

Building Capabilities and an Effective Ecosystem for Successful Internationalization

Constantine (Costas) Katsikeas

Editor-in-Chief, *Journal of International Marketing*
 Editor–Marketing, *Journal of International Business Studies*
 Area Editor, *Journal of the Academy of Marketing Science*

Arnold Ziff Research Chair & Professor of Marketing and International
 Management

Leeds University Business School
 University of Leeds

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Importance of Exporting

- **Export market operations is a “must” for many companies due in part to:**
 - Globalization of markets
 - Intensifying competition worldwide
 - Developments in technology and communication
 - Domestic market downturn
 - Attractive opportunities overseas
- **Exporting has important benefits for individual firms**
 - Increase in sales and earnings from diverse markets
 - Economies of scale
 - Enhanced competitive position and productivity
 - Bottom-line results improvement
- **Exporting involves significant benefits for the national economy**
 - Foreign exchange inflows and balance-of-trade improvements
 - Creation of jobs (often better paying) and reduction of unemployment
 - Improvements in national productivity, competitiveness and economic development
 - Advancements in product and service innovation
 - Improvements in overall quality of life

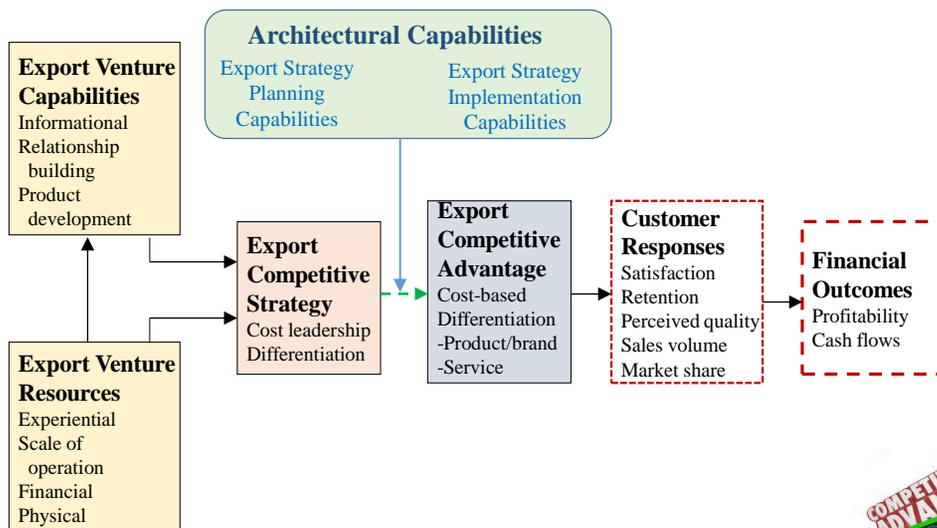
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The Role of an Effective Ecosystem

- The challenge facing each country is building an *effective eco-system* facilitating indigenous firms' international growth and development
- Ecosystem should provide assistance and support to local firms to establish, develop, and maintain *regular* exporting activities
 - Challenges facing firms in international expansion and export markets are different from those in domestic market operations
 - Differences in socio-cultural, political-legal, and economic systems, as well as in competitive practices, between home and foreign markets pose significant problems for firms
 - Firms need help in their attempt to initiate internationalization, penetrate foreign markets, and sustain successful business operations overseas
- Ecosystem should, in other words, help local firms strengthen their capabilities to export and achieve and sustain competitive advantage in overseas markets

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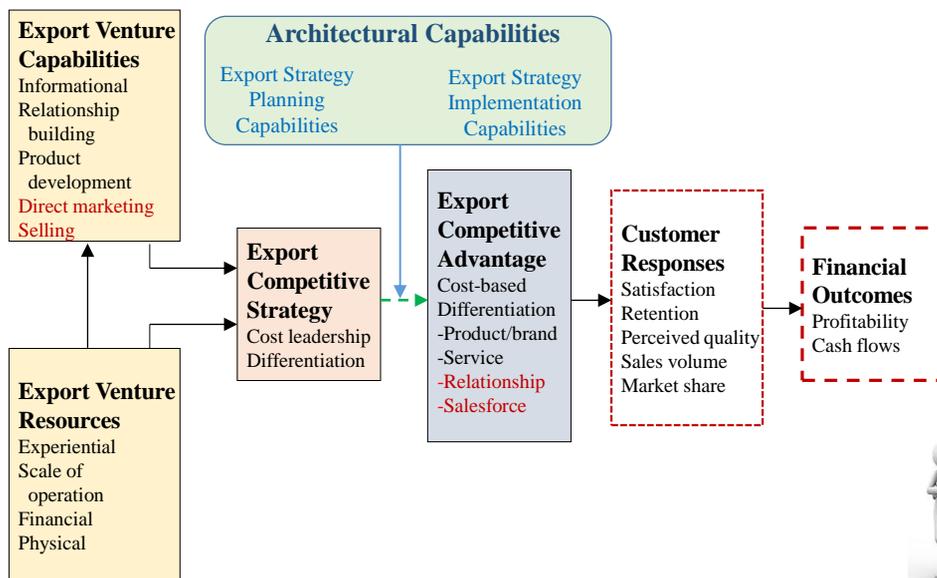
Achieving Competitive Advantage and Enhanced Performance in Export Ventures



