

RELATION OF DIGITALIZATION AND INTERNATIONALIZATION FOR SMES; EVIDENCE FROM TURKISH TEXTILE AND CLOTHING INDUSTRY

*Bahar DIVRIK (Orcid Id: 0000-0001-6775-4227)

*Elif BAYKAL (Orcid Id: 0000-0002-4966-8074)

*Istanbul Medipol University

ABSTRACT

The Small and Medium Enterprises (SMEs) are the most important actors for countries in terms of their contribution to national economies. The Turkish textile and clothing industries are mainly labour and export oriented industries and more than 90 per cent of the Turkish textile and clothing industries consists of SMEs. The development in digital technologies, has accelerated the growth of international trade, which has become the most important development in business world in the twenty-first century. The development of digital technologies has changed the conditions for all the business world especially for the Small and Medium Enterprises (SMEs). The main purpose of this study is to explore the relation of digitalization and internationalization in a SMEs concept. Qualitative research and case study method is performed in this research. The data of the study was collected by semi-structured interviews. The qualitative data is analyzed by multi-case studies in Maxqda.

Keywords: Digitalization, Internationalization, SMEs, Turkish textile and clothing industries

INTRODUCTION

The Small and Medium Enterprises (SMEs) have great importance in terms of their contribution to the national economies (Bagheri et al., 2019; Eldridge and Nisar, 2021). International trade is accepted as one of the most important levers of economic growth (Bolkunow, 2019). The researches in the international business area have been mainly dominated by multinational companies and during those times did not focus on explaining the SMEs internationalization (Bowen, 2019; Ooi and Richardson, 2019). During the last thirty years, digital technologies and digital transformation have accelerated the growth of international trade which offers new and diverse opportunities for SMEs (Bienhaus and Haddud, 2018, Jiang et al., 2020, Watson et al., 2018). previously, the SMEs which were mainly serving to the domestic markets had less engagement to the digitalization should focus more on digital technologies to keep their competitive advantages (De Marco et al., 2020; Falahat et al., 2020). Digitalization which is accepted as an element that promotes SMEs internationalization has increased the agility of SMEs (Contreras and Baykal, 2021), who are often faced with lack of resources on their pathway to internationalization, reaching target markets and expanding their networks (Watson et al., 2018). Therefore, the aim of this research is to analyse the relation of digitalization and internationalization of SMEs by a sample from the Turkish textile and clothing industries.

Theoretical Framework

SMEs digitalization is accepted as an under-researched subject which is still in the dark and the ubiquitous effects of digital transformation had changed the direction of the international business research radically (Eller et al., 2020). There are two main themes which tries to explain the internationalization of SMEs; The first theme is based on the pre-acquired knowledge of the owner-manager through their characteristics and entrepreneurial perspectives. The second theme explains the internationalization of SMEs mainly with Network Model and Uppsala Internationalization Perspective (Divrik and Baykal, 2022). The Network model considers internationalization as some kind of a network developing through trade activities with other countries, and in this approach, the emphasis is placed on the relational capacities of the firm. The Uppsala perspective argues that firms are slowly and incrementally pursuing internationalization (Johanson and Mattsson, 2015). The developments in the digital technologies made the value chains globally digitalised and SMES are forced to adopt digitalised supply chains in order to survive in the intense global competition (Chen, 2020; Torn and Vaneker, 2019).

INTERNATIONALIZATION

Internationalization is set of activities for carrying the production, sales, marketing and all other activities outside the local market of a company (Divrik and Baykal; 2022). The internationalization gained popularity after the 1990s with the collose of Soviet Union and Eastern Bloc. In this period, the globalizing production structure necessitated the globalization of value chains, inter-country competition increased in order to attract foreign investment throughout the world and multinational companies continued to grow by increasing their activities (Buckley, 2016). The internationalization strategy in the post-1990 period is referred to as "externalizing operations, internalizing knowledge", which has led multinational companies to the position of key players worldwide (Buckley and Carter, 2004; Buckley and Hashai, 2004).

The academic studies focusing on the internationalization process of SMEs are mainly divided into two main groups (Child et al., 2022; Wu and Deng, 2020). The first group mainly focuses on new ventures that are international from the inception stage and named as born-global companies (Bowen, 2019; Ooi and Richardson, 2019). Researchers studying born-global SMEs examines both the premises and the consequences of internationalization (Wu and Deng, 2020; Autio, 2017). Compared to companies who export as a entry mode born-global companies generally serve to the niche markets (Bowen, 2019; Ooi and Richardson, 2019). The second group examines SMEs that have become international after their establishment. Much of the research in this area has focused on the export activities of SMEs and different aspects of the export performance process (Coviello, 2018; Rezaei and Ortt, 2018; Tolstoy et al., 2021). Managerial skills in those companies significantly influences the speed, mode, and direction of internationalization (Autio, 2017).

