

Coping with uncertainty in the internationalisation strategy:

An exploratory study on entrepreneurial firms*

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1. Introduction

Internationalisation decisions are a paradigmatic case of strategising under conditions of uncertainty (Vahlne et al., 2017). This is particularly evident in the case of smaller entrepreneurial firms (Laufs and Schwens, 2014; Cavusgil and Knight, 2015). The International Entrepreneurship literature reports ample evidence of small and young firms venturing successfully in international markets (Crick and Jones, 2000; Ibeh, 2003; Keen and Etemad, 2012), notwithstanding their supposed paucity of resources. Constraints in terms of resources prevent them from engaging extensively into data analysis and planning activities, a strategy that can revert a situation of uncertainty into a situation of risk (Li et al., 2004). If so, how do smaller firms approach foreign markets under conditions of true Knightian uncertainty? And which strategic options fit better in the case of entrepreneurial internationalisation (Autio, 2017) in smaller firms? This contribution aims at providing some answers to this question, addressing a gap in studies, and encompassing different typologies of international ventures, from born globals and international new ventures (INVs), to enduring established internationalisers, old born globals, born-again global firms, and micro-multinationals (mMNEs)¹.

In addressing this gap, we combine the entrepreneurial decision-making perspective under Knightian uncertainty with international marketing (IM), international entrepreneurship (IE) and international business (IB) studies. Authors have called for research about the strategies pursued by entrepreneurial firms to achieve a global reach (Autio, 2017; Knight and Liesch, 2016; Love and Roper, 2015) and about their international marketing approaches (Styles and

Seymour, 2006; Zou et al., 2015). In particular, the investigation at the intersection of the Marketing and Entrepreneurship interface (Fillis, 2001) improves our understanding of smaller firms' internationalisation.

The paper is structured as follows. First, we review the strategic responses to risk and uncertainty in the internationalisation process. Then we present and discuss the exploratory research, based on 10 case studies. We apply a grounded theory approach, following a call for the adoption of this method in IB research (Gligor et al., 2015), uncovering how firms understand and deal with uncertainty in their international growth. The conclusions illustrate the implications of this work for the literature, some future research directions, and the main limitations. This contribution has managerial implications as well, inasmuch as it highlights some practices adopted to successfully deal with uncertainty, for smaller firms in particular.

2. Strategy under risk and uncertainty

Uncertainty represents the natural condition in which most entrepreneurial decisions and processes take place (Korsgaard et al., 2016). This is even truer in relation to internationalisation decisions, particularly in the case of smaller entrepreneurial ventures (Liesch et al., 2011).

Setting off from Knight's (1921) seminal contribution, we distinguish here between risk and uncertainty. When facing risk, a decision-maker can draw the frequency distribution of the outcomes of a range of future events. Instead, when facing uncertainty, the decision-maker is confronted with the impossibility to assign objective probabilities to each of the outcomes.

Building on classical approaches in Economics, the problem of choice under uncertainty may essentially be tackled by increasing the amount of information (Luce and Raiffa, 1957). By increasing the available information, a situation of uncertainty can be reverted into a situation of risk. Risk can then be mitigated through better planning and forecasting (thanks to the information available), through diversification and through insurance (e.g. Baker et al., 2003;

Minzberg, 1973; Porter, 1985;). Uncertainty cannot be mitigated, it can only be *coped with* (Liesch et al., 2011; Mascarenhas, 1982). A review of the literature about the different responses to conditions of true Knightian uncertainty (Magnani and Zucchella, 2018), highlights the roles of adaptation (Becker and Knudsen, 2005), flexibility (Doz and Kosonen, 2010; Teece et al., 2016), market creation (Courtney et al., 1996; Venkataraman et al., 2012; Sarasvathy, 2001; Yang and Gabrielsson, 2017) and networking (Coviello and Munro, 1995; Johanson and Mattsson, 1988). These contributions indicate how uncertainty can be coped with via non-predictive control and opportunities creation, flexible organisations, and networks.

In the entrepreneurship literature, strategic responses based on information processing are often associated with causal decision-making logics. Causal entrepreneurs are goal-oriented and rely on a predictive logic (Dew et al., 2009). While, entrepreneurs who rely on effectual logics emphasise improvisation, exploitation of contingencies, and market creation. They rely on a non-predictive control strategy exercising control over what can be done with the available resources, instead of taking a decision based on a given set of predictions and plans (McKelvie et al., 2011; Sarasvathy, 2001; Sarasvathy & Dew, 2005; Yang and Gabrielsson, 2017).

2.1 Strategic responses to risk and uncertainty in the internationalisation process

Classic IB theories take the stance of risk in foreign direct investment decisions. Risk minimisation strategies (Dunning, 1988) – other things being equal – deal with the geographical diversification of the investments portfolio to spread the risk across markets (Hitt et al., 1997; Rugman, 1979).

Uncertainty is present in the Real Options Theory, which argues that multinational enterprises have the opportunity to shift value chain activities from one subsidiary to another

when uncertainty prevails (Buckley and Tse, 1996). Some IB authors discuss the role of value chain operational flexibility (Dixit, 1992), for instance through outsourcing of production, (Buckley and Tse, 1996; Tong and Reuer, 2007) or lower commitment entry modes (Sanchez Peinado and Pla Barber, 2005), under conditions of high-demand uncertainty.

IB process studies (Johanson and Vahlne, 1977; Johanson and Wiedersheim-Paul, 1975; Vahlne et al., 2017) discuss uncertainty and risk, but treat them as interchangeable terms. These contributions suggest that uncertainty and risk can be reduced by increasing market and general knowledge.

In IE literature, the focus is traditionally on entrepreneurs and their ventures, and researchers refer to their *risk-taking* and *risk-seeking* postures (McDougall and Oviatt, 2000). Yet, also these studies often use the terms risk and uncertainty as if they were synonyms. Thus, we need to better understand if (international) entrepreneurs perceive conditions of risk, uncertainty, or both and, in particular, which are the relevant sources of uncertainty.

A second issue refers to which decision-making logic prevails in conditions of uncertainty. IE studies have found that causation and effectuation interweave in decision-making processes in the internationalisation of smaller entrepreneurial firms (Chetty et al., 2015; Laine and Galkina, 2016) and born globals (Nummela et al., 2014). Recent research (Gabrielsson and Gabrielsson 2013; Yang and Gabrielsson, 2017) finds that the two logics alternate in international marketing decision-making. Studies framed into the effectuation and causation logics embrace a clear distinction between risk and uncertainty, as discussed above. This is also the approach adopted in this contribution.

A third issue refers to the possible responses to uncertainty. The IE literature confirms the role of networking and/or social capital in explaining international growth (Coviello and Munro, 1995; Galkina and Chetty, 2015; Johanson and Mattsson, 1988). As mentioned before, networking is mentioned in diverse streams; not last, effectuation studies. In our

interpretation, networking can be viewed as an uncertainty-coping mechanism (Gabrielsson and Gabrielsson, 2013; Sarasvathy, 2001).

Effectuation theory also considers market creation as a way to cope with uncertainty (McKelvie et al., 2011; Venkataraman et al., 2012). However, in IE there is little empirical evidence about these issues (Kalinic et al., 2014; Galkina and Chetty, 2015; Sarasvathy et al., 2014; Yang and Gabrielsson, 2017).

In IM studies - although strategic actions in the face of uncertainty are not explicitly mentioned - strategy in foreign markets is considered as a response to the external environment involving standardisation or adaptation of marketing mix elements. Some studies have addressed the importance of product strategies (Chung, 2009; Sousa and Lengler, 2009), as well as of product uniqueness (Knight and Cavusgil, 2004), product range and product innovation (Bell et al., 2004), customer focus (Wolff and Pett, 2000), and marketing innovativeness (Hallbäck and Gabrielsson, 2013) in relation to export success, yet with no unidirectional results. We think that these factors require a deeper analysis, also because they partially resonate with Knight's (1921) idea that uncertainty can be managed via specialisation and concentration of production on successful lines.

Although they have identified important factors affecting internationalisation behaviour and decisions, all the mentioned research streams lack a clear identification of the strategic actions regarding risk and uncertainty (Liesch et al., 2011). The latter authors call for research in this direction.

