

Born Global Firms and the Embeddedness of Entrepreneurial Ecosystems

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Abstract

The swift international expansion of born global firms has drawn considerable interest in modern entrepreneurial studies. This thesis investigates how entrepreneurial ecosystems are intertwined with the success and progression of born global firms. Specifically, it looks at how local entrepreneurial ecosystems influence the growth and international strategies of these firms. The study includes an analysis of three well-established born global firms from different regions, identifying crucial ecosystem elements such as venture capital access, support networks, mentorship, and innovation infrastructure that significantly affect these firms' trajectories.

This research uses a mixed-methods approach, combining qualitative case studies with quantitative analyses to offer a thorough understanding of the dynamics involved. Data collection involved semi-structured interviews with senior executives from the three born global firms, alongside ecosystem stakeholders, supplemented by a comprehensive review of secondary sources, including industry reports and academic literature.

The findings indicate that born global firms thrive when embedded in dynamic entrepreneurial ecosystems that provide not only financial resources but also essential social and intellectual capital. The study emphasizes the need for policy measures that enhance local ecosystems to support the global ambitions of new enterprises. Additionally, it highlights the interconnected nature of global entrepreneurial networks and the role of digital technologies in facilitating entry into international markets.

This thesis enhances the theoretical framework of international entrepreneurship by linking entrepreneurial ecosystem theory with born global literature. It provides practical insights for policymakers, ecosystem developers, and entrepreneurs by pinpointing best practices and strategic interventions that promote the international growth of startups. The research ultimately advocates for a comprehensive approach to ecosystem development, stressing the necessity of integrated support systems that address the unique challenges faced by born global firms.

In addition, our study underscores the critical role of entrepreneurial ecosystems, which provide resources such as funding, mentorship, and infrastructure, fostering innovation and facilitating market entry. Ecosystems with supportive regulatory frameworks significantly reduce international expansion barriers, enhancing the efficiency of market entry strategies. Furthermore, it also offers valuable insights for policymakers and business leaders aiming to support born global firms in their internationalization efforts, emphasizing the importance of tailored strategies and robust entrepreneurial ecosystems.

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Abbreviations

BGs = Born global firms

EEs = Entrepreneurial ecosystems

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1. Introduction

1.1 Introduction and Context

The past few decades have seen a surge of interest in "born global" firms in the field of international entrepreneurship. These firms, from the start, set their sights on international markets instead of just reaching domestic markets (Knight & Cavusgil, 2004). In contrast to the more traditional models of internationalization - like the Uppsala model - where a company grows in its home market before gradually entering new markets abroad, born global firms represent an altogether different approach to the internationalization of companies and the pursuit of global opportunities (Johanson & Vahlne, 1977). Advances in technology, reductions in trade barriers, and the globalization of markets have all, in tandem, worked to create new opportunities and challenges for the world's entrepreneurs. From the "born global" perspective, we see firms and their products achieving a kind of global reach that has never before been possible.

The development and success of new ventures are largely influenced by their place in and connection to the entrepreneurial ecosystems they inhabit. Whether these new firms are taking their first steps domestically or internationally, the networks of institutions, organizations, policies, and, most importantly, cultural values and networks, are a critical part of the pathway ahead (Stam, 2015). Embeddedness refers to the degree to which firms are rooted in these ecosystems, leveraging local resources, networks, and support systems to enhance their competitive advantage (Granovetter, 1985). Understanding the embeddedness of born global firms within entrepreneurial ecosystems, both domestically and internationally, is essential for comprehending how these firms navigate the complex dynamics of global markets from the outset.

With the rapid increase and importance of born global firms, hereunder referred to as BGs, in the global market, it is necessary to understand these firms in a distinct way. As they emerge and take on a more prominent role in the global business community, the nature of global firms' entrepreneurial ecosystems and how they interact with these environments is increasingly important to understand. BGs are of increasing significance

in the global economy, yet they remain quite poorly researched. Thus, there is a pressing need for comprehensive research that examines the intricate interplay between BGs and their entrepreneurial ecosystems, hereunder referred to as EEs, explaining the mechanisms underlying their rapid internationalization and strategic decision-making processes.

1.2 Research Aims and Objectives

This study seeks to explore the distinct characteristics and behaviors of BGs compared to ordinary entrepreneurial firms, with a specific focus on their level of embeddedness within EEs. The research aims to answer two primary questions:

RQ1: How do born global firms differ from ordinary entrepreneurial firms in terms of their level of embeddedness with their entrepreneurial ecosystem, both domestically and internationally?

