge on grape growing and the wine making process across many different places. Their observations of the Colchagua cluster provide an instance of how successful knowledge transfer to new world producers has taken place.

One can, therefore, conclude that even though it is likely that increased codification of knowledge has played a critical role in closing the technological gap between old world and new world producers, there remain key areas in the wine production process still requiring tacit knowledge. Further, external consults in recent years are likely to be an important vehicle of national and international transfer of both tacit and codified knowledge. Finally, different firms within the cluster are likely to have different absorptive

capabilities, and the differences between the knowledge bases of firms lead them to play differing, asymmetrical roles within the cluster knowledge system, and this calls into question, the extent to which clustered wine producers benefit from knowledge transfer between each other.

### **3. Moving up the value chain: the product, process, functional and inter-sectoral upgrading/downgrading for New World wine producers**

Acquiring a position of influence or dominance in the global market requires value chain upgradation. According to Porter (1985), a Value Chain is a collection of activities that are performed by a company to create value for its customers and includes all relationships within the process. It begins with the supplier and ends with the customer. In the case of the wine industry, studying the upgradation in the global value chain approach is one way of examining how new world producers of wine such as South Africa, Chile, United States and Argentina amongst others have 'moved up the value chain' and reached a position of global competitiveness in the international wine market. Ponte, S and Ewert, J's (2009) research on the South African wine industry is an instance where the value chain upgradation in the industry is examined in order to understand its role in attaining a position of global competitiveness.

Ponte, S and Ewert, J's (2009), study of the South African wine industry shows that value chain upgradation is characterised by a complex mixture of upgrading and trading down rather than a definite linear trend towards upgradation. Veritable renaissance of the South African wine industry took place in the 1990s followed by the opening of international markets and the end of the apartheid regime in South Africa. In the years that followed, intrinsic quality of wine improved, exports took off, proportion of bottled exports (vis a vis bulk exports) increased, proportion of red varieties and of 'noble varieties' grew, a larger number of top wines became available, and sales of wine under the Wine of Origin scheme increased. In other words, the South African wine industry was now seen to be providing the international markets with wines of higher average quality, the right styles of alcohol content, and the right varieties. A conventional reading of Global Value chain product upgradation since then would provide a sense of a positive linear progress towards achieving global competitiveness in line with similar accounts of upgradation in Argentina and Chile (Artopoulos, Friel & Hallak, 2007; Giuliani & Bell, 2005; Gwynne, 2008; Visser & de Langen, 2006).

A more nuanced assessment, as carried out by Ponte, S and Ewert, J (2009), however, makes the story more complex by factoring into the discussion the rewards and risks that have been involved in reaching the current state in the market. Their study has found that the upgradation story in

the South African case entails more than just improved product quality, better processes and some functional upgradation. Such dynamics seem to have co-existed with demands for higher volumes of basic quality wines and increased demands for bulk delivery (instead of packaged wines), shorter lead times, flexibility in delivery to buyer specifications, increased casualization of labour, and the provision of expensive promotional support. Further, demand-driven wine styles, volume and consistency have allowed the industry to grow in the basic quality segment of the industry, while the proliferation of higher quality wines has opened new niches. The authors point to an instance where a number of growers reported to them that they had downgraded their farming practices in some plots to harvest higher volumes of lower quality grapes to be sold for distilling wine because it was more profitable. Similarly, they point to the possibility of wine producers getting the same price for a better product by not increasing unit prices, for the sake of maintaining one's position in the face of increasing competition. This runs counter to the conventional wisdom of upgradation always leading to greater competitiveness, because from the view of the producers, in certain circumstances, 'downgrading' can pay off.

Ponte, S and Ewert, J's (2009) findings, therefore, suggest that the Global Value chain analysis of wine industries needs to break away from the normative views of upgrading as 'moving up the value chain' or as always producing 'value added-products', and embrace a view that a 'better deal' for developing country firms may entail sometimes processes of functional downgrading and periods in which even product downgrading may be the best option available. While this case study cannot be taken prescriptively in relation to other new world wine producers, it does suggest the need for a detailed study of the dynamics of specific value chains for understanding real-world patterns of upgrading in the wine industry.

#### **4. Conclusions**

This paper has largely relied on three works of research in order to explore whether there is, in fact, a pattern through which new world producers reach a position of relevance and competitiveness in an industry where traditionally location and branding have been of great relevance.

Section 2, relied on Giuliani's (2007) research on the Persistence of tacit knowledge in the wine industry and Giuliani and Bell's (2004) research on the influence of individual firms' absorptive capacities on the functioning of the inter-cluster knowledge system and its interconnection with extra-cluster knowledge, in order to explore, the role of knowledge and knowledge sharing as a means of achieving global competitiveness in the international market.

Section 3, relied on Ponte and Ewert's (2009), study of Value Chain upgradation in the South African wine industry in order to explore the

dynamics of value chain upgradation required to achieve global competitiveness in the international wine market.

In Section 2, one finds that, in the wine industry, the increased codification of knowledge, as a result of entering the 'quality-oriented phase' has played a crucial role leading newly producing countries to compete in the international markets and close the technological gap with more advanced traditional producers by facilitating the diffusion of practices and techniques. The 'old' 'quantity-oriented phase' used to privilege quantity of wine produced over quality, and it produced standard wine, sold mainly as bulk wine, while the 'modern', 'quality-oriented phase' developed during the last three decades is characterised by increased application of science and technological research to the wine-making practice. One finds, however, that despite the increase in the levels of codification, tacit knowledge persists in being important in the context of the ill-structured decisions and problem-solving activities, and has become more sophisticated and evolved in line with the increased modification of machineries and techniques of production, and continues to support critical phases of wine production.

Giuliani and Bell's (2004), research indicates the increased importance many new world wine producing firms place on external sources of knowledge in order to close the technological gap between themselves and old world producers of wine. The Colchagua firm cluster was observed to be an 'open' knowledge system that established linkages with external sources of knowledge such as with leading research and technology transfer institutions and universities besides foreign consultant oenologists and agronomists often termed as 'flying wine makers'. Their observations of the Colchagua has provided us with insight into how successful knowledge transfer to new world producers is likely to be taking place. Their research, however, calls into question the extent to which clustered wine producers benefit from knowledge transfer between each other by showing that the overall technological dynamism of the cluster seems to have been driven by less than half of the sample firms and while for some of the producers within the cluster, the learning links with other organisations ran strongly outside the cluster, sometime exclusively so, a substantial number of other firms were almost totally isolated from any learning process at all whether from within the cluster or outside.

Therefore, from the literature discussed in Section 2, one can conclude that it is likely that that even though increased codification of knowledge has played a critical role in closing the technological gap between old world and new world producers, there are key areas in the wine production process still requiring tacit knowledge. Further, external consults in recent years are likely to be an important vehicle of national and international transfer of both tacit and codified knowledge. Finally, different firms within the cluster are likely to have different absorptive capabilities and the differences between the



knowledge bases of firms leading them to play differing, asymmetrical roles within the cluster knowledge system. This calls into question the extent to which clustered wine producers benefit from knowledge transfer between each other.

In Section 3, one finds that in the South African wine industry, value chain upgradation is characterised by a complex mixture of upgrading and trading down rather than a definite linear trend towards upgradation. Ponte and Ewert's (2009) research has found that the upgradation story in the South African case involves more than just improved product quality, better processes and some functional upgrading. Such dynamics seem to have co-existed with demands for higher volumes of basic quality wines and increased demands for bulk delivery (instead of packaged wines), shorter lead times, flexibility in delivery to buyer specifications, increased casualization of labour, and the provision of expensive promotional support. Further, demand-driven wine styles, volume and consistency have allowed the industry to grow in the basic quality segment of the industry, while the proliferation of higher quality wines has opened new niches

Ponte and Ewert's (2009) research, therefore, suggests that the Global Value chain analysis of wine industries needs to break away from the normative views of upgrading as 'moving up the value chain' or as always producing 'value added-products', and embrace a view that a 'better deal' for developing country firms may, at times, entail processes of functional downgrading and periods in which even product downgrading may be the best option available. Their findings, however, call into question some of Guiliani's (2007) observations, in that, they have found that standard wine sold in bulk continues to be competitive especially as exports to Germany and Netherlands, while Guiliani suggests in her research that as new world producers have moved away from a quantity-oriented phase to a quality oriented phase in the last few decades, the application of modern technology to the wine making process has led to standard bulk wines being increasingly replaced by higher quality bottled wines.

Reviewing literature and bring out case studies in this paper has enabled one to ascertain that the diffusion and acquisition of knowledge plays a crucial role in achieving global competitiveness in the international wine market, even though, different firms acquire or diffuse knowledge in different ways and to different extents. The assessment of literature for this paper leads one to believe in the need for a detailed study of the dynamics of specific value chains for understanding real-world patterns of upgradation in the wine industry in order for a more nuanced understanding, since the South African experience suggests that a better deal for developing country firms may sometimes entail processes of functional downgrading and periods in which even product downgrading may be the best option available. Finally, this

paper can provide useful guidance to new world producers of wine who wish to achieve an influential position in the international wine market.

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## **Capitale intellettuale, processi decisionali strategici e performance internazionale nelle PMI italiane**

### **Abstract**

*Il presente lavoro mira a indagare empiricamente la relazione intercorrente tra capitale intellettuale, processo decisionale strategico e performance internazionale nelle PMI italiane. Le PMI sono considerate la spina dorsale dell'economia e il motore della crescita economica nel mondo industrializzato ma, sorprendentemente, i ricercatori hanno prestato più attenzione alle imprese di grandi dimensioni. Per questa ragione il presente lavoro cerca di rispondere alle seguenti domande di ricerca: (RQ1) le diverse componenti del capitale intellettuale impattano sul processo decisionale strategico delle PMI? (RQ2) Il processo decisionale strategico impatta sulla performance internazionale delle PMI? I risultati suggeriscono che, a differenza del capitale relazionale, sia il capitale umano che il capitale strutturale hanno un impatto diretto positivo sul processo decisionale strategico. Al tempo stesso, il processo decisionale strategico mostra un forte impatto diretto sulla performance internazionale. I principali limiti della ricerca sono legati alla bassa numerosità dei rispondenti e al focus sulle PMI italiane.*

**Keywords:** Capitale Intellettuale; Processi Decisionali Strategici; Performance Internazionale; PMI; PLS.

### **1. Introduzione**

Tecnologie in continua evoluzione, aumento della concorrenza e cambiamenti economici spingono sempre più i manager a cercare nuove opportunità nei mercati esteri. Considerata l'importanza che la conoscenza ha in numerosi

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settori, il capitale intellettuale (CI) rappresenta una fonte di vantaggio competitivo in grado di contribuire in modo significativo alla performance delle imprese.

Il CI ha a che vedere con la valutazione della conoscenza e mira a ottenere la competitività soprattutto nei mercati internazionali (Youndt et al., 2004). Le risorse immateriali, infatti, hanno spesso un valore superiore a quelle materiali e, conseguentemente, le imprese sono chiamate a gestirle efficacemente per raggiungere i propri obiettivi e ottenere un vantaggio competitivo. Questo vale particolarmente per le PMI visto che, a causa delle limitate risorse a disposizione, le stesse hanno una ridotta capacità di sfruttare le opportunità internazionali. Nelle PMI l'internazionalizzazione è guidata dall'esperienza lavorativa dei dipendenti e dalla capacità dei dirigenti di trasmettere un orientamento internazionale. Questi fattori contribuiscono allo sviluppo della conoscenza tecnica e al processo di formulazione della strategia (Korsakienè et al., 2017). Sempre a causa delle risorse limitate, le PMI vedono il proprio successo dipendere dalla conoscenza, dall'esperienza e dalla capacità dell'imprenditore e dei suoi collaboratori.

Considerato che le informazioni e la conoscenza sono la *materia prima* del processo decisionale strategico (Nonaka & Takeuchi, 1995; Ein-Dor, 2005) è plausibile supporre che una gestione efficace del capitale intellettuale contribuisca a migliorare anche la qualità delle decisioni prese e, indirettamente, le performance aziendali. Tuttavia, per quanto riguarda gli effetti che il capitale intellettuale potrebbe avere sul processo decisionale strategico (SDM) e sulle performance in generale, le PMI sembrano ancora destare scarso interesse tra gli studiosi e, come sottolineano Durst e Wilhelm (2012), la situazione può essere definita *insoddisfacente*. Solo recentemente, alcuni studi empirici (Agostini et al 2017; Alegre et al, 2011) hanno evidenziato che la gestione delle risorse intangibili migliora la capacità delle PMI di innovare.

Le PMI, nel mondo industrializzato, rappresentano la spina dorsale dell'economia e il motore della crescita economica. Nell'Unione Europea le PMI sono circa il 99% del totale delle aziende e impiegano il 66% della popolazione attiva (Patrice et al, 2014). Il presente studio cerca quindi di rispondere alle seguenti domande di ricerca: (RQ1) le diverse componenti del capitale intellettuale impattano sul processo decisionale strategico delle PMI? (RQ2) Il processo decisionale strategico impatta sulla performance internazionale delle PMI? Per testare le nostre ipotesi abbiamo sviluppato un modello concettuale in cui il capitale intellettuale impatta direttamente sul processo decisionale strategico e quest'ultimo, a cascata, sulla performance internazionale. Il modello è stato testato empiricamente su un campione di 59 PMI italiane utilizzando il metodo dei minimi quadrati parziali (PLS). I risultati suggeriscono che, a differenza del capitale relazionale, sia il capitale umano che il capitale strutturale hanno un impatto diretto positivo sul processo

decisionale strategico. Al tempo stesso, il processo decisionale strategico mostra un forte impatto diretto sulla performance internazionale. I principali limiti della ricerca sono legati alla bassa numerosità dei rispondenti e al focus sulle sole PMI italiane.

## 2. Review della letteratura

Il capitale intellettuale rappresenta un'importante risorsa che le imprese dovrebbero sviluppare e gestire per attuare efficacemente la strategia aziendale, acquisire e mantenere un vantaggio competitivo e migliorare le prestazioni aziendali (Chen et al., 2014; Riahi-Balkaoui, 2003; Bontis et al., 2018). Infatti, secondo Marr e Chatzkel (2004) e la Commissione Europea (2006), gestire in maniera efficace il capitale intellettuale faciliterebbe i processi decisionali e conseguentemente la formulazione delle strategie aziendali. Inoltre, lo stock di capitale intellettuale che le imprese hanno a disposizione inciderebbe anche sul tipo di strategia adottata (Joia, 2000; Kumar, 2003; Rylander & Peppard, 2003). Secondo Cohen et al. (2014) il capitale intellettuale racchiude tutte le risorse intangibili basate sulla conoscenza che sono in grado di migliorare la capacità dell'impresa di implementare efficacemente le proprie strategie. Kuo-An Tseng et al., (2013) hanno evidenziato come il processo di formulazione della strategia possa essere migliorato integrando il capitale intellettuale nei modelli di gestione. Il capitale intellettuale può essere definito come *the sum of all of the intangible and knowledge-related resources that an organization is able to use in its productive process in the attempt to create value* (Kianto et al, 2014) ed è generalmente suddiviso in tre componenti: il capitale umano (HC), il capitale relazionale (RC) e, infine, il capitale strutturale (SC).

Il capitale umano è una risorsa strategica chiave per le imprese; esso riguarda le conoscenze incorporate nelle menti dei dipendenti, le competenze, l'esperienza, la creatività e l'abilità di problem-solving (Kianto et al, 2017; Inkinen, 2015; Youndt & Snell, 2004). Dipendenti formati e istruiti, forniscono la principale fonte di prestazioni innovative e adattabilità ai cambiamenti strategici (Cabrilo & Grubic-Nesic, 2013). Oh et al., (2015) e Reed et al., (2006) hanno riscontrato empiricamente che HC ha un impatto positivo sulle prestazioni di un'azienda sia nelle piccole che nelle grandi organizzazioni. Samagaio e Rodrigues (2016) e Agostini & Nosella (2017) hanno trovato risultati simili. Altri studi (Cabrilo & Dhams, 2018) hanno invece riscontrato un effetto non significativo del HC sulle performance.

Il capitale relazionale si riferisce ai rapporti che l'azienda è in grado di allacciare con gli stakeholder esterni (Buenechea-Elberdin et al, 2018; Kianto et al, 2014). Queste relazioni creano una rete molto efficace per acquisire e sviluppare nuove risorse, capacità, migliorare la cooperazione tra i partner e,

in generale, migliorare le performance dell'impresa (Buenechea-Elberdin et al, 2018; Agostini et al, 2017). Diverse ricerche empiriche hanno riscontrato una relazione positiva tra RC e performance aziendali sia per quanto riguarda le grandi aziende (Cabrilo & Dhams, 2018; Buenechea-Elberdin et al, 2018; Kianto et al, 2018) che le PMI (Agostini & Nosella, 2017 ; Gronum et al, 2012).

Il capitale strutturale si riferisce a tutte le conoscenze tacite rinvenibili nei sistemi informativi, nei processi, nelle routine, ecc. (Bontis et al, 2000; Inkinen, 2015; Khalique et al, 2018). Questi strumenti permettono l'accumulazione, la conservazione e il miglioramento della conoscenza collettiva (Bozbura, 2004). Inoltre, la conoscenza codificata produce degli effetti positivi sulla capacità di innovare che, come noto, si basa sulla combinazione di processi o metodi già stabiliti nelle routine di un'azienda e che possono essere utilizzati per produrre e testare nuove idee (Nonaka & Takeuchi, 1995). In sintesi, SC può essere considerato come la somma delle conoscenze che rimangono all'interno di un'azienda una volta che i dipendenti e i dirigenti se ne sono andati (Roos et al, 1998; Youndt & Snell, 2004). Infine, gli studiosi (Delgado-Verde et al, 2011; Bozbura, 2004; Cabrilo & Dhams, 2018; Buenechea-Elberdin et al, 2018) hanno rilevato un ruolo predittivo di SC nel miglioramento delle prestazioni e delle capacità di innovazione dell'impresa.

La letteratura sui processi decisionali strategici si basa sulla teoria comportamentale di impresa (Cyert e March 1963). Il processo decisionale strategico (SDM) è una delle attività manageriali più importanti dal quale dipende il successo o l'insuccesso dell'impresa (Litvaj e Stancekova, 2015). Un processo decisionale razionale è caratterizzato da oggettività, sequenzialità, convergenza, logica e analisi dei dettagli (Sadler-Smith, 2004). A questo tema sono state dedicate molte ricerche sia teoriche che empiriche (Elbanna, 2006; Fredrickson, 1984; Mintzberg, 1990, 1998; Simon, 1956, 1978; Snyman & Drew, 2003; Wilson, 2003). Mentre nell'economia neoclassica gli individui sono considerati come attori in possesso di informazioni complete e in grado di prendere la decisione migliore, la letteratura manageriale contemporanea considera i manager degli attori razionali ma con informazioni e abilità cognitive limitate. Conseguentemente e più realisticamente, i manager punteranno a prendere decisioni che siano sufficientemente buone e non necessariamente le migliori in assoluto (Eisenhardt, 1997, p. 1). Ciò premesso, la definizione di razionalità adottata in questo lavoro è quella di Elbanna and Child (2007), in base alla quale la razionalità è *la misura in cui i soggetti decisionali raccolgono e analizzano le informazioni rilevanti per la decisione*. Gli studi empirici relativi al processo decisionale strategico riportano una relazione positiva tra SDM e performance di impresa (Goll & Rasheed 1997; Priem, Rasheed e Kotulic 1995). Ciò potrebbe dipendere dal fatto che i processi razionali aiutano i manager a

fronteggiare la complessità associata alle decisioni strategiche (Miller, 2007). Le imprese internazionalizzate che pianificano analiticamente hanno forse la capacità di raggiungere un allineamento tra risorse organizzative e opportunità critiche (Shoham, 1999). Una revisione della letteratura nel campo dell'internazionalizzazione suggerisce un forte legame tra processi decisionali strategici e performance internazionale (Wheeler et al. 2008).

Abbiamo quindi ipotizzato che:

**H1:** *HC ha un impatto positivo diretto sul processo decisionale strategico (SDM)*

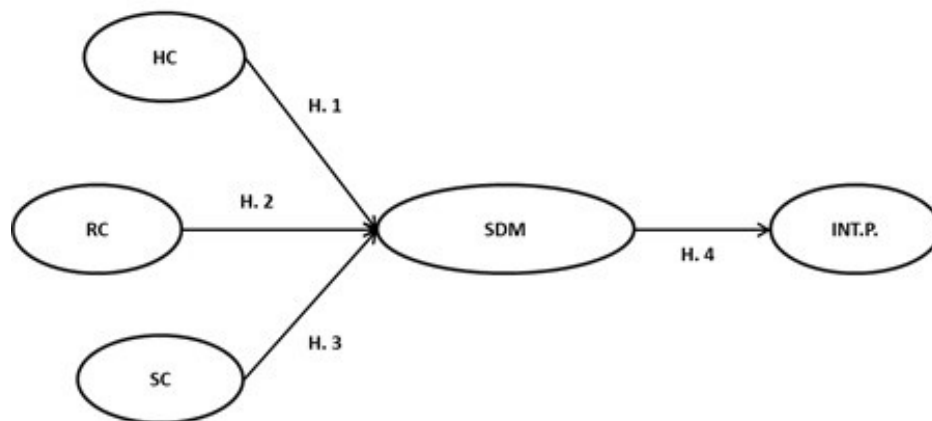
**H2:** *RC ha un impatto positivo diretto su SDM*

**H3:** *SC ha un impatto positivo diretto su SDM*

**H4:** *SDM ha un impatto positivo diretto sulla performance internazionale (INT.P.)*

Le ipotesi sono mostrate nella Figura 1.

