www.jibs.net

米

COMMENTARY

Re-thinking research on born globals

Nicole Coviello^{1,2}

¹ Wilfrid Laurier University, Waterloo, Canada; ² Turku School of Economics, University of Turku, Turku, Finland

Correspondence:
N Coviello, Wilfrid Laurier University,
75 University Ave W, Waterloo,
ON, Canada N2L 3C5.
Tel: 00 1 519 884 0710×2054;
emails: ncoviello@wlu.ca;
nicole.coviello@utu.fi

Abstract

Knight and Cavusgil's Journal of International Business Studies Decade Award-winning article offers numerous contributions to international business research. As one example, it advances cross-disciplinary conversation about entrepreneurial internationalization. A critical review of their study reveals, however, that certain findings require reinterpretation. This commentary does so, discussing the resultant implications and the question of when it is (in)appropriate to use the term "born global". Parts of Knight and Cavusgil are then used as a foundation to identify research questions at the level of the firm. Finally, points from Cavusgil and Knight's retrospective are used to argue that we need greater understanding of the individual(s) that are central to the firm's internationalization behaviour. Suggestions for research are made by drawing on concepts and theory from the entrepreneurship, innovation and psychology literatures. Journal of International Business Studies (2015) 46, 17–26. doi:10.1057/jibs.2014.59

Keywords: internationalization theories and foreign market entry; entrepreneurship; born global; international new venture; decade award

INTRODUCTION

Knight and Cavusgil (2004) seek to explain why born-global firms (BGs) internationalize early and what drives their performance. They conclude: "the strongly innovative natures of BGs supports these businesses in developing particular types of knowledge, which drives the development of organizational capabilities that support early internationalization and superior performance in diverse international markets" (Knight and Cavusgil, 2004: 135). In the context of the wider International Entrepreneurship (IE) literature, this study fits firmly into the largest ontological category identified in the review of IE research conducted by Jones, Coviello, and Tang (2011): studies of entrepreneurial internationalization. As an early and high-profile contribution to the IE literature, Knight and Cavusgil (2004) stimulated much research. It also helped guide the evolution of a new area of study that is now a recognized theme in the wider domain of international business.

Because both Knight and Cavusgil's (2004) article and their retrospective (Cavusgil & Knight, 2015) highlight a range of contributions to research on entrepreneurial internationalization, a different approach is taken with this commentary. First, three particular strengths of Knight and Cavusgil (2004) are presented. Second, a critique of certain aspects of the study is offered. The value of a critical review lies in the argument that IE research seems to be at the cusp of moving from what Fiol and Romanelli (2012: 598) refer to as the "poorly understood emergence phase" of identity

The original Decade Award winning paper was published in the *Journal of International Business Studies* (2003) 34, 586–599, doi:10.1057/palgrave.jibs.8400056.

Received: 20 July 2014 Revised: 29 September 2014 Accepted: 29 September 2014



development to one that is better understood. To make this shift, research on entrepreneurial internationalization - while not necessarily requiring a unifying theory per se (see Jones et al., 2011) - could benefit from a more consistent collective identity. Such an identity is, in part, driven by the research we build on and the terminology we use. Thus with this commentary, I question how Knight and Cavusgil's (2004) findings are interpreted and reason that their study is not, in fact, about "BGs". This leads to a discussion of organizational forms in IE. Third, firmlevel questions that stem from Knight and Cavusgil (2004) are identified. Finally, Cavusgil and Knight's (2015) retrospective is used as a foundation for developing questions at the level of the individual; a research area that requires development in both the IE and international business literatures.

LEARNING FROM KNIGHT AND CAVUSGIL (2004)

To begin this commentary on Knight and Cavusgil (2004), three particular characteristics of their study are discussed. Each offers insight for IE and related research: (1) the integration of multiple literatures to inform IE and international business knowledge, (2) a detailed example of how a multi-stage study can be conducted and reported and (3) provocative findings that stimulate discussion and create opportunities for ongoing investigation.

Contribution 1: Integrating Multiple Literatures to Facilitate Cross-Disciplinary Conversation

The explicit aim of Knight and Cavusgil (2004: 125) is to explore "the role of innovative culture and organizational capabilities in the early adoption of internationalization and subsequent international performance of the born-global firm". BGs are characterized by Knight and Cavusgil (2004) in terms of their youth, lack of experience and paucity of resources. As background to their hypotheses, Knight and Cavusgil (2004) build on arguments from evolutionary economics (notably Nelson & Winter, 1982) to argue that the internal capabilities of the firm give it the ability to internationalize early and succeed in foreign markets. Additionally, they draw on the resource-based view of the firm (e.g., Grant, 1996) to argue that knowledge is the essence of organizational capabilities. In so doing, they emphasize the parallel importance of entrepreneurial and managerial knowledge, international knowledge, and superior innovation and knowledge creation processes.

Beyond grounding their arguments in theories from economics, learning and management, Knight and Cavusgil (2004) also integrate various concepts from the strategy, entrepreneurship, marketing, international business and IE literatures. This provides their conceptual foundation to study the relationship between organizational antecedents (the BG's strategic posture), the BG's capabilities and its international performance outcomes. As such, Knight and Cavusgil (2004) offer a multi-lens example of research. This resonates with suggestions from international business scholars (Sullivan & Daniels, 2008; Wright & Ricks, 1994) that a richer, more comprehensive understanding of complex behavior will be generated by research that is multi-theoretical.

In my opinion, Knight and Cavusgil's (2004) integrative approach facilitates cross-disciplinary conversations across (for example) international business, entrepreneurship, marketing and management. In particular, they pave the way for numerous studies investigating the firm's strategic orientation in the context of entrepreneurial internationalization. One such example is Jantunen, Nummela, Puumalainen, and Saarenketo's (2008) examination of how the relationship between different strategic orientations and performance is moderated by whether or not the firm: (1) pursues early and committed internationalization, (2) pursues later but rapid and committed internationalization, (3) internationalizes in a slower, more incremental manner or (4) is a domestic venture. That study shows the performance of early internationalizers is associated with learning orientation while EO is significant for later (yet rapid) internationalizers. Such research extends Knight and Cavusgil (2004) by beginning to tease out the subtle but important differences between organizational forms.