Through the following empirical work, we aim to address the three mentioned gaps (uncertainty perception versus risk when approaching foreign markets, internationalisation decision-making, and strategies to cope with uncertainty in foreign markets) and develop research about how entrepreneurial firms perceive uncertainty and how they cope with it in their internationalisation.

3. Methods

The research design of our empirical work consists of a multiple-case study of 10 international entrepreneurial firms in terms of either enduring international growth as in the case of established firms/old born globals, or in their proactive pursuit of opportunities for growth (Shane and Venkataraman, 2000), as in the case of younger firms. We apply a grounded theory approach to data analysis (Glaser and Strauss 1967; Glaser, 1992), following the so-called “Gioia method” (Gioia, 2004; Gioia et al., 2013) to analyse the data and present our findings.

3.1 Selection of firms and empirical context

The firms were selected through purposeful sampling (Patton, 2014) in two stages. In the first stage, we sampled firms according to the following criteria. (1) Manufacturing firms originating in Italy were chosen to be the initial context focus of the study to gather knowledge about international smaller firms. (2) Each firm had to have less than 500 employees and therefore qualify, according to Knight’s (2000) definition, as smaller firm. This limit is higher than the European definition of small and medium sized enterprises (SMEs from now on), i.e. 250 employees, but permits to include two cases of firms which have grown to about 300 employees during the period under observation and represent two successful cases of fast international growth. They are also two small multinationals, thus permitting to achieve an optimal variation in the sample. (3) Each firm had to be already internationalised *or* within its internationalisation process. Pre-internationalised firms were particularly insightful because they allowed us to interview decision-makers who were starting the foreign expansion. (4) Each firm had to show entrepreneurial features either in terms of enduring international growth (Covin and Miller, 2014), as in the case of old born

globals, or in their proactive pursuit of opportunities for growth (Shane and Venkataraman, 2000), as in the case of younger firms. We then contacted 25 firms, which were part of the panel that this research unit had the opportunity to study longitudinally for at least 10 years (or since foundation). 9 ventures matched the above criteria and were available for in depth interviews.

In a second stage, as we were beginning to analyse the transcripts and draw theoretical elaborations, we decided to add one further case in order to confirm or disconfirm our preliminary findings (Patton, 2014). To do so, we considered introducing sector variation in the sample (services) and country of origin (different than Italy). We restricted the search for entrepreneurs in our database to these two criteria, and – after having contacted 5 firms – VolleyMetrics was available and responded to our selection criteria. This firm provides software analytics solutions for Volleyball matches and is based in Provo (Utah).

Overall, our variation in the sample allowed us to cover the different types of entrepreneurial internationalisation in smaller firms: 2 micro multinationals (Fedegari and ATOM) of which 1 is an old born global company (ATOM), 2 are enduring established internationalised firms (Mary Shorts Tricot, Cerliani), 1 is a born again global (Grandinote), and 5 are young born globals (So.VÍte, Julight, Evomode, Paperbanana, and VolleyMetrics). Even though these last 5 firms have no foreign sales yet, they are particularly insightful because we were able to interview the entrepreneur about the early stage of the firm's internationalisation at the time when that was taking place. Table 1 summarises key data about the 10 studied firms.

****Table 1 about here****

3.2 Data collection

We conducted 19 in-depth interviews with highly knowledgeable informants (the entrepreneurs) all playing important roles in the internationalisation process. During the

interviews, we asked them to speak as representatives of their companies. Thus, the analysis of the study was conducted at firm level, and the individual firm was inquired regarding how to cope with uncertainty during the internationalisation process. The observational unit was the entrepreneur.

Interviews were co-conducted by the 2 researchers and, on average, lasted between 1 and 2 hours. We began by asking the informants to illustrate the key features of their company and retrospectively reconstruct their international expansion: market entry decisions in chronological order. A second set of questions were designed to gain understanding about the foreign countries that were perceived as particularly uncertain, mentioning the corresponding sources of uncertainty. We followed almost the same process for the pre-internationalised firms but, in this case, we asked informants to explain their internationalisation projects, the perceived sources of uncertainty, and how they were planning to cope with them. We wanted to ensure that our respondents were referring to sources of uncertainty (and not risk). To establish communicative validity (Sandberg, 2000), we specified what we meant by “uncertainty/risk the process of internationalisation”, building on the mentioned Knightian distinction between the two. Additionally, to make sure that our respondents understood what we meant by “uncertainty”, we frequently used the term “complexity” (see Barney, 1986). Subsequent questions were devoted to understanding the firm’s relevant decision-making processes, and the uncertainty-coping strategic actions in already approached foreign markets, or in prospective ones.

Apart from structured interviews, we collected documental data through the following documents: (1) company reports (N = 10); (2) press releases about the companies (N = 15); (3) books and papers containing the companies’ analyses (N = 8).

3.3 Data analysis

Following a grounded theory approach, we started developing open codes. After that, we aggregated the first level themes into more abstract second order themes (axial coding) by focusing on the similarities and differences between the open codes. We then developed second order themes through analysis of emerging patterns, relationships, in comparison with existing theory (Dubois and Gadde, 2014). We collapsed second order themes into overarching aggregate dimensions to facilitate the presentation of our emergent model. Theoretical saturation was reached when we stopped getting variations in the concepts and categories that we were building systemically through the data collection process. Overall, the processes of grounded theorising illustrated so far were aimed to find recurrences and commonalities among the investigated case, so to frame the phenomena through a set of emerging categories (e.g., common responses to coping with uncertainty in internationalisation decisions).

4. Findings

The data structure (see Figure 1) illustrates our three main macro contexts in the uncertainty-coping process: 1) The antecedents to uncertainty-coping strategic actions context, comprising the main sources of uncertainty as reported by our respondents, associated to the most uncertain markets; and the decision-making processes implied to tackle the sources of uncertainty, whether based on causal or effectual logics; 2) The uncertainty-coping strategic actions context; 3) The outcome context, represented by the impact of uncertainty-coping strategic actions in relation to internationalisation decisions. The following sections are dedicated to “zooming-into” the aggregated dimension and second order themes of our macro contexts as systematized in a grounded model (see Figure 2).

**** Figures 1 and 2 about here****

4.1 Antecedents to the uncertainty-coping context

4.1.1 Perceptions of environmental uncertainty

All respondents could specify the main source(s) of uncertainty related to the foreign environment their firm had approached or was planning to approach. We found evidence of uncertainty related to *institutional differences* with respect to the legal framework, its enforcement, and regulatory regimes (Italy for Fedegari, Grandinote, Evomode, Paperbanana, and VolleyMetrics; France for Grandinote; the US for Julight); *cultural distance* (Russia, China, and Japan for Fedegari; Japan for Cerliani, Arabic countries, Russia and India for So.Víte; Middle East and Finland for Evomode; Eastern countries for Paperbanana; Japan for VolleyMetrics); *demand heterogeneity, sophistication, and dynamism* (China and Japan for Fedegari, all foreign markets for Mary Short's Tricot); *market access barriers*, due to distribution channels (India and East Europe for Cerliani) or to the nature of local competition (Japan for Fedegari, UK and US for Paperbanana, and China and India for Cerliani); difficulties in finding a *highly-skilled labour force* (China and East Europe for Cerliani, Middle East and Finland for Evomode).

4 firms reported the home country to be a highly uncertain market, especially in terms of institutional setting and ongoing societal evolution. This opinion was shared both by younger firms (Grandinote, Paperbanana, Evomode) and more established companies (Fedegari) who complained about Italy's inability to develop adequate instruments to foster the international growth of small firms. This was also confirmed by VolleyMetrics, whose founder deliberately chose to establish the firm outside Italy because of the perceived excessive institutional/administrative uncertainty which inhibits entrepreneurial proactiveness.

Interestingly, 2 respondents mentioned *distance from foreign customers* (instead of distance from countries) as a major source of uncertainty. For instance, Fedegari's CEO told us: "More generally – when I think about foreign countries - distance from the foreign customer is what generates uncertainty". Also, Mary Short's Tricot founder stressed: "To my firm, possibly the most problematic thing that generates uncertainty in our experiences in foreign countries, resides in not being able to respond to our clients ...".

