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Networks' Impact on the Entrepreneurial Internationalization: A

Literature Review and Research Agenda

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on the entrepreneurial internationalization of international new ventures (INVs). A screening process resulted in a

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of networks for INVs, and also an unclear understanding of their impact on specific target variables describing the

early and fast growth in international markets. Hence, there is an open window for further research. Finally, this

paper suggests promising directions for future investigation to develop particular research area.

Keywords: Entrepreneurial Internationalization, International Entrepreneurship, Network, International New

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1 Introduction

The purpose of this paper is to systematically examine and organize the current body of literature that has explored the impact of the network on the entrepreneurial internationalization during the past decades. This research aims to answer whether and how networks matter in the context of entrepreneurial internationalization of new ventures. In addressing this question, we have chosen a systematic literature review approach (SLR). Through exploring the empirical and theoretical research that has investigated networks and entrepreneurial internationalization, we provide evidence that it is still a tenable area of investigation. Although this study is exploratory in nature, it aims to contribute to the literature on networks and entrepreneurial internationalization by several new aspects. First of all, in this study, we are not going to develop a contextualized or commonly accepted definition of the phenomenon of international new ventures since there are many attempts at this area (e.g. Cesinger et al. 2012). We state that despite the growing interest in the topic there is a lack of systematized knowledge about the internationalization of INVs and networks' relation. And a new constructive research could be only executed based on the existing knowledge gained over the past decades. We also contribute by revealing the weaknesses to be addressed in this area. We specifically systematize the overview of the key characteristics of the field, map out main objectives of the articles, the dominant methodological approaches, and operationalization of networks and entrepreneurial internationalization, and synthesize the main findings of the literature. We are not aware of a comprehensive discussion, adopting a systematic analysis of literature, of empirical and theoretical studies about the impact of networks on the entrepreneurial internationalization. To date, there are a few reviews concerning networks, for instance, leadership in inter-organizational networks (Müller-Seitz 2012); networking and innovation (Pittaway et al. 2004); inter-organizational relationships in marketing (Agostini and Nosella 2017), networks and entrepreneurship (Hoang and Antoncic 2003) but a systematic literature review on networks and entrepreneurial internationalization, to the best of our knowledge, was not detected so far, notwithstanding the relevance of the topic. An analysis of the literature about a network approach to the internationalization of born globals has been done by Sullivan Mort and Weerawardena (2006); however, this analysis encompasses a small sample of papers without any detailed explanation about inclusion or exclusion criteria for paper selection or other literature search strategies typical for systematic literature reviews.

Through exploring the theoretical and empirical studies that have investigated the links between networks and entrepreneurial internationalization, we provide evidence that there are research gaps to address, arising from lack of robust conceptualizations about what networks are and how they do impact the international growth of the firm, which may explain partially contradictory or inconclusive empirical research.

The paper is organized in the following way. We begin this paper by reporting the method used to select and review the literature; then, we describe the main features of the final dataset of articles and provide the findings of the systematic literature review; finally, we conclude by highlighting the contributions of the paper to further research directions on network and entrepreneurial internationalization.

2 Conceptual Boundaries

To begin with, it is essential to define conceptual boundaries of the research (Denyer and Tranfield 2009). In this study, two main subjects come to the fore: 1) entrepreneurial internationalization of new ventures and 2) networks.

To start with, the obvious changes in internationalization patterns have questioned the validity of existing theories and inspired countless studies in International Entrepreneurship (IE) research domain. Those firms labelled as 'international new venture' were able to internationalize 'from inception' and seek 'to derive significant competitive advantage from the use of resources and the sale of outputs in multiple countries' (Oviatt & McDougall 1994, p. 49). Moreover, the firms which grow abroad at their start or soon after, and expand quickly, also have been labeled terms like Born globals, Born International firms, Global Start-ups, just to mention some main other concepts. Therefore, entrepreneurial internationalization, the term which has been recently adopted by the leading scholars (Autio 2017; Reuber et al. 2017), hosts different types of organizations and concepts. We are aware that different denominations may hinder partially different concepts: 1) the thresholds of first internationalization vary extensively from one year (e.g. Freeman et al. 2006) to six years (e.g. Zahra et al. 2000) but mostly it is within three years of founding (Knight and Cavusgil 2004; Kuivalainen et al. 2007); 2) scale of internationalization (usually measured by the percentage of foreign sales to total sales) varies significantly from 25 percent (Kuivalainen et al. 2007) to 90 percent (Lopez et al. 2009) of sales from abroad; 3) less frequently applied measurement is the scope of internationalization which captures the extent of regional concentration opposed to diversification (Tuppura et al. 2008), i.e. regional vs global). Nevertheless, these different terms have all in common - the internationalization of this kind of companies does not unfold in a slow and incremental manner, but rather in a proactive way. In other words, they are small or medium-sized entrepreneurial firms with the potential for an accelerated entrepreneurial internationalization (i.e. their international activities featured both precocity and speed) (Gabrielsson et al. 2008).

Therefore, all possible names such as international new ventures, born globals, born internationals, etc. will be accepted and used interchangeably while selecting relevant papers, since entrepreneurial internationalization

covers different facets in IE studies. This represents the object of our analysis and the output of a process, in which we aim at detecting the role of networks.

A second key construct for this contribution is represented by networks. A review of network definitions reveals that there is a lack of consensus. As stated by Axelsson and Easton (1992) networks can be explained as "sets of two or more connected exchange relationships" (p. 365). According to Powell (1990), networks also can be defined by a set of critical components, such as heavy reliance on reciprocity, collaboration, and a reputation and relationship basis for communication. Primarily, the majority of research emphasized the networks as the relationships "that binds a group of independent organizations together" (Christopher and Cameron 2007). In the same vein, Ahmetoglu (2017) stated that alliance relationships between firms are also referred to as an important type of network. The alliance is defined as a close inter-firm collaboration requiring substantial sharing of information, skills and/or resources for the attainment of mutually defined goals (Preece et al. 1998; Buckley 1992). Moreover, many scholars focus on business networks that are strategic relationships (D'Cruz and Rugman 1992) between collective actors (Chetty and Blankenburg Holm 2000) such as customers, suppliers, distributors, etc. Some of the reviewed definitions distinguish ties into vertical and horizontal (Gulati et al. 2000) or into domestic and international (Blomstermo et al. 2004) relationships. Another stream of research includes informal ties as an essential part of firms' network (Zain and Ng 2006; Zhou et al. 2007). Sasi and Arenius (2008) claim that for a long time network theory of internationalization had ignored the entrepreneur and his social ties. In this context, the social network consists of all informal ties with families, friends or other personal relations that enable the firm to internationalize its business activities (Zain and Ng 2006; Zhou et al. 2007). Some authors discuss the concept of intermediary networks (Oparaocha 2015; Ojala 2009). Intermediary ties also called as 'institutional ties' are the relations with chambers of commerce, research institutions, trade promotion councils, internationalization assistance organizations (Oparaocha 2015). The main difference with other typologies is that in intermediary ties there are no existing business transactions between the seller and the buyer (Ojala 2009) (see Table 1). Therefore, we argue that extant classifications of networks, like for example the distinction between formal and informal networks, can be oversimplified.

Table 1 goes here

According to Ahmetoglu (2017), it is important to understand the relationship between different actors to understand a network as a whole. In this study, we adopt a comprehensive construct of the network as a collection of relationships between international new venture (and/or its' entrepreneurs) and different external independent partners which can be all possible types such as formal, informal and intermediary.

3 Methodology

For this literature review, 73 studies published and available in the press from 1994 to 2015 in 16 journals were analyzed. The search has been conducted at the beginning of October 2015. The steps of the systematic literature review were based on the guidelines provided by Denyer and Tranfield (2009), Petticrew and Roberts (2006), Nolan and Garavan (2016) and Christoffersen (2013).

3.1 Research Question

The quality of the systematic literature review depends on the quality of the question, therefore, first of all, the focus of SLR was established by formulating a clear question. The research question "guides the review by defining which studies will be included, what the research strategy to identify the relevant primary studies should be, and which data need to be extracted from each study" (Counsell 1997, p. 381). This research aims to answer the question, whether and how do networks matter in the context of entrepreneurial internationalization.

3.2 The Literature Search

The next step is the elaboration of the search string (Denyer and Tranfield 2009). By using simple operators ("?"; "*") and Boolean operators (AND, OR, NOT or AND NOT) which help to combine or exclude keywords in a search and taken into considerations the results of concepts analysis (different entitlement of the same phenomenon), the keywords string was formulated. The search was conducted with the keywords string which was – (Network* OR alliance* OR collaborat* OR cluster* OR partner*) AND (international entrepreneur* OR international new venture* OR born global* OR global start*up*).

The next step was to set clear guidelines concerning the inclusion and exclusion criteria for further analysis. The selection criteria for papers inclusion were as follows: 1) following Claus and Briscoe (2009) and De Menezes and Kelliher (2011), the electronic databases were chosen for this research as the main research method. However, there is some criticism (Denyer and Tranfield 2009) regarding the involvement of electronic databases as the only platform for studies search in the systematic literature review. Searching through databases was chosen considering the time and physical capacity limitations of the researchers. Two databases were used: Web of Sciences and Science Direct. These databases have been chosen because they are considered (Dahlander and Gann 2010) to be a rich source of significant research articles — Science Direct delivers over 13 million publications from nearly 2,500 journals, and Web of Sciences covers more than 3,000 journals in Social science disciplines. 2) The selection of the field of Social Science was a logic decision, regarding the research area of the topic. This criterion helped to reduce the amount of the irrelevant material (for example, Technological Sciences papers). 3) Papers type — double-blind reviewed journal articles (no "gray literature" was analyzed) were selected as being the most validated knowledge

Established influential journals, according to Furrer et al. (2008, p. 2), "tend to shape the theoretical and empirical work in a field by setting new horizons for inquiry within their frame of reference". The list of journals was based on the rankings of the Association of Business School (ABS) (Harvey et al. 2010), taking into account those with the highest impact factor (4 and 3 stars only). The journals were selected from the areas of International Business, Entrepreneurship, and Small Business Management, General Management, Marketing, Organization Studies, and Strategic Management. 4) Another selection criterion was related to the period of search. The phenomenon of international new ventures and the impact of networks was significantly defined and explored by McDougall, Shane, and Oviatt in 1994. This date is considered as one of the first meaningful attempts in trying to understand better the process of entrepreneurial internationalization and the role of networking in it. Hence, the search period was from 1994 to 2015, inclusive. 5) The paper should analyze the phenomenon of entrepreneurial internationalization, that is to explore small and medium size companies which enter foreign markets rapidly (from the first several years at inception), commonly called as international new ventures, born globals, global start-ups. 6) The paper should explore networks in the context of the factors/enablers of entrepreneurial internationalization. 7) The research includes both empirical and conceptual/theoretical papers to answer the problematical questions.