Knight and Cavusgil (2004) is also one of the first studies to explore the role of capabilities in the context of entrepreneurial internationalization. Later research evolved from it to focus on knowledge, learning and capabilities at a more granular level. Particularly notable are the IE studies addressing Autio, Sapienza, and Almeida's (2000) notion of "learning advantages of newness" and imprinting (e.g., Bruneel, Yli-Renko, & Clarysse, 2010; Sapienza, Autio, George, & Zahra, 2006; Schwens & Kabst, 2009). Other IE research applies cognition theory to explore how capabilities develop in international new ventures (Autio, George, & Alexy, 2011), while Prashantham and Floyd (2012) discuss capability development by conceptualizing relationships between routines, experience, learning and psychic



distance. Like the example set by Knight and Cavusgil (2004), these studies span and integrate multiple literatures to inform IE and international business.

Contribution 2: Research Design

Knight and Cavusgil (2004) outline a textbook application of a multi-stage research design. That is, where qualitative interviews are a prelude to first, a pilot study and second, a large-scale mail survey. This research design - central to Gary Knight's doctoral dissertation and related articles - has two main characteristics of note. First, Knight and Cavusgil's (2004) explanation of their data collection and analytic processes is useful, as is the information they provide regarding the steps used to assess measure reliability and validity. That is, the research design section (e.g., sample selection, measures) is detailed and provides an example for others from which to learn. Well-articulated research methods such as theirs are important in terms of legitimizing IE research. Second, the multi-stage design integrates qualitative insight with quantitative testing. This approach was best practice in 2004 and it remains viable today to explore, refine and then test relationships. Knight and Cavusgil (2004) also highlight the value of integrating the insights of managers with past literature to identify key constructs.

Moving ahead from 2004, our appreciation of the need for, and potential of, qualitative inquiry in both IE and international business research has advanced considerably (see Birkinshaw, Brannen, & Tung, 2011, and the *Journal of International Business Studies (JIBS*) Special Issue on Qualitative Methods). There is also clear movement toward sophisticated forms of mixed methods research to provide richer, sharper, bi-focal insight. This is long called for (see Coviello & Jones, 2004; Hurmerinta-Peltomäki & Nummela, 2006) and includes applying mixed methods in analysis (see Coviello, 2005).

Contribution 3: Provocative Findings

The third major contribution of Knight and Cavusgil (2004) discussed in this commentary is perhaps their least obvious and at the same time, most interesting. To frame my discussion around this contribution, I start by summarizing their results and then provide alternate interpretations of them.

According to the results of Knight and Cavusgil (2004), BG performance is driven by the four capabilities they identify: Global Technological Competence, Unique Products, Quality Focus and

Leveraging of Foreign Distributor Competences. Furthermore, they argue that International Entrepreneurial Orientation (IEO) drives all four capabilities with the exception of Leveraging Foreign Distributor Competences. Likewise, International Marketing Orientation (IMO) drives all four capabilities except Global Technological Competence. As noted earlier, Knight and Cavusgil (2004) conclude that the innovative nature of BGs supports them to develop particular types of knowledge that drive the development of certain organizational capabilities and then, international performance. However, my reading of this study reveals quite different results. These cause me to reinterpret Knight and Cavusgil's (2004) findings in two ways. They then lead me to ask: when is it appropriate to use the term BG?

A first reinterpretation of Knight and Cavusgil (2004)

One of the foundational premises of Knight and Cavusgil (2004) is that the youth of BGs is interlinked with entrepreneurial and innovative approaches to doing business. Furthermore, BGs are defined as "business organizations that, from or near founding, seek superior international business performance from the application of knowledge-based resources to the sale of outputs in multiple countries" (Knight & Cavusgil, 2004: 124). Did they, however, truly study BGs?

To help answer this question, let us consider the informants and firms in Knight and Cavusgil's (2004) study. In Stage I, exploratory interviews were conducted with senior managers at 24 early internationalizing firms, 6 BG scholars and 3 international trade experts. The data generated in this stage was used, in conjunction with the literature, to generate hypotheses for further testing. The 24 firms were mostly founded after 1985 and started selling abroad within 3 years. At the time of interview, these firms had an average of US\$52 million sales and 296 employees. On average, over 50% of their total sales were abroad. In Stage II, a survey was conducted with firms founded after 1980, and the median firm had started selling internationally within 2 years of founding. At time of data collection, the Stage II (survey) firms had a median of 190 employees, and exported at least 25% of production. On average, 41% of total sales were foreign and a median of 20 countries were served.

These characteristics suggest that at time of data collection, the firms in Knight and Cavusgil (2004) were established, experienced manufacturing SMEs. Although they began exporting early, their intent



to internationalize at founding is not evident, and it is not clear if the early exports were to multiple countries. Consequently, I reason that Knight and Cavusgil (2004) do *not* study BGs. Rather, they seem to investigate "early internationals". I chose the term "international" because there is no evidence that the firms were global. I also considered whether or not they might be "rapid" internationalizers (another popular term) but because there is no evidence on the pace of internationalization postinitial foreign market entry, that aspect of speed cannot be accounted for.

With the argument that Knight and Cavusgil (2004) is not a study of BGs, I also suggest that the firms in their study are potentially, more interesting. That is, because they are older at time of data collection, they are "survivors of early internationalization". This leads me to reinterpret Knight and Cavusgil's (2004) conclusions as follows: international performance of firms that *survive early internationalization* is a result of global technological competence, unique products, quality focus and leveraging of foreign distributor competences. These four characteristics are argued by Knight and Cavusgil (2004) to be driven by IEO together with IMO. But are they?