4.1.2 Decision-making processes

Effectual logics. When making internationalisation decisions, entrepreneurs from Fedegari, Cerliani, Mary Short's Tricot, Grandinote, Evomode, Julight, So.Víte, and Paperbanana employed effectual logics. Fedegari's CEO leverages a contingency-based attitude towards unexpected events: "As an owner, I want to be present in all decision-making processes and in each decision involving the foreign country we are approaching, step by step, day by day, taking a deep look at each contingent aspect". So.Víte's CEO takes strongly means-oriented actions, and also relies on a contingency-attitude towards unexpected events, thus perceiving uncertainty as an opportunity: "When you enter a foreign country, uncertainty is your worst enemy because it is better to make a bad choice rather than not to decide at all. Uncertainty is a great opportunity because adrenaline forces you to try anticipating problems! We did not lose time in sophisticated market analyses when we approached Greece, we just decided to do our best being confident in our means. We know what we can do" (So.Víte, CEO).

Interplay of effectual and causal logics. The entrepreneurs from ATOM and VolleyMetrics employed the causal and effectual logics concurrently, confirming recent findings about their interplay (Chetty et al., 2015; Nummela et al., 2014). For example, ATOM's CEO exhibited a co-creation kind of attitude (effectual approach): "We have always partnered with expert distributors to increase our knowledge of both markets and clients with the objective of ultimately enhancing our market positioning". At the same time, he reported that the firm is

committed to undertake market analyses (causal approach): “We are used to meetings, analyses and numbers and we try to forecast each aspect that will bring us a cost or a return in that specific market. Casting a light on what the problems are and how we can handle them is a very useful approach to us” (ATOM, CEO).

Regarding time-to-internationalisation, all of the pre-internationalised firms’ respondents employ effectual logics apart from VolleyMetrics’ CEO who employs both effectual and causal logics. Grandinote (the born again global) and Fedegari (mMNE, family owned belonging to a traditional manufacturing sector) rely on effectual logics too. As in the case of VolleyMetrics, the CEO of ATOM (mMNE, old born global) combines effectual and causal logics (Chetty et al., 2015; Laine and Galkina, 2016; Gabrielsson and Gabrielsson, 2013).

We can conclude that effectual logics emerged more frequently. When entrepreneurs interplay effectual with causal-oriented logics, these are mainly related to efforts in reducing uncertainty by reverting it to situations of risk. For instance, as VolleyMetrics’ founder told us “The experience my team and I have gained through these years in the European volleyball market is fundamental to anticipate the market scenario that may characterise Poland, its clients and the environment. Of course, it has its peculiarities, but at the same time it is part of European Union and it is a European country from a cultural perspective. Therefore, we are able to understand some elements in advance and we can try to predict some aspects.”

4.2 The uncertainty-coping context

A particularly interesting result of the exploratory study is represented by the common adoption by all the studied firms of a niche strategy. The firms themselves brought to our attention the existing link between their niche strategy and the uncertainty characterising their internationalisation processes.

Our results indicate that a global niche strategy (GNS from now on) was implemented both by firms exhibiting an effectual decision-making approach and by firms exhibiting an interplay of effectual and causal logics.

The in-depth interviews also permitted to uncover what exactly a niche strategy entails.

Three main aggregate dimensions emerged as key components of the GNS: (1) market creation, (2) concentration on global clients, (3) control of technology and manufacturing capabilities.

4.2.1 Market creation

A crucial element of the niche strategy is market creation: the niche is understood as a highly specialised (unique) product/service offered to a small group of global customers. This combination is the outcome of an entrepreneurial effort to create opportunities, matching their highly specialised competences with the enactment of a demand from a few clients, wherever located. Two specific uncertainty-coping strategic actions i.e. “product uniqueness” and “high customisation” - that we collapsed under the strategic component “market creation” - emerged from the case studies as closely related both to reduced perceived uncertainty and to internationalisation decisions.

Product uniqueness. Targeting a few global customers with products characterised by high quality and specialised technology is mentioned by our respondents as one of the key elements to reduce perceived uncertainty in international markets and increase the likelihood of entry. According to Fedegari’s CEO, this strategy has helped the firm reduce uncertainty and, at the same time, ease the process of entry in a perceived uncertain market like China: “I think that uncertainty is somehow not an issue when you specialise and try to target a market through excellence in terms of product quality. It is something that potential clients out of the domestic market recognise. This was the case of China for us: it was a very uncertain market, yet our product specialisation helped to remain focused on the quality of our products and to

partially reduce uncertainty” (Fedegari, CEO). As it emerged from the analysis of secondary sources, Fedegari proposes a differentiated sterilising technology and related machinery for different groups of customers in the world, from pharmaceutical companies to health care institutions. The firm targets a number of niches across different industries, and concurrently refines the technology and quality of its products to provide excellent solutions, deepening the positioning in the domestic market.

As Mary Short’s Tricot’s founder puts it: “We have been specialising in a unique product and we have been focusing on quality. Managing uncertainty in the 1980s and 1990s when we were approaching Asian countries like Japan and Hong Kong for the first time helped a lot, even if there were quite a lot of competitors”. As documented in archival materials, since the mid-1980s, Mary Short’s Tricot engaged in a process of incremental product specialisation, reaching top quality in the execution of its yarns, deepening its niche positioning in the domestic market and, hand by hand, being able to expand abroad.

According to our respondents, the niche strategy is possible thanks to the development of a high-quality product which is often referred to by respondents as “unique”, both in terms of quality and technology. A niche positioning through product uniqueness is associated, according to our informants, to the reduction of uncertainty in foreign markets as the following quotes illustrate: “We are unique in terms of technology performance and ecological impact, and I am confident this will be the basis for having an easier approach to Polish clients” (Evomode, founder). “We have the unique ability of interpreting and engineering the design sketches coming from the fashion houses. This characteristic has allowed us to sell abroad...even in highly complex markets like the Far East” (Mary Short’s Tricot, founder). “We are the best in terms of quality. Only the Japanese are similar to us in terms of hook quality. Our unique offer gives us the possibility to access highly critical foreign contexts such as China” (Cerliani, CEO).

The medium-tech, high-tech, and the start-up groupings also highlight the importance of specialised technology, uniqueness of offer, and specialisation of the product offering as key elements affecting the likelihood of accessing uncertain countries. Grandinote's CEO described its products as belonging to "a niche of the niche", addressed to customers looking for high-fidelity products who search for the perfect sound. As he puts it: "I think I can face the sources of uncertainty I have been telling you about, by doing things that others don't. Customers who seek 'high fidelity' sound systems do not buy a system that transmits audio only because it is expensive, but they seek perfection in sound. This has helped in having a smoother access to those countries that to me were uncertain, such as France".

High customisation. This second theme relates to the emerging finding about the orientation towards both domestic and foreign customer needs and the ability to develop customisable solutions. This was argued by many firms as a key strategic trait allowing to strengthen the niche positioning in previously approached markets that were mentioned among the most uncertain ones. As Fedegari's CEO reports: "We always focus on customer needs and requirements, while paying special attention to product innovation and customisable solutions. When we had our first experience in China in the 1980s we noticed that the Chinese valued our customised solutions very much and we started to become more successful and present in the market, until we set up a subsidiary in 2008. Our foreign customers value this, and they reward us". The Fedegari case highlights the international marketing approach of a successful mMNE. Notwithstanding their continued growth and the opening of subsidiaries in different continents (the last was opened in the US in 2017), the firm keeps on being constantly focused on global customers, whom they serve with a highly specialised and customised offer.

A similar story is told by ATOM, another mMNE. ATOM diversified more pronouncedly its products over the past years, from its initial (and still core) sector – machinery for footwear

manufacturing - to machinery for automated cutting systems. The common link among different product lines is the advanced cutting technology (from leather to other materials), involving continual focus on solving and anticipating problems for global customers and customising the technology, in a logic comparable to the co-creation of value (Prahalad and Ramaswami, 2004) and to innovation through supplier/buyer interaction (Berthon et al., 2004).

Relatedly, close relationships with key customers emerged as a key element to anticipate their requests and innovate the offer. This shows the “interactive” knowledge competence through linking markets and new product development (ibid) of this firm, as well as virtuous value co-creation behaviours (Prahalad and Ramaswami, 2004; Ranjan and Read, 2016). This is confirmed looking at Cerliani’s offer: the firm has recently started customising its products by producing small series both for their domestic and foreign customers (secondary source). This, in turn, has increased the firm’s willingness to stay in a market perceived to be uncertain (China in this case).