There were several exclusion criteria for the paper selecting process that are presented in detail in the following table (see Table 2).

Table 2 goes about here

After the paper selection process the *Refworks* - citation management software package - was used to store all information and to delete duplicates.

3.3 Results Screening and Critical Appraisal

Our search identified 6,031 articles (1,869 results from *Science Direct* and 4,162 results from *Web of Sciences*) with at least one word from the search string. After following the application of inclusion and exclusion criteria (see Table 3) the number of papers was limited to 392.

Table 3 goes about here

However, not all of those papers were relevant to this study. Considering the fact that the electronic data bases search at least one matching word in the whole text, but not limited to the keywords or the title of the paper (i.e. network or entrepreneurial internationalization might be mentioned in the text, but not being a focus of the study at all), the full papers were judgmentally reviewed to find out if 1) there is a focus on entrepreneurial internationalization and 2) the network impact was explored there. The main attention was given to the articles that

aim to examine network impact/effect on entrepreneurial internationalization and whether this is the main focus of the study, or at least it was mentioned in one of the hypotheses or research propositions. After execution of data extraction, some important and frequently cited, but not included papers come to the fore. By using the method of "Snowballing" (emerging as the study unfolded), the reference lists of the papers were scanned and by using judgmental assessment the decisions, whether to include additional papers or not, were made. During this attempt, a few more articles were added (n=5). Finally, 73 articles were selected, and they form the basis of this review.

All selected papers were systemized into a table by seeking to extract relevant information. The table consists of several graphs including general information about the paper such as the name of authors, the title of the article, journal, year of publication. Then some specifically content was singled out such as the aim of the paper, research question, types of networks, network impact (benefits, drawbacks, neutral effect), a topic regarding internationalization (process or performance), methodology, key findings and other.

4 Analysis and Discussion of the Systematic Literature Review Results

We utilized such structure to report the findings of review: an overview of articles, methodological approach, research objectives of articles, and key findings of articles resulting from the literature review.

4.1 Overview of Selected Articles

The key publication outlets are the *International Business Review* (n=18), *Journal of World Business* (n=10), *Journal of International Marketing* (n=6), *International Marketing Review* (n=5), *Journal of International Business Studies* (n=5), *Journal of Business Venturing* (n=5). The majority of papers were published in journals dedicated to International Business area (51 percent); in the second place stands Entrepreneurship and Small Business Management (28 percent), and in the third - Marketing (26 percent). A few articles came from Strategic Management. Although, the areas of Organization Studies and General Management were included in the search none of the papers concerning this research topic (i.e. network impact on entrepreneurial internationalization) were detected. Talking about the distribution of the quality of the journal – eleven articles were published in 4* journals. The rest of articles utilized were published in 3* journals (n=62).

The analysis of the year of publication has revealed that this subject of study is relatively recent, and the interest of the topic is still growing. For instance, from the period 1994-1999, our search encompasses only seven papers while, from the period of 2010-2015, five times more (n = 36) articles were identified (see Table 4).

Table 4 goes about here

4.2 Methodology of Articles Resulting from the Literature Review

The sample included four theoretical papers and 69 empirically based papers of which 32 were quantitative studies, and 31 were qualitative papers, the rest papers (n=6) were the combination of both qualitative and quantitative research (mixed methods). Considering the methods of empirically based research a clear distinction between two different methodologies – **case studies** (a great majority is based on Multiple Case Study Design) and **survey** - was observed. The quantitative sample sizes range from 75 firms (Preece et al. 1998) to 875 firms surveyed (Giarratana and Torrisi 2010). The qualitative sample sizes range from one case study (Prashantham and McNaughton 2006) to 20 cases analysis (Chetty and Agndal 2007); however, the dominating number for case study analysis is 4 firms (Andersson et al. 2013; Bangara et al. 2012; Vasilchenko and Morrish 2011). Despite the fact that, by mixing both quantitative and qualitative methods, the researcher gains a complete and comprehensive understanding of the research problem, and copes with the weaknesses inherent to using each approach by itself (Creswell and Plano Clark 2007), the analysis has shown that mixed method approach is not very often applied in studies regarding entrepreneurial internationalization. Nevertheless, a few exceptions of **mixed methods** studies have been found (Bell 1995; Gerschewski et al. 2015; Prashantham et al. 2015).

A number of studies (26 percent) had used **multiple methods** during their empirical research. Several methods were combined in the studies such as interviews with firms, experts, focus group discussions, observations (Freeman and Cavusgil 2007; Chandra et al. 2012; Styles and Genua 2008). The great majority of articles that used qualitative approach and conducted (any kind of) interviews also analyzed secondary data in order to reduce subjectivity or bias from using a single method (McDougall et al. 1994; Coviello 2006; Sullivan Mort and Weerawardena 2006; Chetty and Agndal 2007; Gabrielsson et al. 2008; O'Gorman and Evers 2011; Vasilchenko and Morrish 2011; Andersson et al. 2013; Sepulveda and Gabrielsson 2013; Gabrielsson et al. 2014; Galkina and Chetty 2015).

The review reveals that the majority of studies applied a **cross-sectional approach** (Bell 1995; Chetty and Cambell-Hunt 2003; Al-Laham and Souitaris 2008; Andersson et al. 2013; Baum et al. 2013; Baum et al. 2015; Casillas et al. 2015), however, the process of entrepreneurial internationalization of international new ventures and networks are highly complex objects, and according to Hoang and Antoncic (2003), recall bias is a potential weakness for cross-sectional approach in this case. Some exceptions can be found in a relatively small number of studies (Tunisini and Bocconcelli 2009; Coeurderoy et al. 2010; Chandra et al. 2012; Gabrielsson et al. 2014). Although the **longitudinal study approach** was applied in those papers, the majority of them encompassed comparatively short period (up to five years mostly, for instance, Chetty and Blankenburg Holm 2000; Gabrielsson

et al. 2014; Yli-Renko et al. 2002). This might be the potential reason why we still lack knowledge about what happens to international new ventures beyond start-up stage (Turcan and Juho 2014) as studies have focused mainly on how and why international new ventures internationalize early on during the first few years. Exceptionally only a couple of studies involved repeated observations of the same variables over a longer period. Tunisini and Bocconcelli's (2009) study encompassed more than ten years period; the study of Yu et al. (2011) involved an analysis of secondary data from more than two decades.

Regarding the **industry** analyzed, high technology sectors have a prominent role. However, some scholars explored different industries such as seafood (O'Gorman and Evers 2011); arts and crafts (McAuley 1999); education and wine industries (Gerschewski et al. 2015).

Moreover, there were some attempts to **compare** different types of companies, for instance, various types of born global firms (for example, born globals, ex-born globals) were compared in the study of Chandra et al. (2012); Schwens and Kabst (2009) analyzed early internationalizers versus late internationalizers; Schwens and Kabst (2011) tried to compare internationally versus domestic acting firms. However, these studies faced with the problem of generalizability, as the selection of firms was not properly justified, the comparative samples mismatched (for example, in the case of Schwens and Kabst's (2009) study 32 early internationalizers and 237 late internationalizers were explored) and explicit research protocols were missing.

The informant in all of the cases is the owner/manager of the company since they make the key decisions regarding inter-organizational collaborations and cooperation in the small export firms. Additionally, in order to understand the various contexts that had shaped internationalization and relationship building some of the studies included other informants such as experts in a certain field (Lindstrand et al. 2011); senior officials of state institutions (Amoako and Lyon 2014); other executives working in the same companies (Ciravegna et al. 2014b), competitors, customers, and suppliers (Chetty and Blankenburg Holm 2000).

When the **location of the empirical research** is considered (see Table 5), it shows that this topic was explored in more than 30 countries. Studies in the New Zealand dominate (n=12), with substantial numbers from Finland (n=10), the USA (n=7), Germany (n=7), Australia (n=6), the UK (n=6). Comparing the regions of the studies, the leaders are Northern Europe (38 percent), Oceania (24 percent) and Asia (19 percent). Only a small portion of studies explored the subject in more than two regions (McDougall et al. 1994; Loane and Bell 2006; Cannone and Ughetto 2014; Khalid and Bhatti 2015). However, most of those studies simply used cross-national data from different countries/regions without any comparison between them (Nakos et al. 2014; Khalid and Bhatti 2015). This has been done in order to eliminate potential national selection bias. Nevertheless, some exceptions of

truly comparative study have been found - in the work by Ciravegna et al. (2014b) firms from emerging and developed economies were compared.

Table 5 goes about here

4.3 Research Objectives of Articles Resulting from the Literature Review

In terms of research objectives analysis, we could observe some patterns of potential interest for our review. Some studies considered networks as the primary focus of the research in order to explore the phenomenon of entrepreneurial internationalization (Musteen et al. 2010; Andersson et al. 2013). Other studies (Moen et al. 2004; Coeurderoy et al. 2010; Giarratana and Torrisi 2010; Khalid and Larimo 2012; Nakos et al. 2014) distinguish networks as one of the several factors in order to reveal what drivers affect the decisions to internationalize from the outset (Cannone and Ughetto 2014), or what are the key drivers of the export orientation and export performance (Filatotchev et al. 2009). Networks were analyzed together with other drivers for rapid internationalization such as the entrepreneurial orientation (Styles and Genua 2008; Filatotchev et al. 2009; Coeurderoy et al. 2010; Nakos et al. 2014); entrepreneur or firm's experience and his knowledge transfer from abroad (Moen et al. 2004; Giarratana and Torrisi 2010), R&D intensity (Filatotchev et al. 2009); international commitment of an entrepreneur, the diversity of team competencies and organizational flexibility of a firm (Cannone and Ughetto 2014).

In some cases, studies used the knowledge-based view or/and organizational learning perspective (Schwens and Kabst 2009; Freeman et al. 2010; Bruneel et al. 2010; Casillas et al. 2015) and tried to reveal how the knowledge acquisition and organizational learning within networks as the primary enabler of this process interact to facilitate rapid internationalization. Moreover, formal networks in Gabrielsson and Kirpalani (2004) study were indicated to be viable channel alternatives because of providing learning and knowledge for born globals. In the same vein, the influence of informal ties on the internationalization of new ventures has also been investigated (Presutti et al. 2007; Prashantham et al. 2015).