A further reinterpretation

If we review the items retained for both IEO and IMO by Knight and Cavusgil (2004), an interesting story emerges. Beginning with IEO, Knight and Cavusgil (2004: 127) argue that "young firms with a strong innovation culture and a proclivity to pursue international markets tend to internationalize earlier than internationally oriented firms that lack an innovation culture". Thus the core antecedents of early internationalization are presumed to be a: (1) a strong innovation culture, and (2) proclivity to pursue international markets. IEO is then defined as reflecting "the firm's overall innovativeness and proactiveness in the pursuit of international markets. It is associated with innovativeness, managerial vision and proactive competitive posture" (Knight & Cavusgil, 2004: 129). The measures draw on Covin and Slevin (1989), Khandwalla (1977) and Miller and Friesen (1984).

So – where is the problem? In principle, using IEO (in this study, EO within an international context) to capture innovation culture is not unreasonable. Pertinent however is that after exploratory factor analysis (EFA), the EO-specific measures were eliminated. Only 5 of 11 items were retained: (1) Top management tends to see the world, instead of

just the United States, as our firm's marketplace, (2) The prevailing organizational culture at our firm (management's collective value system) is conducive to active exploration of new business opportunities abroad, (3) Management continuously communicates its mission to succeed in international markets to firm employees, (4) Management develops human and other resources for achieving our goals in international markets and (5) Our top management is experienced in international business. That is, the retained items refer primarily to the firm's "International Orientation", rather than IEO.

If we consider IMO, this is defined by Knight and Cavusgil (2004: 130) as: "a managerial mindset that emphasizes the creation of value, via key marketing elements, for foreign customers". This definition draws on Cavusgil and Zou (1994). The measures are based on McKee, Jeffery, Varadarajan, and Michael (1992) and are a self-assessment of marketing skills in international markets, relative to main competitors. Two points arise from this. First, like IEO, IMO is positioned as a construct at the organization culture level. However, the actual measures appear to reflect perceived outcomes of certain activities, for example, "advertising effectiveness". Seven of the 13 items are retained post-EFA and these relate largely to marketing mix actions regarding product, price, distribution and promotion. Second, the IMO measures are not an adaptation of the classic MO items from Kohli and Jaworski (1990) or Narver and Slater (1990). Thus rather than capture IMO per se, I argue that Knight and Cavusgil's (2004) results reflect "Marketing Skills in International Markets". 1

The preceding observations suggest a need to further reinterpret Knight and Cavusgil's (2004) findings as follows: The *international orientation* of firms that *survive early internationalization*, combined with their *marketing skills in international markets*, supports the development of certain organizational capabilities and strategies that lead to superior performance in international markets. Having now reinterpreted some of Knight and Cavusgil's (2004) findings, I return to issues pertaining to the term "born global".

USING THE TERM "BORN GLOBAL"

Since the publication of Knight and Cavusgil (2004), our understanding of organizational forms in IE has evolved. Nevertheless, recent discussions draw attention to the conceptual and empirical muddle that has come to exist around IE terminology (Coviello, McDougall, & Oviatt, 2011; Madsen, 2013). My opinion is that Knight and Cavusgil

(2004) effectively popularized the original notion of a "BG" from Rennie (1993) to the point that many adopt it without carefully considering the implications of using the label to describe the firms they study. Thus many so-called BG studies are, in all likelihood, not. This second part of the commentary endeavors to help clarify some of the issues around the types of firms we study. I make five specific points in the spirit of Fiol and Romanelli's (2012) comments regarding identity development.

First, as explained in Cavusgil and Knight's (2015) retrospective, a BG is a young firm that is active through early export sales. The focus on export sales is important in that it is much narrower than Oviatt and McDougall's (1994) definition of INVs as firms that coordinate multiple value chain activities across borders. Such value chain activities include not only exporting but (for example) importing, off-shore R&D, joint ventures or production subsidiaries. Consequently, I argue that using the terms INV and BG synonymously and/or interchangeably is inaccurate, as is any reference to firms as "INVs/BGs". Rather, it is important to recognize that by definition, these organizational forms differ. For example, a study of firms labeled as born global will examine firms that very close to birth, actively export to global markets. If the study captures multiple and global value chain activities very close to birth, the term "global start-up" from Oviatt and McDougall's (1994) typology of INVs is more appropriate.

Second, Cavusgil and Knight (2015) note that the term BG is less accurate than INV. I agree for two reasons. The first is that there are multiple forms of INV (Oviatt & McDougall, 1994). Second, many firms are not truly global. This latter point underscores the importance of geography. As outlined in Coviello et al. (2011), it is important to remember that Oviatt and McDougall (1994) specifically chose to use the term "international new venture" (encompassing four types of firms) because many of the firms they observed did not have a global focus. Rather, most competed primarily in their regional markets or in a relatively limited number of countries. As a result, I reiterate the points made by others (e.g., Johanson & Vahlne, 2009; Kuivalainen, Saarenketo, & Puumalainen, 2012; Kuivalainen, Sundqvist, & Servais, 2007; Lopez, Kundu, & Ciravegna, 2009) that it is often more appropriate to use the terms "regional" or "international", depending on the geographic scope of the firm's activities.

Third, given the traditional emphasis in IE research on younger, newer firms, I reiterate Coviello et al.'s (2011) argument that to study a "new" international venture, it is important to investigate (for example) their decisions or actions when they are, in fact, still new. In the entrepreneurship literature, various definitions of "new" exist (see Zahra, Ireland, & Hitt, 2000), and 6 years is a common threshold. If, however, retrospective data is collected from managers in established firms (as seen in Knight & Cavusgil, 2004), questions should be clearly framed in the appropriate time context to distinguish between (for example) new vs adolescent vs established firm practices. On a related fourth point, I believe we must distinguish between: (1) firms that are truly "born" with the intent to serve multiple foreign markets quickly, and (2) firms that simply happen to export early. Given these firms are differentiated by their purpose at founding, one might expect resultant internationalization patterns, processes, pace and outcomes to vary.