Figura 1. Modello di ricerca



### 3. Metodologia

#### 3.1. Campionamento

Tale studio fa parte di una più ampia ricerca condotta su un campione di PMI emiliane. Le risposte sono state raccolte nel mese di gennaio 2020. Per questa

specifica indagine, dal campione di circa 200 rispondenti sono state estratte tutte le imprese che fatturano almeno il 20% (del fatturato totale) sui mercati esteri. Abbiamo così ottenuto un sotto-campione di 59 rispondenti. Nessun questionario è stato escluso poiché erano stati tutti interamente compilati. Circa il 67% dei rispondenti è dirigente di alto o medio livello, mentre il restante 33% ricopre un ruolo di responsabilità in finanza, pianificazione e controllo, gestione delle risorse umane o dipendenti a livello manageriale. I principali settori rappresentati sono il manifatturiero (47%), altri servizi (17%), commercio (8%) e trasporti (8%). Il restante 20% rappresentava altri settori come costruzioni, attività professionali, noleggio, ecc. Il 51% delle imprese impiega tra i 10 e i 49 dipendenti, il restante 49% ne impiega tra 50 e 249.

### *3.2. Scale di misurazione*

Il modello di ricerca comprende cinque costrutti riflessivi di primo ordine. Le scale di misurazione sono state tradotte dall'inglese all'italiano da uno degli autori del presente documento. Successivamente, le scale sono state controllate da una professoressa (di lingua inglese) bilingue (inglese-italiano), la quale ne ha assicurato la corrispondenza del significato (Brislin, 1970). Le scale di misurazione per IC sono state prese o adattate da precedenti lavori di Han e Li (2015), Kianto et al (2010) e Youndt & Snell (2004), la scala di misurazione del processo decisionale strategico è basata sul precedente lavoro di Elbanna e Child (2007), infine, la performance internazionale è stata misurata riadattando la scala sviluppata da Falahat et al. (2020).

## **4. Risultati**

### *4.1. Affidabilità, validità del costrutto e analisi discriminante*

Le proprietà psicometriche delle scale sono state testate in termini di affidabilità, validità convergente e validità discriminante. L'affidabilità delle variabili intrinseche e dei singoli items è testata con l'indice Alpha ( $\alpha \geq 0,7$ ) di Cronbach e rho ( $\rho \geq 0,7$ ) di Dillon-Goldstein (Hair et al, 2010). Le scale di misurazione hanno una buona validità convergente quando i factor loading superano il valore di 0,6 o se l'AVE del costrutto supera il valore di 0,5 (Hair et al., 2010). Nessun item è stato eliminato poiché tutti i factor loading sono al di sopra della soglia consigliata (Tabella 1), confermando così che le scale di misurazione hanno un'adeguata validità convergente (Hair et al, 2010). La validità discriminante richiede che le correlazioni tra le variabili latenti non superino la radice quadrata dell'AVE (Chin, 1998). Come mostrato in Tabella 2, le radici quadrate dell'AVE (sulla diagonale) sono di molto maggiori delle correlazioni tra costrutti e assicurano una buona validità discriminante.



Tabella 1. Affidabilità e validità convergente

<b>Variabile</b>	<b>Items</b>	<b>Factor loadings</b>	<b>Cronbach's alpha</b>	<b>Dillon-Goldstein rho</b>	<b>AVE</b>
Performance internazionale			0.892	0.926	0.758
	EXPP1	0.900			
	EXPP2	0.896			
	EXPP3	0.904			
	EXPP4	0.776			
Capitale umano			0.897	0.936	0.830
	HC1	0.948			
	HC2	0.949			
	HC3	0.831			
Capitale relazionale			0.917	0.948	0.858
	RC1	0.901			
	RC2	0.917			
	RC3	0.960			
Capitale strutturale			0.851	0.909	0.770
	SC1	0.879			
	SC2	0.877			
	SC3	0.875			
Processo decisionale strategico			0.867	0.917	0.787
	SDM1	0.866			
	SDM2	0.926			
	SDM3	0.868			

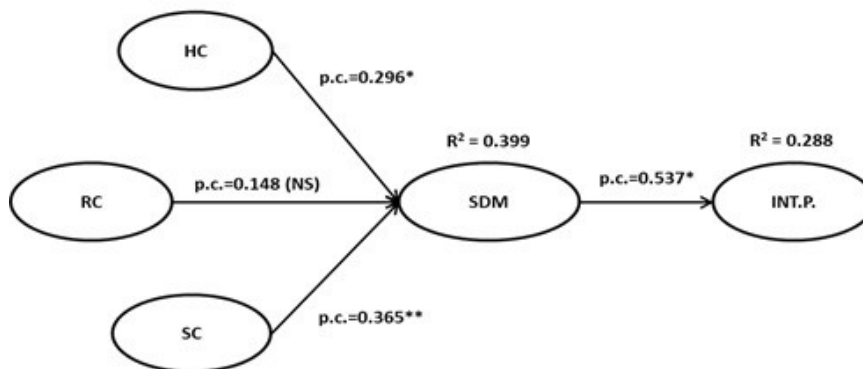
Tabella 2. Criterio Fornell-Larker

CORRELATION MATRIX					
	EXPP	HC	RC	SC	SDM
EXPP	0.870				
HC	0.390	0.911			
RC	0.316	0.407	0.926		
SC	0.192	0.327	0.462	0.877	
SDM	0.537	0.476	0.437	0.530	0.887

#### 4.2. Verifica delle ipotesi

I dati sono stati analizzati utilizzando Partial Least Square (SMARTPLS - 3.2.4), una tecnica di modellazione di equazioni strutturali ampiamente utilizzata negli studi che indagano l'impatto del CI sulle performance (Buenechea-Elberdin et al, 2018; Kianto et al, 2017). La dimensione del campione per eseguire PLS richiede dieci volte il numero di indicatori associati al costrutto più complesso o il maggior numero di costrutti antecedenti collegati a un costrutto endogeno (Hair et al, 2010). Pertanto, il presente modello di strutturale sarebbe stato valido con 40 risposte. Ad oggi, pur avendo raccolto 59 risposte, è possibile affermare che il campione finale è adeguato per testare il modello strutturale. La Figura 2 mostra i risultati del modello strutturale.

Figura 2. Test del modello strutturale



Notes: \*  $p < 0.001$ ; \*\*  $p < 0.005$ ; NS (non significativo)

## 5. Discussione e conclusioni

Sono stati riscontrati buoni parametri per tutte le variabili latenti: R2 per SDM = 0,399 e R2 per INT.P. = 0,288. Solo H2 non è supportata. Nello specifico:

H.1 HC -> SDM: ipotesi supportata. Come ipotizzato, le pratiche di KM hanno un impatto positivo ( $\beta = 0,296$ ) su HC.

H.2 RC -> SDM: ipotesi non supportata. A differenza di quanto ipotizzato RC pare non avere un impatto diretto su SDM.

H.3 SC -> SDM: ipotesi supportata. Come ipotizzato il capitale strutturale ha un impatto diretto positivo ( $\beta = 0.365$ ) su SDM.

H.4 SDM -> INT.P.: ipotesi supportata. Il processo decisionale strategico ha un impatto diretto positivo ( $\beta = 0.537$ ) sulla performance internazionale.

Nel complesso i risultati confermano che sia il capitale umano che il capitale strutturale sono in grado di incidere sul processo decisionale strategico delle PMI. Quest'ultimo è per definizione un processo altamente knowledge-intensive e complesso, in grado di fare la differenza tra il successo e l'insuccesso di un'impresa. Viene inoltre confermata l'importanza che i processi decisionali strategici hanno sulle performance di impresa. Gli studiosi dovrebbero quindi fornire maggiore supporto teorico ed empirico al legame intercorrente tra capitale intellettuale e processi decisionali strategici. Le implicazioni pratiche per le PMI che intendano mantenere o espandere il loro business nei mercati esteri sono diverse. In primo luogo esse dovrebbero investire nel capitale umano e nel capitale strutturale. Quest'ultimo oltre ad avere l'impatto più alto rispetto a HC e RC è anche quello che rimarrebbe di proprietà dell'azienda qualora di dipendenti decidessero di andarsene. Viene poi confermata l'importanza che un attento e analitico processo di pianificazione strategica ha sulla performance di impresa, in particolare sulla performance internazionale. L'impresa dovrebbe quindi investire il suo tempo e le sue risorse in tale attività. Infine, i limiti del presente studio sono riconducibili alla bassa numerosità del campione e al focus sulle PMI emiliane.

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## Le esperienze lavorative dei fondatori nella nascita delle imprese “*born regional*”: il caso di due produttori di cappe del distretto di Fabriano

### Abstract

*Sono ancora pochi gli studi che hanno considerato il fenomeno dell'internazionalizzazione immediata con specifico riguardo ad imprese di particolari settori e aree produttive. Per colmare questo gap, lo studio in esame (di natura esplorativa e basato sul metodo dei casi) analizza i percorsi di internazionalizzazione di due produttori di cappe del distretto di Fabriano, nati come spin off di imprese locali. Dalla ricerca emerge il carattere regionale del fenomeno e il ruolo delle esperienze lavorative precedenti dei fondatori, quale momento di apprendimento e di sviluppo di relazioni personali, in grado di agevolare l'internazionalizzazione immediata della nuova impresa.*

**Keywords:** Imprese *born regional*; *Spin-off*; Distretto industriale; Relazioni personali; Esperienze lavorative dei fondatori.

### 1. Introduzione

Nel 1993 uno studio della McKinsey utilizza l'espressione “born global”, per indicare le imprese che seguono dei percorsi di internazionalizzazione immediata, che si manifestano cioè già al momento della nascita dell'impresa, o subito dopo (Rennie, 1993).

Le “born global” si distinguono infatti dalle altre imprese, perché, in breve tempo, riescono a conseguire una quota significativa del fatturato, tramite la vendita dei prodotti sui mercati internazionali (Knight & Cavusgil, 2004). Dalle analisi empiriche, condotte dagli studiosi a partire dal 1993, è emerso che queste imprese si riscontrano in quasi tutti i paesi e in tutti i settori

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produttivi, cioè, sia in quelli high-tech, sia in quelli a bassa tecnologia.

La constatazione dell'esistenza di imprese, caratterizzate da una “*internazionalizzazione immediata*”, ha evidenziato i limiti delle teorie tradizionali sull'internazionalizzazione delle imprese, che non erano in grado di spiegare come alcune imprese giovani e di piccole dimensioni potessero crescere rapidamente sui mercati esteri, nonostante le limitate risorse di cui erano dotate (McDougall, Shane & Ovitt, 1994).

Si è così aperto un ampio dibattito sulle caratteristiche e sui fattori determinanti di questa modalità di internazionalizzazione dell'impresa (Jiang et al, 2020)

Nonostante gli studi su questo tema di ricerca siano cresciuti in modo esponenziale negli ultimi decenni, gli studiosi ritengono che non è stata ancora raggiunta una comprensione adeguata del fenomeno (Knight & Liesch, 2016; Rodríguez-Serrano & Martín-Armario, 2019).

Il presente contributo si inserisce nel dibattito scientifico richiamato con l'obiettivo di individuare le specificità dei processi di internazionalizzazione immediata di due imprese produttrici di cappe del distretto di Fabriano e di verificare quali fattori possono aver favorito questi processi di sviluppo internazionale nel distretto esaminato.

Sul piano teorico, il fenomeno dell'internazionalizzazione immediata viene analizzato con una chiave interpretativa, che cerca di integrare gli studi di international business con quelli, che hanno analizzato i processi di formazione dell'imprenditorialità all'interno di singoli distretti o cluster industriali (Porter, 1998; Becattini, 2000). L'integrazione di ambiti scientifici diversi viene oggi considerata essenziale per comprendere più a fondo il fenomeno delle imprese *born global* (Knight & Liesch, 2016).

Per quanto concerne l'esame dei fattori determinati dei processi di internazionalizzazione immediata, sarà dedicata una particolare attenzione al ruolo delle esperienze lavorative maturate dai fondatori, prima di costituire la nuova impresa. Come sottolineato da Brugnoli (1990, 82), le precedenti occupazioni possono contribuire al successo di una nuova iniziativa imprenditoriale, quando permettono al neo-imprenditore: di entrare in contatto con modelli di riferimento che rendono fattibile ed attraente l'attività imprenditoriale; di apprendere conoscenze specifiche sul settore (relative, ad esempio, ai prodotti, alle esigenze dei clienti, agli attori rilevanti, alle logiche competitive o alle tecnologie disponibili); di acquisire una certa reputazione e credibilità all'interno del settore; di sviluppare “competenze” funzionali (relative, ad esempio, al marketing, alla ricerca e sviluppo o alla produzione) e di *general management*.

Il contributo in esame si fonda sulla convinzione che questi elementi possono essere utili anche per spiegare la genesi delle imprese born-global e soprattutto di quelle nate come spin off di altre imprese. Lo studio mira a valutare il ruolo dei processi di apprendimento, nonché delle

conoscenze e delle reti di relazioni sviluppate in precedenti attività lavorative dai fondatori nell'affermazione di imprese *born-global* (Weerawardena, Mort, Liesch, Knight, 2007; De Clercq, Sapienza, Yavuz & Zhou, 2012).

I processi di apprendimento assumono caratteristiche particolari nelle imprese operanti all'interno dei distretti industriali. Per tale motivo il lavoro si focalizza sull'analisi delle imprese *born global* di uno specifico distretto produttivo.

Nei contesti territoriali richiamati, le *conoscenze "tacite"* (Camuffo & Grandinetti, 2011), utili ai processi di internazionalizzazione delle imprese, nonché l'orientamento (o vocazione) internazionale potrebbero essere trasferite da un'impresa esistente molto internazionalizzata ad un'impresa nuova, mediante gli *spin-off* da impresa, che risultano piuttosto frequente nelle dinamiche di sviluppo dei distretti industriali (Becattini, 2000; Klepper, 2009).

## 2. Analisi della letteratura

### 2.1. *L'internazionalizzazione delle imprese tra sviluppo "per stadi" e sviluppo "immediato"*

Per spiegare lo sviluppo internazionale delle piccole e medie imprese, gli studiosi hanno proposto diverse chiavi interpretative per lo più riconducibili alla teoria degli investimenti diretti esteri, al modello di internazionalizzazione "per stadi" (o incrementale) e alla teoria dei network (Caviello & Mc Auley, 1999). Fra i tre approcci, quello che ha avuto la maggiore influenza sugli studi relativi allo sviluppo internazionale delle imprese è il modello di sviluppo per "stadi", che si rifà alla "Scuola di Uppsala" (Johanson & Vahlne, 1990).

In questo schema interpretativo, l'internazionalizzazione delle imprese viene considerata *un processo di costruzione graduale di capacità, mediante il quale le imprese accumulano lentamente le risorse necessarie per affrontare l'incertezza dei mercati esteri* (Eriksson, Johanson, Majkgard & Sharma, 1997). Questi modelli ipotizzano che le imprese, prima di iniziare ad esportare in modo significativo, attuino dei processi di crescita sul mercato di origine. Questa gradualità è dovuta ad un processo di apprendimento, che mira a sviluppare quelle conoscenze e risorse, necessarie per affrontare con successo le difficoltà e le incertezze dei mercati esteri.

Conoscenze e risorse vengono sviluppate progressivamente, mediante l'esperienza, prima nel mercato domestico (che è noto all'impresa) e poi nei mercati esteri più grandi (Leonidou & Katsikeas, 1996). Il modello di internazionalizzazione per stadi si incentra in sostanza *sul processo di apprendimento del management aziendale*, volto a superare i problemi determinati, non soltanto alla *distanza geografica* (trasporti, tempi di consegna, ecc.), ma anche alla *distanza psichica*, cioè all'esigenza di

interpretare una realtà sociale, istituzionale e culturale “distante” rispetto a quella del paese di origine dell’impresa (Mezias, 2002; Silvestrelli, 2008).

Gran parte della letteratura ha confermato queste difficoltà delle imprese nell’affrontare i mercati esteri e la necessità di creare capacità specifiche per superarle ed operare in modo conveniente sui mercati internazionali.

Negli ultimi decenni un crescente numero di ricerche empiriche ha però rilevato l’esistenza di imprese piccole, giovani e con pochissime risorse, che iniziano ad esportare subito dopo la costituzione (McDougall et al, 1994). Queste imprese, denominate “*born global*”, esportano i propri prodotti fin dalla nascita e, nonostante le limitate risorse di cui dispongono, riescono a penetrare mercati distanti dal punto di vista “geografico”, culturale e socio-istituzionale, senza seguire il processo di accumulazione di conoscenze, tipico delle imprese che seguono uno sviluppo per stadi (Lopez, Kundu & Ciravegna, 2009).

## 2.2. *L’impresa born-global: una categoria concettuale ancora non ben definita e piuttosto eterogenea al proprio interno*

Nonostante l’ampio numero di ricerche realizzate sui processi di internazionalizzazione immediata delle imprese, gli studiosi non sono ancora pervenuti ad una definizione condivisa del concetto di impresa *born global* (Cesinger, Danko & Bouncken, 2012).

Questo tipo azienda si differenzia *dall’international new venture*, perché presenta una internazionalizzazione più incentrata sulle esportazioni, mentre le prima sviluppa, in giovane età, attività internazionali in diverse fasi della catena del valore (Romanello, 2017).

Tuttavia, il problema di fondo è dovuto alla *varietà di criteri utilizzati nei diversi studi*, per individuare e distinguere le imprese *born global* da altre categorie di impresa. In genere, le *born global* sono state individuate in base ad uno o più dei seguenti criteri (Madsen, 2013):

a) *la rapidità (o precocità) dell’internazionalizzazione*, misurata dal tempo che intercorre tra la costituzione dell’impresa e le prime vendite sui mercati esteri. In alcune ricerche sono state considerate *born global* le imprese che si sono internazionalizzate entro due anni dalla costituzione (Rennie, 1993), in altre entro tre anni (Knight & Cavusgil, 2004) in altre ancora entro sei o addirittura dieci anni.

b) *l’intensità dell’internazionalizzazione*, cioè la quota minima di esportazioni sul fatturato che l’impresa deve conseguire (entro un certo periodo dalla costituzione), per poter essere considerata *born global*. In alcuni studi è stata utilizzata la soglia del 25% (Knight & Cavusgil, 2004), in altri del 50% e altri ancora del 75% (Rennie, 1993).

c) *l'estensione (o ampiezza geografica) dello sviluppo internazionale*, cioè il numero minimo di mercati esteri sui quali l'impresa deve entrare (entro un certo periodo dalla costituzione), per poter essere considerata *born global*. In alcuni casi sono state considerate *born global* solo quelle imprese che esportavano in almeno tre mercati. In altri solo quelle che operavano su una pluralità di mercati esteri, o in continenti diversi da quelli di origine dell'impresa.

Non può sfuggire che, oltre a *non essere chiaro il fondamento teorico delle soglie impiegate nei diversi studi* (Lopez et al., 2009, pag. 1230), la disomogeneità nei valori-limite impiegati per individuare le *born global*, pur essendo giustificati dalla diversa dimensione dei paesi di origine delle imprese osservate, rende comunque *non facile il confronto dei risultati di ricerche svolte da studiosi diversi su imprese di regioni, paesi o settori produttivi differenti* (Knight & Liesch, 2016, pag. 98). Gli studiosi hanno proposto così schemi di analisi più precisi per distinguere i diversi percorsi di internazionalizzazione immediata, che possono essere seguiti dalle imprese.

Gabrielsson, Sasi e Darling (2004) distinguono, ad esempio, la *born global*, che realizza in breve tempo oltre il 50% del fatturato in mercati esteri di continenti diversi da quello di origine dell'impresa, dalla *born international*, che realizza invece (in breve tempo) oltre il 50% del fatturato all'estero, ma in mercati compresi nel continente di origine dell'impresa.

Simile alla precedente è la distinzione proposta da Kuivalainen, Sundqvist e Servais P (2007, pag. 254) fra *born global vere* e *born global solo apparenti* (o *born-international*). Lopez et al (2009) ritengono invece difficilmente sostenibile la tesi di un aumento delle imprese realmente *born global*, quando solo una minima parte delle multinazionali più grandi a livello mondiale hanno una presenza realmente globale ed equilibrata nei principali continenti.

Dallo studio di Lopez et al. (2009) emerge in particolare, oltre ad una limitata presenza di imprese *born global* fra i produttori di software della Costa Rica, anche la prevalenza (fra queste) di un orientamento regionale (e non globale). Un risultato analogo viene conseguito nello studio di Sui, Yu e Baum (2012) su un campione di piccole e medie imprese cinesi.

Matura così la consapevolezza fra gli studiosi che i processi di internazionalizzazione immediata non sono omogenei, e, in base alla *copertura geografica*, si possono distinguere le imprese *born global* da quelle *born regional*. Entrambe si caratterizzano per una internazionalizzazione immediata (esportando una quota significativa del fatturato entro pochi anni dalla costituzione) ma, mentre le "*born regional*" esportano verso diversi paesi della regione di origine dell'impresa, le "*born global*" estendono la copertura geografica, oltre la regione di origine dell'impresa. Varie ricerche empiriche hanno inoltre evidenziato che *la prima categoria di impresa tende*

*ad essere molto più frequente rispetto alla seconda*, che costituisce, in genere, un caso piuttosto raro (Braunerhjelm & Halldin, 2019).

### 2.3. Fattori determinati dei processi di internazionalizzazione immediata delle PMI

La diffusione delle imprese *born global* è stata attribuita a vari fattori di carattere generale, quali la globalizzazione, la caduta delle barriere al commercio internazionale, la diffusione delle nuove tecnologie digitali e la riduzione dei costi di trasporto e di comunicazione (Oviatt & McDougall, 1994). Diversi studiosi hanno tuttavia distinto i fattori in grado di favorire l'internazionalizzazione immediata in "esogeni", cioè legati all'ambiente in cui l'impresa si trova ad operare, e in "endogeni", connessi cioè alle caratteristiche e alle azioni dei *decision-maker* interni alle imprese (Zucchella, Palamara & Denicolai, 2007).