Moreover, some studies analyzed the issues of success and rapid international growth and how these issues (such as perceived market-based and financial barriers (Baum et al. 2013); the lack of host country knowledge and shortages of capital and other tangible assets (Chetty and Cambell-Hunt 2003) moderate the impact of international network on international new venturing.

Some of the reviewed works sought to explore how knowledge and resources from the institutional network (intermediary ties) interact with internationalization process and strategies of new ventures (O'Gorman and Evers 2011; Oparaocha 2015). Additionally, some studies have investigated how institutional networks that manage government export promotion programmes (Chetty and Blankenburg Holm 2000); and national technology and

collaboration initiatives (Prashantham and McNaughton 2006) encourage business collaboration and what role do those institutional networks play in the internationalization process of INVs.

Finally, several studies investigated how the networks function in recognizing opportunities to enter foreign markets, or to choose entry mode (Riddle and Gillespie 2003; Ojala 2009; Moen et al. 2004). Others analyzed the impact of environmental factors (context) on the strategic relationships and institutions developed by exporting firms and on internationalization decisions (Crick and Spence 2005; Amoako and Lyon 2014).

4.4 Key Findings of Articles Resulting from the Literature Review

While more specific results can be found in each separate study, this review is seeking to extract some general findings in research on entrepreneurial internationalization enabled by networks. This part tries to emphasize the main streams, commonalities, and contradictions; tries to cluster all papers according to emerging pathways and to emphasize the frontiers of knowledge (see Fig. 1).

Figure 1 goes about here

Pathways regarding types of Network. By revising the findings of utilized studies some pathways regarding the type of networks emerged. The analysis has shown that some of the studies were more focused on one or the other type of networks. Thus, the first grouping of articles concerns the type of network ties. In a great majority of papers (n=51) such network's actors as customers, suppliers, distributors or competitors were identified. This implies that during the last decades our knowledge about the relationship between network and entrepreneurial internationalization to a large extent is based on the studies about the formal networks. This confirms findings from a literature review in innovation studies: "research on formal networks is clearly dominant" (Salavisa et al. 2012, p. 385). In the second place stand studies concerning formal-informal ties (n=24). Family and friends in those papers were the most often explored informal networks. However, in most of the cases, the network was analyzed as a whole concept without any attempts to consider and compare the differences between formal and informal ties and their impact. Again, if we compare these findings with the mentioned literature review on innovation (Salavisa et al. 2012), we can confirm that also in internationalization studies there is a lack of effective comparative research on both types of ties. The same situation is found in studies which encompass actors from all three types of networks (formal, informal, intermediary), though the number of those was really small (n=5). Government or public institutions was identified as the most often mentioned actors in terms of intermediary ties, however, we still lack understanding about what kind of institutions they are, and what is their separate effect to the entrepreneurial internationalization.

The impact of networks. As mentioned before, the analysis of findings reveals that the studies encompass contradictory results regarding the impact of networks on entrepreneurial internationalization. We tried to group the empirical works along with their effect or impact on entrepreneurial internationalization. Therefore, three groups have arisen as follows: 1) positive, 2) insignificant, and 3) negative impact of networks.

Positive effects or benefits from networks. A majority of the studies (65 percent) confirm exclusively the positive role or benefits from networks in the entrepreneurial internationalization. To start with, a number of studies (Freeman et al. 2010; Freeman et al. 2006; Loane and Bell 2006; Yli-Renko et al. 2002; Oparaocha 2015; Zhou et al. 2007; Zhou et al. 2010) prove that knowledge is a key resource for international growth, therefore, networks are mainly used as providers of knowledge regarding foreign market opportunities, market trends, competition, latest technological developments. As studies show (Schwens and Kabst 2009; Freeman et al. 2006; Chetty and Agndal 2007) the most relevant is the information and knowledge from formal networks and informal ties (such as entrepreneur's personal contacts, customers, distributor, etc.). Intermediary ties can provide relevant information as well (O'Gorman and Evers 2011; Oparaocha 2015) although they are not always easily accessible to new ventures' owners (Riddle and Gillespie 2003).

Secondly, networks provide the heterogeneity of resources (for example, capital and other tangible assets) that are spread across network partners (McDougall et al. 1994; Coviello 2006; Prashantham and McNaughton 2006; Tolstoy 2014; O'Gorman and Evers 2011).

Going further, networks are also providing advice and experiential learning and it was found that learning from others has a direct positive impact on early internationalization and export intensity (Gabrielsson and Kirpalani 2004; Zhou et al. 2007; Schwens and Kabst 2009; Bruneel et al. 2010; Casillas et al. 2015). Hence, following the arguments above it is not surprising that networking capability is positively related to the development of knowledge-intensive products in accelerated internationalizing firms (Sullivan Mort and Weerawardena 2006; Weerawardena et al. 2007; Laanti et al. 2007; Andersson et al. 2013; Laanti et al. 2007). Additionally, it was proved that the intermediary (Oparaocha 2015) and formal and informal (Freeman et al. 2006) ties reduce the risks in foreign environments.

While providing support for benefits of the network to new ventures, some studies revealed that networks could build SMEs legitimacy in foreign markets (Bangara et al. 2012). Furthermore, it was found that networks assist in the identification and exploitation of initial opportunities to internationalize. Specifically, network relations are determinant when deciding which foreign entry forms they choose and which markets they decide to enter (McDougall et al. 1994; Coviello and Munro 1997; Moen et al. 2004; Styles and Genua 2008; Vasilchenko and

Morrish 2011). Interestingly, a number of papers have stated that firms do not follow 'planned' approach of network development in foreign markets and at the same time denied misconception about the random or irrational entering to foreign markets. According to these papers, international opportunities occur depending on how, and with whom, entrepreneurs formed networks (effectual logic), rather than having predefined internationalization goals or by randomly selecting foreign markets (Harris and Wheeler 2005; Galkina and Chetty 2015; Freeman and Cavusgil 2007; Chetty and Blankenburg Holm 2000; Coviello and Munro 1995). Moreover, Vasilchenko and Morrish (2011) had emphasized that established and newly formed informal networks can be instrumental in exploring internationalization opportunities; and could potentially lead to the formation of an entrepreneur's broader formal networks that facilitates exploitation of internationalization opportunities.

Meantime, other studies, focusing on the life cycle of INVs argue that networks foster entrepreneurial internationalization in phases such as (1) introductory or INV creation, (2) commercialization and foreign entries, (3) growth and resource accumulation, (4) break out, (5) rationalization and foreign maturity (Gabrielsson et al. 2008; Giarratana and Torrisi 2010; Gabrielsson et al. 2014). Specifically, the highest impacts have the client followership (Bell 1995; Belso-Martínez 2006) and customer-supplier relationships (Bell 1995; Coeurderoyet et al. 2010; Ciravegna et al. 2014b). In addition, it was found that domestic networks were important for influencing the internationalization of the INVs at inception, meantime, in the later phase the role of an international network became stronger (Laanti et al. 2007; Al-Laham and Souitaris 2008; Tunisini and Bocconcelli 2009; Andersson et al. 2013). Even more interesting is the argument of Coviello (2006), who stated that a small dense network is beneficial at the conception stage in order to generate initial resources from trusted sources. It was also found the correlation between age of the venture and the effect of different types of networks. Older ventures are more impacted in terms of internationalization by alliance partners, meantime younger ventures were more influenced by international exposure from geographically proximate firms (Fernhaber and Li 2013). Additionally to this, studies have shown that the earlier the new venture engages in network collaboration, the higher the degree of its internationalization (Sharma and Blomstermo 2003; Manolova et al. 2010). It was also found that the common language between partners and wider geography of ties have a positive impact on speed and superior performance of internationalization (Musteen et al. 2010).

2) <u>Insignificant impact of networks.</u> As mentioned before, 65percent of studies find only a positive effect of networks on entrepreneurial internationalization, which leaves an abundant margin for controversial findings and for raising doubts about either the effective role of networks or the methodological issues in research about

networks. In a number of studies, no significant impact of the network on entrepreneurial internationalization has been found. For instance, Preece's et al. (1998) study showed that firms utilizing strategic alliances were no more active internationally than those not using strategic alliances. In addition, Gerschewski et al. (2015) found that personal networks of entrepreneurs are not a significant driver of international performance for BGs. Moreover, personal networks, according to this study, as antecedents of financial performance are more important for non-BGs. Also, some other studies claim that an international network is not necessarily a precondition in the internationalization process and could be important only if high barriers (in particular financial) to internationalization have to be overcome (Loane and Bell 2006; Baum et al. 2013). Belso-Martínez (2006) denied the significance of formal relationships, finding that the relations with suppliers, competitors, and institutions have no impact on more accelerated internationalization process. Additionally, Loane and Bell (2006) and Ojala (2009) argued that networks could be developed during the internationalization process, not only before it, thus arguing the impact of networks on initiation of entrepreneurial internationalization. Similarly, other scholars claim that networks were not used for recognition of international opportunities and consequently, are not significantly associated with a superior internationalization performance (Ciravegna et al. 2014a; Li et al. 2012). However, Khalid and Bhatti (2015) found that networking (as the relational capability of partnership knowledge exchange) influences at the least the initial export expansion stage. Results have also shown some important differences in networks characteristics. For instance, different types of alliances differentially impact the likelihood of new venture internationalization - marketing alliance faster influences the initiation of foreign sales than technology alliance (Yu et al. 2011). In the same line, Prashantham et al. (2015) found that ties that facilitate market access may be less potent in driving market growth. Consequently to this, we could agree with the statement of Crick and Spence (2005) that network theory could not fully explain entrepreneurial decisions to internationalize.

