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Abstract

This study aims to research the main themes of the internationalisation process of Finnish small design-intensive firms with a specific stress on the challenges of the internationalisation process and the significance of networks in this process.

A qualitative case study method was chosen for the purpose of this study, which was conducted in four clothing industry small firms. According to the results of this study, internationalisation of case companies is fast-paced from inception or alternatively after a critical event that provide them with additional human or financial resources. They are often managed by founders with an initial aim to target international rather than domestic markets. Case companies aim to operate in geographically extensive markets due to the insufficient size of domestic markets. Their internationalization does not follow the traditional stages approach.

Trade shows were shown to be strategically significant for small design-intensive firms. Initial international market entry as well as later international expansion will most often take place through trade shows. Case companies deployed niche strategies. They are not, however guided by strict strategic planning but in turn take advantage of their small size and agility in order to operate efficiently in international markets.

The small design-intensive firm internationalisation is hindered by financial challenges, challenges related to foreign market difference in culture and legislation, and business know-how challenges. Case companies leverage networks in their internationalisation to a great extent. Networks can be used in overcoming resource poverty and are also leveraged in credibility issues related to the liability of newness associated with young firms. Small design-intensive firms also leverage personal contacts and inter-organisational network relationships in their internationalisation. It was found that inter-organisational co-operation is often based on personal networks.

Key words	design-intensive, clothing industry, SME, internationalisation
Further information	