Una sintesi di questi fattori, considerati più frequentemente in letteratura, è stata recentemente fornita da Jiang et al (2020).

Tra i fattori esogeni essi richiamano le specificità del settore produttivo, le caratteristiche del mercato e dell'area geografica in cui l'impresa è localizzata. Un aspetto considerato rilevante è, ad esempio, la dimensione del mercato di origine dell'impresa, rispetto a quella dei mercati esteri. L'impresa può essere spinta infatti ad entrare immediatamente in uno o più mercati esteri, quando ha una capacità produttiva che eccede le potenzialità di assorbimento del mercato di origine (Rennie, 1993). Essi sottolineano inoltre che le imprese localizzate in *cluster industriali*, caratterizzati da una elevata presenza di imprese estere, sono più esposte alla competizione internazionale e ciò può agevolare i processi di internazionalizzazione immediata. In realtà, dalle ricerche svolte sui cluster e sui distretti industriali, potrebbero emergere anche altri fattori, in grado di indurre le imprese localizzate in un distretto a seguire dei percorsi di internazionalizzazione immediata.

Tra i fattori endogeni, Jiang et al (2020) considerano invece la strategia dell'impresa, i valori e le percezioni del fondatore, le caratteristiche del nucleo di individui che hanno fondato l'azienda, e le caratteristiche e le competenze dell'impresa. In realtà, in una fase iniziale di avvio di una nuova impresa, *non è facile distinguere i valori, le competenze e le relazioni dei fondatori da quelle dell'impresa*. In questa fase, la strategia competitiva perseguita dall'impresa *born global*, che si fonda sovente sulla differenziazione e sulla scelta di occupare specifiche "nicchie di mercato" (Zucchella et al., 2007; Baroncelli & Cassia, 2014), è il riflesso delle decisioni strategiche dell'imprenditore e del nucleo di individui che hanno contribuito a costituire l'impresa.

L'intento di questo studio è proprio quello di sottolineare che le scelte strategiche delle imprese, caratterizzate da una internazionalizzazione immediata, non nascono dal nulla, ma si fondano spesso su una approfondita

conoscenza del settore, accumulata dai fondatori in precedenti esperienze lavorative in qualità di dipendenti o manager di altre imprese dello stesso settore o di settori affini.

### 3. Metodologia

Sul piano metodologico questo studio si differenzia dagli altri, realizzati sul tema delle imprese *born-global*, perché analizza uno specifico settore e un dato polo produttivo con una metodologia qualitativa, basata sull'uso dei casi di studio.

Le ricerche svolte hanno riguardato prevalentemente campioni piuttosto ampi di imprese appartenenti ad una pluralità di settori produttivi. I percorsi di internazionalizzazione delle imprese potrebbero tuttavia *non avere gli stessi livelli complessità in tutti i settori* e può pertanto essere utile analizzare i percorsi di internazionalizzazione seguiti dalle imprese operanti in specifici settori, per capire quali fattori possono agevolare o ostacolare una internazionalizzazione immediata delle imprese (Lopez et al., 2009).

In questo lavoro, la scelta del settore non è causale, ma è giustificata dalle sue specifiche caratteristiche. Esso, oltre ad essere caratterizzato da imprese con una elevata propensione all'esportazione, si concentra in un'area territoriale limitata (costituita dal distretto di Fabriano), dove l'internazionalizzazione immediata, più che un'eccezione rappresenta la regola.

La ricerca è stata realizzata con la metodologia dei casi esplorativi con l'obiettivo conseguire una comprensione più approfondita e dettagliata del fenomeno delle imprese *born global* nell'ambito di uno specifico contesto settoriale e territoriale (Yin, 2014).

Lo studio ha interessato due imprese del polo produttivo marchigiano, nate mediante spin-off e caratterizzate da un internazionalizzazione immediata. Gli elementi informativi sono stati acquisiti tramite una intervista della durata di tre ore circa con il fondatore e con il responsabile amministrativo, per la prima impresa, e mediante due interviste della durata di circa due con gli stessi ruoli aziendali, per la seconda impresa.

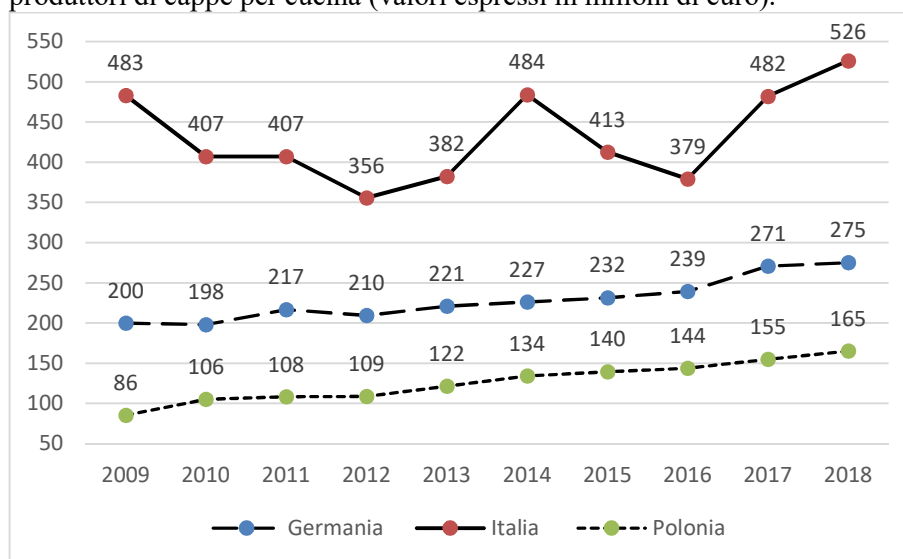
Le interviste sono state realizzate con l'obiettivo di capire come ogni azienda ha sviluppato i primi contatti con i clienti del mercato estero, quale strategia ha adottato, perché ha deciso di entrare subito nei mercati esteri, quale ruolo hanno avuto le precedenti esperienze lavorative dei fondatori e come può aver influito il contesto locale su questa scelta strategica.

#### 4. Caratteristiche salienti del settore

La Figura 1 mostra i dati Eurostat sul valore della produzione dei principali paesi Europei produttori di cappe per cucina. In questo settore l'Italia ha una posizione di *leadership*, con valori della produzione superiori a quelli della Germania e della Polonia. Secondo gli stessi dati in Italia si concentra il 46% della produzione europea di cappe in valore.

La dinamica delle esportazioni e delle importazioni italiane di cappe per cucina sono invece riportate nella Figura 2. Dal grafico emerge che, nonostante le esportazioni in valore del 2012 siano pari alla metà di quelle osservate nel 2006, negli anni successivi, queste tendono comunque a stabilizzarsi a dei livelli che risultano comunque nettamente superiori, rispetto ai valori delle cappe importate<sup>1</sup>.

Figura 1. Evoluzione del valore della produzione dei principali paesi europei produttori di cappe per cucina (valori espressi in milioni di euro).



Fonte: nostra elaborazione su dati Eurostat.

Il saldo commerciale è pertanto ancora fortemente positivo e, secondo i dati Eurostat, le esportazioni hanno interessato una quota superiore all'80% della produzione in termini aggregati, anche negli anni più recenti.

Inoltre, secondo i dati dell'Istat, circa il 31-33% delle esportazioni

<sup>1</sup> Si noti che il forte calo delle esportazioni, non è stato determinato solo alla crisi finanziaria internazionale, ma anche alla decisione di alcune imprese del polo produttivo di Fabriano di trasferire la produzione delle linee più economiche in paesi a basso costo (Bellagamba, 2018).

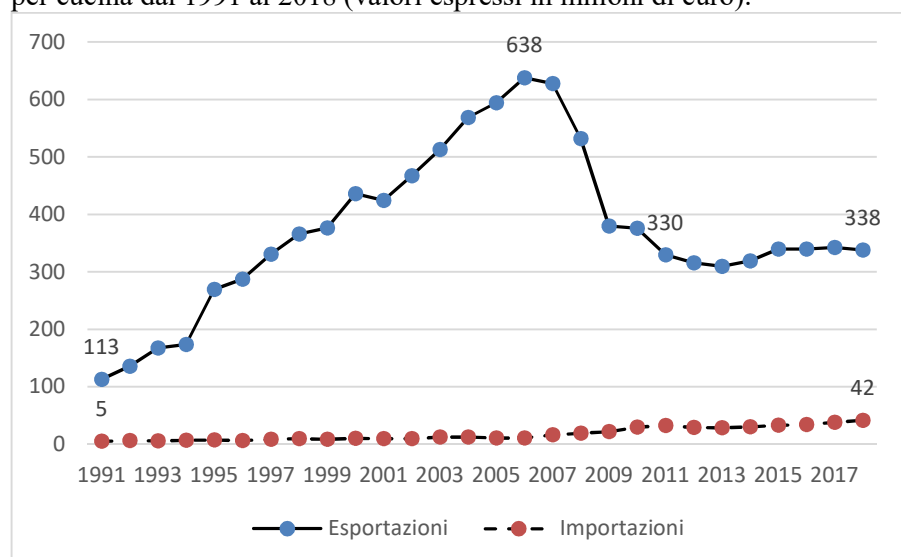


italiane di cappe sono dirette verso Paesi extraeuropei. Ciò denota la capacità dei produttori italiani di esportare anche in mercati geograficamente e culturalmente distanti, nonostante la crescente concorrenza di produttori a basso costo, come la Polonia, il Messico, la Turchia e la Cina<sup>1</sup>.

Una caratteristica ulteriore del settore è la *forte concentrazione delle imprese nel distretto di Fabriano*. Nel 2010, oltre l'85% del giro d'affari del settore a livello nazionale proveniva dalle imprese del polo marchigiano (StudiaBo, 2012, pag. 86). Questo connotato non è casuale, ma dipende dal fatto che, proprio in questo polo produttivo (alla fine degli anni Cinquanta), *un'impresa innovativa realizza la prima cappa aspirante ad uso domestico* (Bellagamba, 2018).

Le imprese del polo sono riuscite a migliorare il prodotto dal punto di vista, sia funzionale, sia estetico, *trasformando la cappa in un oggetto di design*, che oggi rappresenta *un elemento indispensabile nell'arredamento della cucina*.

Figura 2. Evoluzione delle esportazioni e delle importazioni italiane di cappe per cucina dal 1991 al 2018 (valori espressi in milioni di euro).



Fonte: nostre elaborazioni su dati Coeweb

Negli ultimi anni la struttura del settore ha subito profonde modificazioni, e si è assistito ad un *consolidamento dell'offerta su poche imprese leader*, che

<sup>1</sup> Dal 2019 la Cina è diventata il primo paese esportatore di cappe in valore a livello mondiale. In quindici anni le esportazioni di cappe cinesi sono triplicate passando da un valore di 181 milioni di euro nel 2008 ad un valore di 548 milioni di euro nel 2019 (fonte: [www.exportplanning.com](http://www.exportplanning.com))

hanno creato gruppi molto internazionalizzati, capaci di competere, sia come contoterzisti di grandi produttori di elettrodomestici, sia come produttori a marchio proprio. Secondo alcune stime, nel 2010 tre imprese controllavano circa il 50% del mercato mondiale di cappe (StudiaBo, 2012, pag. 86).

Le imprese analizzate in questo studio (denominate Alfa e Beta per ragioni di riservatezza) sono ovviamente piccole, se comparate alle aziende leader del settore, ma si distinguono comunque per il design, la tecnologia e la qualità dei prodotti offerti.

## 5. Il caso dell'azienda Alfa

### 5.1. *Le esperienze lavorative pregresse del fondatore*

L'azienda viene costituita nel 1997 da un ex-dipendente dal principale produttore di cappe del distretto, che occupava (in quel periodo) più di 900 addetti ed esportava l'85% del fatturato. Il fondatore della nuova azienda era entrato nell'azienda di provenienza nel 1975 con un incarico di tre mesi, per montare un impianto di verniciatura piuttosto complesso. Egli era stato scelto, per le competenze da fabbro e da elettricista, sviluppate nella precedente attività di artigiano.

Al termine dell'incarico, viene assunto come operaio. Gli vengono poi affidate responsabilità crescenti: da capo-reparto diventa capofabbrica, poi responsabile degli acquisti e dello sviluppo tecnico e, infine, assume la carica di direttore generale dal 1985 fino al 1995, quando la direzione dell'azienda viene assunta dal proprietario.

Per un anno circa trova occupazione come dipendente presso un produttore di cappe di un comune vicino a Fabriano e nel 1997 decide di avviare una nuova azienda per la produzione di cappe aspiranti, con un capitale sociale esiguo (di 103.000 euro attuali) e con il supporto di tre collaboratrici per l'area amministrativa, commerciale e produttiva. La responsabile amministrativa proveniva in particolare da precedenti esperienze lavorative, prima presso un'impresa cartaria e poi presso un'azienda edile.

### 5.2. *Lo sviluppo internazionale*

L'azienda comincia la propria attività vendendo esclusivamente all'estero. Solo dopo vent'anni dalla costituzione, cioè a partire dal 2017, inizia a commercializzare il prodotto sul mercato italiano (su sollecitazione di un distributore ligure interessato al prodotto). Oggi le vendite sul mercato italiano sono ancora limitate e non superano il 4% del fatturato.

I primi mercati esteri sono stati scelti in base *alla dimensione*, in termini di abitanti. La logica di espansione dell'impresa si è fondata (come sottolineato nell'intervista dal fondatore) nel: *cercare i clienti dove ce n'erano di più. Dove, magari, qualche briciola sfuggiva ai grandi e permetteva alla*

*piccola azienda di accedere al mercato.*

Se si considera il numero di abitanti, anche l'Italia poteva essere un mercato interessante. Tuttavia, la scelta di escludere questo paese è dovuta due principali motivi:

a) *la frammentazione geografica e dimensionale dei produttori e rivenditori italiani di cucine.* I produttori italiani di mobili per cucina, oltre ad essere dispersi in una pluralità di regioni (come la Toscana, il Veneto e le Marche) sono per lo più piccole imprese, che emettono ordini di dimensioni ridotte e, magari, per modelli differenti. Diversa è la configurazione del settore negli altri principali Paesi europei. Il mercato tedesco dei produttori di cucine risulta, ad esempio, molto più concentrato e i primi quattro produttori realizzano una quota elevata del fatturato complessivo del settore. Evidenti sono i vantaggi che possono derivare dallo stringere relazioni di affari con questi clienti, che possono ordinare quantitativi elevati, anche di pochi modelli di cappa.

b) *le differenze nelle dilazioni di pagamento.* Il fondatore ha sottolineato che i termini di pagamento delle forniture dei clienti esteri dell'azienda sono ancora oggi molto brevi e vanno dai 5 ai 15 giorni dalla consegna della merce. Le prassi delle imprese italiane sono invece molto diverse. Spesso tra mancati pagamenti iniziali, solleciti ed eventuali assegni post-datati, le dilazioni possono anche superare i 150 giorni dalla consegna del prodotto.

L'impresa ha quindi iniziato ad esportare in due grandi paesi vicini all'Italia, costituiti dalla Germania e dalla Francia, orientando le vendite, sia verso i produttori di cucine, sia verso gli importatori-distributori di elettrodomestici e articoli per la casa.

Le imprese della grande distribuzione non sono mai state considerate interessanti, perché, pur realizzando grandi volumi, ponevano poca attenzione alla qualità e vendevano a prezzi molto bassi. Inoltre, l'impresa non ha mai cercato di vendere il prodotto ai grandi produttori di elettrodomestici, perché questa categoria di clienti costituiva il principale target di vendita dal produttore di Fabriano, nel quale il fondatore aveva lavorato prima di costituire la nuova impresa.

Le relazioni con i clienti dei mercati esteri sono sorte secondo modalità diverse. Il contatto con un importante produttore di cucine francese prende, per esempio, forma, grazie ad un incontro del fondatore con il venditore di un produttore di cappe locale (conosciuto nella precedente occupazione), il quale lo mette in contatto con un agente italiano, incaricato dal produttore francese di acquistare componentistica per la cucina in Italia.

Invece, per sviluppare le relazioni con potenziali clienti del mercato tedesco, ad un viaggio (realizzato nel 1997), per visitare ed illustrare i prodotti a diversi clienti distribuiti in tutta la Germania, segue la partecipazione alla fiera biennale di Colonia. Tuttavia, l'azienda entra in contatto con i più

importanti produttori di cucine tedeschi (come Nobilia, Elke e Nolte) tramite una *fiera della componentistica per la cucina* (scoperta grazie al suggerimento di un agente tedesco), che si svolgeva con cadenza annuale nel Nord della Germania, dove erano localizzati i più grandi produttori di cucine tedeschi. L'azienda di Fabriano era *l'unico produttore che esponeva la categoria delle cappe nella fiera tedesca*.

La relazione con un cliente olandese è nata, invece, da un incontro casuale in un aeroporto con l'agente di un produttore di cappe del Nord Italia, il quale si occupava del mercato olandese. L'agente aveva perso da poco un cliente importante, perché la direzione dell'azienda acquirente aveva licenziato il proprio responsabile acquisti, dopo essersi accorta che questo selezionava i fornitori, privilegiando quelli disposti a concedergli somme di denaro.

Venuto a conoscenza del desiderio di creare una nuova impresa, l'agente mette in contatto il fondatore con un cliente olandese, che emetterà un ordine di 1200 cappe, che assicurerà all'azienda tre mesi di produzione nel primo anno di attività.

Gran parte delle vendite aziendali proviene oggi da clienti dei principali paesi europei e in particolare nella Germania (che genera il 40% del fatturato). Essa ha tuttavia sviluppato una presenza commerciale anche in mercati lontani, come l'Egitto, il Vietnam, la Giordania, Dubai, Singapore, la Tunisia e Israele. Tuttavia, le esportazioni verso questi mercati incidono solo poco più del 2% sul fatturato aziendale.

### 5.3. Elementi della strategia competitiva

L'azienda è stata avviata con risorse limitate e con un elevato ricorso al decentramento produttivo. Il fondatore conosceva infatti già i fornitori locali ed era anche conosciuto da questi. In una fase iniziale, per entrare nei mercati esteri, l'azienda ha ideato delle cappe, che si collocavano nella fascia media del mercato, con marchio proprio.

Essa ha poi sviluppato le linee di prodotti con articoli alto di gamma, puntando sulla differenziazione del prodotto, tramite l'offerta di cappe decorative tecnologicamente avanzate e con un design innovativo.

La differenziazione non ha però interessato solo il prodotto, ma anche *il servizio offerto*. L'azienda offre infatti ai propri clienti un servizio di disponibilità immediata del prodotto, mediante un sistema di *consignment stock*, che consiste nel mettere a disposizione di ogni produttore (o distributore) estero di cucine un magazzino, dal quale egli può prelevare il prodotto in base alle proprie esigenze. Con questo sistema, le cappe sono formalmente acquistate dal cliente quando vengono ritirate dal magazzino, collocato nelle proprie vicinanze.

Un altro elemento di differenziazione è dato dalla *rapidità di sviluppo dei nuovi modelli di cappe*, rilevante per soddisfare le esigenze dei singoli clienti.

Tale servizio è reso possibile da una progettazione del prodotto per piattaforme, messa a punto dal fondatore, grazie alle competenze tecniche sviluppate nella precedente occupazione. L'uso delle piattaforme consente, non solo di facilitare la produzione e l'assemblaggio dei componenti, ma anche di agevolare l'attività dei centri di assistenza tecnica, di accelerare lo sviluppo dei nuovi modelli di cappe, di rendere più agevole l'approvazione dei prodotti, in base alle normative dei singoli paesi esteri, nei quali l'impresa intende entrare. Queste logiche di progettazione sono state trasferite agli ingegneri neo-assunti dal fondatore stesso, tramite una formazione interna.

Oggi l'azienda ha un fatturato di circa 24 milioni di euro, occupa 110 persone ed è costituita da un ufficio commerciale con sette occupati, che parlano 11 lingue estere; un'addetta all'assistenza, un addetto alla logistica, un designer, che si occupa del *rendering* dei prodotti e dei filmati per illustrare al cliente le modalità di installazione del prodotto, un ufficio tecnico composto da otto persone altamente qualificate e da un laboratorio.

## 6. Il caso dell'azienda Beta

### 5.1. Le esperienze lavorative pregresse dei fondatori

L'azienda viene costituita nel 1996 da tre soci che lavoravano in precedenza presso un'impresa produttrice di cappe del distretto di Fabriano che in quel periodo costituiva il secondo produttore in termini di addetti (con oltre 400 dipendenti) e il terzo in termini di fatturato.

L'impresa di origine dei fondatori aveva una forte vocazione internazionale ed esportava il 98% del fatturato in 80 Paesi localizzati in tutti i continenti.

Il socio di maggioranza della nuova impresa era stato il primo ragioniere dall'impresa di provenienza, assunto al momento della costituzione nel 1976. Nei vent'anni trascorsi nell'azienda di origine, egli assume responsabilità crescenti, fino a diventare direttore generale e socio di una controllata dell'azienda, specializzata nella produzione di motori elettrici.

Un secondo socio (di nazionalità tedesca), nell'azienda di origine si era occupato della commercializzazione di cappe nel mercato tedesco. Nella nuova impresa egli ha il compito di presidiare i mercati dell'Europa Centrale. Il terzo socio (di minoranza) era responsabile di produzione nell'azienda di origine e nella nuova impresa assume il ruolo di direttore tecnico.