DIGITALIZATION

Digitalization is seen as one of the most important developments shaping today's business world and society (Baykal, 2019). Digitalization has changed the value and management of information and has begun to change the nature, boundaries, business processes and relationships of organizations. (Cortellazzo et al., 2019). Digitization, by dictionary definition, is about transforming the essence of a company's products, services and processes into digital data packets that can be created, stored and transferred in bits and bytes, with information associated with them, for use for marketing, sales and distribution (Chen et al. 2019).

SMEs should adapt to their new technological environment if they want to gain competitive advantage and if they want to establish relationships with new markets (Safar et al., 2018). SMEs also requires guidance in developing their digitalization strategies to keep up with technological developments (Baykal, 2018). This can be achieved by prioritizing actions that will ensure an effective and efficient digital transition (Goerzig et al., 2018). For this reason, digital transformation obliges SMEs to develop a digital transformation strategy that includes the organization of the whole company. International activities are explained as one of the most significant segment of economic growth (Bolkunow, 2019). Digitalization is recognized as an element that encourages internationalization of SMEs.

This research aims to understand the relation of digitalization and internationalization of SMEs by an evidence from the Turkish textile and clothing industries. As a research method, qualitative analysis is performed and research data is obtained from 14 semi-structured interviews. The interviews are performed with middle and senior managers from the Turkish textile and clothing industries. The main research questions of the study are as follows;

Q1: How does digitalization affect internationalization of Turkish textiles and clothing industries?

Q2: How can Turkish textile and clothing industries can be more succesfull in internationalization by the help of digitalization?

METHODOLOGY

In this study, a qualitative analysis approach has been adopted to outline the effects of digitalization on the internationalization of Turkish textile and clothing industry. Qualitative analysis is widely used in the researches related to SMEs (Halabi et al., 2010). Creswell (2013) defines qualitative research as "research in which qualitative data collection methods such as observation, interview and document analysis are

used and a qualitative process is followed to reveal perceptions and events realistically and holistically in their natural environments". The case study pattern is "a qualitative approach in which the researcher collects detailed and in-depth information about real life, a current limited situation, or multiple classified situations within a given period of time through multiple sources of information, presenting a situation description or status themes" (Creswell, 2013). In this study, as stated by Yin (2009), the "case study pattern" used when it is necessary to investigate the current context in real life or a situation within the environment is preferred (Yin, 2009).

The sample of the research is middle and senior managers working in the Turkish textile or clothing sector were selected as a sample. The interviews took place between 1 and 30 December 2021 with 14 companies. The interviews lasted 30 minutes and conducted inline with the consent of the participants. Firstly content analysis made, then themes and codes are formulated. All the qualitative analyses were made in Maxqda which is a software for qualitative and mixed methods data analysis. The themes were interpreted in line with the codes they contain and excerpts from the interview texts are also included in order to support the comments.

General criticism related to qualitative researches is validity and reliability. In order to obtain the validity and reliability of the research, the following were made:

- Depth literature review was made for the research.
- The interviews were recorded with the consent of the participants in order to prevent data loss. The questions of the semi-structured interviews were approved by an academician and to a senior manager.
- A pilot interview was conducted to test the interview questions. The results of the pilot interview were shared with an expert academician in the field and the validity of the questions was confirmed.
- According to the coding audit that ensures internal consistency, the consensus between coders should be at least 80 percent (Patton, 2002). When the encodings made by two different encoders on the interview document are compared at the level of code presence; 14 partitions were related, while 2 sections were not. The consensus among coders was found to be 87.50 percent.

FINDINGS

The main themes of the research are digitalization and internationalization. The digitalization theme has three main codes which are technological innovation, usage of technology and not using technology. The internationalization theme has the following main codes; "knowledge and experience of employees", "marketing and planning capabilities", "export commitment", "export markets information", "export experience" and "export performance". The model of the research is presented in the Figure 1 below;