4.2.2 Concentration on global clients

An interesting finding relates to our firms’ attitude of reasoning in terms of customers, instead of doing so in terms of countries. This is a key element in the reduction of perceived uncertainty in approaching international markets and in entry facilitation by the old born global firms in our sample with regards to their past internationalisation choices, as well as by younger firms in their initial stages of international growth, or by pre-internationalised companies.

Countries matter, but customers come first. All the firms in the sample have been referring to their internationalisation processes (or plans) as an attempt to focus on globally spread groups

of homogeneous customers, i.e. similar demand in terms of needs but coming from very different countries.

The case of Mary Short's Tricot represents this orientation very well. The firm faced a progressive strategic shift from several domestic B2B customers to fewer global B2B customers. The founder, in turn associated this process with an easier access to Asian countries: "I think our history tells us that we could overcome degrees of uncertainty through a strategy devoted to reducing the number of clients. This is because we have been focusing on very few B2B customers of the luxury industry over time and this has helped us a lot in improving our position as a brand and, in turn, in being recognised abroad. This has led us towards opportunities in Asia even if the market was very uncertain" (Mary Short's Tricot, founder).

Cerliani and ATOM mostly refer to customers rather than to foreign countries. Cerliani has been able to expand internationally since the 1950s by targeting sewing machine producers, first in Europe, and then in the US and in Brazil. The CEO underlined their commitment to focus on groups of homogeneous clients globally and how this process was key to cope with uncertainty and make internationalisation choices.

A similar strategy was pursued by the born global ATOM when, during the 1980s and 1990s the firm started to follow its lead clients (footwear producers) who were de-localizing toward labour intensive countries in Eastern Europe and Asia. ATOM soon moved from a follow the client approach to a global opportunities' creation approach, relying on what the Chinese experience had taught them. The latter boosted the firm's confidence in their capabilities and in their capacity to manage distant customers and businesses. On these premises, they also decided to start a diversification in advanced cutting machinery for materials other than leather.

Even firms in the pre-international phase mostly refer to customers rather than to foreign countries: “We plan to internationalise in European countries such as Germany, France and Czech Republic where there are several automotive manufacturing plants, and we are focusing on the biomedical industry because this is a global market of clients that we can access with our technology. This way, it is easier to focus on which countries to commit resources to – and which to avoid. It somehow reduces the uncertainty related to understanding and choosing where to commit our resources” (Julight, CEO).

Our respondents often referred to the need of having tight relationships with customers in foreign locations. Cerliani’s CEO argues that “good relationships with distributors enable us to get increasingly close to clients and to reduce the uncertainty that comes from unexpected requests and needs”. A similar thought is shared by Mary Short’s Tricot’s CEO who says: “The close relationships we have been establishing with distributors have helped reduce uncertainty related to their specific needs”. This is confirmed by respondents of the pre-international group of firms: “It was critical for me to participate in trade fairs in order to anticipate my customers’ requests, reducing demand uncertainty” (Grandinote, founder).

4.2.3 Control of technology and of manufacturing capabilities

According to our respondents, the above described creation of markets through a niche strategy, with unique products supported by high customisable solutions, can be achieved via a constant and tight “control of human resources” and “control of production processes”. The two, in turn, reduce perceived uncertainty when approaching or planning to approach foreign markets. This outcome seems to contrast with the idea that flexibility through outsourcing is a response to uncertainty, as we discussed in the literature section. This finding is particularly intriguing.

This third component of the global niche strategy is hereafter discussed.

Control of human resources. As mentioned earlier, most of the interviewed firms – which concentrate their premises prevalently in Italy – reported the access to highly skilled human capital (more than financial capital) as a source of uncertainty in international markets. According to these firms, leveraging the availability of highly skilled people in the domestic country and anchoring production there is the way to cope with this type of uncertainty. Domestic labour force could develop the competences needed to assist (foreign) customers in pre- and post-sales over time, especially for highly customised products.

Control of production processes. Jointly with the control of highly qualified human resources, the longitudinally studied well-established old born global firms of the traditional manufacturing group stressed the need to control production to enable continuous processes of technological innovation and refinement. Respondents often stress how their firms' innovative process is based on trial and error learning and on the constant tension towards technological improvement, both in terms of performance and design. The ability to learn and constantly improve technology, the quality of products and performance, are achieved by exerting a high degree of control over production processes and research and development activities. The latter are present in almost all vertically integrated case studies. Control of production processes is often referred to as key for international growth in conditions of uncertainty. Fedegari (mMNE) mostly relies on foreign subsidiaries as gateways to customers, and to provide continual assistance for their problem solving. Very recently they opened a US subsidiary to conduct R&D also in North America. Our respondent motivated this decision, on the one hand, by the will to be present where much of the cutting edge technology is being developed, and on the other hand, as an attempt to counterbalance the rising American protectionism.

With the development of the continuous cut in Western markets, ATOM conceives its production of machines for continuous cut in Vigevano, while it outsources the production of

traditional die cutting to China. In fact, these machines appear to be much more suitable for emerging markets where shoes are produced in standard series and in large quantities, and where simple and inexpensive technologies such as die cutters are employed. Furthermore, control of production is a way of reducing perceived uncertainty, as in the words of ATOM CEO: “We know that if we want to compete at our best in complex foreign environments, we need to have no uncertainty regarding our products. This means that we have to have full control of our production processes”. This perspective seems to be further confirmed by Mary Short’s Tricot. The firm has a complete production cycle at its headquarters, from design to shipping, where technologically advanced equipment and a culture based on quality allow production to reach top quality standards.

Respondents of the younger firms in the high and medium tech context confirmed the importance of controlling production processes to ease the shift towards complex international markets. So.Víte CEO’s argues that: “Our R&D laboratories are fully integrated at our headquarters. Moreover, our products are made entirely under our control at our factory. This way we can control vacuum cooking as well as water recycling and waste reducing. Full control over production is helpful when you already have to deal with many other uncertain aspects in foreign environments. Of course, it helps in your domestic market, but it has a strong impact on uncertainty also when you deal with foreign customers”.

4.4 The outcomes context

4.4.1 The impact of uncertainty-coping on internationalisation decisions

Our respondents’ narratives indicate that for both established internationalised ventures and pre-international firms, reduced perceived uncertainty via GNS implies 1) a (reinforced) intention to look for customers with homogeneous characteristics and needs and 2) the

intention of nurturing relationships with the existing global customers. These two, in turn, affect international growth.

For example, Cerliani and ATOM reported their will to continue their international expansion, targeting sewing machine producers, thus following the logic of focusing on groups of globally spread yet homogeneous clients as they did in the past: “The project is and will be to focus on our main clients... we need to strengthen relationships with them and to look at where they choose to locate themselves... this may imply an easier access even to difficult countries” (ATOM, CEO). These findings further emphasise that our firms first look for customers instead of selecting countries.

Similar outcomes – in terms of internationalisation intentions - were individuated for pre-international ventures. As the CEO of our start-up VolleyMetrics reports: “I think that a lot of the uncertainty in foreign countries can be overcome by what we offer and especially to whom... we offer a unique service for the well-defined need of a group of customers in the Volley industry”.

5. Discussion: From perceiving to coping with uncertainty through a global niche strategy

In our research, the decisions-makers confirm the hypothesis that – when they are confronted with internationalisation decisions - they typically reason in terms of uncertain conditions, instead of risky ones (Alessandri, 2003). According to the informants’ narratives, uncertainty does not only relate to classic distance dimensions (psychic, economic, cultural, institutional/administrative, see Ghemawat, 2001). Our respondents underlined the perception of uncertainty related to the fact of being distant from the (foreign) customer and stressed the need to get closer, either by relying on employees’ own expertise in pre- and post-sale assistance or by establishing trustworthy relationships with distributors.