Oltre ai tre soci, già dalla costituzione, un responsabile amministrativo aveva implementato un efficace sistema di controllo di gestione con budget dei costi e dei ricavi con cadenza trimestrale e un piano economico mensile, per controllare la redditività delle vendite.

I tre ex-dipendenti decidono di lasciare l'impresa, in cui erano occupati, quando i proprietari cedono il controllo dell'azienda ad una multinazionale

statunitense, che intendeva rafforzare la propria presenza commerciale nei mercati europei, in cui l'azienda acquisita aveva una posizione consolidata.

Questo cambiamento non aveva compromesso le posizioni dei tre dipendenti, che erano stati tutti riconfermati dalla nuova proprietà. La nuova impresa costituisce pertanto uno *spin off* autonomo e tendenzialmente competitivo. La nuova impresa non nasce infatti da una strategia deliberata dall'impresa madre, ma dall'impulso autonomo dei tre dipendenti di diventare imprenditori.

## 6.2. Lo sviluppo internazionale

Nei primi anni di attività l'azienda esporta il 100% del fatturato e i flussi commerciali sono diretti verso due paesi europei: la Germania, da cui proviene l'80% del fatturato, e la Spagna, che realizza il restante 20% del fatturato.

L'assenza di vendite sul mercato italiano deriva dall'opportunità di soddisfare richieste importate del prodotto, che provenivano da clienti esteri, che i due soci con esperienza commerciale già conoscevano dalla precedente attività lavorativa.

In particolare, per presidiare i mercati dell'Europa centrale i tre soci costituiscono in Germania (nel 1996) una società per gestire le attività di marketing e di assistenza tecnica, diretta dal socio tedesco. Il fatturato realizzato inizialmente in Germania deriva dal socio tedesco che si era occupato di quest'area nella precedente attività.

Il fatturato realizzato in Spagna derivava invece dai contatti sviluppati del socio di maggioranza che, in qualità di direttore generale dell'azienda di provenienza, si era occupato del mercato iberico e aveva conosciuto personalmente un distributore, che sarà poi importante per l'avvio dell'attività aziendale. Pertanto, all'inizio, la società tedesca seguiva i clienti dei paesi dell'Europa centrale, mentre quella di Fabriano, oltre ad occuparsi della produzione, seguiva dei clienti provenienti dai paesi del resto del mondo.

Le relazioni sviluppate dai soci nella precedente attività lavorativa sono state pertanto importanti per l'avvio dell'attività. Tuttavia, *molti nuovi clienti sono stati individuati e conosciuti successivamente, tramite varie modalità, quali, la partecipazione a fiere di settore, i servizi offerti dalle sedi italiane delle camere di commercio dei paesi esteri, Internet, ecc.*

Il grossista importatore è il canale privilegiato dall'azienda. All'inizio oltre il 50% del fatturato proveniva proprio da un grossista tedesco. Con l'ampliamento del numero di clienti, la quota realizzata dal grossista tedesco diminuisce gradualmente.

Per presidiare più da vicino il mercato francese, statunitense e inglese, l'azienda crea poi tre piccole società composte da un titolare e da un impiegato. L'azienda entra nel mercato italiano dopo qualche anno dalla costituzione. Nel 2000 le vendite di cappe sul mercato italiano rappresentano circa il 30% del fatturato. Oggi l'azienda ha un fatturato di circa 13 milioni di

fatturato con 41 dipendenti.

### 6.3. Elementi della strategia competitiva

Sin dalla costituzione la strategia dell'impresa si è fondata su due elementi:

a) la ricerca di *un posizionamento distintivo*, volto a soddisfare le esigenze della *fascia medio-alta e altissima del mercato*, che non era adeguatamente presidiate dagli altri competitor locali;

b) la scelta di *mantenere un sistema produttivo molto snello*, cioè con un basso livello di integrazione verticale del processo produttivo.

I fondatori hanno sempre cercato di differenziare i prodotti, anche per non entrare in concorrenza con l'impresa nella quale erano stati occupati in precedenza. In effetti, diversi clienti esteri, che avevano iniziato ad acquistare le cappe dalla nuova azienda, continuavano a rifornirsi dall'azienda di origine dei fondatori, perché *le gamme delle due imprese si rivolgevano a fasce di mercato diverse e presentavano caratteristiche distintive*.

Una innovazione importante è stata l'ideazione nel 1997 di un *gruppo aspirante con ventola e guscio in alluminio*, che pur avendo una capacità di aspirazione molto elevata, si caratterizzava per una ridotta rumorosità. Innovativo è stato inoltre il *sistema modulare compatibile*, che consentiva al cliente di comporre fino a 250 prodotti diversi, combinando i vari modelli relativi a due parti componenti della cappa.

Solo in un momento successivo l'azienda ha ampliato la gamma offerta con modelli più economici, per soddisfare le esigenze dei clienti di mercati emergenti, come l'India, l'Europa dell'Est, la Russia, il Sud America. In queste aree geografiche i clienti erano infatti meno propensi ad acquistare cappe di lusso.

La precedente occupazione dai fondatori è stata rilevante anche per l'ideazione e lo sviluppo dei primi modelli di cappe. Essi avevano infatti avuto modo di valutare quali prodotti potevano essere recepiti più favorevolmente dal mercato. In effetti, l'azienda di provenienza offriva un'ampia varietà di modelli, ma solo pochi realizzavano "di fatto" una quota significativa del fatturato. Questo elemento informativo è stato rilevante nella messa a punto dei primi modelli di cappa. L'esperienza precedente è stata inoltre rilevante anche per ridurre i problemi e i difetti nella progettazione dei nuovi modelli di cappe.

## 7. Analisi e osservazioni conclusive

Dai casi esaminati emergono diversi elementi caratteristici dei processi di internazionalizzazione immediata nel settore esaminato.

Le imprese osservate non possono essere considerate *born global*, ma *born regional* (o *born international*). Viene quindi confermata l'ipotesi della regionalizzazione, in base alla quale l'internazionalizzazione immediata è possibile, ma questo percorso di sviluppo tende ad essere più fattibile ed efficace quando le vendite nei mercati esteri rimangono nell'ambito della regione di appartenenza dell'impresa (Rugman & Verbeke, 2004).

L'internazionalizzazione immediata è stata determinata da fattori esterni, connessi, non soltanto alle *differenze nelle caratteristiche strutturali dei settori clienti* fra paese di origine e paesi esteri di esportazione, ma anche dalla *localizzazione in un distretto specializzato nella meccanica*, che ha consentito alle due imprese di avviare l'attività produttiva *senza sostenere un investimento iniziale troppo elevato*, concentrando l'attività solo nelle fasi terminali della produzione del prodotto (Porter, 1998).

Rilevanti sono state inoltre anche le differenze nei *tempi di pagamento* dei crediti fra clienti dei paesi esteri e del paese di origine delle imprese. La velocità dei pagamenti ha ridotto il fabbisogno di liquidità delle aziende, che hanno avuto la possibilità di svolgere l'attività produttiva, senza ricorrere ad un elevato indebitamento.

Entrambe le imprese sono state costituite da ex dipendenti di aziende produttrici di cappe che hanno deciso autonomamente di creare una nuova impresa. La precedente occupazione è stata pertanto importante, perché ha consentito ai fondatori di comprendere il settore, di formare competenze gestionali e di *general management*, di assimilare una "visione internazionale" del business e di acquisire una certa reputazione e credibilità all'interno del settore. In particolare, le "relazioni personali" sviluppate dai fondatori nelle precedenti attività lavorative sono state fondamentali per l'individuazione dei primi partner commerciali sui mercati esteri (Sharma & Blomstermo, 2003).

Un altro aspetto che accomuna le due imprese è la spiccata propensione all'innovazione e all'adozione di una strategia fondata sulla differenziazione dell'offerta, che non ha riguardato solo il prodotto, ma anche i servizi. Anche in questo caso le competenze tecniche acquisite nella precedente occupazione sono state importanti nella progettazione di prodotti, in grado di soddisfare le esigenze dei clienti ed essere facili da produrre.

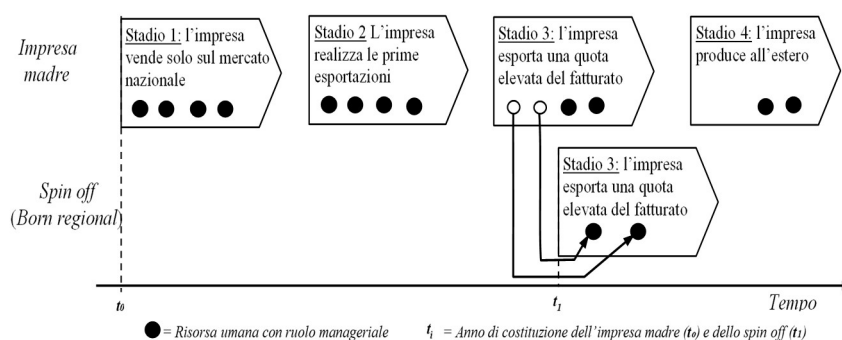
Un ulteriore elemento riguarda infine le competenze presenti all'interno del gruppo imprenditoriale. Come rilevato anche da Laanti, M. Gabrielsson e P. Gabrielsson, P. (2007), questo gruppo (pur essendo composto diversamente nelle due imprese) presenta comunque una combinazione di conoscenze e competenze gestionali complementari, che non riguarda solo gli aspetti relativi ai mercati esteri, ma anche quelli tecnico-produttivi, necessari per realizzare prodotti con elevati standard di innovazione e qualità, e amministrativi, rilevanti per controllare i costi, i ricavi e la redditività dei prodotti, dei clienti, dei mercati, ecc.



In sintesi, nelle imprese *born regional* esaminate, le competenze e le conoscenze, necessarie per competere con successo nei mercati esteri, sono state acquisite da alcune risorse umane critiche del gruppo imprenditoriale della nuova impresa, tramite processi di apprendimento ed esperienze lavorative (antecedenti alla costituzione della nuova impresa) all'interno di imprese operanti nello stesso settore, che hanno seguito percorsi di sviluppo internazionale di successo.

Come illustrato schematicamente nella Figura 3, si può pertanto ipotizzare che certe imprese (come le *born regional*) possono saltare certe fasi previste dai modelli di internazionalizzazione per stadi quando uno o più componenti del nucleo di individui che fondano l'impresa, hanno già sperimentato queste fasi all'interno di un'altra impresa.

Figura 3 – Schema semplificato degli stadi di sviluppo internazionale dell'impresa di provenienza dei fondatori e dell'impresa *born regional* nata come spin off dalla prima



Fonte: nostra elaborazione in base ai risultati dell'indagine empirica.

Il principale limite di questo studio attiene ai risultati che valgono nell'ambito del settore esaminato e non possono essere generalizzati. Esso ha tuttavia il merito di aver sottolineato l'importanza di focalizzare l'attenzione sulle esperienze lavorative passate dei fondatori, per comprendere meglio gli aspetti connessi alla nascita di imprese *born-regional*.

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## **Women on Boards and How their Number Could Be Increased with the Help of a Performance Cycle of Value Creation**

### **Abstract**

*Value creation is a major claim of most companies. Mahajan (2017) argues that “value and value creation are natural to and basic in human behaviour and endeavour”, nevertheless women are often marginalized and impeded in their advancement towards leadership positions, where they could shape and influence the process of value creation. The article develops a model, which presents eight steps in a strategic performance cycle showing how more women could be integrated in supervisory and management boards so that they can contribute to a better company value in general.*

**Keywords:** Strategic performance cycle; Value creation; Women on supervisory boards; Key performance indicators; Gender quota.

### **1. Introduction**

Value creation is a major claim of most companies and when leafing through the annual reports of companies one encounters expressions such as “value to our shareholders”, “we provide value for our customers”, “we create value for our employees, shareholders, business partners, neighbours and the public”, etc. While it seems to be clear for whom value is created, the concept of “value” itself is subjected to various interpretations and is regarded in the literature as ambiguous (Lepak, Smith, & Taylor, 2007; Marinova, Larimo, & Nummela, 2017). Mahajan (2017) argues that “value and value creation are natural to and basic in human behaviour and endeavour”, nevertheless women are often marginalized and impeded in their advancement towards leadership

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positions, where they could shape and influence the process of value creation. The urge to better use the talent pool represented by women was voiced by many actors: the Organization for Economic Co-operation and Development ([OECD], 2016) for example emphasized that women “can provide society with different perspectives and approaches to management, organisation and business issues”. In order to change the organizational culture of all-male boards, positive actions such as gender quotas were introduced in many European countries.

The present paper looks at the companies of EURO STOXX 50 index in the year 2015 and offers an overview of women representation on the boards of these 50 companies, the index being described as a “Blue-chip representation of supersector leaders in the Eurozone” (stxxx.com).

The author of this paper deems the presence of women on corporate boards as valuable in itself and argues that images such as the “white, heterosexual, western, middle/upper class, able man” (Zanoni, Janssens, Benschop, & Nkomo, 2010 p. 13) ought to be challenged in international business.

The paper draws on existing literature in the field of key performance indicators (KPIs), diversity management, women quota and supervisory boards and it is structured as follows: in a first step, value and value creation is described on the basis of the annual reports of the 50 EURO STOXX companies. By reading the annual reports it also became evident, that some of the companies employ the value-based management approach, and therefore, one section is dedicated to this aspect. In a second step a short literature review about the presence of women on boards and its relevance will be presented. On the basis of a strategic performance cycle with eight steps, this paper envisages measures and solutions for companies aiming to achieve a high women quota and to increase at the same time the companies’ value.

Finally, a correlation analysis is conducted in order to see, whether there is a relationship between the number of women on supervisory boards and financial performance of the companies under scrutiny. The last sections is dedicated to the findings and it also shows the limitations of this study and offers suggestions for future research.

## **2. Value, value creation and value understanding**

The centrality of value creation is uncontested for companies and management and organizational scholars alike. Generating value is seen to positively impact the stakeholders, employees, customers, partners and CEOs, society, companies and shareholders (Mahajan, 2016). The author of this article acknowledges the significance of the monetary component of value creation, in line with the definition offered by Lepak, Smith and Taylor: “value creation depends on the relative amount of value that is subjectively realized by a target user (or buyer)

who is the focus of value creation – whether individual, organization, or society – and that this subjective value realization must at least translate into the user’s willingness to exchange a monetary amount for the value received” (2007, p. 182). The CEO should avoid value destruction by focusing on the customer and using financial and non-financial assets and measures (Mahajan 2016, p. 69).

Most of the companies of the EURO STOXX 50 index<sup>1</sup> use in their annual reports the word “value”, be it in the sense of monetary worth, importance in the eyes of someone, or principle or belief. Airbus for instance focuses on delivering value for shareholders as in “value to our shareholders through our share buybacks, with an additional €1 billion launched in October 2015” (Airbus Group, 2015, p. 19). Airbus also claims to “recognize the value that diversity brings” and therefore “is committed to advancing women in the workplace and developing female talent” (Airbus Group, 2015, p. 26). Other companies of the EURO STOXX 50 index claim in their annual reports to being committed to value creation. Nokia states for example the following: “We aim for all our business groups to be innovation leaders, drawing on our frontline R&D capabilities to deliver leading products and services for our customers, and ultimately ensure the company’s long-term value creation” (Nokia, 2015, p. 40).

What should be pointed out is the tendency of using words in a loose or even misleading manner in some of the annual reports. Fresenius for example had at the end of 2015 an all-male supervisory board, being actually the only company of the EURO STOXX 50 index in this situation. Yet, in its annual report it is emphasised that “Fresenius values a culture of **diversity**<sup>2</sup>. The interplay of a wide range of views, opinions, cultural backgrounds, experiences, and values help us to achieve our full potential and contributes to our success” (Fresenius, 2015, p. 27).

While the words “value” and “value creation” appear in most annual reports of the companies of EURO STOXX 50 index, some companies even employ a value-based management (VBM) metric. The next section of this paper gives a short overview on VBM and the EURO STOXX 50 companies using this approach.

### *2. 1. VBM, its KPIs and the EURO STOXX 50 companies*

The following table shows the eight companies of the EURO STOXX 50 index, which according to their annual reports were using VBM in 2015.

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<sup>1</sup> The companies, which were part of the EURO STOXX 50 index in 2015, can be seen in the second table.

<sup>2</sup> Original emphasis.

Table 1. Overview of the EURO STOXX companies using VBM in 2015

No.	Company name	Country	Sector	VBM
1	AIRBUS GROUP SE	FR	Industrial Goods and Services	✓
2	BASF	DE	Chemicals	✓
3	BAYER	DE	Chemicals	✓
4	BMW	DE	Automobiles and Parts	✓
5	DAIMLER	DE	Automobiles and Parts	✓
6	DEUTSCHE TELEKOM	DE	Telecommunications	✓
7	SAP	DE	Technology	✓
8	UNICREDIT	IT	Banks	✓

*Source: Own representation based on the information provided in the annual reports of all 50 EURO STOXX companies*

One can find many definitions of VBM in the literature. According to Firk, Schrapp and Wolff “VBM is a holistic managerial approach that aims to align corporate action with value creation” (2016, p. 42). The driving philosophy of companies using VBM is to “maximize shareholder value by producing returns in excess of the cost of capital” (Simms, 2001). In order to maximize shareholder value “VBM links the company’s strategic objectives to a coherent set of performance measures through cause-and-effect chains (‘value drivers’) that include all relevant processes and all pertinent information systems across a company” (Burkert & Lueg, 2013, p. 5). Among the most known KPIs associated with VBM are economic value added (EVA), discounted cash flow (DCF) and cash flow return on investment (CFROI).

EVA is the most common method, and a registered trademark of Stern Stewart & Company. To calculate the EVA, capital losses are deducted from capital profit. It is considered a simple method, which can be advantageous. However, the existence of a market and book value in the calculation of the EVA can lead to a lack of transparency. Capital profit in opposition to the profit from a balance sheet, is a KPI that describes the profit with interest rates. Capital losses are calculated from the capital multiplied with the capital margin. Yet, only figures taken out from the profit and loss statement or the balance sheet are not sufficient for doing VBM, and calculating the EVA.

When using the DCF method cash flow becomes the central KPI and an equity or an entity approach can be here employed. Discounted rates and the net present value are for the calculation essential. The advantage of the DCF is its acceptance internationally; it is often employed e.g. in mergers and acquisitions valuations. Disadvantages of the DCF-method are that the expected cash flows are uncertain and can change yearly or even during the year.

Companies sometimes use the CFROI method for VBM as well. Developed by the Boston Consulting Group, KPIs like the cash value added (CVA), free cash



flow, weighted average costs of capital (WACC) and the gross investments are used for calculating the CFROI. Advantages are that cash flow values can be internally or externally calculated and used by managers and investors to indicate liquidity and solvency. The disadvantages of the CFROI-method are the slightly more complex formulas for calculation.

VBM is, however, ‘not just about the numbers’ as Haspeslagh, Noda and Boulos (2001) noted: “A successful VBM program is really about introducing fundamental changes to a big company’s culture. And therein lies the reason for most of the failures: Transforming beliefs in a large organization is arguably the most difficult of all managerial challenges”. In the following paragraphs the understanding of VBM as described in the annual reports of the EURO STOXX companies using this approach is presented.

Airbus states that “among other indicators, the Group uses a Value Based Management approach in order to guide the Company towards sustainable value creation by generating financial returns above the cost of capital” (Airbus, 2015, p. 61). The KPIs employed by Airbus are Return on Capital Employed (RoCE), EBIT pre-goodwill impairment and exceptionals and free cash flow.

The German company BASF considers VBM an essential part of its strategy: the company’s slogan “We add value as one company” is regarded as one of the four principles which contribute to the company’s “We create chemistry” strategy (BASF, 2015, p. 30). The annual report describes VBM as a holistic approach, implemented at all levels of the company: “According to our value-based management concept, all employees can make a contribution in their business area to help ensure that we earn the targeted premium on our cost of capital. We pass this value-based management concept on to our team around the world through seminars and training events, thereby promoting entrepreneurial thinking at all levels within BASF” (BASF, 2015, p. 30). As a steering parameter BASF uses EBIT after cost of capital (BASF, 2015, p. 30).

Bayer is another German company of EURO STOXX index which uses VBM (six out of the eight companies employing VBM are German). According to the annual report, “one of the prime objectives of the Bayer Group is to steadily increase enterprise value” (Bayer, 2015, p. 55). The steering parameters involved in reaching this objective are CVA and CFROI: “These indicators support management in its decision-making, especially in the areas of strategic portfolio optimization and the allocation of resources for acquisition and capital expenditures” (Bayer, 2015, p. 55).

BMW writes that “the business management system applied by the BMW Group follows a value-based approach, with a clear focus on achieving profitable growth, increasing the value of the business for the capital providers and safeguarding jobs” (BMW, 2015, p. 20). While declaring that the KPIs engaged in measuring value creation are defined for each controlling level, BMW employs not only financial indicators, such as RoCE, and return on equity (RoE), but also non-financial indicators, such as the size of the Group’s workforce (BMW, 2015,

pp. 20-21).

Daimler too uses KPIs which are oriented “toward our investors’ interests and expectations and provide the foundation of our value-based management” (Daimler, 2015, p. 77). At the core of Daimler’s performance measurement system is value added which is “calculated as the difference between operating profit and the cost of capital of average net assets” (Daimler, 2015, p. 77).

Deutsche Telekom states that in order to “set and achieve [its] strategic goals more effectively” (Deutsche Telekom, 2015, p. 64) a value management approach is pursued. According to the information from the annual report, the Group has a code of conduct which “defines how employees and management should practice value-based and legally compliant conduct in their daily business activities” (Deutsche Telekom, 2015, p. 46), and the Group’s corporate governance is value-oriented (Deutsche Telekom, 2015, p. 63). Among the KPIs employed by Deutsche Telekom are RoCE, EBIT, and free cash flow.