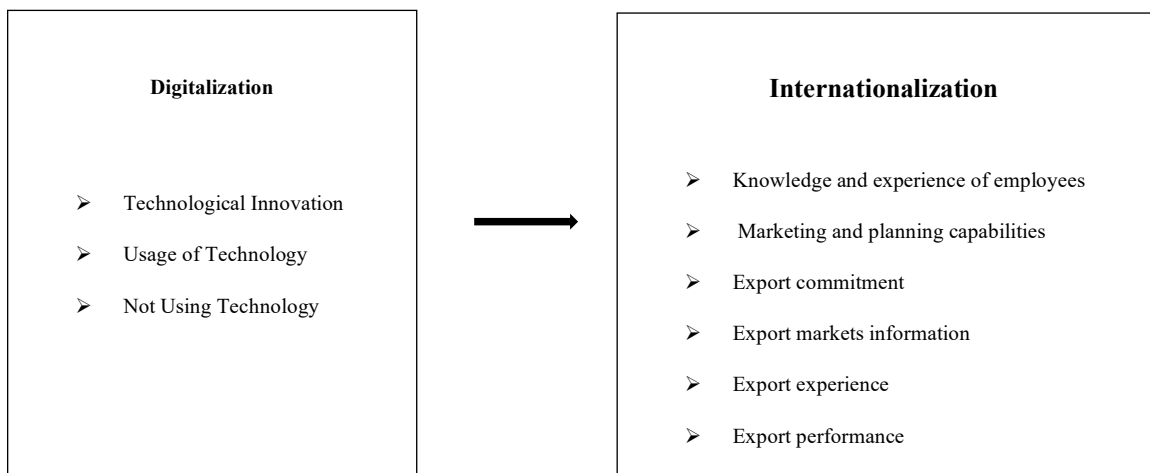


Figure 1: Model of the research

The most mentioned code in the code map is “indirect export” in internationalization theme with 28 times. The participants stated that they involve in indirect export facilities either because of not having enough export skills or through Turkish offices of global fashion brands. The participants P5 and P11 quoted;

“... we mainly work with agents especially for the Italian market...” (P5)

“... we have customers from 45 countries and we mainly work with agencies with most of those customers” (P11).

“Market research” is the second most repeated code with 25 times, the participants stated they were performing market research through fairs and export unions, in today’s digitalized business life, they are mainly performing their market research through internet. However, most of the participants believe that the only way to gain new customers is network relations not market research.

“... when we receive a mail, we immediately search in Google Earth for its location, offices, warehouses. Further, we try to find financial data about the company...” (P2).

“Online communication” code is mentioned 16 times and “Dijital platforms” code is mentioned 15 times. The participants stated that online communication gained importance after covid 19 pandemic and the pandemic forced them to adopt digital technologies.

“... we use online communicaton mainly e-mail, mobile phone and whats app...” (P6).

Related to digital platforms, the participants mentioned that they are trying to set up their own digital platforms but they were not succesfull until now. In addition, they added that they are forced to adopt digital Technologies in order to supply international brands as those brands are following their supply chains through their digital platforms. P2 and P8 stated as follows;

“... we have our own digital platform but we are not very succesful until now ...” (P2).

“... our international customers have their own digital platforms, we are defined as users in those platforms and they follow the orders online...” (P8)