Negative impact or drawbacks of networks. Going further, some of the studies have admitted that networks may not be the panacea for entrepreneurial internationalization and they had indicated a possible **negative impact** or threats of the networks on internationalization growth. First of all, McDougall et al. (1994) and Chetty and Agndal (2007) have indicated the possible threats of opportunism from INVs' partners that could lead to venture failure. Furthermore, Sullivan Mort and Weerawardena (2006) found that involvement in networks may limit strategic options as opportunities must then be pursued within the network boundaries. They have named this phenomenon as network rigidity. The boundaries or restrictions of the network were also mentioned in the study of Ellis (2011). The author stated that networks are bounded by communication horizons and these ties-based

opportunities are constrained in terms of geographic, psychic and linguistic distance. In the same vein, Prashantham and Birkinshaw (2015) discovered that strong home-country ties are negatively linked to international growth intensity. It has been also found that firms could be locked out of distributor network (Chetty and Cambell-Hunt 2003), or key foreign customer (Presutti et al. 2007), leading to sub-optimal internationalization trajectories (Ellis 2011) and consequently, restrictions for further expansion (Sepulveda and Gabrielsson 2013). In addition, it was found that networks may inhibit not only market diversification but the process of product development (Coviello and Munro 1997). The study of Chetty and Cambell-Hunt (2003) identifies some potential additional problems of networks such as goal conflict between partners, becoming competitors and neglecting products. To sum up, although some papers discuss insights about the 'dark side' of networks and the possible threats coming out from having a network, this is still far from being completely investigated, as almost no empirical confirmation has been provided in most of those papers (McDougall et al.1994; Sullivan Mort and Weerawardena 2006; Chetty and Cambell-Hunt 2003; Presutti et al. 2007; Sepulveda and Gabrielsson 2013).

Pathways regarding entrepreneurial internationalization. The revision of findings has also enclosed two main focuses of the utilized studies regarding the entrepreneurial internationalization: 1) process of internationalization and 2) performance of internationalization. Our insights and findings about this division are also supported by Schwens et al. (2017) and Casillas and Acedo (2013) who stated that little attention has been given to the relationships between internationalization processes and performance. Internationalization process is defined as a "process of adapting firms' operations (strategies, structures, resources) to international environment" (Calof and Beamish 1995, p. 116) and this process depicts the path a firm decides to follow in order to seize worldwide opportunities (Prange and Verdier 2011). Performance of internationalization is an outcome from international operations. Kuivalainen et al. (2012) propose several potential categories of outcomes of internationalization, including early international growth, financial performance, firm survival, value, performance relative to the firm goal. Therefore, we assorted all papers in our SLR accordingly.

Process and performance of entrepreneurial internationalization, as we observed from the variables used in the utilized papers in our SLR, tend to overlap at least partially: for example, the speed, scale, and scope of internationalization was seen as an outcome – i.e. performance of internationalization (Sullivan Mort and Weerawardena 2006; Bruneel et al. 2010; Ciravegna et al. 2014b), meanwhile other scholars (Freeman et al. 2010; Pla-Barber and Escribá-Esteve 2006) named it as a choice of firm regarding internationalization strategies, what, to our understanding, can be seen as a part of internationalization process. Our approach to process and performance

of internationalization is consistent with the recent studies by Schwens et al. (2017) and Casillas and Acedo (2013), where the speed, scale, and scope of internationalization is defined as the process of internationalization. Therefore, we believe that distinguishing clearly process elements from performance variables may provide a clearer perspective on the role of networks in the entrepreneurial internationalization.

After examining the selected articles, we have identified the most explored activities that can be categorized as an internationalization process: choice of foreign market and choice of entry mode (Coviello and Munro 1997; Freeman and Cavusgil 2007; Al-Laham and Souitaris 2008; Moen et al. 2004); exploration and exploitation of international opportunities (Vasilchenko and Morrish 2011; Galkina and Chetty 2015; O'Gorman and Evers 2011); different phases of INV growth and development (Gabrielsson et al. 2014; Khalid and Larimo 2012; Coviello 2006). Thus, we can state, that a great majority of papers (more than fifty percent) in this research explored the impact of networks on the process of internationalization. Meanwhile, 27 percent of studies explored the impact of networks on the performance of internationalization as we can identify obvious measurements of outcomes of international operations: international sales volume (n=16); international sales growth (n=6), perceived satisfaction in terms of sales growth, profitability of the sales, overall success (n=4) or etc. Based on the current study of Schwens et al. (2017) we believe that a firm's choice of an internationalization strategy (i.e. the process of internationalization) is endogenous and beneficial only in firm's current situation and the conclusions regarding the performance implications of internationalization may be potentially unwarranted. Additionally, Casillas and Acedo (2013) stated that 'there has been little empirical work to indicate whether rapid internationalization is synonymous with better performance' (p. 25). Therefore, we urge for more studies encompassing both the process and performance of entrepreneurial internationalization, since so far only a few papers have been detected (e.g. Musteen et al. 2010; Zhou et al. 2007).

The emerging literature addressing entrepreneurial internationalization and networks is presented in the table below (see Table 6).

Table 6 goes about here

5 Conclusions and Future Research Directions

The review demonstrates that the literature on entrepreneurial internationalization and networks has grown rapidly during the last two decades. However, while the understanding regarding the impact of networks on entrepreneurial internationalization has advanced greatly during years, the literature is still quite fragmented and more exploration

is needed. In particular, the role of networks in internationalization is assumed to be fundamental, but this seems to stem from an insufficiently proven assumption.

Most of the analyzed studies are exploratory, descriptive and focus on one country studies. There is a lack of theory building, and deeper analysis of links/correlations between constructs regarding networks and entrepreneurial internationalization is needed in both the International Business and International Entrepreneurship literature. Construct development of networks concepts and typologies is not always robust. Networks involve different typologies but they have not been all studied with the same depth and we lack comparative studies on the different types.

Our synthesis of these empirical and theoretical studies revealed that: (1) Northern Europe and New Zealand are dominating regions in the research regarding links between networks and entrepreneurial internationalization, which involves a too narrow geographic focus. We observe a lack of comparative, crossnational and cross-regional studies; what is more, the geography of the scholars has an impact on preferences for the methodological approach: studies on Northern America exclusively are based on surveys (quantitative methods); qualitative methods tend to dominate in Oceania region. The link between the location and method of research was also confirmed by Macpherson and Holt (2007) in their systematic literature review on knowledge and learning in small firms. (2) there is a lack of explicit discussion and robust conceptualization on the construct of relationships and networks; (3) consequently, little is known about the role of different ties in terms of types and geography, diversity of ties characteristics and its dynamics impact on the entrepreneurial internationalization; in the same vein, Hoang and Antoncic (2003) in their critical review have pointed out the potential implications of ignoring network dynamics in the theoretical development of entrepreneurship; (4) there is a need to improve still too heterogeneous definitions regarding INVs – despite the fact that this issue has been emphasized a decade ago, for instance, in the review of Rialp et al. (2005) where authors encouraged to improve and unify definitions of early and fast internationalizing firms, nothing has changed since; (5) even though the positive impact of networks on entrepreneurial internationalization of new ventures is emphasized, there is an empirical evidence about the lack of relevance or negative aspects of networks; however, our review has shown that the negative impact or drawbacks of networks is still an unexplored field which should open new directions for research; (6) a main area of concern is that too little research has been devoted to the analysis of networks' impact on both process and performance of entrepreneurial internationalization; the integration of those elements (process and performance) in the research of networks could transform existing fragmented knowledge into full field of view; (7) some of the papers investigated networks from the firms' perspective, that is firm's ties were analyzed, meantime, others tried to reveal the role of the network on entrepreneurial internationalization from the *entrepreneur's perspective*, that is entrepreneur's ties - however, the latter is still far from being fully understood.

In sum, we encounter a gap in the contradictory empirical results and in the availability of replicable and generalizable studies in the crucial area of investigation, which affects theory building both in international business and entrepreneurship.

Following the structure utilized to report the findings of our systematic literature review, existing knowledge gaps and potential directions for further research with respect to (1) theory, (2) methodology and (3) content – will be discussed. Table 7 presents our framework for future research directions.

Table 7 goes about here

5.1 Future Directions for Objectives

The key aspect of covering gaps in research objectives is the need to focus more on theory building than theory testing approaches in order to understand and explain the phenomena (Sharma and Blomstermo 2003; Weerawardena et al. 2007; Freeman et al. 2010). It is closely related to the methodological approaches used in researches concerning links between entrepreneurial internationalization and networks. As SLR revealed, studies are often carried out to verify the theory in a particular context: a single-country, single-industry study. Therefore, we make a call for more expanded research in terms of cross contexts and assessment of various contextual factors to contribute to theory development. The same holds for comparing different typologies of networks and their impact on the different dimensions of internationalization. Contextualization of networks is important because we can gain more insight comparing evidence from different contexts. The context can be one of the key dimensions of analysis which help understanding controversial findings (positive effect, insignificant effect and negative impact or drawbacks of networks) in extant studies about networks.

The exploratory character of this paper tried to stimulate the debates on networks impact on entrepreneurial internationalization of new ventures. The topic has grown in interest in recent years and this research might enable scholars in the field to continue developing conceptual frameworks by including theories that have been mostly used in networks and INVs studies to better define which theories seem to be useful for future research. For instance, Sepulveda and Gabrielsson (2013) emphasized the importance of the resources acquired through the network, consequently endorsing the assumptions about the advantages of resources for internationalization that Resource-based view suggests. Hence, Resource-based view would be one possible theory to study internationalization and performance outcomes of firms being involved in a network. Moreover, the environment in which many INVs operate knowledge-based resources contribute more to the firm's internationalization and performance than do

property-based resources, therefore international new ventures accumulate and transfer knowledge more speedily than other firms (Knudsen et al. 2002). This presumes that Knowledge-based view could be one more theoretical perspective to analyze the relationships between the networks and entrepreneurial internationalization. Furthermore, according to Sarasvathy et al. (2014), Effectuation theory offers reasonable explanations about how SMEs internationalize since in the context of the multiple uncertainties firms prefer affordable loss, more than predictive rationality. Consequently, interdisciplinary studies involving different theoretical constructs such as International Entrepreneurship (Bruneel et al. 2010; Milanov and Fernhaber 2014); Behavioral theory of internationalization (Giarratana and Torrisi 2010), Effectuation approach (Galkina and Chetty 2015); Institutional theory (Gerschewski et al. 2015) are essential for future theory building in this field. Furthermore, the research should seek to explore not only the impact of networks on internationalization but also how internationalization influences network structure (Al-Laham and Souitaris 2008). The understanding of these reverse processes may open new directions for conducting further research.

Also, research gaps include the following questions: How networks influence foreign entry decisions? What is the role of networks in comparison to other drivers of entrepreneurial internationalization? For instance, do firms with international experience (Al-Laham and Souitaris 2008) or strong entrepreneurial orientation (Nakos et al. 2014) increase their centrality within their network over time? How social and contextual factors from the pre- and post-entry phase affect and shape perceived foreign market familiarity (Schwens and Kabst 2011). Future research might cover such question as how the international new venture governs and develops such networks and relationships in pre- and post-entry phases.