Dedicated to “creat[ing] long-term value by addressing future needs” SAP uses VBM and it concentrates on two different goals: “We use various performance measures to help manage our performance with regard to our primary financial goals, which are growth and profitability, and our primary non-financial goals, which are customer loyalty and employee engagement” (SAP, 2015, p. 59).

The Italian company Unicredit describes in its annual report its “principles of value creation and capital allocation” (Unicredit, 2015, p. 36). The main performance indicator used by Unicredit is the EVA.

From the excerpts of the annual reports it becomes apparent that the companies implementing VBM systems do have slightly different understandings, approaches, and KPIs in use. However, as all companies of EURO STOXX 50 index do claim to create value, in the next step of the paper the author analyses the degree to which these companies concentrate not only on organizational growth, but also on organizational sustainability. Sustainability could be achieved if women too were given the chance to be in top positions. The next section contains a literature review with regard to the presence of women on boards and women quota.

### **3. Women on boards and how their number could be increased**

A controversial issue during the past decades was women’s presence in supervisory boards. Yet, gender equality is one of the founding values of the European Union (EU) with the principle of equal pay being included in the Treaty establishing the European Economic Community already in 1957 (Jacquot, 2017). When looking at the corporate world, one can say that the glass ceiling is still in place, as many large companies in Europe include mostly men on supervisory boards and the number of women on these boards is often low. What

needs to be acknowledged is the fact that gender balance became a priority and diversifying corporate supervisory boards often represent a target to be achieved. In Norway, Italy, France, Spain and starting with 2016 also in Germany binding gender quota exist (Sullivan, 2015). Small improvements can be seen with a law instituted quota for women in supervisory boards (Corkery & Taylor, 2012). Norway was the first country to legislate board quotas in 2004 (Dizik, 2015) and many countries followed with law determined or optional women quotas in supervisory boards. Yet, according to the “2019 Report on equality between women and men in the EU” of the European Commission “critical positions within boards are still rarely filled by women” (European Commission, 2019, p. 30).

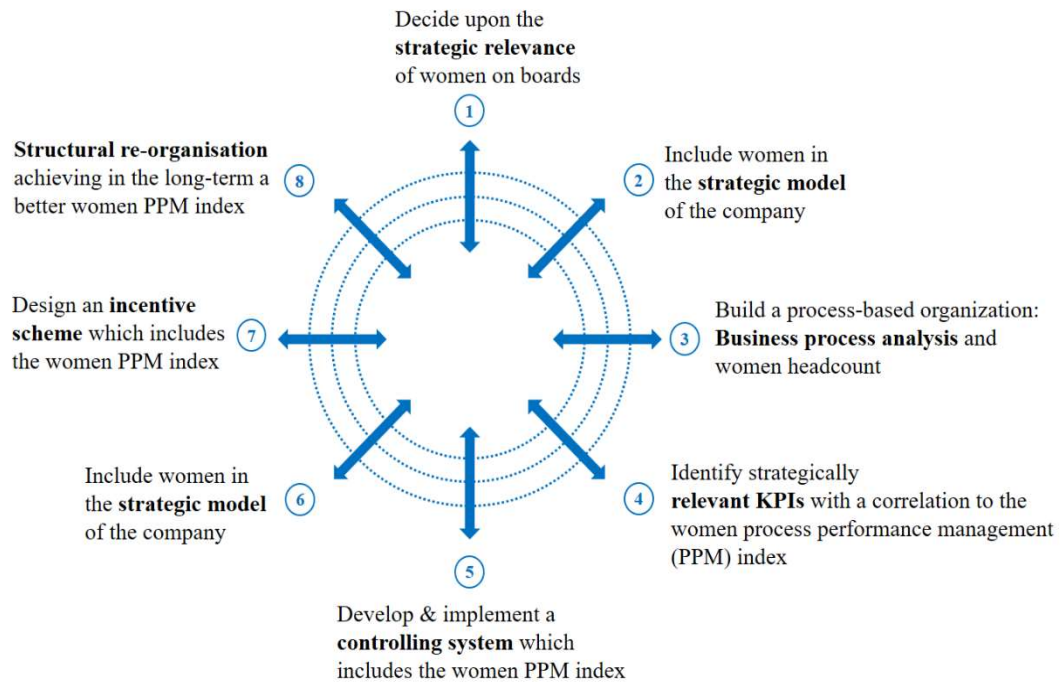
There are studies on women in European listed companies suggesting that there are positive effects of diverse boards on corporate governance and even on firm performance (Buchwald & Hottenrott, 2015). The study “Women matter. Gender diversity, a corporate performance driver” showed that companies with a higher proportion of women in top management perform better (McKinsey, 2007). However, there are also authors signaling rather the lack of evidence that female representation in supervisory boards improves profitability (Ferreira, 2014). For instance, in a study with 108 German large corporations, which took place between 2009 and 2013, there was not enough evidence to indicate a significant relationship between gender diversity and firms’ financial performance (Dick, 2015). Moreover, it seems that men in supervisory boards have often better networks and for this reason, the male supervisory board managers often recruit male followers, which minimizes the women quota in supervisory boards on the long run (Terjesen, Aguilera, & Lorenz, 2015).

Considering the urge voiced by many actors (EU, OECD, the International Labour Organisation [ILO]) to better use the talent pool represented by women as well as the long-term policies of the EU, which aim at advancing gender balance in decision-making, we developed a strategic performance cycle for value creation, which encourage companies to engage women sustainably in top positions.

### *3. 1. The strategic performance cycle for value creation*

The following figure presents the strategic performance cycle.

Figure 1. The strategic performance cycle in eight steps



Source: Own creation

According to the above model, in the first step (named strategic relevance), a company must discuss whether the number of women at board level should be increased and a higher women quota should be achieved in the future. At this stage the strategic relevance of the women quota must be cleared. If a company is not interested to integrate more women in supervisory boards and management boards, the KPI women quota should be eliminated from the company's strategy. A good result of the first step can be seen in companies that appoint women into strategic relevant positions.

After deeming the presence of women on boards as important, in a second step companies should integrate KPIs such as the number of women, gender quota and its correlation with a profit KPI such as the EBT into the company's strategic model. Typical strategic models are for example Porter's five forces framework, the 4 P's of the marketing mix or the 7-S framework by Peters and Waterman. However, in none of the above mentioned models is gender quota identified as an important KPI. Nevertheless, a company should integrate these KPIs into such strategic models.

The strategic performance cycle for value schedules in its third step a business process analysis. Here the process costs, the headcount of women and in

general, the cost drivers are identified. Due to the fact that a business process analysis is usually done by conducting anonymous interviews in cost centers, a possible drawback of this could be that the exact number of women cannot be established.

The next step in the strategic performance value creation cycle consists of the women process performance index (women PPM index). In this index customer importance and customer satisfaction, as well as process costs and the women quota of a strategic business process are included. If the women PPM index is higher than 1 the strategic performance and value creation is good. If the index is lower than 1 qualitative and quantitative premises should be optimized to generate more enterprise success.

In order to plan, measure and control strategic relevant KPIs including women PPM index a controlling system is needed. Women quota and the women PPM index should be integrated in the planning process as well as in the management accounting system of a company with the scope of increasing the success of a company. Women quota and the women PPM index can be included also into the management reporting as strategic relevant KPIs with planned and actual values.

Many studies (e.g. McKinsey) showed that enterprise success can be achieved by having more women in leading positions, and through sustained efforts harmonized teams can be established in the long run. The integration of women in mixed teams should be strengthened so that a more successful teamwork and implicitly better financial results can be achieved. Here KPIs like the number of women in mixed teams in management boards or supervisory boards could be measured in correlation with the achieved financial result like the EBT of the company measured over the years.

The women quota and its correlation with the EBT, the women PPM index should be integrated in the incentive system of a company. Such a system must be developed and implemented, and with the help of e.g. Management by Objectives (MbO) the targeted women quota could be for instance compared with the actual one. However, it may happen that managers do not see the necessity to include in the incentive systems women relevant KPIs such as women quota, its correlation with the EBT, or the women PPM index.

A high women quota can be achieved irrespective of the organisational form. The final result of a better inclusion of women in a company is a better structural organisation, which often means a reorganisation of the company. Women too are appointed in leading positions, vertical supervisory spans are minimized and more harmonized mixed teams are established. In a structural reorganisation of a company, women's names and positions should be visible in the organigram, so that women quota and the women PPM index can be calculated. However, due to data security reasons, sometimes such information is not disclosed. Moreover, men claim to feel discriminated by women quota, as they believe that less qualified women might get "their" job due to women quota.

In the next section of the article we will shortly present the EURO STOXX 50 index and its companies and the women quota on their boards.

#### **4. The EURO STOXX companies and women presence on their boards**

The EURO STOXX 50 Index was selected to represent the performance of the 50 largest companies among 19 supersectors in the year 2015. There are enterprises of seven Eurozone countries which are integrated in this index. This index has a fixed number of components and is part of the STOXX blue-chip index family. Moreover, EURO STOXX 50 index is one of the most liquid indices for the Eurozone and serves for benchmarking purposes. The index is a financial control index which ensures stable and up-to-date figures. It represents the performance of only the largest and most liquid companies in a sector (stoxx.com).

The following table gives an overview of the 50 companies, which are part of the EURO STOXX index, their sector of activity, country of origin, the percentage of women on their supervisory boards and the names of these women.

As it can be seen, though some companies have a high percentage of women on their supervisory boards (for instance, the French companies Engie and BNP Parisbas), there is still much work to do, especially in companies such as Fresenius. Only claiming that diversity is important, is not enough. Companies need to rethink their visions and women need to be considered equal creators of the future.

Table 2. Overview of the EURO STOXX companies in 2015 and their women on board

No.	Company name	Sector	Country	Representation of women on board	Name of women on board
1	AIR LIQUIDE	Chemicals	FR	41.7%	Geneviève Berger, Sin-Leng Low, Siân Herbert-Jones, Annette Winkler, Karen Katen
2	AIRBUS GROUP SE	Industrial Goods & Services	FR	16.7%	Anne Lauvergeon, María Amparo Moraleda Martínez
3	ALLIANZ	Insurance	DE	30.8%	Christine Bosse, Gabriele Burkhardt-Berg, Ira Gloe-Semler, Renate Köcher
4	ANHEUSER-BUSCH INBEV	Food & Beverage	BE	14.3%	Maria Asuncion Aramburuzabala, Michele Burns
5	ASML HLDG	Technology	NL	33.3%	Pauline F.M. van der Meer Mohr, Clara (Carla) M.S. Smits-Nusteling
6	ASSICURAZIONI GENERALI	Insurance	IT	40.0%	Alberta Figari, Ornella Barra, Sabrina Pucci, Paola Sapienza
7	AXA	Insurance	FR	35.7%	Isabelle Kocher, Suet Fern Lee, Deanna Oppenheimer, Doina Palici-Chehab, Dominique Reiniche
8	BASF	Chemicals	DE	25.0%	Dame Alison Carnwath, Anke Schäferkordt, Denise Schellemans
9	BAYER	Chemicals	DE	20.0%	Simone Bagel-Trah, Petra Kronen, Sue H. Rataj, Petra Reinbold-Knape
10	BCO BILBAO VIZCAYA ARGENTARIA	Banks	ES	25.0%	Belén Garijo López, Lourdes Máiz Carro, Susana Rodríguez Vidarte
11	BCO SANTANDER	Banks	ES	36.4%	Sol Daurella Comadrán, Esther Giménez-Salinas i Colomer, Belén Romana García, Isabel Tocino Biscarolasaga
12	BMW	Automobiles & Parts	DE	30.0%	Christiane Benner, Susanne Klatten, Renate Köcher, Simone Menne, Dominique Mohabeer, Brigitte Rödiger

13	BNP PARIBAS	Banks	FR	50.0%	Monique Cohen, Marion Guillou, Nicole Misson, Laurence Parisot, Daniela Schwarzer, Sandrine Verrier, Fields Wicker-Miurin
14	CARREFOUR	Retail	FR	25.0%	Diane Labruyère-Cuilleret, Mathilde Lemoine, Patricia Lemoine, Anne-Claire Taittinger
15	DAIMLER	Automobiles & Parts	DE	25.0%	Sari Baldauf, Petraea Heynike, Andrea Jung, Elke Tönjes-Werner, Sabine Maaßen
16	DANONE	Food & Beverage	FR	38.5%	Marie-Anne Jourdain, Gaëlle Olivier, Isabelle Seillier, Mouna Sepehri, Bettina Theissig
17	DEUTSCHE BANK	Banks	DE	31.8%	Dina Dublon, Katherine Garrett-Cox, Sabine Irrgang, Martina Klee, Henriette Mark, Louise M. Parent, Gabriele Platscher
18	DEUTSCHE POST	Industrial Goods & Services	DE	35.0%	Simone Menne, Katja Windt, Andrea Kocsis, Anke Kufalt, Sabine Schielmann, Helga Thiel, Stefanie Weckesser
19	DEUTSCHE TELEKOM	Telecommunications	DE	40.0%	Sari Baldauf, Monika Brandl, Nicole Koch, Petra Steffi Kreuzel, Sylvia Hauke, Sibylle Spoo, Ines Kolmsee, Waltraud Litzenberger
20	E.ON	Utilities	DE	16.7%	Denise Kingsmill, Karen de Segundo
21	ENEL	Utilities	IT	33.3%	Giulia De Martino, Lidia D'Alessio
22	ENGIE	Utilities	FR	57.9%	Isabelle Kocher, Ann-Kristin Achleitner, Françoise Malrieu, Marie-José Nadeau, Barbara Kux, Stéphane Pallez, Mari-Noëlle Jégo-Laveissière, Caroline Simon, Lucie Muniesa, Catherine Gouillouard, Anne-Marie Mourer
23	ENI	Oil & Gas	IT	20.0%	Karina A. Litvack
24	ESSILOR INTERNATIONAL	Health Care	FR	18.8%	Maureen Cavanagh, Juliette Favre, Louise Fréchette
25	FRESENIUS	Health Care	DE	0.0%	
26	GRP SOCIETE GENERALE	Banks	FR	50.0%	Barbara Dalibard, Kyra Hazou, Ana Maria Llopis Rivas, Nathalie Rachou, Alexandra Schaapveld, France Houssaye, Béatrice Lepagnol



27	IBERDROLA	Utilities	ES	38.5%	Inés Macho Stadler, Samantha Barber, María Helena Antolín Raybaud, Georgina Kessel Martínez, Denise Mary Holt
28	Industria de Diseno Textil SA	Retail	ES	25.0%	Flora Pérez Marcote, Irene R. Miller
29	ING GRP	Banks	NL	25.0%	Isabel Martín Castellá, Mariana Gheorghe
30	INTESA SANPAOLO	Banks	IT	26.3%	Rosalba Casiraghi, Rossella Locatelli, Beatrice Ramasco, Marcella Sarale, Monica Schiraldi,
31	L'OREAL	Personal & Household Goods	FR	40.0%	Ana Sofia Amaral, Belén Garijo, Françoise Bettencourt Meyers, Sophie Bellon, Virginie Morgon, Christiane Kuehne
32	LVMH MOET HENNESSY	Personal & Household Goods	FR	23.5%	Delphine Arnault, Bernadette Chirac, Marie-Laure Sauty de Chalon, Marie-Josée Kravis
33	MUENCHENER RUECK	Insurance	DE	40.0%	Ann-Kristin Achleitner, Benita Ferrero-Waldner, Ursula Gather, Anne Horstmann, Ina Hosenfelder, Beate Mensch, Gabriele Sinz-Toporzyssek, Angelika Wirtz
34	NOKIA	Technology	FI	25.0%	Elizabeth Nelson, Elizabeth Doherty
35	ORANGE	Telecommunications	FR	40.0%	Helle Kristoffersen, Mouna Sepehri, Anne Lange, Ghislaine Coinaud, Lucie Muniesa, Claudie Haigneré
36	PHILIPS	Industrial Goods & Services	NL	33.3%	Neelam Dhawan, Orit Gadish, Christine Poon
37	SAFRAN	Industrial Goods & Services	FR	23.5%	Monique Cohen, Odile Desforges, Élisabeth Lulin, Astrid Milsan
38	SAINT GOBAIN	Construction & Materials	FR	40.0%	Isabelle Bouillot, Anne-Marie Idrac, Sylvia Jay, Pamela Knapp, Agnès Lemarchand, Olivia Qiu
39	SANOFI	Health Care	FR	35.7%	Bonnie Bassler, Claudie Haigneré, Fabienne Lecorvaisier, Suet-Fern Lee, Carole Piwnica

40	SAP	Technology	DE	22.0%	Margret Klein-Magar, Anja Feldmann, Gesche Joost, Christine Regitz
41	SCHNEIDER ELECTRIC	Industrial Goods & Services	FR	38.5%	Betsy Atkins, Magali Herbaut, Linda Knoll, Cathy Kopp, Lone Fønss Schröder,
42	SIEMENS	Industrial Goods & Services	DE	30.0%	Birgit Steinborn, Bettina Haller, Nicola Leibinger - Kammüller, Güler Sabancı, Nathalie von Siemens, Sibylle Wankel
43	TELEFONICA	Telecommunications	ES	11.0%	Eva Castillo Sanz , Sabina Fluxà Thienemann
44	TOTAL	Oil & Gas	FR	33.3%	Patricia Barbizet, Marie-Christine Coisne-Roquette, Anne-Marie Idrac, Barbara Kux
45	UNIBAIL-RODAMCO	Real Estate	FR	36.4%	Mary Harris, Jacqueline Tammenoms Bakker, Dagmar Kollmann, Sophie Stabile
46	UNICREDIT	Banks	IT	20.0%	Maria Enrica Spinardi
47	UNILEVER NV	Personal & Household Goods	NL	54.6%	Laura Cha , Ann Fudge, Louise Fresco, Judith Hartmann, Mary Ma, Hixonia Nyasulu
48	VINCI	Construction & Materials	FR	40.0%	Graziella Gavezotti, Marie-Christine Lombard, Josiane Marquez, Ana Paula Pessoa, Pascale Sourisse, Yannick Assouad
49	VIVENDI	Media	FR	42.9%	Nathalie Bricault, Yseulys Costes, Aliza Jabès, Cathia Lawson-Hall, Virginie Morgon, Katie Stanton
50	VOLKSWAGEN PREF	Automobiles & Parts	DE	15.0%	Annika Falkengren, Babette Fröhlich, Louise Kiesling

Source: Own representation based on the information from: <https://www.stoxx.com/index-details?symbol=SX5E> and the annual reports of the respective companies; retrieval date: 03/03/2017

## 5. Discussion and conclusion

The present article explored meanings of value creation as understood by the companies of EURO STOXX 50 index. It tried to relate the concept of value creation with the presence of women on the boards of companies, it introduced a model, which can help companies increase women presence at top level, and it presented the gender quota of EURO STOXX 50 companies.

One of the contributions of this article is rising awareness on how companies choose to report on their activity in the annual reports. What value means can differ from company to company, while stating that diversity and gender are important for a company still can be meaningless if it is not backed up by concrete actions. The presence of women on boards can be manifested not only by positively influencing a financial KPY, but also by bringing a change in the leadership style or in the strategic orientation of a company. The strategic performance cycle is in this sense a main contribution of the article, as it aims at helping companies to increase the number of women on boards, but this only if there is a real commitment of the company on this issue.

Moreover, the legal environment should be also considered. For instance, during 2015 there were many discussions in Germany about introducing a binding women quota for the supervisory boards of big listed companies, but the quota became obligatory only starting with 2016.

Furthermore, some changes should take place also at societal level. According to the “Special Eurobarometer 465 Gender Equality 2017”, 44 percent of respondents believe the most important role of a woman is to take care of her home and family and 43 percent think the most important role of a man is to earn money (European Commission, 2017). In this context, it might be difficult to implement change at higher levels, such as management or supervisory board of companies. Yet, gender legislation could be a first step in designing sustainable strategies.

We conclude by reiterating the call of the ILO: “more concerted efforts and advocacy are needed to share information on the benefits of utilizing women’s talent and skills at all levels, including in the boardroom” (ILO, 2015, p. 4).

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## **Extent of Agency Cost among Listed Manufacturing Companies in Nigeria: Sector Analysis**

### **Abstract**

*This paper determines the extent of agency cost incurred by Nigerian manufacturing firms from 2010 to 2018 using descriptive statistics approach. Data on agency cost measured by operating expenses ratio across the sector were obtained from published financial statements of selected companies and publications of Nigerian Stock Exchange. The results reveal that agency cost varies across sector with Natural Resources, Conglomerates and Health spent 56%, 47.5% and 43.3% of their income on agency cost respectively which is far above industry average. The study recommends polices formulation and adoption of strategies and procedures that can help in mitigating agency conflict and minimize cost.*

**Keywords:** Agency problem; Manufacturing Companies; Operating Expenses

### **1. Introduction**

Separation of ownership from the function of governance (control and management) is the origin of agency problem. Agency cost usually ensue where there is a state of incongruity and misalignment of interest between owners of business and the managers. In most cases and for reasons ranging from lack of the required expertise on the part of the owners to run their businesses to expansion, the owners of the company may have to engage and

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rely on agents to manage the affairs of their business in terms of managing the resources, taking appropriate investment decision etc, on their behalf. However, and overtime, special type of moral hazard occurs which is called principal – agent problem. Agency problem arises when there is divergence of interest and where the agent fails to align his interest with the principal interest. Most times, agent deviates from the plan and chooses to carry out the activities of the organization in such a manner that undermines the interest of the principal. Obviously, the decision or wish expressed by managers to maximize their own benefit does not naturally lead to the decisions that maximize the wealth of the owners and at large the value of a society.