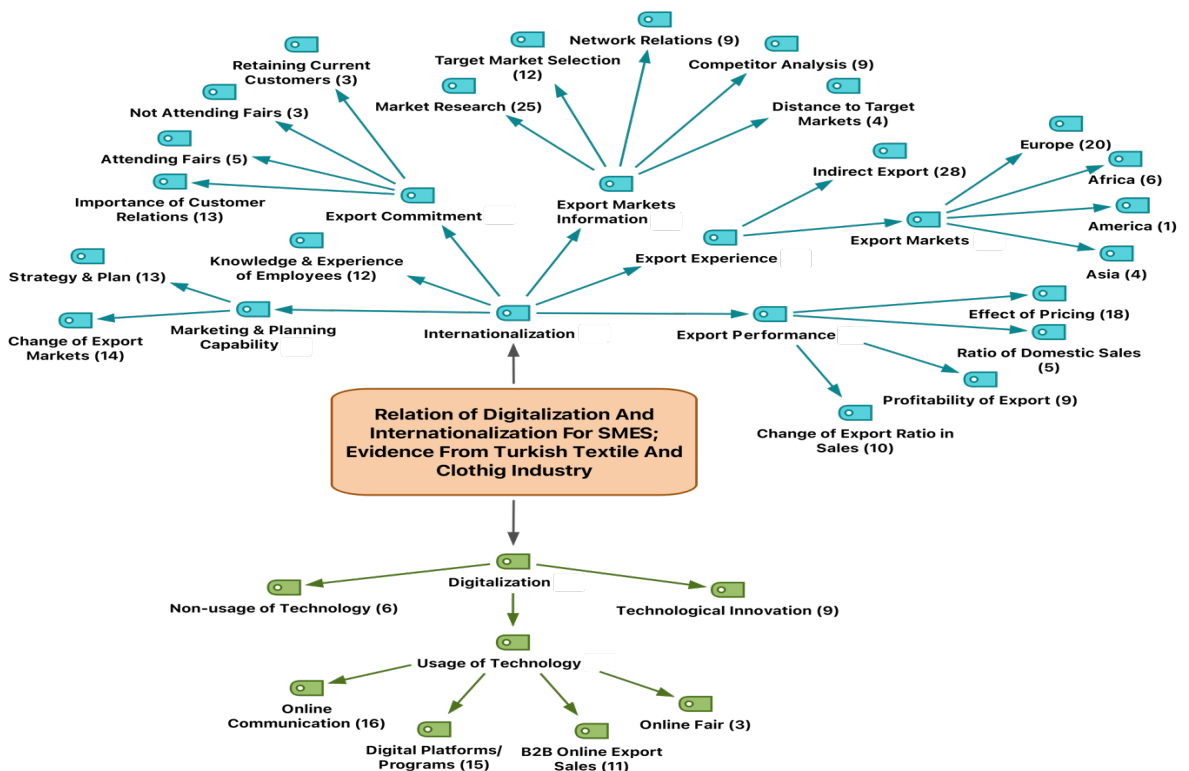


Figure 2: Detailed Code Map

The detailed code map of the research is listed below as Figure 2. The numbers near the each subcode shows how many times a subcode is mentioned by the participants.

The below Figure 3 and Figure 4 show the most quoted codes in the digitalization and internationalization themes. The bigger circle shows the “more quoted” and the numbers at the end indicates the total quotation number. Digital platforms/programs, online communication and technological innovation are the most mentioned codes in the digitalization theme. The heavy use of those codes show that, the participants are interested in technological innovations and mainly they are at the early stage of digitalization. The Turkish textile and clothing industry mainly use online communication and they are forced to use digital platforms and programs as most of them are suppliers of famous fashion brands.

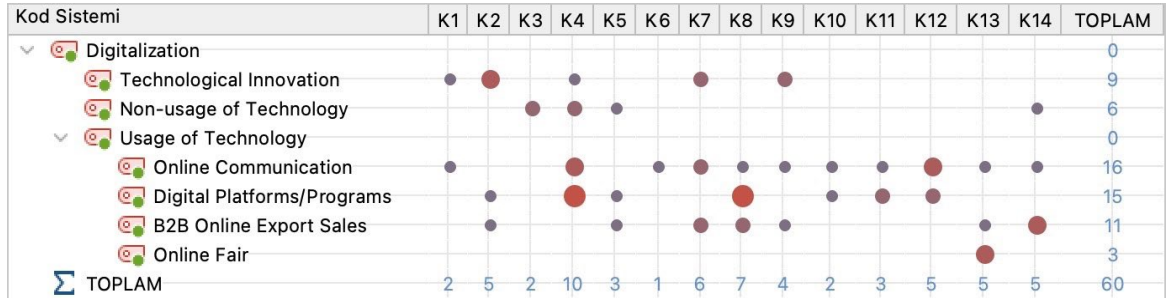


Figure 3: Digitalization Most Quoted Code Map

“Target market selection”, “effect of pricing” and “indirect export” are the mostly mentioned codes in the internationalization theme. The extensive use of those codes indicate that the industries are searching for new markets because of the intensive competition and the Turkish textile and clothing industries are heavily dependent on indirect export.