My fifth and final point is a reminder that IE research extends beyond firms that internationalize early. We know from Bell, McNaughton, and Young (2001) as well as Aspelund and Moen (2005) that internationalization patterns may be characterized as "born again" or "late". That is, where rapid expansion happens later in the firm's life cycle. Yet other firms exhibit entrepreneurial behaviour but are not defined by their pace of internationalization. One example is the microMNE identified by Dimitratos, Johnson, Slow, and Young (2003). These are smaller firms that use advanced entry modes such as international joint ventures to control and manage value added. On this point, entrepreneurial behaviour is not restricted by age or size. Thus the entrepreneurial - yet large - MNEs discussed by Teece (2014) offer an important context for IE research, one somewhat neglected to date.

BUILDING ON KNIGHT AND CAVUSGIL (2004)

The third part of this commentary identifies firm-level questions that stem from Knight and Cavusgil (2004). For example, because International Entrepreneurial Orientation is not reflected in the retained measures of that study, we need to better understand its nature and role in the context of entrepreneurial internationalization. Recently, the meaning of IEO has been re-opened for discussion by Covin and Miller (2014) and certain questions arise from their arguments in light of Knight and Cavusgil's (2004) results. For example, what is the best way to assess IEO? Alternatively, do we need a measure of IEO at all? Relevant here is the issue of tautology raised by Covin and Miller (2014). They, following Frishammar and Andersson (2009), argue that if one



uses an EO scale specific to the international context, it is not surprising to find a relationship with an outcome variable that too is international (e.g., international performance). The same argument applies to (I)MO.

Related to this, if one studies the influence of multiple strategic orientations - as do Knight and Cavusgil (2004) – is it possible that one orientation might mediate the relationship between another and (for example) performance? As an example, Matsuno, Mentzer, and Özsomer (2002) position EO – referred to as entrepreneurial proclivity but based on the early measures of Covin and Slevin (1989) - as a construct reflecting organizational culture. On its own, a negative relationship occurs between EO and performance. However, MO (from Kohli & Jaworski, 1990) is positioned as a construct representing firmlevel behaviors. Not only do Matsuno et al. (2002) find that MO is positively and directly impacted by EO, but MO mediates the relationship between EO and performance. That is, EO culture requires MO behavior to positively influence performance. Does this relationship hold in the context of entrepreneurial internationalization?

Notable too in Knight and Cavusgil (2004) is that they refer to capabilities and strategy interchangeably. As commented earlier, research specific to knowledge, learning and capabilities has emerged as a strong IE theme since 2004. At least two opportunities arise from this development relative to Knight and Cavusgil (2004). First, one might leverage extant IE (and other) research to more clearly dis-entangle and then understand the relationships between knowledge, learning, capabilities, strategy and performance in INVs. Second and related to the above, Jones and Coviello (2005) argue that strategy is not a variable that can be studied, as one might, for example, the extent of foreign market knowledge. Rather, it is time-sensitive, inferred post hoc from the emergent patterns and profiles of a firm's behavior. This suggests that more work is needed to dis-entangle strategic intent from actions that, over time, are interpreted as a firm's strategy.

Turning to dependent variables, capturing international performance helps those in IE "talk to" mainstream IB researchers, for whom this is a major outcome of interest. In Knight and Cavusgil (2004), traditional measures are employed. These include (for example) performance relative to expectations over the past 3 years (regarding the firm's main export venture to its primary export market) in terms of market share, sales growth and pre-tax profitability. Since the publication of Knight and Cavusgil (2004),

however, our understanding of performance in the context of entrepreneurial internationalization has developed considerably. For example, Jones and Coviello (2005) argue that learning and knowledge creation are important outcomes to study. If we combine Oviatt and McDougall (2005) with Jones and Coviello (2005) and more recent work from Casillas and Acedo (2013) as well as Chetty, Johanson, and Martín Martín (2014), other contemporary IE performance measures focus on timing and speed. These include: (1) time to initial foreign market entry, (2) speed or rate of change in international intensity over time (international sales/total sales), (3) speed of international learning, (4) speed or rate of change in ongoing commitment abroad and (5) speed or rate of change in the scope/dispersion of international markets over time. Further understanding of how to best capture "speed" is important. So too is continued use of traditional performance measures in order to remain consistent with the practices of complementary disciplines.

Finally, Cavusgil and Knight's (2015) retrospective asks what happens to BGs when they grow up? If we accept that their (2004) study is on established firms that exported early, some insight is already provided to this important question. At the same time, I return to and adapt questions posed by Zahra (2005): What happened over time such that Knight and Cavusgil's firms survived? Theoretically, the evolution-based arguments pertaining to variation, selection and retention might provide insight to this and a related set of questions: as the early international firm develops, how, when and why do capabilities and strategies shift in their nature, configuration and impact on performance? Then, how do these patterns compare with those of firms that not only internationalize early but maintain an ongoing rapid pace of internationalization? How similar are they now to others in their industries? How do survivors of early internationalization (and the factors underpinning their survival) compare to (for example) the "dragon multinationals" (Mathews, 2006) that are newcomer MNEs from the Asia Pacific, characterized by accelerated internationalization? Jones (1999) identifies four different international market development patterns. Firms following two of these patterns participate in multiple outward and inward value chain activities within very few years of founding. Thus they fit better with Oviatt and McDougall's (1994) definition of an international new venture than they do the BG concept that pertains to young firms selling through exports. If we shift the discussion to firms in the



typology identified by Jones (1999), do they survive? How? Why? What kinds of enterprise do they become? And, how do they compare with the exporters studied by Knight and Cavusgil (2004)?