Regarding decision-making processes, we could report a predominance of effectual logics, and - in the cases of ATOM and VolleyMetrics - the interplay between causal and effectual logics (Laine and Galkina, 2016; Yang and Gabrielsson, 2017). These findings led us to propose the following Proposition:

Proposition 1. In their decision-making processes about internationalisation in the face of uncertainty, entrepreneurial ventures' decision-makers are more likely to adopt effectual logics, or to intertwine effectual logics with causal ones.

Results indicate that those entrepreneurs applying effectual logics and those interplaying effectual and causal logics, cope with uncertainty implementing a GNS, regardless of the precocity of internationalisation. Furthermore, for those firms in their pre-internationalisation phase, this is also the preferred strategic choice.

Proposition 2a. The implementation of the global niche strategic components is positively associated with the use of effectual logics in entrepreneurial ventures' internationalisation strategy.

Proposition 2b. The implementation of the global niche strategic components is positively associated with the joint use of effectual and causal logics in entrepreneurial ventures' internationalisation strategy.

We thus argue that decision logics - particularly effectual or, interplaying effectual and causal - positively relate to the strategic components that underpin uncertainty-coping in internationalisation decisions and processes of entrepreneurial ventures.

Early contributions (e.g. Dalgic and Leeuw, 1994; Gomes-Casseres and Kohn, 1997) have associated the niche strategy with internationalisation of smaller firms. Zucchella and Maccarini (1999) and Zucchella and Palamara (2006) found that a niche strategy could speed up the global growth of Italian SMEs in different industries. IE scholars have agreed that born globals and international new ventures tend to target specific market niches (Bell et al., 2004;

Knight and Cavusgil, 2004; Crick and Jones, 2000; McDougall et al., 2003; Zucchella et al., 2007), sometimes referring to the idea of “focusing on narrow niche segments” (Luostarinen and Gabrielsson, 2006). More recently, Hennart (2014) argued that rapid international growth of born global firms is the outcome of their global niche orientation. Hennart et al. (2017) found that the international growth of family-managed SMEs is supported by the implementation of a global niche orientation, while Autio (2017) further stressed the importance of the global niche strategy as an enabling factor for entrepreneurial internationalisation. However, notwithstanding the increasing popularity of this concept, none of these studies explains the building blocks of the niche strategy: why a niche strategy is a viable approach for entrepreneurial ventures to grow internationally and what a niche strategy entails (Stachowski, 2015). According to our grounded research, a GNS is executed through a series of specific uncertainty-coping strategic actions that can be regarded as the main components of the GNS viz. “creation”, “concentration”, and “control” that are hereafter discussed in further detail.

The “creation” strategic dimension relates to the shaping of an environment, through the creation of market spaces (Cyert and March, 1963; McMullen and Shepherd, 2006), and unique systems of offer (Ibeh, 2003, Knight and Cavusgil, 2004). According to our respondents, a (global) niche strategy typically focuses on very specialised (unique) products thanks to a continuous learning and improvement process which involves the product’s features and/or its production technology. Superior technology, performance and reliability are important features, which are often coupled with intense customer pre- and post-sale service and the possibility of customisation. These GNS characters are in line with a service centred view of marketing (Vargo and Lusch, 2004).

The larger firms in our group, i.e. our two mMNEs, moved from a single niche strategy to the progressive development of a *portfolio of niches*, continually exploring and exploiting global

opportunities, in terms of novel combinations between their core technologies and new types of users or new needs of existing users. Thus, they continued to rely on their core technological competences. This allows them to gain recognition for distinctive strengths which are valued in the niche, and to compete against large incumbents (Autio, 2017). These firms have kept growing while remaining niche firms: they have progressively refined their focus strategy, as they understood it was the best way to cope with uncertainty and to withstand competition from larger multinational companies in most uncertain markets. This implies that growth is not achieved through market expansion in the same business (from niche to segment and finally to mass markets), but by developing related niche businesses. Our firms provide interesting findings regarding the standardisation/adaptation debate, which is at the heart of international marketing literature (Schmid and Kotulla, 2011; Theodosiou and Leonidou, 2003). In our cases of entrepreneurial internationalisation, what matters first is the global customer, while countries (markets) are a less impactful variable (though not negligible). Instead of adaptation, our narratives speak of customisation. At a first glance, our firms predominantly standardise their marketing mix across countries (Gabrielsson et al., 2012) and at the same time customise their offer. In the IM literature, adaptation is referred to as a response to uncertainty (Calantone et al., 2006). Conversely, for our firms, adaptation is mostly based on the needs of individual customers (high customisation) and not on marketing mix adaptations.

The “concentration” (Knight, 1921; Piercy et al., 1998) component of the GNS is represented in our firms by the process of focusing on a horizontal micro-segment (group of customers) of the global market, and by the concentration of capabilities and technologies around a unique offer. *Customer orientation* in marketing is a notion which is more related to a firm’s marketing practices and corporate culture (Deshpandé et al., 1993), one of the traits a niche strategy involves (Dalgic and Leeuw, 1994). In industrial marketing literature, relationship

marketing refers to a focus shift from the activity of attracting customers to taking care of them, and delivering value to them (Christopher et al., 1991; Grönroos, 1994; McKenna, 1993). The industrial marketing and purchasing literature (Håkansson, 1982) regards interdependencies and relationships connecting customers, suppliers, partners and distributors as a source of competitive advantage, while service-dominant logic studies emphasise the primacy of a service perspective over a goods perspective (Vargo and Lusch, 2004). The customer orientation we encountered in our niche firms is not a mere customer serving one. It is rather a problem-solving attitude which involves proactiveness in anticipating and solving customers' problems in many instances (Zucchella et al., 2016). In our research the relationship with global customers is prominent in that the firm focuses on a process of "horizontal micro-segmentation" of foreign markets, concentrating on clients displaying homogenous characteristics (Hagen and Zucchella, 2011; Hennart, 2014; Jain, 1989). What is new with this finding is that the focus on customers' characteristics is more prominent than the market one within the firms' process of strategising towards international markets. Furthermore, uncertainty is coped with by decreasing the number of customers, instead of following a customer diversification logic. This appears to be paradoxical and counterintuitive: in IB literature, diversification (Buckley and Tse, 1996; Tong and Reuer, 2007) is a key response, while in our case concentration (of customers, but also of products, and technologies) emerges as the mechanism to cope with uncertainty. The "control" component of the GNS (Mascarenhas, 1982) refers to the control of technology and core manufacturing and technological competences/capabilities that allow firms to make a distinctive product and deliver it to customers. The response capacity of our firms to customer requirements is favoured by vertical integration of R&D activities and of production processes. Our firms do not benefit from outsourcing nor from offshoring parts of their production, challenging IB literature that suggests an increase in flexibility is a

successful response (Buckley and Tse, 1996; Tong and Reuer, 2007) in the face of market uncertainty. For our firms the amount of tacit knowledge and practices built over time becomes a crucial competitive element that is very difficult to transfer or outsource.

Proximity to customers requires that employees handle pre- and post-sale services, as they could develop expertise in understanding customised offers and problem-solving (Kelley, 1992). When the firm is not entirely able to control the whole value chain through its own employees, tight and trustworthy relationships with distributors are referred to as being extremely important (Conduit and Mavondo, 2001).

On the one hand, serving a small number of customers leads to stable and strong customer relationships, which support learning, monitoring and adapting to/anticipating customer needs. On the other, networking is never highlighted as an uncertainty-coping strategy that supports or links to the internationalisation process. This seems to be in contrast with the IE literature (Chetty and Patterson, 2002; Coviello and Munro, 1995; Freeman et al., 2006; Johanson and Mattsson, 1988; Sarasvathy et al., 2014) that associates networks to the fast internationalisation of smaller and younger ventures.

Proposition 3. Uncertainty-coping in entrepreneurial ventures' internationalisation is positively associated with the use of a global niche strategy implemented with three main strategic components:

a) the creation of market spaces and unique systems of offer;

b) the concentration on horizontal segments of homogeneous clients in different countries;

c) the control of technology and manufacturing capabilities.

Last, with respect to the outcomes, we find that using a GNS and its strategic components as an uncertainty-coping strategy overall reduces the perceived environmental uncertainty. As per the evidence from our case studies, the reduction of perceived uncertainty has a positive

influence in reinforcing the orientation of the firm to look for global customers that respond to its market creation strategy as well as on the likelihood of the firm to nurture relationships with existing globally spread customers.