Agency problem and every attempt to resolve the issue have gained so much attention in finance literature. The issues around agency problem is inherent in any organization or business where there is principal and agent relationship and it is a problem that lingers on as long as people are hired to manage the affairs of business on behalf of others. Jensen and Meckling (1976) argued that agency cost ensues where there is incomplete alignment of the manager's and shareholder's interest. There are many possible ways suggested in the literature to resolve and ameliorate the agency problem which include incurring agency cost, engaging in financial leverage to a reasonable length for oversight function and to instill financial discipline.

Of interest is the agency cost incurred to resolve the conflict between shareholders and their agent. It is the cost incurred to align the interest of the parties so that the organizational goals and objective can be achieved. This position is one of the grounds of the agency theory which explains the relation between agent and principal of its incentive and institutional structures. The theory has its origins in the organizational works of Mitnick and the economical agency theory developed by Ross both published in 1973 (Mitnick, 2013). Since then there is an abundance of applications of agency theory within different contexts. The fact is that behavior never occurs as it is preferred by the principal because it does not pay to make it perfect. Naturally, the human nature, which is characterized by selfishness, having limited rationality, and not liking risk would always lead to generating agency costs and consequently leading to reduced efficiency of corporative governance and downfall of company market value. Thus, incurring agency cost through incentive packages and institutional structure like executive compensation, composition of board for oversight function are expected to shape pattern of behavior of managers and align their interest with the principal.

Agency cost comprises of monitoring cost, bonding cost and residual loss. How much organizations spend on agency cost and the possible effect on the financial performance have drawn serious attention of companies in the world and caused contempt because of the enormous costs incurred and the negative effect it has on performance. Perhaps this might be a reason for the feeling in the literature that probably companies would have recorded a better



performance if the money incurred on agency cost are invested for future development.

In Nigeria, agency problem is a form of thorn in the flesh of Nigerian companies particularly the manufacturing companies with dwindling performance records. The drastic drop in the contribution of the sector to economic growth in form of gross domestic product and the delisting of many companies from the stock market are clear evidences that activities of the companies in the sector need to be looked into and brought under close attention. There is no doubt, the manufacturing companies remain the mainstay of any economy given the germane role played by the sector in terms of diversification, creation of job opportunities and foreign exchange earnings. Without this sector the country cannot experience growth its economy.

Though there are studies on agency cost, have been carried out on factors responsible for the poor performance of this sector ranging from political instability, poor electrical supply, lack of infrastructures, government policies, lack of access to funds and so on. These factors are proven to have effect on the performance of the sectors but they are external in nature. The agency cost is a kind of depletion to the profitability of these companies hence the need to know the extent of which companies incur the cost.

The main purpose of this paper is to analyse and provide information on the extent of agency cost incur by manufacturing companies in Nigeria. The previous researchers focused on the effect of agency cost on performance and how agency cost can be reduced. There is a gap as regard the extent of agency cost incurred by the companies in Nigeria and this work sought to bridge that gap.

## **2. Literature Review**

The literature is replete with studies on agency cost and performance of firm. Gurbus, Aybars and Yesilyurt (2016) investigated the connection between agency cost and performance of 132 companies listed on the stock exchange of four countries namely Brazil, Russia, Indian and China between 2013 and 2014. They used three variables to measure agency cost these are ratio of free cash flow to total asset, asset turnover and operating expenses while the proxy of performance is ratio of EBITDA to total asset. They concluded that negative and substantial relationship exists between agency cost and performance

However, Salim (2014) carried out research on the connection between agency cost and performance of 52 quoted firms that is still trading on Nairobi Securities exchange starting from year 2008 to 2012. The dependent variable which is performance is measured using return on asset while agency cost which is the independent variable index is asset utilization ratio measure as

ratio of total sales to total asset. The control variables used in the study are advertising expenditure, asset structure and level of debt. The study revealed that there exists a positive connection between agency cost and performance. Osman (2014) conducted an empirical research on agency cost and corporate performance of 100 registered firms on Malaysian stock exchange. The study was carried out during the period 2008 to 2012. Five indexes were employed as measure of agency cost and the indexes are debt ratio, firm size, growth, expense ratio and efficiency ratio. The indexes of performance are return on assets and return on equity. The outcome of the research indicated firm performance is significantly influenced by firm size, expense and efficiency while debt ratio and growth have no substantial relationship with corporate performance.

Emenyi (2013) examined the relationship between agency cost and financial leverage of a firm. His study revealed that agency cost has negative relationship with firms' profitability. The outcome of the study shows that reducing the agency costs will lead to a higher profitability to a firm. He also affirmed that managerial ownership can be employed in reducing agency cost because it can be used as motivation for managers. Instead of focusing much on agency cost to solve agency problem managerial ownership can also be employed in aligning the interest of the managers with that of their principals. Wang (2010) investigated the effects of free cash flows and agency costs on firm performance. The work proposed four hypotheses which were engaged in analyzing the effect of cash flow and agency cost on stock return and performance. The First hypothesis stated that cash flow has significant influence on agency cost. The second hypothesis postulated that free cash flows and agency cost have a negative impact on firm operating performance. The third hypothesis stated that firm value is influenced negatively by free cash flow and stock returns while the fourth hypothesis stated that free cash flows and agency cost affect stock return. The study was carried out on Taiwan publicly-quoted companies. The study concurred with hypothesis one. Hypothesis two was rejected because there exist positive relationships between agency cost, firm performance and stock returns. Hypothesis three is also rejected because firm value is positively influenced by free cash flow and stock returns. There is no significant effect free cash flows and agency cost on stock return.

Xiao (2009) examined how agency costs affect firm value. The study covers the period of six years ranging from 2002 to 2007. The research was carried out on 157 registered companies in China. Agency cost is the independent variable represented by divergence which is calculated as control rights minus cash flow right, the dependent variable is firm value calculated as the market-to-book ratio of assets, The control variables are firm size represented by log of assets, firm leverage calculated as total debt divided by total asset, the cash flow rights of the ultimate owners, the percentage of shares

owned by foreign investors, the ratio of independent directors on the board, the board size, and the logarithm of real per capita GDP in 2002 prices. The study indicated significant negative relationship between agency cost and firm value. Mwisywa (2007) investigated the interconnection between agency costs and the prices of stock of public firms listed on Nairobi Stock Exchange. Descriptive statistics were employed in presentation of data and quantitative analysis was used in interpreting the results. The outcome of the study show that all sampled firms incur some form of agency costs and that the agency cost may be responsible for increase in the stock prices. The finding further show that agency cost has strong positive influence on prices of stocks of sampled public firms. The researchers found a substantial negative relationship between agency cost firm performance and stock return.

Aggrawal and Knoeber (1996) conducted research on firm performance and mechanisms to control agency problems between managers and shareholders in the company in the US by using regression. Control mechanisms are tested in these studies is shareholdings of insiders, institutions, and large blockholders, outside directors, debt policy, size (log assets), labour market and market manager or corporate control. Their results revealed an association between firm performance and insider shareholdings, outside directors, and corporate debt. Overall found for every optimal control as a surveillance mechanism except outside directors. Zakaria, Purhanudin1, Tun Pin & Keng Soon (2016) explored the connection between company debt and agency cost in listed construction companies in Malaysia for the period 2007 to 2012. The indices of debt are Debt ratio (DR) and Debt to Equity ratio (DE). The result reveals that when the acquisition of company assets is financed by debt, the debt holders are more concerned with interest and principal payments. This limits the company from using funds to monitor agency problems. However, it is noted that an increase in the company cost to monitor agency problems positively affects the company's debt relative to equity. The findings also revealed that, when the company's profits increase, the cost to monitor agency problems tends to rise. On the other hand, dividend shows an insignificant relationship towards agency cost for construction companies.

Zhang and Li (2008) examined the impact of leverage on agency cost for 323 UK firms. They argued that agency cost is negatively related to debt. However, when the capital structure comprised sufficient high level of leverage, the results of univariate analysis showed opposite (positive) but non-significant relationship between leverage and agency cost. As debt increases, the monitoring cost of organization decreases because managers are more vigilant due to close monitoring by banks.

### 3. Data Methodology and Discussion of Results

The population of this study are all the manufacturing companies whose share are actively traded on Nigeria Stock Exchange as at June 30, 2018. The sample of forty-five were purposively selected out of Sixty-nine companies from 2010 to 2018. Secondary data was sourced from the financial statement of the sampled companies. Graph was employed in analyzing the extent of agency cost measured by operating expenses ratio. Operating expenses is arrived at by dividing the Selling, general and Administrative expenses with Total Sales (Rashid, 2013; Wellalage and Locke, 2012)

Figure 3.1 (a-g) showed the extent of agency cost incurred by the manufacturing firms in Nigeria from year 2010 to 2018. The extent was determined using the ratio of operating expenses to sales revenue. Natural resources, Conglomerates and Health sectors spent as much as 56%, 47.5% and 43.3% of their revenue as operating expenses. These operating expenses are non-production cost and is attributable to the poor performance recorded by the sectors. Consumer goods sector recorded the lowest percentage which is 17.2 while agriculture, industrial and construction spent 18%, 19% and 26% of their revenue as operating expenses.

The Agriculture sector in the year 2010 as revealed by figure 3.1 (a) incurred 19% of their revenue as agency cost, the percentage reduced to 15% in the year 2011 and then increased to 16.3% in 2012. The percentage rose to 19% in 2013. The sector recorded the highest percentage in 2014 which is 24% but since then fell to 19.4%, 18%, 19.5% and 17% for the years 2015, 2016, 2017 and 2018 respectively. The sector on average spent 18% of their revenue as agency cost.

Figure 3.1 (b) indicated the extent of agency cost of consumer goods to be 15.5% in 2010. It remains almost the same in 2011, it increased to 19% in 2012 and 2013. From 2014 to 2018 the percentage fluctuated as it came down to 17% in 2014 went up slightly to 18.2% in 2015 then to 18.5% in 2016 but fell to 16.1% in 2017 the 15.7% in 2018. Consumer goods sector incurred the average of 17.2% of the revenue generated by them as agency cost

Figure 3.1 (c) depicted the extent of agency cost incurred by conglomerates from year 2010 to 2018. The percentage of agency cost incurred by this sector stood at 14% in 2010, it went up to 22% in 2011. The percentage shoot up to 78% in 2012 but dropped to 26% in 2013 the percentage increased slightly to 29% in 2014, then soared in 2015 to 66%. The percentage kept on fluctuating like that as it came down to 61% in 2016 and increased to as much as 93% in 2017 then later fell to 37% in 2018. The average of 47.5% of revenue made by the sector went into resolving agency issue.

Figure 3.1 (d) displayed the extent of agency cost incurred by health

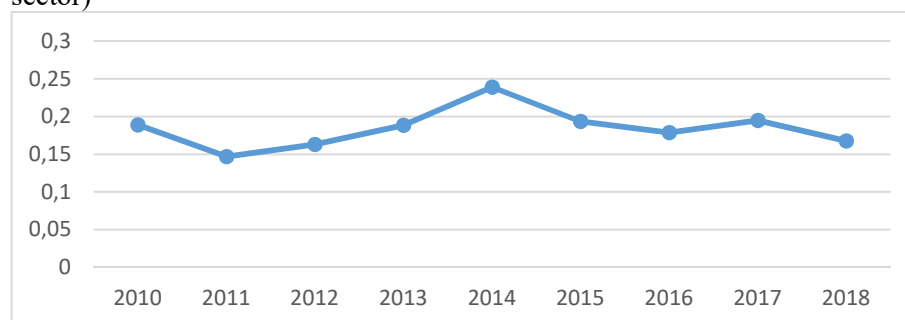
sector from the period of 2010 to 2018. In 2010 the sum was 41% of their revenue, it plunged to 34% in 2011. The sector recorded constant increase in the percentage of their agency cost from year 2012 to 2016. It was 37% in 2012, then to 39% in 2013. In 2014 it was 40% then rose to 47% and 51% in 2015 and 2016 respectively. There was a small reduction to 48% in 2017 and it eventually stood at 52% in 2018. The sector incurred 43.3% of their revenue as agency cost.

Figure 3.1 (e) presented the amount expended as agency cost by construction sector in 2010 it was 27% of their revenue, in 2011 it became 28%, in 2012 the percentage stood at 28.5% while it came down by 8.5% in 2013. It was 19% in 2014 and rose to 23% in 2015. In 2016 it became 25% went down to 24% in 2017 and surged to 37% in 2018. This sector on average spent 26% of their revenue as agency cost

Figure 3.1 (f) displayed the extent of agency cost incurred by natural resources sector. This sector recorded the highest agency cost and this is why the sector made loss in some of the years of this study. The percentage was 28% in 2010, it became 30% in 2011 and came down to 26% in 2012 then rose slightly to 38% in 2013. The sector experienced serious agency cost because the sum incurred as agency cost escalated from 2014. In 2014 they incurred 81% of their revenue as agency cost in 2015 it was 78% in 2016 it got so bad that they spent 91% of their revenue. The percentage dropped to 58 in 2017 and surged to 75 in 2018. The sector spent 56% of their revenue as agency cost for the period of study.

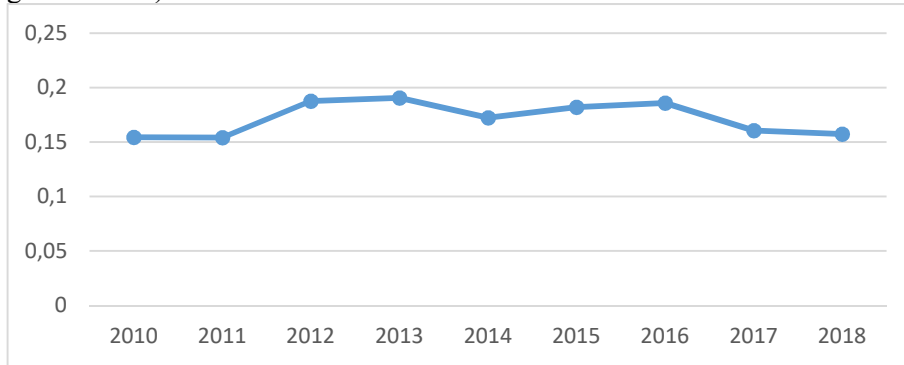
Figure 3.1 (g) presented the extent of agency cost incurred by industrial goods sector for the period of study. In 2010 the percentage was 19. It remained status quo in 2011 but fell to 17% in 2012 and still maintain that in 2013. It experienced constant increase from 2014 to 2018. The sum recorded from are 18%, 19%, 19.5%, 19.7% and 20% for year 2014, 2015, 2016, 2017 and 2018 respectively. This sector spent on average 19% of their revenue as agency cost.

Figure 3.1(a). Graphical Presentation of extent of agency cost (Agriculture sector)



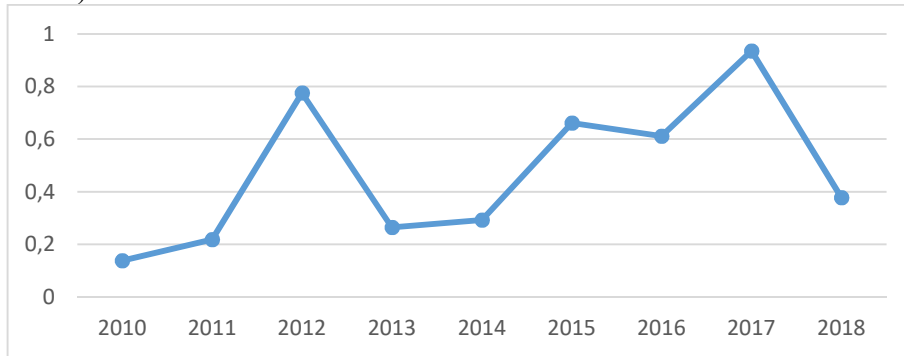
Source: Authors' Computation, 2019.

Figure 3.1(b). Graphical Presentation of extent of agency cost (Consumer goods sector)



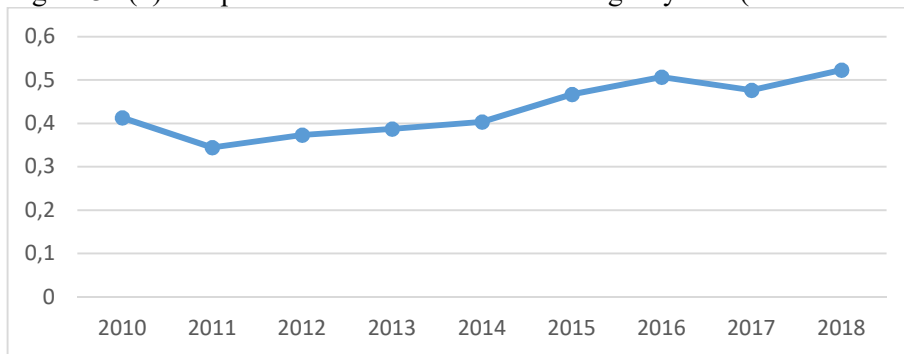
Source: Authors' Computation, 2019

Figure 3.1(c). Graphical Presentation of extent of agency cost (Conglomerate sector)



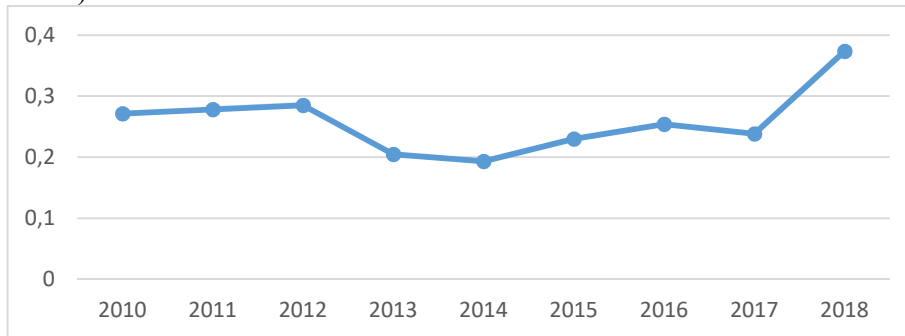
Source: Authors' Computation, 2019.

Figure 3.1(d). Graphical Presentation of extent of agency cost (Health sector)



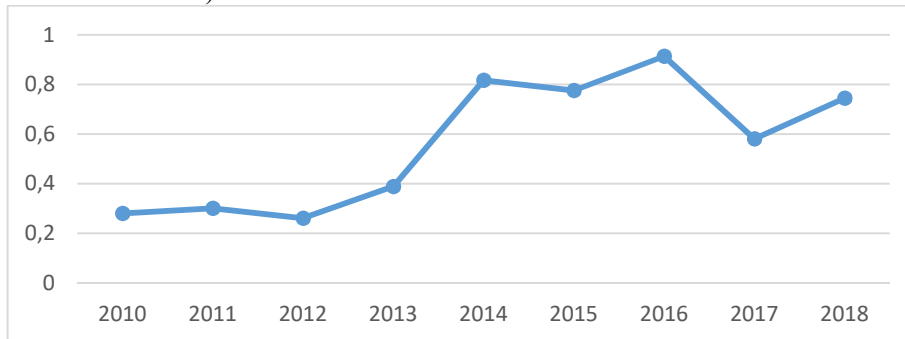
Source: Authors' Computation, 2019.

Figure 3.1(e). Graphical Presentation of extent of agency cost (Construction sector)



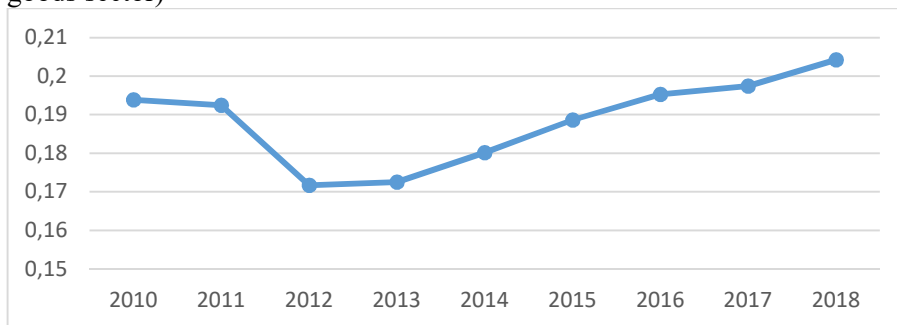
Source: Authors' Computation, 2019.

Figure 3.1(f): Graphical Presentation of extent of agency cost (Natural Resources sector)



Source: Authors' Computation, 2019.

Figure 3.1(g): Graphical Presentation of extent of agency cost (Industrial goods sector)



Source: Authors' Computation, 2019.

#### 4. Conclusion

The study showed the extent of agency cost incurred by the manufacturing companies for the period of nine years from 2010 to 2018. The result as displayed by the graph showed that for Natural resources, Conglomerates and Health Sector they spent 56%, 47.5% and 43.3% respectively. These sectors spent like half of the revenue generated by them on agency cost. This amount is considered to be too large and will have negative effect on their performance.

The study recommend that the management should consider usage of more debt in their capital structure since agency theory posit that debt can be employed in lessening agency cost. The management should also consider prompt payment of dividend to reduce cash flow since excess cash flow has been argued to be the main reason for agency problem.