SHIFTING FOCUS

In this final part of the commentary, the focus moves to a topic beyond that examined in Knight and Cavusgil (2004): the role of the individual in entrepreneurial internationalization. Why is the focus on the entrepreneur important? The firm-level orientations, strategies or capabilities studied by (for example) Knight and Cavusgil (2004) derive from the people comprising the organization. To understand the firm's entrepreneurial internationalization behavior, we must understand the individual or teams that found and/or drive the firm. This applies whether the firm is a new international venture or one that is more established.

The importance of research on the entrepreneur is signaled in Cavusgil and Knight's (2015) retrospective and reiterates Jones and Coviello's (2005) argument that the entrepreneur's intention and attitude deserve notice. Similar calls to increase our understanding of the entrepreneur are made by Autio (2005) and Zahra (2005) in their commentaries on Oviatt and McDougall (1994). Most recently, Jones and Casulli (2014) argue that IE research should study the entrepreneur's logic or reasoning with which his/her experience is applied. Again, this suggests a need for individual-level research; a focus that in both IE and international business is overwhelmed by firm-level studies.

In part, studying the individual requires us to look more closely at entrepreneurship research for insight. As a starting point, Sarasvathy, Kumar, York, and Bhagavatula (2014: 76) suggest that research characterizing the entrepreneur as "a holistic bundle of identity, knowledge and networks" is lacking and may provide a link to understanding the speed and mechanisms of internationalization. According to Sarasvathy (2001), this "bundle" that is the entrepreneur is comprised of: (1) who they are, (2) what they know and (3) whom they know. Drawing on this argument, I suggest that much of the IE research at the level of the entrepreneur focuses largely on what they know and who they know (e.g., their networks). We understand, for example, the impact of the entrepreneur's technical vs international knowledge (Nordman & Melén, 2008), and the importance of the returnee entrepreneur's foreign knowledge transfer (Filatotchev, Liu, Buck, & Wright, 2009). Likewise, networks, ties and social capital receive much attention (Coviello & Munro 1997; Ellis, 2011; Prashantham & Dhanaraj, 2010; Yli-Renko, Autio, & Tontti, 2002). What remains missing is rich insight on who the entrepreneurs driving these international ventures are. That is, their identity in terms of their qualities and characteristics.

One might ask: has this not this been studied already? In part, yes. But, like the international business literature, IE research typically investigates human capital in the form of demographic variables such as age, gender, education and prior international start-up experience (Evald, Klyver, & Christensen, 2011; Javalgi & Todd, 2011). Team experience and education is studied (Ganotakis & Love, 2012; Reuber & Fischer, 1997) as is team formation and capability mix (Loane, Bell, & McNaughton, 2007). Entrepreneurial cognition also receives attention, with studies on (for example) attitude to risk, internationalization and partners (Sommer, 2010) or international intentions (de Clercq, Sapienza, & Crijns, 2005; Evald et al., 2011). There is, however, more to understand.

For example, if we are informed by research from the entrepreneurship and innovation literatures, we might ask: What is the role of the international entrepreneur's passion (Breugst, Domurath, Patzelt, & Klaukien, 2012; Cardon, Gregoire, Stevens, & Patel, 2013)? What is the impact on internationalization of the relationship between the entrepreneur's preparedness and their passion (Chen, Yao, & Kotha, 2009)? Drawing on upper echelon theory (Hambrick & Mason, 1984), what balance of these characteristics is optimal for performance when internationalization is guided by a team of entrepreneurs? To what extent does entrepreneurial internationalization require improvisational behavior (Hmieleski, Corbett, & Baron, 2013) and/or creativity (Im, Montova, & Workman, 2013) by the individual or team?

Even more understanding can be had from reaching beyond the business literature. As observed in Cavusgil and Knight (2015), future research will benefit from expanding the base of explanatory perspectives, and drawing on theories and frameworks from various domains. A similar argument is made by Zahra (2005). I agree and, like Zahra, see a stronger role for psychology-informed studies in IE. For example, if I return to the three types of IE research identified by Jones et al. (2011), Type B compares entrepreneurial characteristics and behaviors across cultures and institutional contexts. It draws heavily on theory from psychology to study differences in (for example) the entrepreneur's



autonomy (Engle et al., 2010), need for control (Engle & Nehrt, 2012), openness (Engle & Nehrt, 2012) or fear of failure (Wennberg, Pathak, & Autio, 2013). Thus there are psychology-informed insights at the level of the individual (from Type B research) that can inform Type A investigations on entrepreneurial internationalization.

Finally, the need for IE and international business research at the level of the individual becomes even more pertinent when we consider the next generation of founders. To illustrate, one of the universities located where I live has a student residence designed to foster open innovation and entrepreneurship. The students start viable - potentially international ventures as undergraduates. What makes these new entrepreneurs tick? Will their firms be more or less successful than the INVs we typically study? How do their internationalization models (processes, actions, outcomes) compare with more traditional entrepreneurs? As founder/managers, how do they compare to entrepreneurs running: (1) INVs that emerge from, or are within, older established firms, or (2) the different forms of INV we currently have evidence of? Are there characteristics unique to this new generation of international entrepreneurs? What is the impact of their (over)confidence (Simon & Shrader, 2012) or self-image (Mitchell & Shepherd, 2010)? What is more important: talent or experience (Eesley & Roberts, 2012)? As teams form for (for example) internationalization or international partnering, what are the implications for how current and next generation founders mix? What are the implications for how current managers and next-generation employees (or vice versa) mix?

A related area inquiry might ask: Are the patterns of entrepreneurial internationalization evidenced by next-generation founders influenced by early experience as international traders (e.g., on eBay) or international outsourcers that freelance their technical skills? Perhaps they participate in an international open innovation community or are international financiers (e.g., through Kickstarter). As discussed by Chandra and Coviello (2010), these are examples of consumers in the role of international entrepreneur. How do the Internet-enabled experiences of next-generation

founders impact the orientation, strategy, capabilities and performance of their firms during internationalization? How do they impact the organizational form? Finally, Cavusgil and Knight (2015) suggest that next-generation founders may pay little attention to the geographic locations of their suppliers and customers. I suggest that next-generation founders might be a more accurate embodiment of the term "born global". Their ventures will be global from the outset because their founders are.