Proposition 4. The implementation of a GNS is positively associated to entrepreneurial firms' international growth thanks to the reduction of perceived uncertainty.

Reduced perceived uncertainty, in turn:

4.1 reinforces the orientation of the firm to look for global customers that have already responded to the firm's market creation strategy; and

4.2 increases the likelihood of continually nurturing relationships with the existing customer based on a global scale.

6. Implications

The present study has some relevant implications for studies in IB, IE, and IM that aim to investigate the strategies entrepreneurial firms adopt to cope with uncertainty in their internationalisation. We respond to calls for studies in entrepreneurial internationalisation (Autio, 2017; Knight and Liesch, 2016), as well as for studies about risk and uncertainty in international business, as distinct conceptual categories (Liesch et al., 2011). We provide a novel perspective, framing these processes in the uncertainty-coping posture, since Knightian uncertainty is the dominant context in which they occur.

We addressed three gaps in research, that are, the perception of uncertainty (as distinct from risk), the decision-making logics adopted in conditions of uncertainty like internationalisation process, and the strategies used to cope with uncertainty. Our firms perceive and experience mostly conditions of true Knightian uncertainty and we have discussed which are its sources,

including the novel concept of “distance from customers”. The predominant decision-making logic is effectuation or, sometimes, the combination of effectuation and causation.

We find that what the different types of international entrepreneurial firms (from born globals to enduring established internationalisers to mMNEs) have in common is the adoption of a global niche strategy. Although this finding is not entirely new (Autio, 2017; Hennart, 2014; Knight and Cavusgil, 1996; Madsen and Servais, 1997; Zucchella et al., 2007), we provide to this strategic option a rationale (uncertainty-coping) and uncover its distinctive traits. The lack of any previous clear conceptualisation of the niche strategy has paved the way to different interpretations and contrasting findings (Dow, 2017).

According to our results, the adoption of a global niche strategy represents the way entrepreneurial internationalised ventures (young and longer established born globals, mMNEs, etc.) successfully cope with uncertainty and become international. The niche strategy is neither a follow-the-customer approach nor a reactive posture. On the contrary, it is based on the proactive identification of customers wherever they are located, anticipating their needs, solving their problems, and ultimately co-creating value and innovating through customer interactions (Prahalad and Ramaswami, 2004; Ranjan and Read, 2016). Our research also unveils strategic postures of mMNEs, a topic that is still in its early stage and received calls for further developments (Dimitratos et al., 2014). Our findings support the idea that mMNEs keep a “niche imprinting” in their strategy and, instead of progressively enlarging their original niche market breadth, they prefer to enter in “proximate” niches, thus building a portfolio of niches.

The global niche strategy and its strategic components, as portrayed in our model, challenge the IE perspective of entrepreneurial internationalisation as driven and supported by networks (Coviello, 2006; Johanson and Mattson, 1988; Johanson and Vahlne, 2009). In contrast, these firms seldom rely on networking to cope with uncertainty: their global niche strategy requires

a relatively high degree of vertical integration, and only the dyadic relationships with customers matter. This helps in understanding apparently puzzling findings in previous research (Shirokova and McDougall-Covin, 2012).

Our work also contributes to IM studies, bringing a different perspective into the standardisation/adaptation debate. The internationalisation of firms (mainly multinationals) is often associated with strategies of marketing mix adaptation or standardisation that aim to reduce risk (overlooking uncertainty) and is often referred to the country-level of analysis. Our firms do not seem to follow these “dichotomic” logics, instead they pursue customisation, focusing on individual niche clients’ requirements, problems and potential needs.

7. Concluding remarks

The present article is aimed at casting a light on the strategic actions adopted by international entrepreneurial firms in coping with uncertainty in their internationalisation process, contributing to a gap in the studies at the crossroads of IM, IE, and IB.

Following Knight (1921) we make a distinction between situations of risk and situations of uncertainty and the possible related strategic responses. We respond to a call for studies in this area, with particular reference to firm internationalisation (Autio, 2017; Liesch et al., 2011; Knight and Liesch, 2016).

Our exploratory research rests on a purposeful sample of ten firms, which differ in terms of stages of life, stages of international growth and industry, and provide a set of diverse types of entrepreneurial internationalisation. Our work highlights how international entrepreneurial firms operate mostly in conditions of Knightian uncertainty and unveils which are its main sources. They predominantly adopt an effectual logic in their internationalisation decision-

making (or a combination of effectuation and causation). They all adopt a global niche strategy to cope with uncertainty and this allows them to achieve an international growth.

The idea that a global niche positioning can explain the internationalisation of smaller firms is not entirely new, but it still represents a relevant research gap stressed by recent calls for more studies about this topic. In fact, this issue has never been explored in its components and – in addition to this – it has never been related to the uncertainty-coping posture.

Thanks to this study, we could contribute to this gap, by developing a model of uncertainty-coping in the internationalisation process via the implementation of a global niche strategy, of which we illustrate the main strategic components. A superior/unique offer shelters smaller firms from global competition. Also, the sustainability of positioning is ensured through continual learning achieved by tackling and attempting to solve the customer's problems, and by refining their technology. Internalising production in the home location maximizes the control of technology and the internal learning. Production is very "local", while marketing (in terms of customer service) is very global. The way these firms cope with uncertainty is counterintuitive and apparently in contrast with the mainstream IB literature: they do not diversify customers, they concentrate on a few; they do not outsource and offshore, they pursue vertical integration and local production (usually, in a single plant). As a result of this effort, the CEO of Fedegari, when asked about uncertainty, answered "Uncertainty does not exist, as long as you can create your market and control your key resources".

The GNS has high relevance for practitioners as well. Continual learning in the existing market and extending their technology to new groups of customers are the main responses to the challenge of niche sustainability. These firms, and particularly our mMNEs, do not grow by moving from niches to mass markets. As they mature, they become both larger in their niche and they develop a portfolio of niche businesses on the same technological platform.

8. Boundary conditions and future research

Our purposeful sampling restricts the direct empirical generalisability of the findings: in fact, our study is limited to firms that have successfully internationalised or that are in the process of beginning their internationalisation.

Since our qualitative research allowed for the respondent a certain degree of discretion, we expect future quantitative studies to broaden the sampling frame. Furthermore, we hope that future studies employing quantitative approaches will test our preliminary findings. Avenues for future research also regard increasing the level of detail in describing uncertainty versus risk, and related strategic choices. We then call future studies to systematically map the strategic actions associated with the mentioned sources.

Finally, we believe that an interesting path for future research is represented by the investigation around the factors that may determine niche strategy sustainability over time as this requires as much entrepreneurial effort as their creation, if not more. In this regard, longitudinal studies, and comparative case studies of both successful and failure stories are needed.

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ENDNOTES

[1. Born globals are small (Knight and Cavusgil, 1996) “companies that expand into foreign markets and exhibit international business prowess and superior performance, from or near their founding” Knight & Cavusgil (2004, p. 124). The born global firms in our sample – in their attempt to expand internationally - can also be regarded as INVs according to Oviatt and McDougall’s, (1994, p. 49) definition of an INV being “(...) a business organization that, from inception, seeks to derive significant competitive advantage from the use of resources and sale of outputs in multiple countries”.

Enduring established internationalisers are firms that exhibit enduring international growth (Covin and Miller, 2014). The concept of born again globals was developed by Bell et al. (2001): “Typically, these are well-established firms that have previously focused on their domestic markets, but which suddenly embrace rapid and dedicated internationalisation” (ibid, p. 174). Micro-multinationals are defined as a “small- and medium-sized firm that controls and manages value-added activities through constellation and investment modes in more than one country” (Dimitratos et al., 2003, p. 165).