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## **Recovery Marketing as a Fresh Start Tool for Economies after Devastation. Preliminary Study and Approach Proposal**

### **Abstract**

*The aim is to identify if Recovery Marketing is a Fresh Start Tool for economies after devastation. Through Multi-method study, with a qualitative study based on a Multi-case research with emphasis in Historic Method and Content's Analyses, and secondary data analyses of some cases of devastated economies, the results show that there are the use of some Marketing Tools and Features, however without a holistic Marketing Approach and either no Recovery Marketing concept as a Fresh Start Tool to renew the place identity after catastrophes. A theoretical contribution of this paper is to produce a new marketing framework as a Fresh Start approach for places after destructions, such as Recovery Marketing, including the analyses of locals and visitors. The managerial implication is the contribution for public and private organisations to help positioning/repositioning a place after devastation, using Recovery Marketing as a Fresh Start Tool.*

**Keywords:** Recovery marketing; Fresh start. Devastation. Economy.

### **1. Introduction**

If the concept of Fresh Start Mindset (Price et al, 2018) is useful for people, why not for places such as cities, states, countries, regions and continents? Especially on the occasions after very serious problems that cause devastation. There are different causes of devastation and several possible solutions combined to help local and visitors. However, it is very difficult to find out

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the use of the concepts of Marketing to the positioning/repositioning of the place brand/identity/image after devastation. The usual intervention is through political approach, as well as humanitarian. Some cause of devastation can be Natural catastrophes – flood, earthquake, tsunamis, drought; War and Terrorism; Political and Economic problems; Accidents caused by Organisations’ incompetence and/or greed – the so called “announced catastrophes”, and Diseases, epidemics, pandemics caused by famine or lethal viruses, alone or combined.

In this study, through a multi-case method, historic, secondary data and document analyses, the concept of Recovery Marketing is created, which is the use of marketing approach to fulfil a Fresh Start for economies after destruction. How can one make people believe that it is possible “to start life again” even after huge causes of devastation?

According to this context, the research question of this study is stated:

*Is Recovery Marketing a Fresh Start Tool for economies after devastation?*

The main objective is to identify if Recovery Marketing is a Fresh Start Tool for economies after devastation. Operational objectives:

- a) To describe the economies subject of this study (local characteristics before/after devastation, the environment, the causes of devastation, the types of interventions);
- b) To identify the use of marketing tools (IMCs, Brand Repositioning, marketing research, etc.);
- c) To identify stakeholders (spokesperson, influencers, locals and visitors); and
- d) To identify the use of Recovery Marketing as a Fresh Start Tool.

In the next section, the literature review is presented.

## **2. Literature Review**

The subjects of this research are presented in four groups: Marketing concepts including Recovery Marketing, Marketing Mix, and Branding; Fresh Start concepts; Devastation and its causes; and Economy.

### *2.1. Marketing concepts*

Marketing is about identifying and meeting human and social needs (Kotler & Keller, 2012). In the literature there is the concept of recovery service (Gohary et al, 2016), which is the process of bringing former customers back to the company as loyal ones. On the other hand, Recovery Marketing is a new

concept, developed in this article, and it is the holistic use of marketing approach as a Fresh Start Tool (Price et al., 2018) for the brand positioning/repositioning of a place identity, after some kind of devastated catastrophe or human event of different causes. It is a set of activities related to the market whose aim is helping economies that should have been re-structured after some serious problems, such as crisis and/or catastrophes. Destiny marketing organisations can play an important role to help places recover their identity using a sustainable tourism perspective (Ritchie & Crouch, 2003). One of the tools is to create an integrated marketing team to manage the Recovery Marketing and a financial group to manage the prospect and the use of funds during the whole process of recovering. One example of this procedure is the Malaysia case (De Sausmarez, 2003), when the local government had create a fund of 40 million dollars in a Recovery Marketing campaign.

The concept of Marketing Mix (Figure 1) is the same for companies and places, even if it is holistic (Kotler & Keller, 2012). However, it is necessary to adapted it for a more complex situation due to the characteristics of the places, especially after the event of catastrophes. In addition, it turns out to be Recovery Marketing Mix (Figure 2).

Instead of a set of Product, Price, Promotion and Place parts, the Recovery Marketing Mix includes the concept of Branding, the prospect of Financial Resources, the adapted IMC, distribution and logistics, and focus on locals and visitors.

Finally, there is a marketing concept related to brand, which is a “a name, term, sign, symbol, or design, or a combination of them, intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors” (Kotler & Keller, 2012). It produces elements of differentiation. It represents the identity of a product, service, experience, and even of a place, city, region, state, country, or continent. It presents tangible and intangible elements. When a catastrophe happens in a place, its image, symbolized by its brand, probably is jeopardized by controllable and uncontrollable elements of the devastation. A company or a government should lead the process of repositioning its brand. When a government is dealing with its brand, it is carefully dealing with the process of branding, which is a way to create adequate suitable strategies of positioning/repositioning for the place, involving locals and visitors.

Figure 1. Marketing Mix

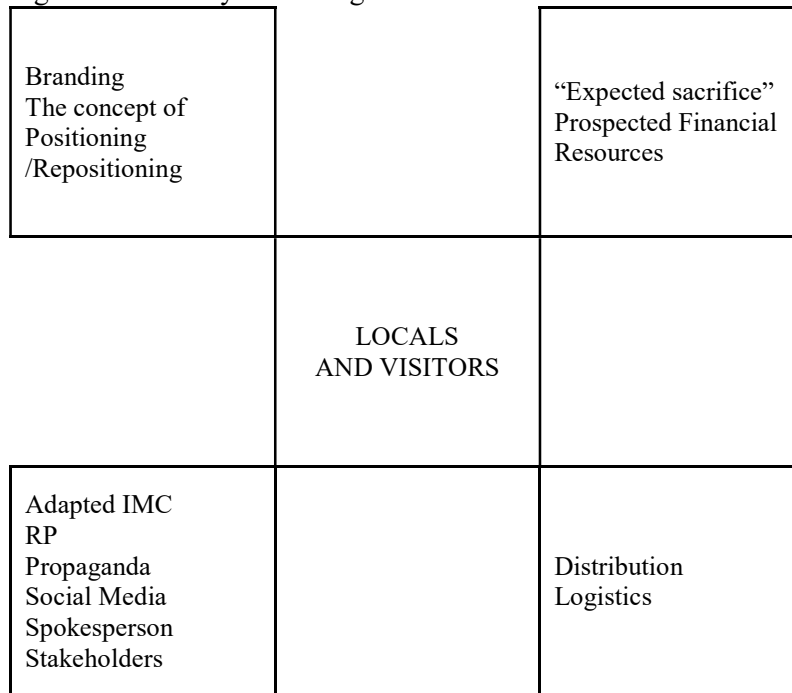


Marketing Mix Four Ps
Product
Place
Promotion
Price

Modern Marketing Management Four Ps
People
Processes
Programs
Performance

Source: Kotler & Keller, 2012

Figure 2. Recovery Marketing Mix



Source: Adapted from Kotler & Keller, 2012

*Marketers can apply branding virtually anywhere a consumer has a choice. It's possible to brand a physical good (Ford Flex automobile, or Lipitor cholesterol medication), a service (Singapore Airlines or Blue Cross and Blue Shield medical insurance), a store (Nordstrom or Foot Locker), a person (actress Angelina Jolie or tennis player Roger Federer), a place (the city of Sydney or country of Spain), an organization (U2 or American Automobile Association), or an idea (abortion rights or free trade) (Kotler & Keller, 2012:242).*

To apply Recovery Marketing is necessary to follow some kind of protocol to guide the sequence of actions in case of devastation. A tentative approach can be as follows:

- (1) To hire a Marketing team to coordinate the efforts with international experience with broader realities and complexities, such as Marketing for public organisations. This group could be formed by Marketing/Media professionals of higher standards, scholars, a professional from local community, a politician and a staff of specialists on the case of devastation, using the concept of Recovery

Marketing. The CEO should be the Marketing person. This group should be subscribed at some international organisation, such as UN, FAO, UNICEF, OCDE, WTO, WHO, etc.;

- (2) To choose a spokesperson that is recognised by local and visitors, immediately after the cause of devastation takes place. It is recommended not to choose politicians, because sometimes they are not very welcome by local people and/or international community. One can be a celebrity, a famous actor/actress, a philosopher, a priest. An example is the spontaneous choice of Brad Pitt and his project of house reconstruction after Katrina in New Orleans, USA. Unfortunately a couple of years after the beginning of the reconstruction project, the houses have shown problems of rotting and have collapsed (Business Insider, 2019);
- (3) To use transformative consumer research (Mick et al, 2012; Crocket et al, 2013) on locals and visitors to find out their perspectives to design a future identity for the place. It is important to know their profiles and willingness towards a Fresh Start approach for their lives. It is common that just one of the players is considered in the intervention, sometimes only the locals, sometimes the visitors. “Transformative Consumer Research is a movement [...] that seeks to encourage, support, and publicize research that benefits consumer welfare and quality of life for all beings affected by consumption across the world” (ACR, 2020);
- (4) To customise a Recovery Marketing Mix to the situation, developing a new Branding identity for the place (Aaker, 2012), plans and campaigns to prospect resources. It is also important to improve the use of Mass Media to reach as much people as possible, with a very clear motto, such as “dobbiamo stare lontani, ma uniti”, a saying in Italy during the COVID-19 quarantine (ANSA, 2020). And to develop and maintain a very effective Distributions and Logistics Network; and
- (5) To design follow-up procedures to guaranty that the recovery process will be effective and/or making amendments if they are necessary.

## 2.2. *Fresh Start Concepts*

“Fresh Start Mindset is defined “as a belief that people can make a new start, get a new beginning, and chart a new course in life, regardless of past or present circumstances” (Price et al, 2018). It affects people concepts’ of their social world, the nature of human characteristics and their consuming underlying conceptions (Devezer et al, 2014). It is based in the American culture and it is anchored that consumption can transform lives. The elements that can improve the Fresh Start Mindset are the internal locus of control, the belief that the individuals can start a new chapter in their lives (Landau, 2017)



and the hope that marketers, public policy official, and organisations can help individuals start a new beginning in their lives. Also optimism, future goal focus, self-efficacy, resilience and perseverance are linked with a strong Fresh Start Mindset (John & Park, 2016 and Price et al, 2018). Some elements that can decrease Fresh Start Mindset are the lack of social mobility, high unemployment (Putnam, 2015), and some religions and beliefs that set fate or destiny control people's lives (Bielo, 2007).

### *2.3. Devastation and its Causes*

Devastation is the process and/or state of complete destruction (Macmillan, 2019). Devastated economy is the condition of having its social systems and the production and distribution of means and services completely ruined and destroyed. Elements can trigger devastation in economies. Sandroni (2016) classifies them in two groups: endogen and hexogen crisis. The first one states that the country economic disequilibrium can be cause by over production, trade problems, credit and speculation. The latter involve non-economic, non-controllable factors, such as natural disasters, wars and epidemics. Sandroni's classification, however, limits the analyses of devastated economies. For example, if the focus of analyses is a city, economic problems in a neighbour city can be classified as external, but if the region is considered, it turns to be an endogen one. For this reason, this classification is not used in this study.

The causes of devastation are listed:

1. Natural catastrophes – flood, earthquake, tsunamis, drought;
2. War and Terrorism;
3. Political and economic problems;
4. Accidents caused by Organisations' incompetence and/or greed – “announced catastrophes”; and
5. Diseases, epidemics, pandemics caused by famine or lethal viruses.

Figure 3. Some Examples of Devastated Economies

Type of Causes	Natural catastrophes	War and Terrorism	Political and economic problems	Organisations' incompetence and/or greed	Diseases
Germany (1914-1945)		X	X	X	
Japan (1945) Hiroshima and Nagasaki		X	X		
Mexico (1986)	Earthquake				
Mexico Bay				Environment crime - BP oil on seaside	
Africa	Drought	X	X	X	Ebola
Italy (2016)	Earthquake				
Venezuela (2019)		X	X	X	
Brazil (2019) Brumadinho				Land slide	
Brazil (2019) Northeast coast				Environment crime – oil on seaside	
Iraq (2020)		X	X	X	

Source: survey, 2019.

#### 2.4. Economy

The word “economy” derives from Greek “oikonomia”, which means the management of a house or state. “Economy is the social science that studies how individuals and society decide how to use scarce resources in the production of means and services and to distribute them for people and groups in order to fulfil their needs” (Vasconcellos & Garcia, 2008; Sandroni, 2016). Economy is a set of production, trade and financial activities, added to logistics to provide means and services to a society (Mankiw, 2001, and Dornbush, 2003). Kotler (2000) states that the economy of each country is a complex interactive Marketing system that provides possibilities of exchange among organisations and individuals to fulfil their needs, desires and demands.

In synthesis, the main concepts of this research can be seen in figure 4.

Figure 4. Main Concepts

Recovery Marketing	It is a set of integrated marketing activities which aim is to improve societies that have their economies jeopardised by any cause of devastation, such as natural disasters, war/terrorism, diseases, political and/or financial problems, greed and/or incompetence.
Recovery Marketing Mix	It includes the concept of Brand management, the prospect of financial resources, the adapted IMC, distribution and logistics, and focus on local and visitors.
Fresh Start	It is the process of starting a new course in life regardless past and present circumstances, looking forward to a new future (Price et al, 2018).
Devastation	It is the process and/or state of complete destruction (Macmillan, 2019), through natural disasters, war and terrorism, political and economic problems, organisations' greed and/or incompetence, diseases and epidemics.
Economy	Economy is a set of production, trade and financial activities, added to logistics to provide means and services to a society (Mankiw, 2001 and Dornbush, Fischer and Begg (2003).

Source: adapted from Price et all (2018) and Kotler & Keller, (2012).

In the next section, the methodology is presented.

### 3. Methodology

In order to identify if Recovery Marketing a Fresh Start Tool for economies after devastation, four research questions have been considered:

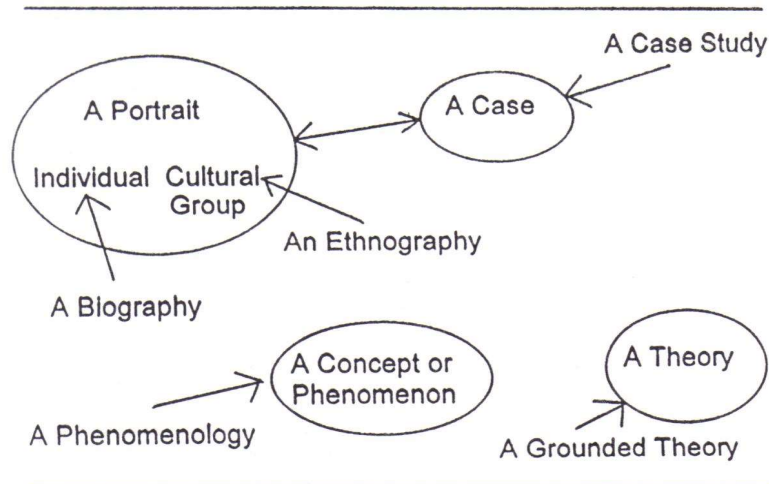
- (1) Which are the features of the economies subject of this study (local characteristics before/after devastation, the environment, the causes of devastation, and the types of interventions)?
- (2) Is there the use of marketing tools (IMCs, Brand Repositioning, marketing research, etc.)?
- (3) Which are the stakeholders (spokesperson, influencers, locals and visitors)? and
- (4) Is there the use of Recovery Marketing as a Fresh Start Tool?

The methodology included some aspects (Gil, 2002; Malhotra, 2012; Mattar, 2007; and Wonnacott and Wonnacott, 1981): the nature of the research and the population and sampling.

### 3.1. Nature of the research

The methodology adopted was a multi-method approach, with a qualitative study (Creswell, 1998) based on a Multi-case research with emphasis in Historic Method and Content's Analyses, and secondary data analyses of the economies focus of this study (Gil, 2002).

Figure 5. Focus of Multi-case Study



Source: Creswell, 1998.

Multi-case Study (Figure 5), which was originated in Political Science, Sociology, Urban Studies and other social sciences, is developed to analyse in-depth case or multiple cases (Creswell, 1998). It uses multiple sources, such documents, archival records, interviews, observations, and physical artifacts, here to analyse the devastated economies, focus of this study.

### 3.2. Population and Sampling

The population is devastated economies around the world, from the last 20 years, from 2000 up to 2020. Sampling by convenience is the set of cases with available information, such as Japan, Greece, Iraq and China. The survey had taken place in 2019.

## 4. Results

The findings, summarised in the table 1, provide some information about the possible use of Recovery Marketing as a Fresh Start Tool for devastated economies.

Table 1. Results

Elements	Causes of Devastation	Type of Intervention	Marketing Tools	Allowed Fresh Start?	Results
Iraq (2003)	War/terrorism USA attacked Iraq to combat terrorism due to Sept 11 <sup>th</sup> 2001. A complete destruction of basic structures.	Focus on petroleum and trade to maintain economy.	None	Yes. FS hasn't been used.	Nowadays it is still a wrecked country.  Focus on petroleum and trade as a chance of Economy Recovery.  Not concerned with locals and visitors.
Greece (2008-2011)	Political/Economic and Financial Credit crunch	International Agreements  Increase of interest rates  New taxes  Search for new sources of revenue	None	Yes. FS hasn't been used.	Country in a recovering status Lowest rate of employment (2016)  Focus on the central activity (tourism).  Not concerned with locals.
Japan (2011)	Natural disaster Earthquakes, Tsunamis	Government rescue programmes  Volunteer programmes  Locals' intense participation in recovery process.	Emergency demand  Consumption products replacement	Yes. FS hasn't been used.	Recovery in 4 months.  Concerned with locals and visitors.
China (2019)	Disease Pandemic Coronavirus (Telegraph, 2020)	Hospital improvement  Lock down of labour activities  Quarantine  Borders' closure  Army to sanitise the roads	Propaganda to communicate campaigns  The president as spokesperson	Yes. FS hasn't been used.	Initial recovery in 4 months.  Concerned with locals.  Still a challenged situation.

Source: Survey, 2019.

## **5. Conclusion, Theoretical Contribution, Managerial Implication, Proposal, Research Limitations and Future Studies**

The main conclusion of this study, according to the analyses outputs and based on the cases, is that there are the use of some Marketing Tools and Features, however without a holistic Marketing Approach and either no Recovery Marketing concept as a Fresh Start Tool to renew the place identity after devastation.

A theoretical contribution of this paper is to produce a new marketing framework as a Fresh Start approach for places after devastations, including the analyses of locals and visitors, such as Recovery Marketing.

The managerial implication is the contribution for public and private organisations to help positioning/repositioning a place identity after devastation, using Recovery Marketing as a Fresh Start Tool.

A tentative Approach Proposal can be presented: (1) to use Recovery Marketing as a Fresh Start Tool from the beginning, as long as the catastrophe happens; (2) to hire a marketing team to coordinate the process of recovery just after devastation, the most recommended one by international organisations, such UN, FAO, UNICEF, OCDE, WTO, WHO, etc.; (3) to choose a spokesperson, (4) to use a transformative consumer research on locals and visitors to produce a profile of their aims for the future related to the devastated place and their willingness towards a Fresh Start approach for their lives; (5) to develop the Recovery Marketing Mix and apply it; (6) to develop a renewed brand image for the place, through branding; and (7) produce a follow-up protocol to make amendments in the process of recovery, if they are necessary.

This study has some limitations. First, the concept of Fresh Start Mindset is based on the American culture, with the focus on consumption, demanding extra efforts and adaptation in economies where their focuses are in some different mindset. Second, Multi-case is a qualitative study that helps to highlight trends in order to subsidise more complex and quantitative research. Third, the cases that have been studied use some marketing tools, without a holistic marketing approach. And finally, the concept of Recovery Marketing does not appear in the literature, so the authors have developed a new definition of their own.

Future research on the analysed field could be addressed to deepen the research on Recovery Marketing as a Fresh Start Tool. Further studies could be extended to other countries, in order to better identify differences depending on culture and norms. Also to analyse more cases of devastated economies and to apply transformative consumer research (Crockett et al, 2013).

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## **Sectoral Analysis of Tax Evasion in Lagos State, Nigeria: Stakeholders' Perspectives**

### **Abstract**

*The study investigated the area of Internally Generated Revenue (IGR) in Lagos State, Nigeria with the highest rate of tax evasion. The study administered questionnaire to 301 forensic accountants and experienced tax officials, determined through Krejcie & Morgan formula (1970). Descriptive statistics like graphs, percentages, mean, among others were used to analyse data. The findings revealed that tax evasion exists with the highest coming from the informal sector through Withholding Tax and Personal Income Tax, among others. The study recommends that government should adopt a more aggressive approach in the reduction of tax evasion cases for a more efficient tax administration.*

**Keywords:** *Informal sector; Internally generated revenue; Tax consultants; Tax evasion.*

### **1. Introduction**

The Nigerian tax system over the years is structurally entrenched in problems which has resulted in the creation of loopholes in the administration of tax collection process (Akhor & Ekundayo, 2016; Gurama, Mansor & Pantamee, 2015). Thus, the gap in the efficiency of the administration of tax system has brought about the incidences of non-tax compliance, resulting in tax evasion and a possible tax avoidance. The revenue growth of government in Nigeria was threatened by the cases of tax evasion. For instance, several states in Nigeria have been having difficulties to appreciably meet up with their statutory responsibilities as a result of drop in the prices of crude oil, the major source of revenue. The revenue shared among the tiers of government from the Federation Account has moved downward in addition to the contributory

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aspect of tax evasion on the Internally Generated Revenue (IGR) of state governments. Consequently, the inability to effectually generate the budgeted revenue has forced the state governments to take the necessary steps to frontally tackle tax evasion. Tax evasion usually occurs where the taxpayers are at liberty to decide on taxes due, without adequate supervision from the tax authorities. Thus, the existence and the persistence of tax evasion even in the face of glaring penalties portends a situation of if it will ever be eliminated (Slemrod, 2017). Consequently, even if government introduce new tax system, it cannot rely totally on taxpayers for proper and appropriate remittances of taxes due, hence the result for enforcements (Slemrod, 2017).