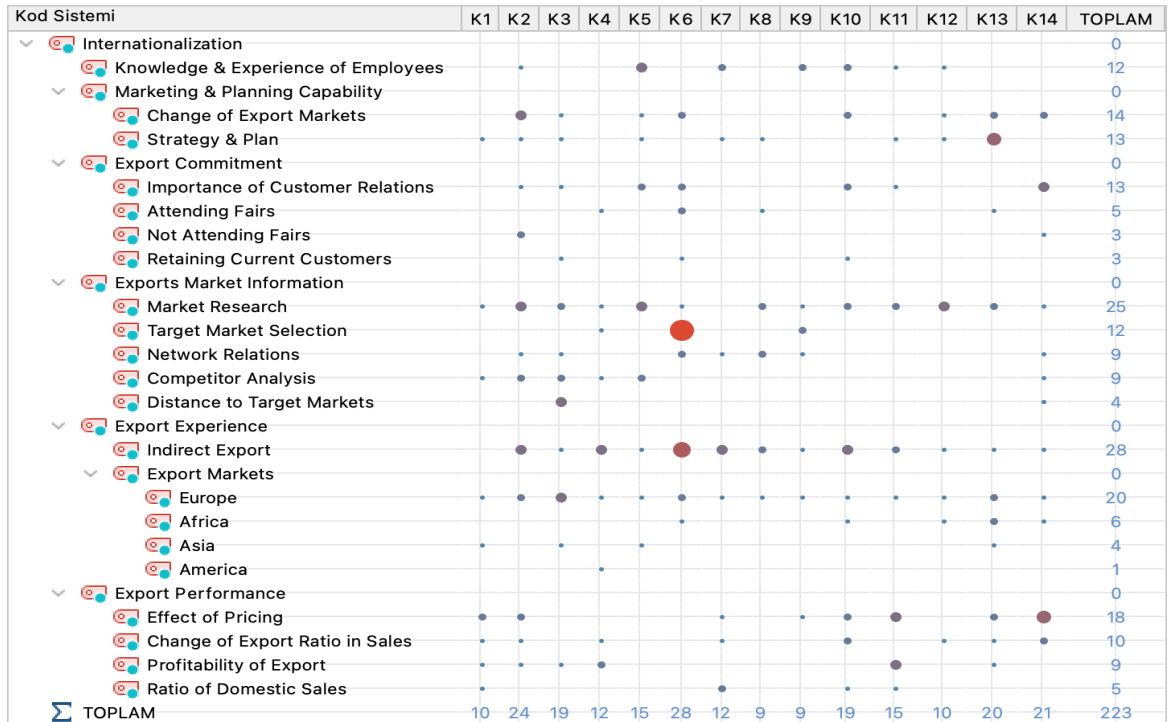


Figure 4: Internationalization Most Quoted Code Map

The relation code map shows and helps to analyze the relations between the codes in Maxqda. The below Figure 5 is the relation code map of the study. The same coloured codes show that the codes have relation with each other and the thicker lines show higher level of relation between the codes. The strongest relation is between “change of export markets” and “effect of pricing” in the internationalisation theme. The Turkish textile and clothing manufacturers are searching new export markets by the intense price competition from Far East especially from China. Another strong relation is between market research and indirect export; the Turkish manufacturers are heavily dependent on indirect exports and searching for new export markets that they can make direct export. “Market research” has also strong relations with “competitor analysis” and “importance of customer relations”.

In the digitalization theme, the strongest relation is between “digital platforms/programs” and “online communication”. The Turkish manufacturers stated that they mainly use online communication with their export business and they are forced to be involved in digital platforms as they are suppliers of global fashion brands. Another strong relation in digitalization theme is between “B2B online export sales” and “digital platforms/programs”. The participants mainly stated that they have an interest in performing B2B online sales for export and they believe that they can achieve this target through digital platforms especially marketplaces.

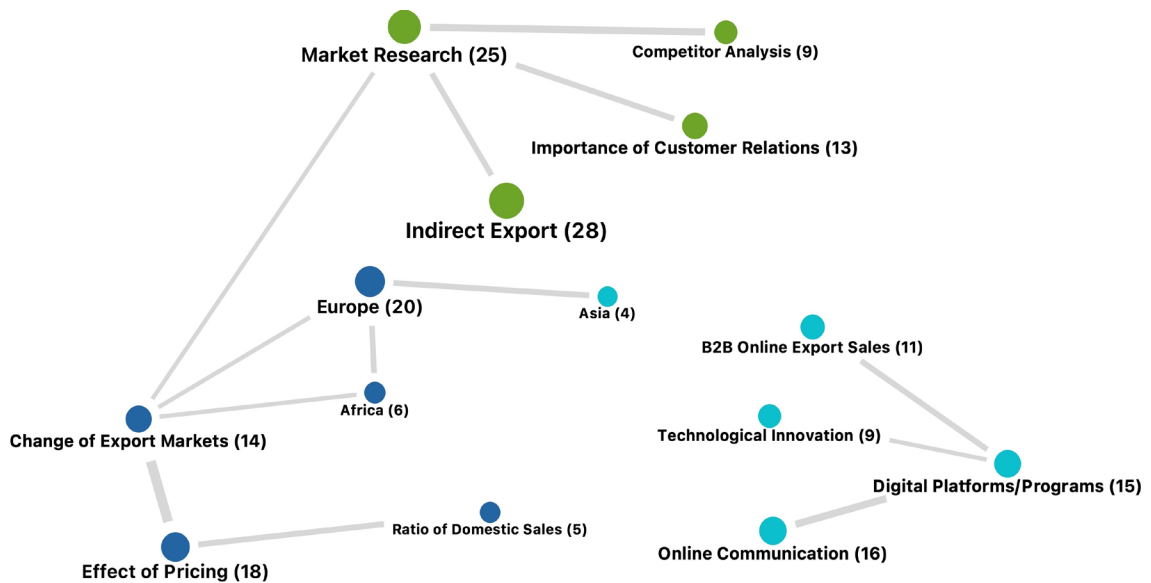


Figure 5: Relation Code Map

CONCLUSION

In the research, most mentioned codes are “indirect export” and “market research”. Generally, Turkish textile and clothing manufacturers are making export through agencies and they want to make direct exports. In order to reach new export markets, they use digital technologies such as online fairs, B2B digital programs and platforms. The participants declared that by the help digital technologies, they can perform new market researches with lower budgets. In addition, the codes “effect of pricing” and “change of export markets” have strong relation between them. The Turkish textile and clothing industry is having difficult times in competing to Far East countries and mainly China. The Chinese textile and clothing manufacturers can supply with lower prices to the World and this caused Turkish manufacturers markets to change. However, Turkish textile and clothing manufacturers can supply in small quantities compared to China and other Far East countries. The proximity of Turkey to Europe and ability to supply in small quantities made European fashion companies switch to Turkey.