CONCLUSION

Knight and Cavusgil (2004) is an important contribution to an area of research that was still young at the time their study was published. Interest in IE was growing, attracting the interest of researchers from international business, marketing, entrepreneurship, finance, strategy and so on; researchers intrigued by market-based evidence that not all international firms behaved as we were told they should. Knight and Cavusgil (2004) is one of a few early publications in *JIBS* that signaled the entry of IE into mainstream international business. Receiving the prestigious Decade Award - the second IE paper to do so – acknowledges that Gary Knight and Tamer Cavusgil have provided us a rich platform for discussion as the collective identity associated with IE moves forward to be recognized by a wider audience. I appreciate the opportunity to comment on their 2014 JIBS Decade Award article and offer my friends, Professor Knight and Professor Cavusgil, my thanks.

ACKNOWLEDGEMENTS

I thank Marian Jones, Patricia McDougall-Covin, Maija Renko and Christian Schwens for their helpful suggestions on this commentary. Thanks also go to participants at the 2014 JIBS Decade Award session at the Academy of International Business meetings in Vancouver, John Cantwell, and two anonymous JIBS reviewers.

NOTE

¹The distinction between 'Marketing Skills in International Markets' and IMO appears to be recognized in Knight and Kim (2009).

REFERENCES

Aspelund, A., & Moen, Ø. 2005. Small international firms: Typology, performance and implications. *Management International Review*, 45(3): 37–57.

Autio, E. 2005. Creative tension: The significance of Ben Oviatt's and Patricia McDougall's article "Toward a theory of international new ventures". *Journal of International Business Studies*, 36(1): 9–19.

Autio, E., George, G., & Alexy, O. 2011. International entrepreneurship and capability development – Qualitative evidence and future research directions. *Entrepreneurship Theory and Practice*, 35(1): 11–37.

Autio, E., Sapieńza, H. J., & Almeida, J. G. 2000. Effects of age at entry, knowledge intensity and imitability on international growth. *Academy of Management Journal*, 43(5): 909–924.

朱

- Bell, J., McNaughton, R., & Young, S. 2001. "Born-again global" firms: An extension to the "born global" phenomenon. *Journal of International Management*, 7(3): 173–189.
- Birkinshaw, J., Brannen, M. Y., & Tung, R. L. 2011. From a distance and generalizable to up close and grounded: Reclaiming a place for qualitative methods in international business research. *Journal of International Business Studies*, 42(5): 573–581.
- Breugst, N., Domurath, A., Patzelt, H., & Klaukien, A. 2012. Perceptions of entrepreneurial passion and employees' commitment to entrepreneurial ventures. *Entrepreneurship Theory and Practice*, 36(1): 171–192.
- Bruneel, J., Yli-Renko, H., & Clarysse, B. 2010. Learning from experience and learning from others: How congenital and inter-organizational learning substitute for experiential learning in young firm internationalization. *Strategic Entrepreneurship Journal*, 4(2): 164–182.
- Cardon, M. S., Gregoire, D. A., Stevens, C. E., & Patel, P. C. 2013. Measuring entrepreneurial passion: Conceptual foundations and scale validation. *Journal of Business Venturing*, 28(3): 373–396.
- Casillas, J. C., & Acedo, F. J. 2013. Speed in the internationalization process of the firm. *International Journal of Management Reviews*, 15(1): 15–29.
- Cavusgil, S. T., & Knight, G. 2015. The born global firm: An entrepreneurial and capabilities perspective on early and rapid internationalization. *Journal of International Business Studies*, 46(1): 3–16.
- Cavusgil, S. T., & Zou, S. 1994. Marketing strategy-performance relationship: An investigation of the empirical link in export market ventures. *Journal of Marketing*, 58(1): 1–21.
- Chandra, Y., & Coviello, N. 2010. Broadening the concept of international entrepreneurship: "Consumers as international entrepreneurs". *Journal of World Business*, 45(3): 228–236.
- Chen, X.-P., Yao, X., & Kotha, S. 2009. Entrepreneurial passion and preparedness in business plan presentations: A persuasion analysis of venture capitalists' funding decisions. *Academy of Management Journal*, 52(1): 199–214.
- Chetty, S., Johanson, M., & Martín Martín, O. 2014. Speed of internationalization: Conceptualization, measurement and validation. *Journal of World Business*, 49(4): 633–650.
- Coviello, N. 2005. Integrating qualitative and quantitative techniques in network analysis. *Qualitative Market Research: An International Journal*, 8(1): 39–60.
- Coviello, N. E., & Jones, M. V. 2004. Methodological issues in international entrepreneurship research. *Journal of Business Venturing*, 19(4): 485–508.
- Coviello, N. E., & Munro, H. J. 1997. Network relationships and the internationalisation process of small software firms. *International Business Review*, 6(4): 361–386.
- Coviello, N. E., McDougall, P., & Oviatt, B. M. 2011. The emergence, advance and future of international entrepreneurship research: An introduction to the special forum. *Journal of Business Venturing*, 26(6): 625–631.
- Business Venturing, 26(6): 625–631.

 Covin, J., & Miller, D. 2014. International entrepreneurial orientation: Conceptual considerations, research themes, measurement issues and future research directions. Entrepreneurship Theory and Practice, 31(1): 11–44.
- Covin, J. G., & Slevin, D. 1989. Strategic management of small firms in hostile and benign environments. Strategic Management Journal, 10(1): 75–87.
- de Clercq, D., Sapienza, H. J., & Crijns, H. 2005. The internationalization of small and medium-sized firms. *Small Business Economics*, 24(4): 409–419.
- Dimitratos, P., Johnson, J., Slow, J., & Young, S. 2003. Micromultinationals: New types of firms for the global competitive landscape. *European Management Journal*, 21(2): 164–174.
- Eesley, C. E., & Roberts, E. B. 2012. Are you experienced or are you talented? When does innate talent versus experience explain entrepreneurial performance? *Strategic Entrepreneurship Journal*, 6(3): 207–219.
- Ellis, P. 2011. Social ties and international entrepreneurship: Opportunities and constraints affecting firm internationalization. *Journal of International Business Studies*, 42(1): 99–127.