For this reason, coupled with the non-capture of some eligible taxpayers in the tax net, the tax evasion base has been widened. In addition to this, the constant enforcement steps of state government in driving compliance to tax policies is a major concern to the authorities (Akinadewo, Akinkoye, Oyedokun & Asaolu, 2019). Thus, scholars have argued that tax evasion is a key component among the primary societal problems working against the growth of emerging economies (Sikka & Hampton, 2005). In the combat against this economic menace, the Lagos State government through her agency, Lagos State Internal Revenue (LIRS), have engaged the services of tax consultants. The efforts of these consultants have brought additional tax revenue through the collection of evaded taxes from N20.29 billion in 2009 to N15.42 billion in 2018. At the same time, from 2014 to 2018, additional 234,142 eligible taxpayers were brought into the tax net.

Despite this effort, there have been divergent views among the stakeholders of the sector and the area that have accounted more on tax evasion in Lagos State, hence the need for empirical investigation. Authors have opined that the level of tax evasion in the informal sector is high and that the sector is not properly structured to allow efficient and effective administration of tax law (Saidu & Dauda, 2014). However, there is still the need to do a comparison between formal and informal sectors, self-employed and individuals in paid employment, multi-national companies and local firms, expatriates and Nigerian citizens, among others. Furthermore, the areas among the sources of IGR like Personal Income Tax, Withholding Tax, Capital Gains Tax, among others with the highest tax evasion need more empirical examination. For instance, in the area of personal income tax, performance and output in Nigeria still leave much to be desirable as effective and efficient implementation of tax law is still challenging and unsatisfactory (Jabil & Mankwat, 2017). The withholding tax collection has equally been a challenge to the tax authorities partly due to its third-party involvement as the collecting agent.

In literature, studies have been carried out on the attitudes towards tax evasion and the ethical issues. There have also been researches on the institutional factors relating to tax evasion problems; the effects of tax evasion

on government revenue generation, among others, but the sectoral analysis of tax evasion and the contributions of each of the sources of IGR to tax evasion are still not broadly covered. Thus, this study will proffer solution to the identified gap.

## 2. Literature Review

The major purpose of a good tax system is the raising of revenue for government to finance vital expenditure on the goods and services provided by it, then less revenue will slow down the pace of economic and social development plans of the government (Okoye & Ezejiofor, 2014). Consequently, tax evasion which usually emanates from different angles including under-declaration and under-remittance of taxes is inversely related to revenue and economic development. This inverse relationship has generated scholastic debates among stakeholders. In Nigeria, the major sources of IGR for states include the Personal Income Tax, which is administered as Pay As You Earn (PAYE), the withholding tax, among other revenue sources. Ola (2001, cited by Odusola (2006) argued that PAYE is the oldest tax in the country and was first introduced as a community tax in Northern Nigeria in 1904 before the unification of the country in 1914. Thus, scholars have researched greatly both in the developed and emerging economies, not only on the effect of tax evasion on economic growth, but also the many ways to mitigate this.

McGee, Devos & Benk (2016), researched at the attitudes towards tax evasion in Turkey and Australia. This was with the primary objective of determining the ethics of tax evasion. The study administered questionnaire based on 7-point Likert-scale to the respondents and noted that the respondents believed that tax evasion can be ethically justifiable in certain situations. Nyang'au (2016) examined high tax rate and level of education and their nexus with tax evasion and avoidance. The study which was conducted in Magu district, Tanzania found out that when tax rate increases, then there are higher likelihood of tax evasion and avoidance and the more educated people are, the possibility of the reduction in tax evasion and avoidance. Palil, Malek & Jaguli (2016) examined the problems associated with tax evasion from the perspectives of institutional factors. The study which was carried out on Malaysia adopted questionnaire prepared in English and Malay. The study finds out that the complexity of the system will determine the possibility of tax evasion detection. Pourkiani, Asgharpoor & Hosseini (2015), examined the determinants of taxpayers' attitude to the payment of tax in Kerman, Iran. The study revealed that there is pessimism by people towards consumption of tax.

Folayan & Adeniyi (2018), examined the effects of tax evasion on government revenue generation in Oyo State of Nigeria. This study revealed that estimated revenue positively contributes to tax evasion. The study also found out that 97.8 percent of Oyo State tax evaders were influenced by changes in estimated revenue. Mansor & Gurama (2016), researched on the determinants of tax evasion in Gombe State, Nigeria. The study revealed that the taxpayers explore the loophole in tax law to minimize their tax liability. The study also revealed that this is common among the literates that are acquainted with tax laws. Modugu & Omoye (2014) examined the possible link existing between higher tax rates and tax evasion in Nigeria. The study revealed that any additional increase in tax rates will lead to a possible tax evasion. Okoro, Oshoibhor & John-Oyumu (2016), conducted a study on the establishment of a framework for detecting fraudulent activities in Edo State tax collection system. The study adopted investigative data mining and opined that the wide gap between the explosive growth of data at Edo State Internal Revenue and the ability to analyze and interpret it effectively is desirable. The study recommended the design of a Used System Architecture, by applying artificial neural network and machine learning algorithm. It also developed a BIR (Board of Internal Revenue) Administrators Module, BIR staff Module, BIR Bank Module and BIRGENT software for the detection of fraudulent activities. Hashidu, Adamu & Isah (2017) examined the role of moral reasoning and religion on the willingness to pay tax voluntarily. The study found that moral belief and religious background have positive relationship with tax morale.

Akinyomi & Okpala (2013) appraised the factors influencing tax avoidance and evasion in Nigeria. The study also investigated whether low quality of the service in return for tax affects tax avoidance among other objectives. The study revealed that high level of corruption significantly influences tax avoidance and evasion and that low-quality service in return for tax significantly influence these. Saidu & Dauda (2014), however, examined governance challenges and the possible effect on tax evasion in the informal sector. The study which was carried out in Bauchi State, Nigeria, also examined the ethics of tax evasion in that sector. The study adopted primary and secondary data by applying personal interview, questionnaire, journals, textbooks, bulletin at library and the internet. The findings show that the level of tax evasion in the informal sector is high and that the sector is not properly structured to allow efficient and effective administration of tax law.

Harelimana (2018) examined the effects of tax audit on revenue collection in Rwanda. The study adopted both the primary and secondary data. Data were analyzed through SPSS version 21. Ordinary least square method of analysis was adopted in the determination of inferential statistics. The finding revealed that an increase in tax administration will lead to upward movement in government revenue and that tax audit influences revenue

collection. The study recommended the need for a more study on how the size of a company influences the auditing having established variation for various organizations based on the size.

### **3. Methodology**

The population of the study was 1,387 and it comprised the approved tax consultants with the knowledge of forensic accounting in Lagos State and senior tax officials in the state Internal Revenue Service. The sample size was 301, which was determined through the adoption of Krejcie & Morgan formula (1970). This was then selected through judgmental sampling technique. Descriptive statistics like graphs, tables, mean and standard deviation were adopted with the use of self-administered questionnaire on the respondents.

### **4. Discussion of Findings**

The IGR of states in Nigeria include the Personal Income Tax (PIT), Withholding Tax (WHT), Capital Gains Tax (CGT), Stamp Duties (SD), Pools Betting, Lottery Gaming and Casino Taxes (PBLGT), and Road Taxes (RT). Thus, the respondents opinionated on the area of the IGR with the highest tax evasion. Table 1 shows that 86 respondents (28.6%) agreed that personal income tax had the highest tax evasion; 114 respondents (37.9%) opinionated that withholding tax has the highest tax evasion; 36 respondents (12%) agreed that stamp duty had the highest tax evasion; 32 respondents (10.6%) opinionated that pools betting, lottery gaming and casino taxes was the highest in tax evasion; 30 respondents (10.0%) were of the opinion that capital gains tax had the highest tax evasion; and 3 respondents (1%) opinionated that road tax had the highest tax evasion.

Thus, WHT, PIT, SD, PBLGT, CGT, and RT in that order, are the IGR sources with the highest tax evasion. This implies that withholding tax is the area of the IGR with the highest tax evasion. This may be as a result of the belief that this class of tax is seen as being difficult to withhold from the suppliers whose services and products are informal in nature, hence, they are mostly not in the tax net.

Table 1. The IGR Source with the Highest Tax Evasion

		<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Valid	PIT	86	28.6	28.6	28.6
	WHT	114	37.9	37.9	66.4
	CGT	30	10.0	10.0	76.4
	SD	36	12.0	12.0	88.4
	PBLGT	32	10.6	10.6	99.0
	RT	3	1.0	1.0	100.0
	Total	301	100.0	100.0	

Source: Author's Field Work (2020).

Table 2 shows the descriptive statistics of the responses of the respondents to the question on the area of IGR with the highest tax evasion. In the determination of the central tendency of the data, the results show a mean value of 2.4120, a standard deviation of 1.34774, showing the spread out from the mean of the group, and with a minimum (smallest value in the data set) of 1.00 and maximum (the largest value in the data set) of 6.00.

Table 2. Descriptive Statistics of the IGR Source with the Highest Tax Evasion

	<b>N</b>	<b>Min</b>	<b>Max</b>	<b>Mean</b>	<b>Std. Dev</b>
VAR00001	301	1.00	6.00	2.4120	1.34774
Valid N (listwise)	301				

Source: Author's Field Work (2020).

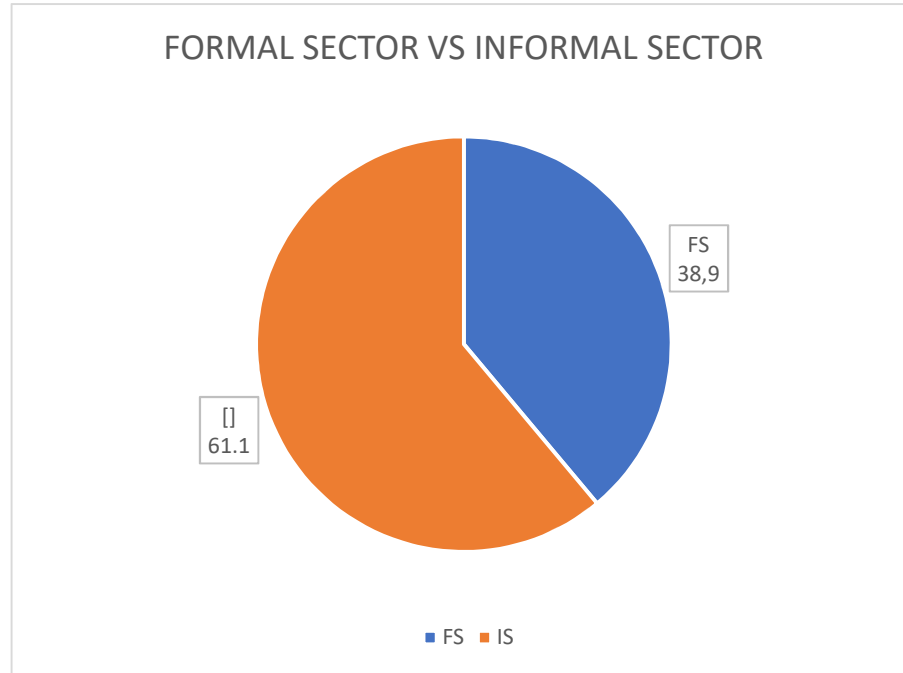
Table 3 explain the results of the tax experts' opinion on the tax evasion level from the sectors. One hundred and seventeen (117) respondents (38.9%) believed that the Formal Sector (FS) has the highest rate of tax evasion. However, 184 respondents (61.1%) opinionated that the Informal Sector (IS) has the highest tax evasion rate in Lagos State. From the analysis, the informal sector has the highest rate of tax evasion. This could be from the inadequate regulation of the activities of this sector. The graphical presentation is shown in figure 1.

Table 3. Frequency Table of the Sectoral Reports on Tax Evasion

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Formal Sector	117	38.9	38.9	38.9
	InformalSector	184	61.1	61.1	100.0
	Total	301	100.0	100.0	

Source: Author's Field Work (2020).

Figure 1: Percentage on the Highest Tax Evasion Between Formal/Informal Sector



Source: Author's Field Work (2020).

The study further analyzed the opinion of the experts on the area with the highest tax evasion between Self Employed (SE) and Individuals in Paid Employment (IPE). The results in table 4 showed that 238 respondents (79.1%) opinionated that tax evasion was higher from the self-employed than from those in paid employment. Sixty-three (63) respondents (20.9%) believed that those in paid employment have the highest tax evasion. Thus, the analysis showed that tax evasion is higher with the self-employed. This is believed that tax evasion for those in employment is subject to the level at which their employers comply to the tax rules. Therefore, there compliance level will be a function of the compliance level of their employers. The self-

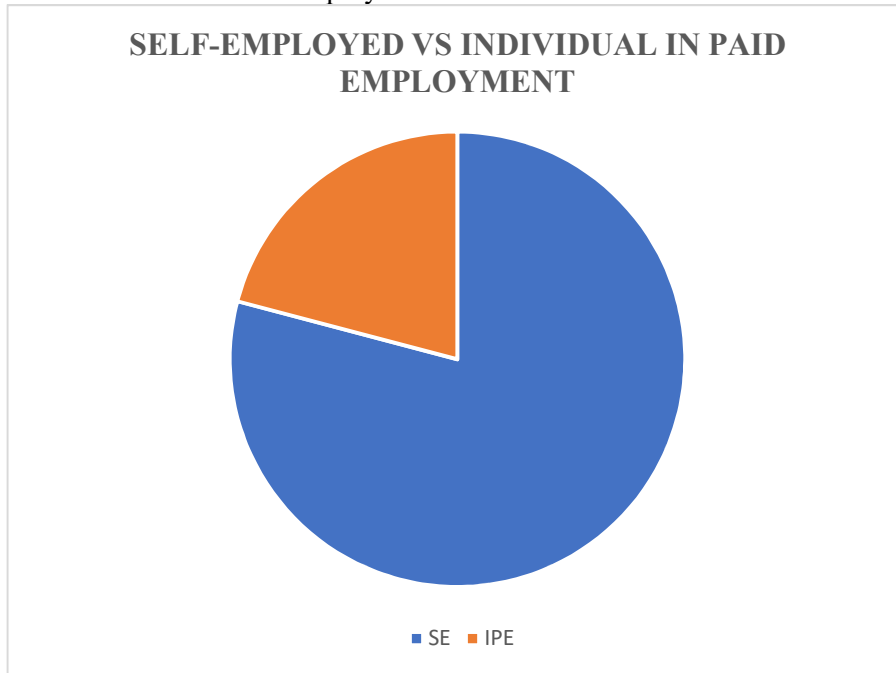
employed however, have higher propensity to evade tax since they are the determinants of their income. The graphical presentation is shown in figure 2.

Table 4: Frequency Table of the Highest Tax Evasion Between Self Employed and Individuals in Paid Employment

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Self-employed	238	79.1	79.1	79.1
	IPE	63	20.9	20.9	100.0
	Total	301	100.0	100.0	

Source: Author’s Field Work (2020).

Figure 2: Percentage on the Highest Tax Evasion Between Self Employed and Individuals in Paid Employment



Source: Author’s Field Work (2020)

The results further showed the respondents’ opinion on the highest tax evasion between expatriates and local taxpayers. One hundred and twenty-five (125) respondents (41.5%) believed that expatriates evade tax more than Nigerian citizens. One hundred and seventy-six (176) respondents (58.5%) opinionated that local taxpayers have the highest tax evasion in Lagos State. The analysis in table 5 and figure 3 showed that while the opinion is closely



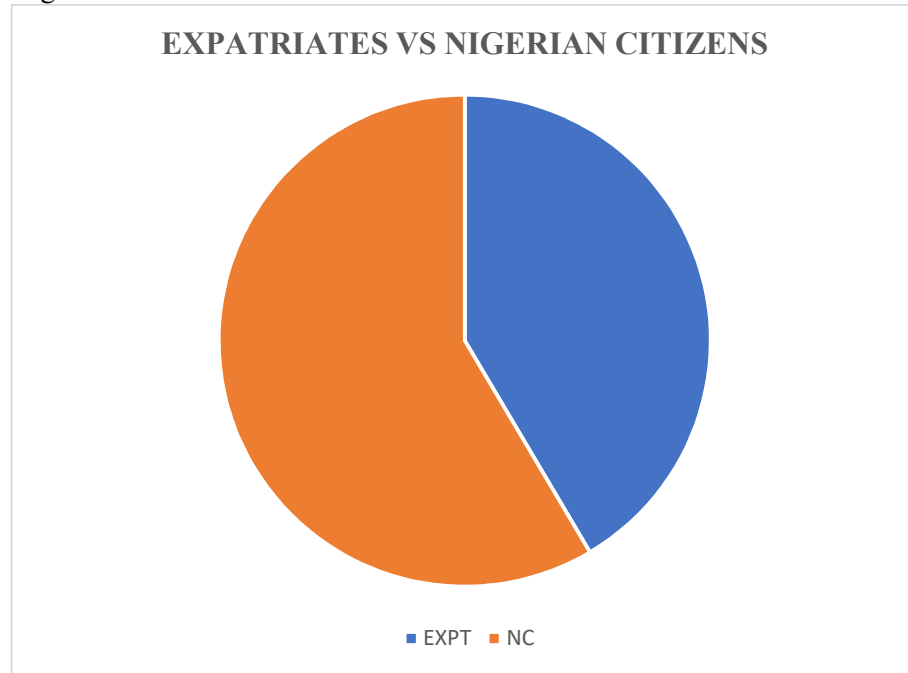
even, many still believed that local taxpayers evade taxes than expatriates. This could be as a result of the fact that the information on expatriates in the country are more documented, most especially at the point of entry, which is unlikely for the locals due to the inadequacy of information on citizens of Nigeria.

Table 5: Frequency Table of the Highest Tax Evasion Between Expatriates and Nigerian Citizens

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Expatriates	125	41.5	41.5	41.5
	Nigerian Citizens	176	58.5	58.5	100.0
	Total	301	100.0	100.0	

Source: Author's Field Work (2020).

Figure 3: Percentage on the Highest Tax Evasion Between Expatriates and Nigerian Citizens



Source: Author's Field Work (2020).

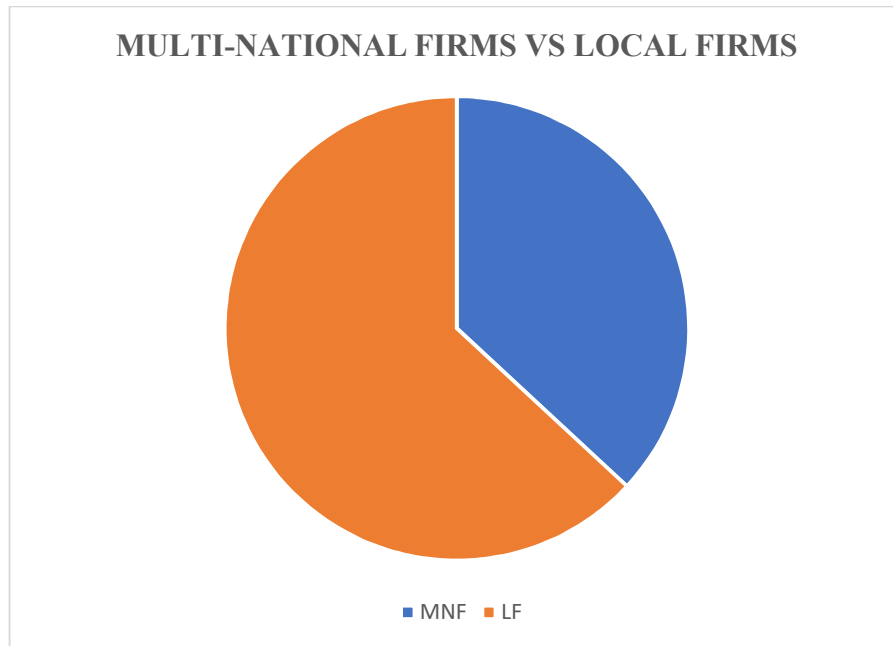
The results also showed the responses of the tax experts on those with highest tax evasion between multinationals and local firms. Table 6 showed that 111 respondents (36.9%) believed that multinationals have higher tax evasion cases than that of the local firms. One hundred and ninety (190) respondents, representing 63.1% opinionated that local firms evade taxes than multinationals. Thus, majority of the respondents believed that local firms evade taxes more than the multinationals, which could be as a result of the mind that multinational firms would not want to flout the local tax rules for the avoidance of international ridicule. The graphical presentation is shown in figure 4.

Table 6: Frequency Table of the Highest Tax Evasion Between Multinational Firms and Local Firms

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Multinationals	111	36.9	36.9	36.9
	Local Firms	190	63.1	63.1	100.0
	Total	301	100.0	100.0	

Source: Author’s Field Work (2020).

Figure 4: Percentage on the Highest Tax Evasion Between Multinationals and Local Firms



Source: Author’s Field Work (2020).

## 5. Conclusion

The study analyzed stakeholders' perspectives on the sectors and the areas of the Internally Generated Revenue (IGR) with the highest tax evasion in Lagos State, Nigeria. The finding showed that the informal sector has higher tax evasion than the formal sector. This could be as a result of the difficulty in the regulation of the activities of informal sector. The finding also revealed that the self-employed are more likely to evade tax than those in paid employment. The implication of this shows that those in paid employment have no alternative than to comply to their employers' tax perceptive attitude. The result also showed that expatriates are more tax compliant than Nigerian citizens. The result also revealed that multinational firms comply with tax policies more than the local firms. Furthermore, withholding tax and the personal income in that order are the areas of the IGR where tax evasion is highest.

The study recommends a review of the tax assessment and collection policy for a more efficient tax administration. The government should also initiate a better strategy in the compilation and generation of accurate information on taxpayers and the eligible ones. Consequently, this will assist in the downward movement of tax evasion thereby improving the revenue of the respective government.

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