5.2 Future Directions for Methodology

Future research needs to address methodological decisions with greater coherency and thoroughness (Coviello and Jones 2004). According to Rialp et al. (2005), future researchers would benefit from the synergies resulting from the combination of both quantitative and qualitative research methods and techniques. We are in total agreement with this statement. Moreover, on the basis of this literature review, we suggest more emphasis not only on the mixed methodological approach but also on longitudinal study approach. Longitudinal analyses are recognized a research gap in international business from a number of authors (Knight and Liesch 2016; Kuivalainen et al. 2012; Coviello and Jones 2004; Zhara and George 2002). The focus on the long period of new ventures development path, or evolution of networks ties, would enable theory development in substantiating theoretical constructs proper. The longitudinal approach of research can provide an evolutionary perspective of networks depending on the firms' life cycle and growth; therefore it may unveil that networks matter more or less in different moments of the life of the

entrepreneurial firm, and/or what different types of networks matter in different moments of the life of the firm. This, for example, has been acknowledged in some models about networks evolution in entrepreneurship (for instance, Larson and Starr 1993; Schutjens and Stam 2003; Jack et al. 2008) but it is still a gap in IB studies, as the controversial empirical findings reported in our literature review suggest. Furthermore, by seeking to reduce subjectivity or bias from using a single method, future research needs to apply multiple methods in both quantitative and qualitative research (McDougall et al. 1994; Coviello 2006; Sullivan Mort and Weerawardena 2006). For instance, by relying only on personal interviews but not checking some external data some important information could easily have been overlooked. In order to develop theoretically rich understanding of the phenomenon, to verify consistency in the approach and achieve the greater depth of insight this involves iterative cross-checking between different information sources, primary and secondary data collection methods and etc. Moreover, in order to make the future research comparable, there is a need to improve, elaborate and unify the operational definitions and measurements of networks and INVs than the different indexes used in the present studies (Belso-Martínez 2006). Moreover, there is a lack of operational definitions of opportunity exploration-exploitation for quantitative studies (what kind of activities exploration-exploitation is consist of?), since this concept has been explored mostly from a qualitative approach. Also, there is a need to improve sampling frames by generating a representative sample of firms together with a well-selected number of case studies (Coviello and Jones 2004; Rialp et al. 2005; Nakos et al. 2014). And finally, our research revealed that limited attention is paid to networks and rapid internationalization of new ventures in emerging markets, especially Central and Eastern European and Latin American countries (only 5 papers out of 73 analyzed these contexts during the period of more than two decades). Most of the literature is based on analysis of the developed market, especially Nordic region, context. Consequently, the comparative analysis of emerging market versus developed market context (Ciravegna et al. 2014b) might be another stream of the further research.

5.3 Future Directions for Content (Findings)

We have analyzed several perspectives, which provide further research trends emerge from our performed SLR.

Pathways regarding entrepreneurial internationalization and types of network. Consistent with the entrepreneurial internationalization process and performance theoretical perspective, there are significant knowledge gaps and these two constructs need to be more clearly disentangled. Our point is to invite researchers to explore not only about how networks affect the choice of market or entry mode for instance, but consequently, to understand how this network's impact on choices reflects in the performance indicators of INVs. Research questions relevant to this issue include the following: do we perceive entrepreneurial internationalization as a never ending process, or

do we expect clear outcomes coming out of it; and whether and how networks enable both mentioned elements of entrepreneurial internationalization (process and performance). How do networks change during internationalization process from a time perspective (Coviello 2006) – e.g. will the structure of networks differ for young versus matured INV? Moreover, what is the role of networks in the international opportunity exploration – exploitation, since factors which propel firms to pursue international opportunities do not necessarily help them in the exploitation of such opportunities (Musteen et al. 2010). Our SLR noted that little is known about the role of different ties, diversity of ties characteristics and its dynamics impact on the entrepreneurial internationalization of new ventures. Therefore more research on the processes by which informal ties change into formal ties and vice-versa is suggested (Sharma and Blomstermo 2003). Also, the consequences of these changes for INVs are almost underexplored. Furthermore, there is a need to answer, what is the role of intermediary ties of networks in the process of entrepreneurial internationalization (O'Gorman and Evers 2011)? Additionally, there is also a need for research from entrepreneur's network perspective since small companies are based on their manager's capabilities and networks (Ciravegna et al. 2014b). Finally, we agree with the arguments of Prashantham et al. (2015) who suggested that studies of overseas and local networks, which typically are undertaken in isolation of each other, warrant integrating. Thus, we urge that particular focus would be placed on domestic and international networks integrally.

Impact of networks. In the context of the impact of networks on entrepreneurial internationalization, there are major gaps concerning what are impacts of networks on international new ventures internationalization and international growth intensity. Do networks only foster internationalization and at what point existing ties could inhibit from entering foreign markets (Coviello and Munro 1997; Chetty and Cambell-Hunt 2003)? It is important to acknowledge that networks can have a 'dark side' (Coviello and Munro 1997; Coviello 2006), whereby the scope of potential negative impact of network ties should be assessed. Additionally, we have not addressed the issue of power, especially in regard to dependency on network links and their resource provision (Child and Hsieh 2014). Most of the literature (Sharma and Blomstermo 2003; Manolova et al. 2010) supports the theory that the earlier the new venture engages in network collaboration, the higher the degree of its internationalization. Thus, there is a need for work that properly explores whether and how the time of engagement in the network impacts entrepreneurial internationalization. Moreover, there might be some limitations of extant network theories, insofar as most conceptualisations view networks to be pre-existing. To date, with the exception of the work by Loane and Bell (2006) little attention has focused on how INVs build new networks which are relevant to their dynamic environments. Moreover, building on seminal articles like Gabrielsson and Gabrielsson (2011) we identify another area for future research on how technology can affect the role and content of networks. The emerging platform

economy (Kenney and Zysman 2016) gives raise to new market places which can disrupt a number of existing ties, for example in the international sale and distribution of goods, but also regarding payments and finance. Global value chains and the links between buyers and sellers worldwide can be reshaped by the advent of industry 4.0 technologies (Strange and Zucchella 2017).

Moreover, even this study has several limitations that can provide ideas for future research. In a number of studies where the phenomenon of entrepreneurial internationalization is analyzed, the terms INVs and "new ventures" are often used as synonyms. For the purpose of research ethics and accuracy in the literature search the original terms/definitions which were used in selected papers were provided in this study. However, future research could further deepen our understanding about the internationalization of INVs and the internationalization of new ventures, distinguishing their intensiveness and broad in scope. Second, we analyzed pathways about types of networks and the impact of networks on entrepreneurial internationalization in this study. However, available networks, the exchanged resources and the implications of different networks may vary in different firm settings. Therefore, future research may examine the network's impact on INVs with regard to the phases and intense of their growth. Therefore, evidence of what such aspects as precocity, post-entry speed and scope affect the performance of INVs and what is the link to networks is also needed.

5.4 Theoretical and Practical Contribution

From a theoretical perspective, our study contributes to the theory building and extends the interdisciplinary research approach on networks and entrepreneurial internationalization. The paper contributes to the interdisciplinary literature of networks theory development, international entrepreneurship, and international business by systematically mapping out the current body of research literature that conceptually and empirically explores networks and entrepreneurial internationalization. It is important to build frameworks for research agenda that were proved by systemic literature review, based on the gaps in theory, methodology, and content. Our paper clearly contributes to the present body of knowledge by revealing the weaknesses to be addressed in this area and by creating directions for future research and practice for gaining a clear understanding of entrepreneurial internationalization, particularly in relation to networks.

The research has some practical contribution for entrepreneurs and managers. The findings of this review serve as a wake-up call for entrepreneurs to start benefiting from the full variety of potential partners. They can also benefit from the conceptual contribution which increases their perception of networks role in the entrepreneurial internationalization, especially by gaining knowledge regarding the different effects of networks on entrepreneurial

internationalization and the possible threats coming out from having a network. By knowing this entrepreneurs and managers can determine the possible implications in different circumstances in order to succeed in foreign markets.

Furthermore, our research also has some contributions for policy makers. From the policy perspective, some open questions for future research occur, such as the impact of networks on the entrepreneurial internationalization of new ventures through opportunities identification and enhancement and the establishment of networks infrastructure in the countries seeking to foster internationalization of new ventures. Furthermore, policy makers are encouraged to develop support programs for early internationalizers, many of them represent small entrepreneurial firms (Bell et al. 2003; Rialp et al. 2005). Such programs are particularly needed since new ventures generally face significant challenges in terms of the lack of financial and knowledge resources. Thus, the various financial, export promotion and development of entrepreneurship or investor attraction concerning programs can be a strong incentive for early internationalization and sustainable development in foreign countries. Furthermore, policymakers should initiate programs in order to facilitate firms to develop all types (formal, informal and intermediary) of networks at both national and regional level. These ties could lead not only to new contacts but also to accelerate the exchange of knowledge and resources in foreign markets. Infrastructure enabled by networks contributes to the internationalization process in which different types of networks in different scopes of geography could act as facilitators or inhibitors.