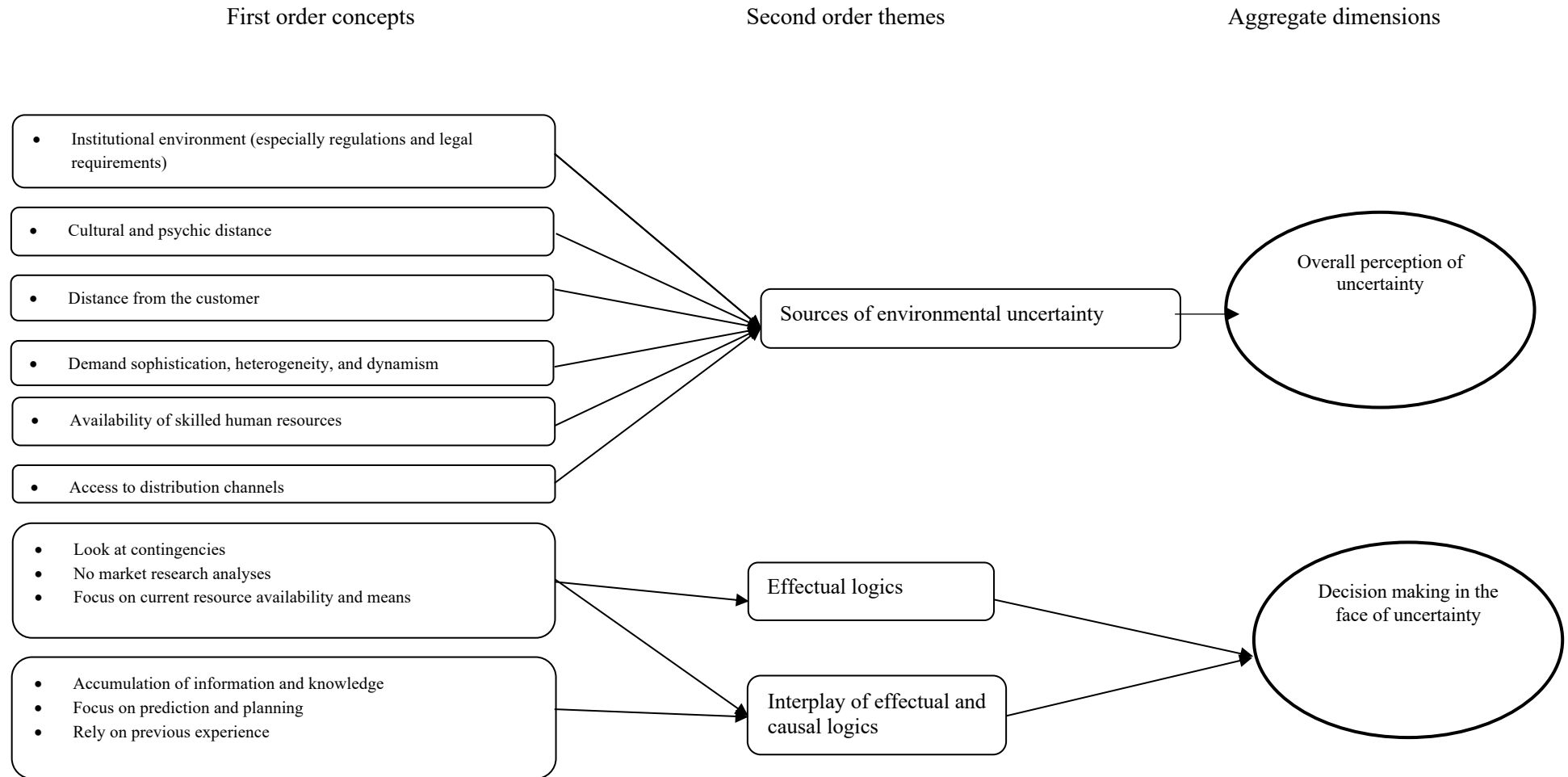
TABLES AND FIGURES

Table 1. Description of the firms

Group	Firm	Number of Employees	Foundation	Industry	Products	Services	Turnover (in €) in 2015	% Foreign Sales/Total Sales	First International Activity
1. Established firms of the traditional manufacturing sector	Fedegari Autoclavi spa	300	1953	Manufacture of other special purpose machinery NACE 28.9 B2B	Sterilisers for the pharmaceutical industry, measuring & controlling devices	Pre- and post-sales assistance	40.000.000	85%	1980
	Mary Short's Tricot	40	1961	Manufacture of textiles NACE 13 B2B	Knit outerwear mills, clothing (cashmere)	Design and engineering of sketches for fashion houses	3.000.000	30%	1985
	Cm Cerliani Srl	98	1932	Manufacture of machinery and equipment NACE 28 B2B	Hooks and bobbin cases for domestic, industrial and embroidery sewing machines	Customisation of products and production of small series. Technical pre- and post-sales service	5.500.000	90%	1945
	Atom spa	300	1946	Manufacture of machinery and equipment NACE 28 B2B	Die cutter arms, die cutter bridges, numerical control die cutters, cutting tables in continuous, machines for the preparation of the upper, machines for injection moulding	Post-sales assistance, CAD/CAM services and training, increasing tendency to customisation	70.000.000	80%	1950
2. Medium-tech young firms	Grandinote	1	1996	Manufacture and reproduction of recorded media NACE 18 B2C	Amplifiers	Post-sales assistance	428.000	50%	2012
	So.Vite	49	1998	Manufacture of food products NACE 10 B2B and B2C	Vacuum-packed food	Personal consultation with the study and design of recipes dedicated to the customer	4.478.000	n.a.	2002
3. Start-ups	Julight	5	2011	Manufacture of optical instruments and photographic equipment NACE 26.7 B2B	Laser vibrometers - use of photonic technologies and laser light, by combining opto-electronic integration and miniaturisation	Consultancy and custom solutions for scientific and industrial measurements. Design and realisation of prototypes and mini-series systems On-site measuring campaigns Pre- and post-sales assistance Training sessions with the client	5.000 + financing from European commission (on-going)		In the process of starting internationalisation (planning to enter Germany, France, Czech Republic)
	Evomode	5 + a variable number of collaborators	2011	Manufacture of textiles NACE 13 B2B	High-tech clothing - Innovative textile product called STINGUARD®, capable of protecting against mosquito bites and ensuring a high ventilation of clothing using this innovative technology at the same time	Customised solutions for B2B clients, according to the industry	150.000 financing granted by the regional authority		In the process of starting internationalisation (planning to enter the Middle East and Finland)
	Paperbanana	6 + a variable number of partners	2012	Manufacture of paper articles and paperboard NACE 17.2 B2C	E-commerce design and production of eco-friendly greeting cards	Customisation of the product accessing the website and a mobile application	0		In the process of starting internationalisation (planning to enter UK and US)
	VolleyMetrics	10	2012	Computer programming, consultancy and related activities NACE 62 B2B	Software to analyse volleyball matches	Automated and user-friendly solutions to record volleyball matches and statistically analyse them	70.000		In its early internationalisation phase (planning to enter Poland and Italy)

Figure 1. From perceiving to coping with uncertainty: Emerging concepts, themes and aggregate dimensions