There is also strong relation between “importance of customer satisfaction” and “market research”. The participants declared that export loyalty is much more important than market research and having new

customers. Therefore, they pay attention to customer satisfaction and they try to build solution-oriented customer relationships. The participants emphasized the importance of the knowledge and experience of the employees of the company in the process of internationalization and it was stated that people with sectoral experience were tried to be employed. The Turkish textile and clothing manufacturers are aware of the importance of exports and participants declared that export sales are more profitable than domestic market sales. Even though, payment terms are the major problem in the Turkish domestic market, the manufacturers are obliged to domestic market during periods when exports weakened in order to cover their fixed costs.

Main export market of the Turkish textile and clothing industry is the European Union countries and United Kingdom. The proximity of European countries which are nearest developed market to Turkey and therefore it is the region where textile and clothing companies carry out the most intensive export activities. This fact can be explained by Uppsala Internationalization Model which states that internationalization process begins with the nearest locations suitable and develop incrementally (Divrik and Baykal, 2020). The participants also added that the internationalization mainly takes place by the help of the networks of the companies rather than digital technologies. Turkey has sent many workers to European countries mainly to Germany, Italy, France after the World War II and linkages from those people provides an important network for internationalization of the Turkish companies.

The development of digital technologies accelerated the digital transformation of the Turkish textile and clothing industries not only in the internationalization but also in supply chain management. Therefore, necessary planning should be made transform the Turkish textile and clothing industries digitally. The participants are aware of the importance of the digital technologies and they have intend to adopt those technologies to their companies. They believe that digital technologies make new market research and communication with customers much more quicker, easier and affordable. As Turkish textile and clothing industries are one of the most important industries for Turkish economy, significant improvements in digitalization of the industry should be taken, otherwise Turkey will not be able to accomplish repositioning of those industries and lose its competitive advantage in the world.

DISCUSSION

In the research, the participants stated that global fashion brands that they are supplying have established their digital platforms and it is a must for their suppliers to engaged those platforms from sample to delivery stage. Therefore, Turkish textile and clothing SMEs have to develop skills to learn digital technologies, in order to continue supplying to those global companies (Divrik et al., 2022). The participants said that; fax and attending fairs were the main tools for market research however, after digitalization the process has become too easy as they can make market research online. While emphasizing the importance of digitalization in the internationalization process, the participants also added that network relations and pricing is as much as important like digitalization. Among the similar studies examining the relationships between digitalization and internationalization in the literature, the research of Denicolai et al. (2021) has shown that artificial intelligence preparation positively affects the international performance of SMEs. Huynh et al. (2020) examined the effects of artificial intelligence, which is a part of digitalization, on the internationalization of the banking and financial sector. In his research, Westerlund (2020) found that it is not necessary but sufficient for SMEs to invest in the use of technology for their successful internationalization, but also that they need to develop a range of managerial capabilities through partnership, customer relations and business process management. In their research (2022), Reim et al. analyzed the solutions of the business model challenges associated with digitalization, the internationalization of SMEs and they identified and matched digitalization activities with the business model challenges that SMEs face when trying to operate in international markets. Dethine et al. (2020) have identified digitalization as a key enabler of internationalization in their research. In his qualitative research, Mendes (2021) analyzed the relationship between digitalization and internationalization on multinational supply chains in the context of Brazil. As a result of his research, he stated that new dynamics emerged in global value chains triggered by digitalization. On the other hand, the participants believe that digital technologies are not enough for digitalization and they stated network relations, pricing and customer relations are also very important. The research of Niemand et al. (2020) also revealed that technological innovation is not enough for internationalization. Li et al. (2018) stated that strategy is more important in SMEs' internationalization rather than the digital transformation of the companies. Neubert (2018) and Ojala et al (2018) also declared in their studies that companies should not

expect a positive development in internationalization through digitalization without focusing on the interrelated factors. It is very clear that, digitalization will be one of the major actors in the process of internationalization, but there is a doubt whether it will be enough on its own for the SMEs in the Turkish textile and clothing industries. As digitalization enables SMEs to compete with multi-national companies in the international market even with their limited financial resources. In order for SMEs to be successful in the internationalization process, they need to analyze the target markets well with the help of digital technologies by giving due importance to strategy management and develop country-based strategies according to these analyzes.