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Table 1
Nature Characteristics of Networks' Relationship (Sekliuckiene and Morkertaite, 2017)

	Informal	Formal	Intermediary
Essence	Based upon mutual	Related to business activities	Third party that connects
	expectations, and without	between two or more actors in	the buyer and the seller
	explicit and detailed contracts	the network	
Forms	Social	Business	Institutional
Actors	Family, friends, colleagues,	Customers, suppliers,	Government agencies,
	employees, and other	competitors, business partners,	R&D centers, NGOs,
	acquaintances	distributors and other	business incubators,
	_	stakeholders	universities
Influence on	Creating and developing	Business deal, sustain or acquire	Support functions and the
Performance	social capital and business	resources, advantage, know-	institutional -based
	know-how	how	environment
Authors	Nooteboom 2000; Coviello	Adler & Kwon 2002; Coviello	Chetty & Blankenburg
	2006; Larson & Starr 1993;	& Munro 1997; Ojala 2009;	Holm 2000; Oviatt &
	Ojala 2009; Oparaocha2015	Oparaocha 2015	McDougall 2005; Ojala
			2009; Oparaocha 2015

Table 2 Exclusion Criteria for the Systematic Literature Review

Number	Criteria	Reason for Exclusion
1.	Non-English language	Papers published in non-English language were excluded because of the
		limitations of authors to analyze these papers
2.	IT network	The loanword "network" or "networking" is more usually used in
		technology sciences and has a meaning of telecommunications network
		(best-known - the internet). But the object of this research is human
		interactions. Thus, firms and entrepreneurs' networks are the focus of
		discussion
3.	Foreign subsidiaries and	Subsidiaries are typically wholly owned and joint venture requires a
	joint ventures	significant (sometimes controlling) equity stake. They thus cannot be
		properly classified as networks (with external independent partners),
		according to this paper definition
4.	Multinational companies	This research seeks to elaborate the phenomenon of SMEs
		internationalization and particularly new ventures
5.	Local/domestic business	The aim of this research is to analyze the process of overseas business
		(for example, not a domestic firm)

Table 3
The Process of Paper Selection

Searching Step-by-Step	Science Direct	Web of Sciences	
Primary search: (network* OR alliance* OR collaborat* OR cluster* OR	1,869 results	4,162 results	
partner*) AND (international new venture* OR born global* OR			
international entrepreneur* OR born international* OR global start*up*)			
Limited to: Social Sciences + Date: since 1994	1,649 results	1,762 results	
Limited to: Journals	1,239 results	1,429 results	
Limited to: English language	1,239 results	1,262 results	
Limited to: only ABS ranking (2010) journals (4 and 3 stars) in the fields	147 results	269 results	
of Entrepreneurship and Small Business Management; Strategic			
Management; International Business and Area Studies; Organizational			
Studies; Marketing, General Management.			
Exported to Refworks (bibliography management tool)	413 results		
After subtracting duplicated	392 results		
After reading full papers and limited to only networks in the context of	68 results		
INVs' internationalization			
After the method of "Snowballing"	+5 results		
Final number of papers	73 results		

Table 4 Journal and Year of the Articles

		`	, , ,		****			V- v.	HE F												
Journal	1994	1995	1997	1998	1999	2000	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	Total
Strategic Management Journal																1					1
Small Business Economics								1													1
Long Range Planning																				1	1
Entrepreneurship and Regional Development											1							1			2
Journal of Business Research																			2		2
Industrial Marketing Management												1		1				1			3
Strategic Entrepreneurship Journal															2			1			3
European Journal of Marketing		2							1												3
Management International Review																	1		1	2	4
Journal of Business Venturing	1			1								1						1	1		5
Journal of International Business Studies											1	1		1	1	1					5
International Small Business Journal								1							1		1	1			4
International Marketing Review										1	2					1	1				5
Journal of International Marketing					1						1	2				1	1				6
Journal of World Business												2	1		2		1		1	3	10
International Business Review			1			1	1	1	1	2	1	1	1	2	1	2			1	2	18
Total	2	2	1	1	1	1	1	3	2	3	6	8	2	4	7	5	5	5	6	8	73

Table 5 **Location of the Empirical Research**

Regions	Number of papers	Percent ^a of total	
Asia (Western, Southern, Eastern) ^b	14	19 percent	
India (4); China (5); Turkey (1); Israel (3); Singapore (1)			
Oceania	18	24 percent	
New Zealand (12); Australia (6)			
Northern Europe ^c	28	38 percent	
Norway (2); Finland (10); Sweden (4); Ireland (4); Scotland (2)	; UK (6)		
Western Europe	11	15 percent	
France (2); Belgium (1); Germany (7); Switzerland (1)			
Eastern Europe	3	4 percent	
Bulgaria (1); Czech Republic (2);			
Southern Europe	9	12 percent	
Spain (3); Italy (5); Greece (1)	<u>.</u>		
Northern and Latin America	11	15 percent	
USA (7); Canada (2); Costa Rica (1); Brazil (1)	•	•	

 ^a Since some papers explored more than one country, the sum of percentage in total is more than 100percent
 ^b In some studies only region was indicated, for example, Asia Pacific region (1)
 ^c In some studies only region was indicated, for example, Scandinavia (1)

 $Table\ 6\ Literature\ on\ entrepreneurial\ internationalization\ of\ new\ ventures\ and\ networks$

6 Auth	7 Entrepren eurial	8 Networks	9 Key findings
or /(year)	euriai Internationali zation		
McDougall et al. (1994)	Formation process of INVs	Not specified	Strategic alliances and networks is a way to overcome the usual poverty of resources and to identify the business opportunities. Limitations: a threat of opportunism from INVs partners that could lead to venture failure. However, if founders of firms rely on members of their close personal networks as partners, they can often avoid these problems of opportunism.
Bell (1995)	Market selection, entry mode, subsequent internationalization processes	Customer, supplier	Evidence of client followership and indications that some firms initiated exporting because of contacts with foreign suppliers do offer a plausible explanation as to how and why software firms with such networks internationalized.
Coviello & Munro (1995)	Internationalization process as chronological events	Customers, suppliers, competitors, family, friends; private and public support agencies	Foreign market selection and entry initiatives emanate from opportunities created through network contacts, rather than solely from the strategic decisions of managers. Misconception that entrepreneurial high-tech firms enter foreign market randomly or irrational; the span of activities can be linked to opportunities emerging from a network of relationships.
Coviello & Munro (1997)	Internationalization process as choice of foreign market and entry mode	Customers, suppliers, competitors, family, and friends	Network relationships can drive market expansion and development activities, including choice of market and entry mode. Networks can both facilitate and inhibit product development and market diversification activities.
Preece, Miles & Baetz (1998)	The percent of total sales coming from foreign sources; n° of major regional areas from which they derive revenue	Strategic alliances, government	Firm age was positively associated with global diversity but not international intensity - it suggests that proceeding to the next step-achieving global diversity- requires significantly greater time and resources. Firms utilizing strategic alliances were no more active internationally than those not using strategic alliances.
McAuley (1999)	Internationalization activity	Not specified	Instant internationals sometimes formally, sometimes by chance, use their networks to achieve business objectives. Key influences on the instant internationals: 1) product, 2) personal and psychological, 3) industry, 4) cognitive (here is network); for most of the firms, the crucial spark to begin exporting came at trade fairs or through networks.
Chetty & Holm (2000)	Internationalization patterns in terms of: export sales, year of export debut, entry mode	Competitors, suppliers, customers, distributors, government	The decision-makers determined which relationships they developed thus setting the form of internationalization. Some decision-makers (Lonely, International, Late) were proactive and actively formed relationships to help their firms internationalize, others (Early) were reactive and unprepared.
Yli-Renko et al. (2002)	International sales growth	Customer, supplier, manager's contacts	Personal networks of entrepreneurs and employees play an important role in providing information about e.g. market trends, competition, latest technological developments; knowledge is a key resource for international growth.
Chetty & Cambell-Hunt (2003)	Rapid international growth	Customers, distributors, suppliers, competitors, research institutes,	The business networks offer the only vehicle for internationalization when the internationalization process is sudden (the gusher), involves big increases in capability (going global) and specialization (focus and growth). The distributor as the main partner was

Riddle & Gillespie (2003)	Perceived importance of information sources for export	subcontractors, licensees, etc. Friends and family; formal organizations; business association	identified: to acquire host country knowledge, overcome shortages of capital. Networks problems encountered: finding the right partner, neglecting products, becoming competitors, goal conflict, being locked out of distributor network. Informal social ties –friends and family – are key sources of information for new-venture firm owners in clothing industry. Formal organizations providing export information to entrepreneurs are not easily accessible to new-venture firm owners.
Sharma & Blomstermo (2003)	Foreign market entry	Distributors and agents, etc.	The findings point out the importance of weak ties in the internationalization process of firms; BG are more willing to adapt their internationalization strategy to the needs of the market, thus, it is important that relationships with international firms in the domestic market and/or abroad are built early.
Gabrielsson & Kirpalani (2004)	Expanding internationally	Value chain partners	A network is one of the viable channels which enables international expansion, provides learning, technology, and evolutionary growth.
Moen et al. (2004)	The entry forms and market selection	Agents, distributors, clients	The firm's network relations are determinant when deciding which foreign entry forms they choose and which markets they decide to enter
Crick & Spence (2005)	Internationalization strategies (entry mode) and timing	Government, clients, business representatives, citizens	The 'main' initial triggers for pursuing an international strategy could be classified into three categories: existing contacts; development and use of resources; serendipitous encounters. Therefore, no single theory (resource based view, networking, and contingency theories) could fully explain entrepreneurial decisions.
Harris & Wheeler (2005)	Internationalization process	Friends and family; customer, etc.	Interpersonal relationships can direct strategy and transform the firm, not just provide information and access to networks. The origins of the relationships are wide, spanning 'social/personal' and 'business'; for entrepreneurs, the 'planned' approach of relationships and network development in foreign markets may not be relevant, instead, entrepreneurs might look to strong, deep, interpersonal relationships.
Pla-Barber & Escribá- Esteve (2005)	Degree of internationalization (speed, extent, scope)	Suppliers, customers, competitors, institutions: public bodies, research centers, associations	The main drivers of an accelerated internationalization process: 1) the management team's attitude; 2) possession of competitive advantages; 3) networks.
Belso-	Binary variable	Clients, suppliers,	Firms with a higher level of networking with their
Martínez (2006)	(rapid vs gradual internationalization)	competitors and institutions	clients follow a more accelerated internationalization process. Hypotheses about networking with suppliers , competitors and institutions were not supported.
Coviello (2006)	INVs' stages of life	Family, friends, business ties	The attractiveness of certain ties enhanced the legitimacy of the INV and stimulated for internationalization and growth. The range of INV networks increased over time. Although a small dense network is beneficial at the conception stage, the overall changes in network structure lead to an increase in social capital for the INV.
Freeman et al. (2006)	Early and rapid foreign market entry	Alliances with suppliers, distributors, clients, personal contacts	The following key constraints that smaller BG firms face: lack of economies of scale, lack of resources (financial and knowledge), and aversion to risk taking; such firms overcome these constraints by using 5 strategies: personal networks; client followership;