- Engle, R. L., Dimitriadi, N., Gavidia, J. V., Schlaegel, C., Delanoe, S., Alvarado, I., He, X., Buame, S., & Wolff, B. 2010. Entrepreneurial intent: A twelve-country evaluation of Ajzen's model of planned behavior. *International Journal of Entrepreneurial Behaviour & Research*, 61(1): 35–57.
- Behaviour & Research, 61(1): 35–57.
 Engle, R. L., & Nehrt, C. C. 2012. Antecedents of cultural intelligence: The role of risk, control and openness in France and the United States. Journal of Management Policy and Practice, 13(5): 35–47.
- Evald, M. R., Klyver, K., & Christensen, P. R. 2011. The effect of human capital, social capital and perceptual values on nascent entrepreneurs' export intentions. *Journal of International Entrepreneurship*, 9(1): 1–19.
- Filatotchev, I., Liu, X., Buck, T., & Wright, M. 2009. The export orientation and export performance of high-technology SMEs in emerging markets: The effects of knowledge transfer by returnee entrepreneurs. *Journal of International Business Studies*, 40(8): 1005–1021.
- Fiol, C. M., & Romanelli, E. 2012. Before identity: The emergence of new organizational forms. *Organization Science*, 23(3): 597–611.
- Frishammar, J., & Andersson, S. 2009. The overestimated role of strategic orientations for international performance in smaller firms. *Journal of International Entrepreneurship*, 7(1): 57–77.
- Ganotakis, P., & Love, J. H. 2012. Export propensity, export intensity and firm performance: The role of the entrepreneurial founding team. *Journal of International Business Studies*, 43(8): 693–718.
- Grant, R. M. 1996. Prospering in dynamically-competitive environments: Organizational capability as knowledge integration. *Organization Science*, 7(4): 375–387.
- Hambrick, D. C., & Mason, P. A. 1984. Upper echelons: The organization as a reflection of its top managers. *Academy of Management Review*, 9(2): 193–206.
- Hmieleski, K. M., Corbett, A. C., & Baron, R. A. 2013. Entrepreneurs' improvisational behavior and firm performance: A study of dispositional and environmental moderators. *Strategic Entre-*preneurship Journal, 7(2): 138–150.
- Hurmerinta-Peltomäki, L., & Nummela, N. 2006. Mixed methods in international business research: A value-added perspective. *Management International Review*, 46(4): 439–459.
- Im, S., Montoya, M. M., & Workman, Jr., J. P. 2013. Antecedents and consequences of creativity in product innovation teams. *Journal of Product Innovation Management*, 30(1): 170–185.
 Jantunen, A., Nummela, N., Puumalainen, K., & Saarenketo, S.
- Jantunen, A., Nummela, N., Puumalainen, K., & Saarenketo, S. 2008. Strategic orientations of born globals Do they really matter? *Journal of World Business*, 43(2): 158–170.
 Javalgi, R. G., & Todd, P. R. 2011. Entrepreneurial orientation,
- Javalgi, R. G., & Todd, P. R. 2011. Entrepreneurial orientation, management commitment and human capital: The internationalization of SMEs in India. *Journal of Business Research*, 64(9): 1004–1010.
- Johanson, J., & Vahlne, J.-E. 2009. The Uppsala internationalization process model revisited: From liability of foreigness to liability of outsidership. *Journal of Business Studies*, 40(9): 1411–1431.
- Jones, M. V. 1999. The internationalization of small high-technology firms. *Journal of International Marketing*, 7(4): 15–41.
- Jones, M. V., & Casulli, L. 2014. International entrepreneurship: Exploring the logic and utility of individual experience through comparative reasoning approaches. *Entrepreneurship Theory* and Practice, 38(1): 45–69.
- Jones, M. V., & Coviello, N. E. 2005. Internationalisation: Conceptualising an entrepreneurial process of behaviour in time. *Journal of International Business Studies*, 36(3): 284–303.
- Journal of International Business Studies, 36(3): 284–303.

 Jones, M. V., Coviello, N. E., & Tang, Y. W. 2011. International entrepreneurship research (1989–2009): A domain ontology and thematic analysis. Journal of Business Venturing, 26(6): 632–659.
- Khandwalla, P. 1977. *The Design of Organizations*. New York: Harcourt Brace Jovanovich.
- Knight, G. A., & Ćavusgil, S. T. 2004. Innovation, organizational capabilities, and the born-global firm. *Journal of International Business Studies*, 35(2): 124–141.