1: Antecedents to uncertainty-coping



2: Uncertainty-coping strategic actions

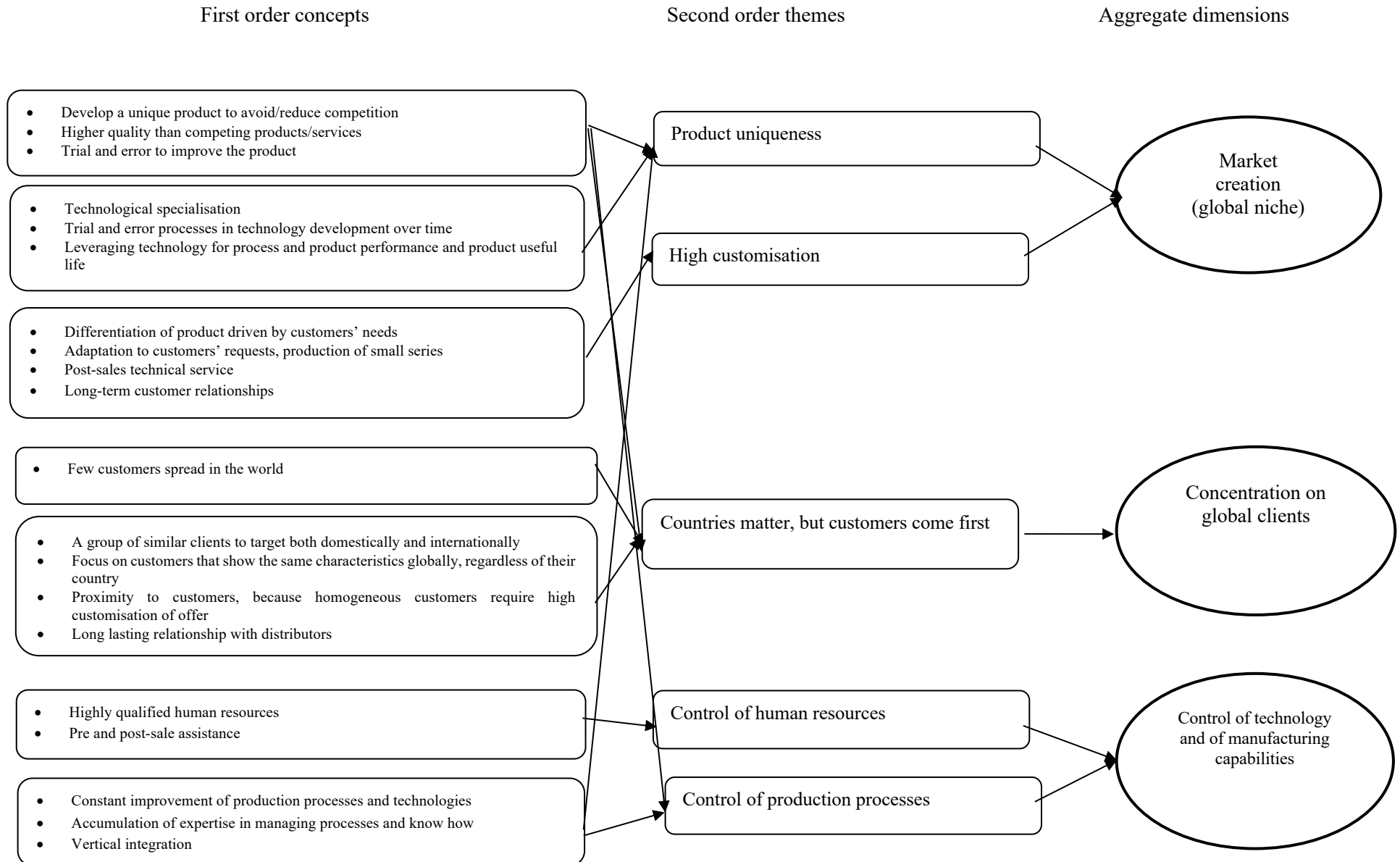


Figure 1. *Continued*

3: *Outcomes*

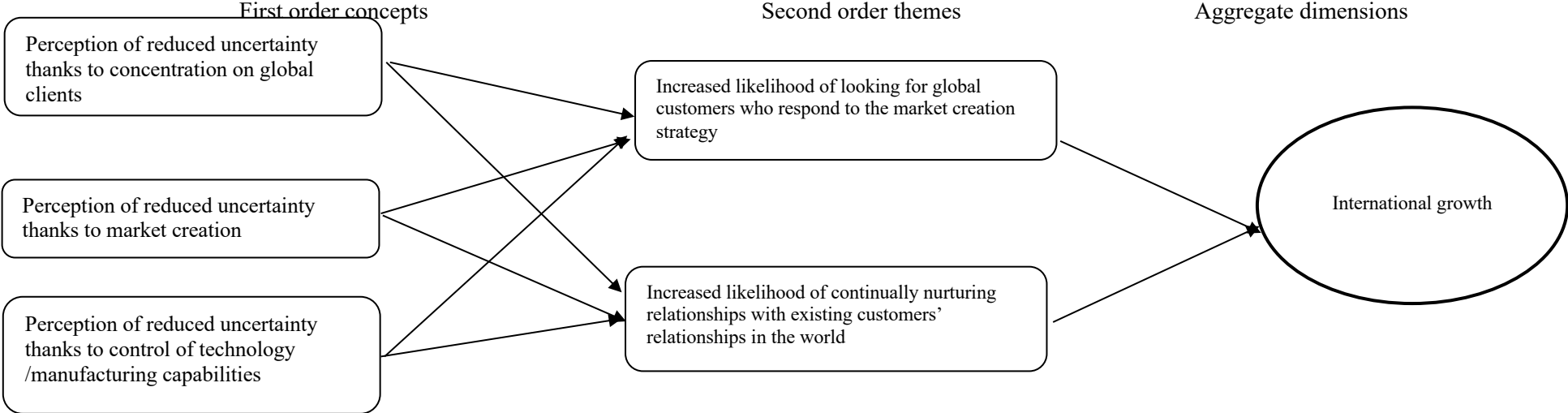
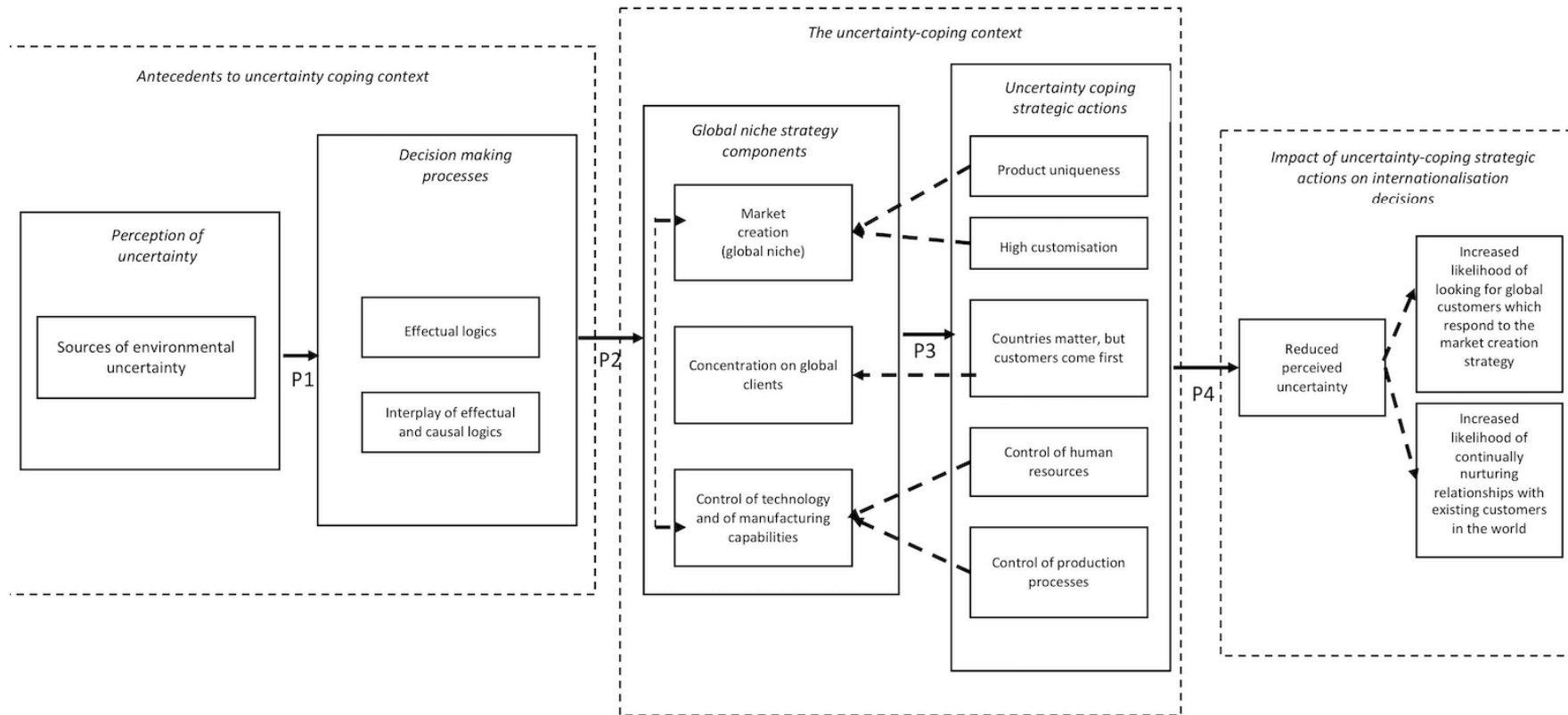


Figure 2. A grounded model of uncertainty-coping in the internationalisation process



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