			collaborative partnership; use of advanced technology; multiple modes of entry technology.
Loane & Bell (2006)	International knowledge acquisition and development	Family, friends, alliance, former employers and former college instructors, etc.	A high proportion of firms actively used existing networks to develop their knowledge of foreign markets and improve their competitiveness; however, an even larger number had to build new networks. Networks may be regarded as ways to overcome resource deficiencies rather than being the actual drivers of internationalization.
Prashantham & McNaughton (2006)	Foster novel ideas, knowledge and opportunities that are valuable to internationalizing	MNC subsidiaries; The Scottish Technology and Collaboration (STAC) initiative	MNC subsidiaries are potentially a source of social capital that may lead to desirable internationalization outcomes. Barriers (e.g. a lack of information, processes, trust) exist that impede the formation of asymmetric ties such as those between MNC subsidiaries and SMEs. STAC's credible facilitative intervention can lower these barriers.
Sullivan Mort & Weerawarden a (2006)	Opportunity exploration/exploitat ion; international market performance as entry market	Capacity of the firm to develop a purposeful set of routines within its networks	Dynamic networking capability plays a key role in the early and rapid internationalization of the BG, facilitates the development of knowledge-intensive and innovative products, resulting in superior international market performance. Main problems of networks: network rigidity - unreliable partners disrupt market opportunity or network boundaries limit strategic options.
Al-Laham & Souitaris (2008)	Internationalizing via International research alliances formation	Alliance, cluster (other firms, universities, research institutions, suppliers, etc.)	The number of prior national research alliances of the focal firm increases its probability of entering into an international alliance. Firm's probability of forming international alliances is positively associated with the number of prior links it has with local research institutions.
Chetty & Agndal (2007)	Internationalization mode (high vs low - control mode)	Suppliers, customers, managers' contacts	Through frequent interactions, firms were able to develop knowledge and acquire information from their customers, thus increasing their social capital. Evidences of opportunistic behavior were found, thus confirming that not all partners behave cooperatively.
Freeman & Cavusgil (2007)	Foreign market selection and entry processes	Customers, suppliers, agents, present and past work colleagues, trade associations, school ties	Senior managers' entrepreneurial perceptions of their proactive internal and external opportunity-ridden environment, their gradual network evolution and maintenance, and foreign market network-driven selection and entry processes were highlighted. Entrepreneurial attitudinal states (approaches) for accelerated internationalization: Responders, Opportunists, Experimentalists, Strategists.
Laanti et al. (2007)	Globalization strategies: product, operation and market strategies	Supplier, government, multinational firms, industry forums, etc.	In the early phase of globalization the role of domestic network partners is important. Later, the role of a global network became stronger. Networks helped the companies in developing products (R&D), opening sales and marketing opportunities internationally, and attracting investors.
Presutti et al. (2007)	Knowledge acquisition from a key foreign customer; foreign sales; n° of foreign markets; n° of foreign R&D partnerships	Customer	The foreign development of high-tech start-ups is positively influenced by knowledge acquired from key foreign customers; the structural dimension of social capital (inter-organizational weak ties) is positively associated with greater knowledge acquisition. Both relational and cognitive dimensions (inter-organizational strong ties) are negatively linked to knowledge acquisition.

Weerawarden a et al. (2007)	Speed, extent, scope	Not specified	A set of dynamic capabilities (market-focused learning, internally focused learning, networking) enable firms to develop knowledge intensive products, paving the way for their accelerated market entry. Networking capability is positively related to the development of knowledge intensive products in accelerated internationalizing firms.
Zhou et al. (2007)	Export growth, profitability growth, sales growth; outward and inward internationalization orientation	The guanxi network	Three information benefits of guanxi networks: 1) knowledge of foreign market opportunities; 2) advice and experiential learning; 3) referral trust and solidarity. Guanxi networks mediate the performance impact of outward internationalization on both export growth and profitability growth, but not on sales growth.
Zucchella et al. (2007)	Internationalization precocity as time to export (in years)	Formal and social intern-firm agreements	The role of networks is not strongly supported. Meantime, founder-specific drivers show the most significant findings explaining the phenomenon of early internationalization.
Gabrielsson et al. (2008)	Phases of BG	Supportive firms and/or business associates	Three different phases of BG: 1) introductory; 2) growth and resource accumulation; 3) break out. In each phase a number of critical steps and illustrative incidents concerning key aspects such as financing, channel/network choice, and learning were found.
Styles & Genua (2008)	Opportunity exploration/exploitat ion	Contacts of university's commercialization unit, academics, managers	The nature of a firm's networks has a substantial impact on a firm's pattern of behavior; the 'fundamental' networks of the academics involved in the firms assisted in the identification and exploitation of initial opportunities to internationalize.
Filatotchev et al. (2009)	Export orientation (binary variable for exporting firms, + ranges of export sales); satisfaction in terms of sales growth, the pre-tax profitability of sales	Global networks: 1) network in foreign markets; 2) contacts with people in foreign markets;3) member ship of different associations abroad	Export orientation and performance depend on the development of capabilities through R&D, technology transfer, entrepreneurial characteristics such as the founder's international background and global networks. Both export orientation and performance are positively associated with the presence of a 'returnee' entrepreneur.
Ojala (2009)	The entry to a psychically distant market	Business actors, family, friends, third part	The important relationships were actively utilized or developed to achieve the market entry, and were mediated relationships with non-profit government-owned consulting firms. When knowledge-intensive SMEs enter distant markets, they more likely first select the target country and the entry mode without any influence of network partners.
Schwens & Kabst (2009)	Early internationalization (within 3 years); Entry-mode choice; Entry-mode stability	Business partners, customers, suppliers	Learning from direct experience is negatively related to early internationalization opposed to late internationalization, whereas learning from others and learning from paradigms of interpretation have a positive impact on early internationalization opposed to late internationalization. Early internationalizers compared to late internationalizers continue to prefer cooperative modes of market penetration and show higher stability of mode choice in the same market.
Tunisini & Bocconcelli (2009)	Growth through acquisitions & expansion of the international commercial structures; international development of	Upstream supply network	The local network of supplier relationships plays a very important role both as a resource and a constraint in some critical stages of development of the companies. It sheds light on the differences in the patterns of development of the companies in international markets, in relation to the reconfiguration of their sets of supplier relationships.

	production processes		
Bruneel et al. (2010)	Outcomes of internationalization in terms of both scale and scope	Customers, suppliers, commercialization/ technology partners, investors	A firm's level of international experience negatively moderates the effects of congenital and interorganizational learning on the extent of internationalization: the lower a firm's experiential learning, the more significant the effects of the start-up team's prior international knowledge base and the knowledge and skills acquired through the firm's portfolio of key exchange partners.
Coeurderoy et al. (2010)	Survival – (dummy variable) - economically active firm	Customer	High absorptive capacity increases survival probabilities; specific customer—supplier relationships enhance survival; and the greater the firm's exposure to internationalization activity, the higher its subsequent chance of survival. Thus, young firms are more likely to survive when they pursue an internationalization strategy based on resource consolidation.
Freeman et al. (2010)	Development of new knowledge	Inter-firm partnerships	Born-global managers can use both pre-existing and newly formed relationships, to quickly and proactively develop new knowledge for rapid commercialization of their products. Proactive, advanced relationship-building capability is based around locating partners with technological knowledge with a view to ensuring ease of sharing knowledge.
Giarratana & Torrisi (2010)	Market entry and exit (dummy variables)	Alliances – majority is non-equity alliances: joint R&D, commercial contractual, etc.	International linkages foster firm entry and survival, whereas technological capabilities affect firm survival, and firm experience does not produce any consistent results.
Manolova et al. (2010)	The proportion of foreign sales in total sales	Accountant, banker, other firms, friend, relative, another entrepreneur, professional or trade association,	Study confirms the vital role of networks for new-and-small venture internationalization in transition economies: domestic personal networks have a positive effect on internationalization. Firm age negatively moderates the effect of inter-firm networks - the earlier the new venture engages in inter-firm collaboration, the higher the degree of its internationalization.
Musteen et al. (2010)	Satisfaction of: the realization of goals and objectives; profits; sales; Speed (in years, from founding till first international venture	Customers, suppliers, export agents, other industry-related contacts; friends, relatives and other non-industry- related contacts	A common language between partners enables to internationalize faster; geographically diverse networks contribute to superior performance; extensive reliance on personal contacts hinders the performance of the first international venture; multidimensional nature of SME networks; factors which propel firms to pursue international opportunities soon after inception do not necessarily help them in the exploitation of such opportunities. Networks both facilitate and constrict internationalization.
Zhou et al. (2010)	International sales growth	Personal ties, connections with foreign suppliers, distributors, customers	Young entrepreneurial firm achieve international sales success at great pace through their ability to develop international networks and absorb international market knowledge (acquire learning advantages) for facilitating such performance in a short period of time. A network consists of actors who are in focal relationships and/or subsidiary relationships and that these networks of relationships can be mapped.
Ellis (2011)	Methods for identifying opportunities; Export share	Relatives, friends acquaintances: e.g., neighbors, existing clients, former	Social ties with known others provide access to distant and valuable opportunities, but only up unto a point. Entrepreneurs in relatively open economies are more likely to rely on social ties than in less open

Lindstrand et	Europt shows of	classmates, employers or employees, business associates	economies; tie-use increases with international experience (but only marginally so); tie-based opportunities lead to generally better exchanges than opportunities identified via non-network. Tie-based opportunities were found to be constrained in terms of geographic, psychic and linguistic distance. Not apply all dispersions (structural relational and
al. (2011)	Export share of turnover and resource commitment to foreign markets (no of subsidiaries)	Founder's family, former Ph.D. students, academic network	Not only all dimensions (structural, relational, and cognitive) of social capital affect the acquisition of foreign market knowledge and financial resources, but also the usefulness of individuals' social capital can contribute to a rapid internationalization. Meeting these conditions, however, does not always result in a successful internationalization.
O'Gorman & Evers (2011)	Internationalization strategies, opportunity exploration/exploitat ion	Ministry of foreign trade, credit unions, trade promotion councils, research institutions, internationalization assistance organizations, etc.	The export promotion organizations (EPO) played an important role in information mediation: identifying foreign opportunities and customers; facilitating introductions to international customers; by providing foreign market knowledge and as a resource provider developing the firm's export capacity; capacity of an EPO is determined by: 1) the strength of the EPO's international market network; 2) the strength of the relationship between the intermediary and the focal firm.
Schwens & Kabst (2011)	Perceived institutional Familiarity (PIF); Perceived business Familiarity (PBF) – with foreign market	Customers, suppliers, and other cooperation partners	Knowledge is developed in supplier/customer relationships and that a distinctive knowledge base depends on inter- and intra-organizational relationships. It has been taken a novel perspective integrating PTI and INVT reasoning showing that what technology firms know about foreign markets emerges both in a systematic and proactive manner. Prior foreign market analysis is positively related to the firm's interaction with foreign market players in the host country.
Vasilchenko & Morrish (2011)	Opportunity exploration/exploitat ion – market entry	Entrepreneur- centered networks	Established and newly formed social networks can be instrumental in exploring internationalization opportunities. These social networks potentially lead to collaborative cooperation and form part of an entrepreneur's broader business network that facilitates exploitation of internationalization opportunities culminated by successful entry into foreign markets.
Yu et al. (2011)	Foreign sales	Technological and marketing alliances	Different types of alliances differentially impact the likelihood of new venture internationalization. Network cohesion among venture alliances increases the likelihood that marketing alliances will promote initial foreign market sales. Network cohesion (more ties among a venture's alliance partners) inhibited the tendency of a venture's technology alliances to encourage internationalization.
Bangara et al. (2012)	Market selection, entry mode,	Suppliers, customers, friends, government	Networks found as a mean to build SMEs legitimacy in western markets to accelerate their internationalization.
Chandra et al. (2012)	Opportunity exploration/exploitat ion	Suppliers, customers, personal network	Networks are partly the means by which opportunities can be exploited: weak ties because they bridge gaps between networks that introduce new knowledge and ideas and strong ties because they are the means by which new knowledge and ideas entering a network are passed on to those who are able to make use of it.

