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| Subject | International business | Date | 27.4.2004 |
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| | | Number of pages | 140 |
| Title | THE INFLUENCE OF INTERNATIONAL BUSINESS ENVIRONMENT TO THE EMERGENCE OF RAPIDLY INTERNATIONALIZING COMPANIES | | |
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Abstract

The business environment of firms has changed drastically during the past decades. Correspondingly, a new phenomenon has emerged to challenge the traditional process theories which state that firms tend to become international through a slow process with small incremental steps over a relatively long period of time. The phenomenon of rapid internationalization consist of born global firms which adopt an international or even a global approach right from inception or shortly thereafter, opposing the slow and gradual manner of internationalizing.

The objective of this study was to discuss the driving forces of this phenomenon by examining the influence of international business environment on rapid internationalization. The study was conducted as a desk study. A model of the international business environment of rapidly internationalizing firms was developed. It focuses on two different levels of environment; on the phenomenon (macro) level and on the single firm (micro) level. The macroenvironment is seen consisting of economic, political, legal, social, cultural, technological, demographic and natural environments. The recent changes in these environments have facilitated the emergence of the phenomenon on various levels. Opening the global trade, providing new commercial opportunities for smaller firms, removing the legal and regulatory barriers of trade, but also lowering the cost and cultural barriers of international business, making the international business easier to access for recently established firms. Also the capabilities of people to conduct international trade have enhanced. In the microenvironment, the actors of firm's network may provide internationalization triggers in the form of customer demand factors, competitive pressures and the help of intermediaries. This network also encourages smaller firms to manage international operations even with scarce resources.

Also some empirical evidence from the recent research literature was analyzed in a meta-analysis. The results of this analysis mainly support the assumption, that the international business environment has a significant influence to rapid firm internationalization.

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| Key words | Rapid internationalization, born global, international business environment. |
| Further information | |