Research Limitations

The main limitation of the research is; it is only limited to Turkish textile and clothing industries. The research should be conducted among other manufacturing and service industries which are mainly export-oriented.

Managerial Implications

In the SMEs literature there are very few researches that analyze the relationship between digitalization and internationalization. In the light of this research, the Turkish textile and clothing SMEs should focus on learning digital technologies and those abilities will accelerate the internationalization process of those SMEs positively.

REFERENCES

- Autio, E. (2017). Digitalisation, Ecosystems, Entrepreneurship and Policy. Perspectives into Topical Issues Is Society and Ways to Support Political Decision Making. *Government's Analysis, Research and Assessment Activities Policy Brief 20/2017*. Helsinki: Prime Minister's Office.
- Bagheri, M., Mitchelmore, S., Bamiatzi, V., & Nikolopoulos, K. (2019). Internationalization orientation in SMEs: The mediating role of technological innovation. *Journal of International Management*, 25(1), 121-139.
- Baykal, E. (2018). *Innovativeness in family firms: Effects of positive leadership styles*. In Strategic Design and Innovative Thinking in Business Operations (pp. 213-232). Springer, Cham.
- Baykal, E. (2019). Boosting innovative work behavior in organizations through absorptive capacity. *Journal of Organizational Behavior Review*, 1(1), 16-33.
- Bienhaus, F. & Haddud, A. (2018). Procurement 4.0: factors influencing the digitisation of procurement and supply chains. *Business Process Management Journal*.
- Bołkunow, W. (2019). Internationalization of European small and medium-sized companies. In *Eurasian Business Perspectives* (pp. 39-51). Springer, Cham.
- Bowen, R. (2019). Motives to SME internationalisation: A comparative study of export propensity among food and drink SMEs in Wales and Brittany. *Cross Cultural & Strategic Management*.
- Buckley, P. J. (2016). The contribution of internalisation theory to international business: New realities and unanswered questions, *Journal of World Business*, Vol.51, pp.74-82.
- Buckley, P. J. & Carter, M. (2004). A formal analysis of knowledge combination in multinational enterprises. *Journal of International Business Studies*, 35(5): 371–384.
- Buckley, P. J. & Hashai, N. (2004). A global system view of firm boundaries, *Journal of International Business Studies*, Vol.35 No.1 pp.33-45.
- Chen, Y. (2020). Improving market performance in the digital economy. *China Economic Review*, 62, 101482.
- Child, J., Narooz, R., Hsieh, L., Elbanna, S., Karmowska, J., Marinova, S., ... & Zhang, Y. (2022). External resource provision and the international performance of SMEs—A contextual analysis. *Journal of International Management*, 28(3), 100924.
- Contreras, F., & Baykal, E. (2021). *Effect of the Firm's Absorptive Capacity on the Work Engagement of White-collar Employees in Istanbul*. In Strategic Outlook in Business and Finance Innovation: Multidimensional Policies for Emerging Economies. Emerald Publishing Limited.
- Cortellazzo, L., Bruni, E., & Zampieri, R. (2019). The role of leadership in a digitalized world: A review. *Frontiers in psychology*, 10, 1938.
- Coviello, N., Kano, L., & Liesch, P. W. (2017). Adapting the Uppsala model to a modern world: Macro context and microfoundations. *Journal of International Business Studies*, 48(9), 1151–1164.
- Creswell, J. W. (2013). *Qualitative inquiry and research design: Choosing among five approaches*. Thousand Oaks, Sage
- De Marco, C. E., Martelli, I. & Di Minin, A. (2020). European SMEs' engagement in open innovation When the important thing is to win and not just to participate, what should innovation policy do? *Technological Forecasting and Social Change*, 152, 119843.
- Denicolai, S., Zucchella, A., & Magnani, G. (2021). Internationalization, digitalization, and sustainability: Are SMEs ready? A survey on synergies and substituting effects among growth paths. *Technological Forecasting and Social Change*, 166, 120650.
- Dethine, B., Enjolras, M. & Monticolo, D. (2020). Digitalization and SMEs' Export Management: Impacts on Resources and Capabilities. *Technology Innovation Management Review*, 10(4), 18-34.