Khalid & Larimo (2012)	The initial survival and growth stages of Internationalization	Alliance with distributors in foreign markets	Development of capabilities in the new product advantage and marketing planning and implementation areas can be complementary for influencing firm performance at the survival and alliance learning capability at the growth stage. Alliance management capability wasn't significant neither for survival nor for growth stage.
Li, et al. (2012)	Regional sales as a percent of the total sales; no of regions * importance of regional market to total sales	Strategic alliance (with customers, suppliers, competitors, private and public support agencies)	Firm size and international experience have a non-linear, inverted U-shaped relationship with firms' early internationalization. Some strategic variables, such as R&D intensity, have significant impacts , whereas others, such as advertising intensity and strategic alliances , have none . However, the interactions between these strategic variables have a more significant influence than in isolation.
Tolstoy (2014)	Differentiation in business relationships after initial foreign market entry	Customers, customers' customers and suppliers	Networks are important when taking the first step into foreign markets, and to continue to develop business internationally. Network dynamics imply that entrepreneurial behavior and opportunities can be triggered at any time when the resource bases of different entities cross paths. Networks provide an opportunity to experiment with alternatives because of the heterogeneity of the resources spread across network partners.
Andersson et al. (2013)	Internationalization patterns in terms of: speed, market choice and entry mode	Industry clusters	Local networks were important for influencing the internationalization of the BG firm at inception; international networks served as the main impetus for re-launching internationalization for the born-again globals; the local research institutions and their connections abroad assisted both the BG and bornagain global firms to internationalize their innovations.
Baum et al. (2013)	Internationalization event (dichotomous variable)	Suppliers, buyers, other companies	International network contacts positively influenced international as opposed to domestic new venturing. The positive impact of international network contacts increases if high perceived financial barriers emerge.
Fernhaber & Li (2013)	Degree of international involvement - foreign sales	Geographically proximate firm; alliance partners;	International exposures from network relationships positively influence new venture internationalization. The effects vary based on the age of the venture: while international exposure from alliance partners impacted older ventures more, younger ventures were more influenced by international exposure from geographically proximate firms.
Nakos et al. (2014)	Sales growth; market share; return on investment; profitability; overall satisfaction with performance	Alliances with competitors and non-competitors	Alliances with non-competitors are positively associated with international performance; in alliances with non-competitors, entrepreneurial orientation helps SMEs increase international performance and that in alliances with competitors, entrepreneurial orientation simply reduces the negative impact. Participation in alliances with competitors has a negative direct effect on foreign market international performance.
Sepulveda & Gabrielsson (2013)	International opportunities; Competitive; advantaged; management of risk and uncertainty	Clients, suppliers, business intermediaries, social contacts etc.	Resource accumulation and network development have a strong relationship while network content becomes increasingly strategic; strong entrepreneurial orientation coincides with BG calculative network management; networks can provide benefits to BGs like opportunities, social capital, network membership and capabilities. Firms can often reach a point where network relationships limit or restrict further expansion.

Cannone & Ughetto (2014)	Binary variables for speed and scope	Distributors, subcontractors and customers	The niche strategy and the network relationships built up by the entrepreneur are key drivers for both an early internationalization and the scope of international expansion.
Child & Hsieh (2014)	Modes of decision- making on internationalization	Other firms (e.g. large customers), institutional agencies, consultants	This paper offers a new and systematic analysis of the likely associations between decision modes, information use, and network attachment among internationalizing SMEs. The analysis is subsequently contextualized in terms of two contingencies – the knowledge domain of the SME and the international experience of its key decision-maker.
Ciravegna et al. (2014a)	Export intensity, time to first export	Client–supplier relationships, existing personal, acquired by chance, or through specific strategies contacts	The network building mechanisms identified - client-supplier relationships, existing personal contacts, contacts acquired by chance, and contacts acquired through specific strategies. Internationalization through buyer—supplier networks is more reactive, whereas internationalization through personal networks is more strategically and actively.
Ciravegna et al. (2014b)	Opportunity recognition, performance in terms of: export speed, intensity, foreign market number	Family, friends, colleagues, client referrals, trade intermediaries	Entrepreneurs' experience does not lead to the use of networks; the sample networks were not the most common mechanism through which Chinese textile entered their first foreign market. Networks were not significantly associated with a superior internationalization performance in terms of internationalization speed, intensity and scope ; (none of the explored firms used trade intermediaries to find their first foreign market entry).
Gabrielsson et al. (2014)	Phases of INV growth	Competitors and non-competitors	International learning and networking are the sole two dimensions that positively affect INV growth throughout all its phases: 1) INV creation, 2) commercialization and foreign entries, 3) rapid growth and foreign expansion, 4) rationalization and foreign maturity.
Milanov & Fernhaber (2014)	International intensity - the percentage of foreign over total sales	Alliance	Internationally experienced domestic partners positively influence international intensity, especially when compensating for lack of venture's top management team's internalization knowledge or when complemented by the presence of foreign alliances in the venture's alliance portfolio. Domestic alliances can decrease new venture international intensity when such partners are inexperienced abroad.
Baum et al. (2015)	Internationalization patterns in terms of: timing, scale, scope	Inter-firm associations	While network strength propels a born-again global approach, international network size seems to allow for internationalization approaches such as born-global or born-regional patterns.
Casillaset al. (2015)	Export intensity (the ratio between export and total sales)	Competitors, clients, other exporters	The higher levels of vicarious and experiential foreign learning are associated with a dramatic increase in export intensity when strategic interest in exporting is high; however, when high levels of vicarious and experiential foreign learning are accompanied by low levels of interest in exporting, the result is actually a decrease in export intensity.
Galkina & Chetty (2015)	Opportunity creation, and exploitation	Personal contacts, alliance, early partners, employees, suppliers, customers, professional	The internationalization opportunities occur through effectual logic because of how, and with whom, entrepreneurs formed networks, rather than their having predefined internationalization goals; the internationalization process of effectual entrepreneurs is relationship-driven.

		advisors, local communities	
Gerschewski et al. (2015)	Satisfaction in terms of financial, operational and perceived international performance	Personal contacts	Personal network is not a significant driver of international performance for BGs; personal networks more are important for non-BGs as antecedent of financial performance; international entrepreneurial orientation, focus on product/service quality, and competitor orientation are critical drivers of international performance for born globals.
Khalid & Bhatti (2015)	Perceived initial and subsequent export expansion performance	Distributors, foreign sales partners	There is a positive relationship between entrepreneurial competence and the relational capabilities; relational capability of partnership knowledge exchange is only found to influence the initial export expansion stage.
Oparaocha (2015)	Exploration of international opportunities	Institutions (national funding agencies)	Institutional networking has a positive influence on the internationalization process of SMEs. The key influences of an SME's association with and utilization of institutional network resources are in the aspects of knowledge, speed, and the reduction of risks in foreign environments.
Prashantham & Birkinshaw (2015)	The ratio of foreign to total sales	Customers, suppliers and partners	Industry group membership (within the home country) is positively linked to international intensity. Strong home-country ties are negatively linked to international intensity.
Prashantham et al. (2015)	Percentage of international revenues	Not specified	Non-ethnic ties are found to be more significant for international growth than are ethnic ties. Thus, partner characteristics matter: ties that facilitate market access may be less potent in driving market growth.

Table 7 Future Research Directions

Suggestions for Field:

Objectives

- Pay more attention to theory building rather than theory testing approaches to develop theoretical models and constructs.
- Use an interdisciplinary approach to better understand relations of networks and entrepreneurial internationalization of new ventures.
- Utilize International Entrepreneurship theory to investigate networks role in the early internationalization process
- Pay more attention to the development of the international relations by adopting effectuation point of view.
- Pay more attention to Institutional theory in order to advance our understanding of the drivers of entrepreneurial internationalization's performance.
- Understand drivers of entrepreneurial internationalization in different contexts.
- Understand the reverse (bi-directional) process between entrepreneurial internationalization and networks.

Methodology

- More longitudinal studies are needed to compare the firm entrepreneurial internationalization's outcomes / performance in a long-term period and to explore the evolution of networks during the years.
- Pay more attention to operationalization issues concerning INVs and networks.
- Use mixed methods.
- Use multiple methods.
- Generate large-scale, representative sample of firms.
- Pay more attention to contextual factors within the geographic area, especially emerging market context.
- Facilitate equivalence in cross national comparison.

Content (findings)

- Understand the positive and negative impact of networks on entrepreneurial internationalization of new ventures
- Pay more attention to the "dark side" of networks.
- Understand how the time of engagement in the network impacts entrepreneurial internationalization.
- Understand the role of the network in the exploration–exploitation of international opportunity.
- Pay more attention to networks impact on both process and performance of entrepreneurial internationalization.
- Pay more attention to trust and commitment between partners.
- Understand differences in types of network ties, strength and diversity and their impact on entrepreneurial firm's internationalization.
- Understand the dynamics of networks ties during the time.
- Pay more attention to research from entrepreneur's network perspective.
- Focus on domestic and international networks integrally.

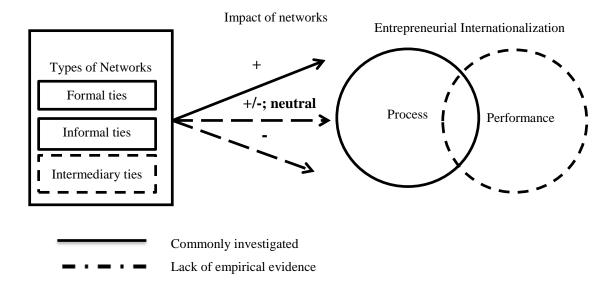


Fig. 1 Network's Impact on Entrepreneurial Internationalization

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