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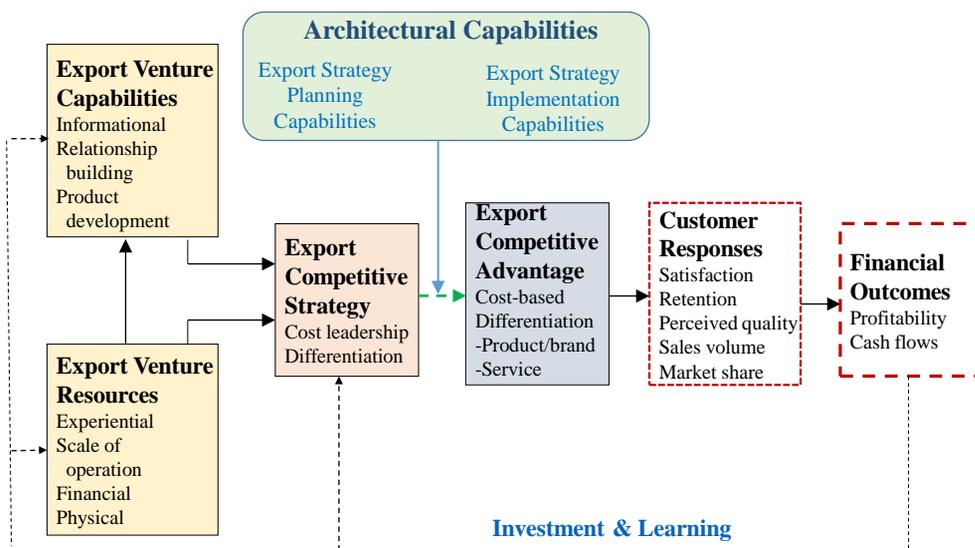


Achieving Competitive Advantage and Enhanced Performance in Export Ventures – B2B and Pharmaceutical Firms



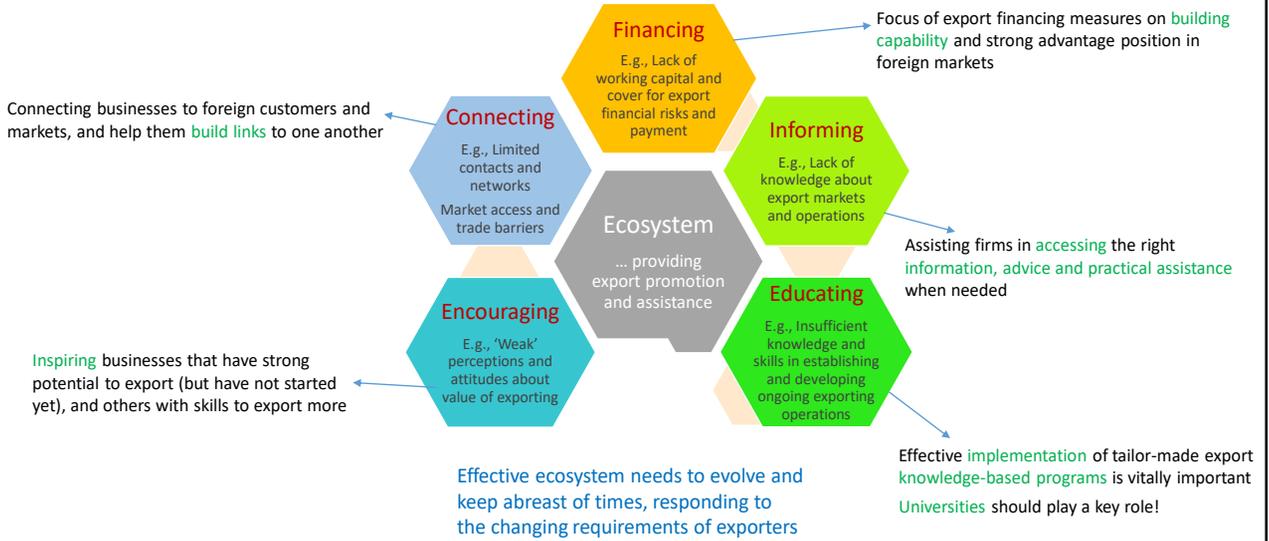
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Ecosystem and Its Pillars of Export Assistance ... for Developing and Sustaining Exporting Capabilities



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Ecosystem and Its Stakeholders - Challenges

The 'Provider' Side

Need to Think of Export Promotion in a Holistic Way!

- Understandably, different stakeholders have diverse goals
- Who should provide or be responsible for what types of export promotion and assistance?
- Need for coordination ... for effective ecosystem
- Encouraging and inspiring firms to engage in regular exporting
- Recognizing and rewarding firms for distinct export achievements
- Facilitating development of company networks and relationships with right partners overseas

The Exporter Side

Need to Build and Maintain Superior Export Capabilities

- Skill acquisition and development for competing in export markets
- Attracting, recruiting, training and mentoring talent ... to build export capability
- Specifying mixture of right capabilities to build and deploy for achieving and sustaining strong advantage position in export markets
- Different firms in terms of internationalization have different requirements for export assistance
- Partnering with other local firms for collective export strategy and building export channel relationships



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