- Divrik, B. & Baykal, E. (2022). Uluslararası İşletmecilik Teorilerine Kavramsal Bir Bakış. *Alanya Akademik Bakış*, 6(1), 1843-1846.
- Divrik, B., Baykal, E., Silaharoglu, G., & Meral, Y. KOBİ'lerin Örgütsel Öğrenme, Dijitalleşme ve Uluslararasılaşma Süreçleri Üzerine Nitel Bir Çalışma/A Qualitative Study on Organizational Learning, Digitalization and Internationalization Processes of SMEs. *Nitel Sosyal Bilimler*, 4(2), 102-130.
- Eldridge, D., Nisar, T. M., & Torchia, M. (2021). What impact does equity crowdfunding have on SME innovation and growth? An empirical study. *Small Business Economics*, 56(1), 105-1201(4), 593-611.
- Falahat, M., Ramayah, T., Soto-Acosta, P. & Lee, Y. Y. (2020). SMEs internationalization: The role of product innovation, market intelligence, pricing and marketing communication capabilities as drivers of SMEs' international performance. *Technological Forecasting and Social Change*, 152, 119908.
- Goerzig, D., & Bauernhansl, T. (2018). Enterprise architectures for the digital transformation in small and medium-sized enterprises. *Procedia Cirp*, 67, 540-545.
- Halabi, A. K., Barrett, R. & Dyt, R. (2010). Understanding financial information used to assess small firm performance: An Australian qualitative study. *Qualitative Research in Accounting & Management*, Vol.7 No.2, pp.163-179.
- Huynh, T. L. D., Hille, E., & Nasir, M. A. (2020). Diversification in the age of the 4th industrial revolution: The role of artificial intelligence, green bonds and cryptocurrencies. *Technological Forecasting and Social Change*, 159, 120188.
- Li, J., Xia, J., Shapiro, D., & Lin, Z. (2018). Institutional compatibility and the internationalization of Chinese SOEs: The moderating role of home subnational institutions. *Journal of World Business*, 53(5), 641-652.
- Jiang, G., Kotabe, M., Zhang, F., Hao, A. W., Paul, J. & Wang, C. L. (2020). The determinants and performance of early internationalizing firms: A literature review and research agenda. *International Business Review*, 29(4), 101662.
- Johanson, J. & Mattson L.G. (2015). Internationalisation in industrial systems—a network approach. Knowledge, Networks and Power. UK, Springer 111-132.
- Mendes, T., Braga, V., Silva, C., Ratten, V., & Braga, A. (2021). The influence of industrial clusters on SMEs earliness and postentry speed: Exploring the role of innovation activities. *Thunderbird International Business Review*, 63(5), 623-650.
- Neubert, M. (2018). The Impact of Digitalization on the Speed of Internationalization of Lean Global Startups. *Technology Innovation Management Review*, 8(5): 44-54
- Niemand, T., Rigtering, J. C., Kallmünzer, A., Kraus, S., & Maalaoui, A. (2021). Digitalization in the financial industry: A contingency approach of entrepreneurial orientation and strategic vision on digitalization. *European Management Journal*, 39(3), 317-326.
- Ojala, A., Evers, N., and Rialp, A. (2018). Extending the International New Venture Phenomenon to Digital Platform Providers: A Longitudinal Case Study. *Journal of World Business*, 53(5): 725-739.
- Ooi, S. M. & Richardson, C. (2019). The internationalisation of service-sector SMEs in an emerging market: Insights from business training and consultancy firms in Malaysia. *Review of International Business and Strategy*.
- Patton, M. Q. (2002). Two decades of developments in qualitative inquiry: A personal, experiential perspective. *Qualitative social work* 1(3), 261-283
- Reim, W., Yli-Viitala, P., Arrasvuori, J., & Parida, V. (2022). Tackling business model challenges in SME internationalization through digitalization. *Journal of Innovation & Knowledge*, 7(3), 100199.
- Safar, L., Sopko, J., Bednar, S., & Poklemba, R. (2018). Concept of SME business model for industry 4.0 environment. *Tem Journal*, 7(3), 626.
- Rezaei, J. & Ortt, R. (2018). Entrepreneurial orientation and firm performance: the mediating role of functional performances. *Management Research Review*.

Tolstoy, D., Nordman, E. R., Hånell, S. M. & Özbek, N. (2021). The development of international e-commerce in retail SMEs: An effectuation perspective. *Journal of World Business*, 56(3), 101165.

Torn, I. A. R. & Vaneker, T. H. (2019). Mass Personalization with Industry 4.0 by SMEs: A concept for collaborative networks. *Procedia manufacturing*, 28, 135-141.

Yin, R. K. (2009). *Case study research: Design and methods*. Sage.

Watson, G. F., IV., Weaven, S., Perkins, H., Sardana, D. & Palmatier, R. W. (2018). International market entry strategies: Relational, digital, and hybrid approaches. *Journal of International Marketing*, 26(1), 30–60

Westerlund, M. (2020). Digitalization, internationalization and scaling of online SMEs. *Technology Innovation Management Review*, 10(4).

Wu, B. & Deng, P. (2020). Internationalization of SMEs from emerging markets: An institutional escape perspective. *Journal of Business Research*, 108, 337-350