- Knight, G. A., & Kim, D. 2009. International business competence and the contemporary firm. *Journal of International Business Studies*, 40(2): 255–273.
- Kohli, A. K., & Jaworski, B. J. 1990. Market orientation: The construct, research propositions, and managerial implications. *Journal of Marketing*, 54(2): 1–18.
- Kuivalainen, O., Saarenketo, S., & Puumalainen, K. 2012. Start-up patterns of internationalization: A framework and its application in the context of knowledge-intensive SMEs. *European Management Journal*, 30(4): 372–385.
- Kuivalainen, O., Sundqvist, S., & Servais, P. 2007. Firms' degree of born-globalness, international entrepreneurial orientation and export performance. *Journal of World Business*, 42(3): 253–267.
- Loane, S., Bell, J., & McNaughton, R. 2007. A cross-national study on the impact of management teams on the rapid internationalization of small firms. *Journal of World Business*, 42(4): 489–504.
- Lopez, L. E., Kundu, S. K., & Ciravegna, L. 2009. Born global or born regional? Evidence from an exploratory study in the Costa Rican software industry. *Journal of International Business Studies*, 40(7): 1228–1238.
- Madsen, T. K. 2013. Early and rapidly internationalizing ventures: Similarities and differences between classifications based on the original international new venture and born global literatures. *Journal of International Entrepreneurship*, 11(1): 65–79.
- Mathews, J. A. 2006. Dragon multinationals: New players in 21st century globalization. *Asia Pacific Journal of Management*, 23(1): 5–27.
- Matsuno, K., Mentzer, J. T., & Özsomer, A. 2002. The effects of entrepreneurial proclivity and market orientation on business performance. *Journal of Marketing*, 66(3): 18–32.
- McKee, D., Jeffery, C., Varadarajan, R. P., & Michael, M. 1992. Success-producer and failure-preventer marketing skills: A social learning theory interpretation. *Journal of the Academy of Marketing Science*, 20(1): 17–26.
- Miller, D., & Friesen, P. H. 1984. Organizations: A quantum view. Englewood Cliffs, NJ: Prentice Hall.
- Mitchell, J. R., & Shepherd, D. A. 2010. To thine own self be true: Images of self, images of opportunity, and entrepreneurial action. *Journal of Business Venturing*, 25(1): 138–154.
- Narver, J. C., & Slater, S. F. 1990. The effect of a market orientation on business profitability. *Journal of Marketing*, 54(4): 20–35.
- Nelson, R., & Winter, S. 1982. An evolutionary theory of economic change. Cambridge, MA: Belknap Press.
- Nordman, E. R., & Melén, S. 2008. The impact of different kinds of knowledge for the internationalization process of born globals in the biotech business. *Journal of World Business*, 43(2): 171–185.
- Oviatt, B. M., & McDougall, P. P. 1994. Toward a theory of international new ventures. *Journal of International Business Studies*, 25(1): 45–64.
- Oviatt, B. M., & McDougall, P. P. 2005. Defining international entrepreneurship and modeling the speed of internationalization. *Entrepreneurship Theory and Practice*, 29(5): 537–553.
- Prashantham, S., & Dhanaraj, C. 2010. The dynamic influence of social capital on international growth of new ventures. *Journal of Management Studies*, 47(6): 967–994.
- Prashantham, S., & Floyd, S. W. 2012. Routine microprocesses and capability learning in international new ventures. *Journal of International Business Studies*, 43(6): 544–562.
- Rennie, M. W. 1993. Global competitiveness: Born global. *The McKinsey Quarterly*, 4(1): 45–52.
- Reuber, A. R., & Fischer, E. 1997. The influence of the management team's international experience on the internationalization behaviors of SMEs. *Journal of International Business Studies*, 28(4): 807–825.

- Sapienza, H. J., Autio, E., George, G., & Zahra, S. A. 2006. A capabilities perspective on the effects of early internationalization on firm survival and growth. *Academy of Management Review*, 31(4): 914–933.
- Sarasvathy, S. D. 2001. Causation and effectuation: Toward a theoretical shift from economic inevitability to entrepreneurial contingency. *Academy of Management Review*, 26(2): 243–263.
- Sarasvathy, S., Kumar, K., York, J. G., & Bhagavatula, S. 2014. An effectual approach to international entrepreneurship: Overlaps, challenges and provocative possibilities. *Entrepreneurship Theory and Practice*, 38(1): 71–93.
- Schwens, C., & Kabst, R. 2009. How early opposed to late internationalizers learn: Experience of others and paradigms of interpretation. *International Business Review*, 18(5): 509–522.
- Simon, M., & Shrader, R. C. 2012. Entrepreneurial actions and optimistic overconfidence: The role of motivated reasoning in new product introductions. *Journal of Business Venturing*, 27(3): 291–309.
- Sommer, L. 2010. Internationalization process of small and medium-sized enterprises: A matter of attitude? *Journal of International Enterpreneurship*, 45(3): 288–317.
- Sullivan, D. P., & Daniels, J.D. 2008. Innovation in international business research: A call for multiple paradigms. *Journal of International Business Studies*, 39(6): 1081–1090.
- Teece, D. J. 2014. A dynamic capabilities-based entrepreneurial theory of the multinational enterprise. *Journal of International Business Studies*, 45(1): 8–37.
- Wennberg, K., Pathak, S., & Autio, E. 2013. How culture moulds the effects of self-efficacy and fear of failure on entrepreneurship. *Entrepreneurship & Regional Development*, 25(9–10): 756–780.
- Wright, R. W., & Ricks, D. A. 1994. Trends in international business research: Twenty-five years later. *Journal of International Business Studies*, 25(4): 687–701.
- Yli-Renko, H., Autio, E., & Tontti, V. 2002. Social capital, knowledge, and the international growth of technology-based new firms. *International Business Review*, 11(3): 279–304.
- Zahra, S. A. 2005. A theory of international new ventures: A decade of research. *Journal of International Business Studies*, 36(1): 20–28.
- Zahra, S., Ireland, R. D., & Hitt, M. A. 2000. International expansion by new venture firms: International diversity, mode of market entry, technological learning and performance. *Academy of Management Journal*, 43(5): 925–950.

ABOUT THE AUTHOR

Nicole Coviello is the Betty and Peter Sims Professor of Entrepreneurship and Professor of Marketing at Wilfrid Laurier University (Canada). She is also Research Professor at the University of Turku, Finland. She received her PhD in Marketing and International Business from the University of Auckland and holds an Honorary Doctorate from the Turku School of Economics. Nicole's research integrates marketing, international business and entrepreneurship. She is Field Editor for both Marketing and International Entrepreneurship at *Journal of Business Venturing* and is developing a *Handbook of Measures for Research in International Entrepreneurship*.

Accepted by John Cantwell, Editor-in-Chief. This paper was single-blind reviewed.