This research question seeks to explain the degree to which BGs are integrated into their EE in comparison to traditional entrepreneurial firms. Embeddedness within an EE can be measured through various dimensions, such as access to resources (e.g., financial capital, human talent, technological infrastructure), the strength of network connections, and the level of support from institutional frameworks. By examining these dimensions, the study aims to identify how BGs leverage their ecosystems differently than firms that primarily focus on domestic or regional markets. This comparison will help to uncover the specific ecosystem attributes that facilitate or hinder the rapid internationalization of BGs.

RQ2: What factors influence the decision of born global firms to pursue global markets from inception compared to entrepreneurial firms that initially focus on national or regional markets?

The second research question aims to delve into the motivations and determinants that drive BGs to target international markets right from their inception. Understanding these factors is crucial for distinguishing BGs from their traditional counterparts, which typically follow a more gradual and incremental approach to internationalization. Factors influencing early internationalization can include entrepreneurial orientation,

prior international experience of the founders, industry characteristics, market conditions, and the availability of supportive infrastructure.

By addressing these research questions, the study aims to contribute to a deeper understanding of the embeddedness and internationalization strategies of BGs and fill the current research gap in this area. We are hopeful that the findings will provide insights for entrepreneurs, investors, and policymakers on how to create and sustain EEs that facilitate the emergence and success of BGs.

1.3 Importance of the Study

The significance of this study lies in its potential to provide valuable insights and contribute to several key areas within the field of international entrepreneurship. Firstly, by investigating the embeddedness of BGs within EEs and comparing them to traditional entrepreneurial ventures, this study aims to advance theoretical frameworks and enrich empirical knowledge. By exploring the unique dynamics of BGs' interactions with their EEs, the study can shed light on the underlying mechanisms driving their rapid internationalization, thus contributing to the refinement and development of theoretical models in the field (Gabrielsson et al., 2008).

Secondly, the findings of this study can inform entrepreneurial strategy and practice. Understanding how BGs differ in their embeddedness within EEs and their internationalization strategies can provide entrepreneurs with valuable insights for navigating the complexities of international markets. By identifying the factors that facilitate or hinder BGs' access to resources, networks, and institutional support, entrepreneurs can make more informed decisions regarding resource allocation, market entry timing, and strategic partnerships, ultimately enhancing their chances of success in global markets (Coviello, 2006).

Thirdly, the study's findings can facilitate investment decisions and optimize the allocation of capital to born global ventures. Investors and venture capitalists seeking to identify high-potential investment opportunities in the global market can benefit from insights into the characteristics and behaviors of BGs. By understanding the factors that drive early internationalization decisions and the role of EEs in supporting their growth,

investors can assess the attractiveness and viability of potential investments, thereby optimizing the allocation of capital to ventures with the greatest growth potential.

Lastly, despite the growing significance of BGs in shaping global markets and economic interactions, there exists a notable gap in the literature regarding their distinct embeddedness regarding traditional entrepreneurial ventures. The existing research often focus on isolated aspects such as internationalization strategies, network development, or performance metrics, thus falling short of providing a holistic understanding of the multifaceted dimensions that differentiate BGs' economic embeddedness from that of ordinary entrepreneurial firms. Our aim with this study is to contribute to filling this research gap.

To sum up, although BGs are increasingly influential on a global scale, the current body of knowledge is still lacking an in-depth exploration of how these companies are embedded in economies. Research tends to focus on just one or two "narrow" aspects of this distinct embedding, such as their internationalization strategies or how they develop and use networks. As a result, no one sees the full picture of what separates BGs from a traditional entrepreneur.

1.4 Structure of the Thesis

The remainder of the thesis is structured as follows:

- **Chapter 2: Literature Review:** This chapter reviews existing literature on BGs, EEs, and the concept of embeddedness. It provides a theoretical framework for understanding the unique characteristics and internationalization strategies of BGs.
- **Chapter 3: Methodology:** This chapter outlines the research design, data collection methods, and analytical techniques used in the study. It explains the rationale for selecting the case study approach and details the criteria for choosing the firms studied.
- **Chapter 4: Findings:** This chapter presents the empirical findings of the study, comparing the level of embeddedness of BGs with traditional

entrepreneurial firms. It also explores the factors influencing the early internationalization decisions of BGs.

- **Chapter 5: Discussion:** This chapter interprets the findings in the context of existing theories and literature. It discusses the implications of the results for theory, practice, and policy, and provides directions for future research.
- **Chapter 6: Conclusion:** This chapter summarizes the key findings of the study, highlights its contributions to the field of international entrepreneurship, and summarizes the directions for future research.

2. Literature Review

2.1 Introduction

The extensive knowledge available on BGs and EEs suggests we have an overall grasp of just how they work. Often this professionalism has gone along with delving deep into the speculative wells that underlie the dynamics of the international business formation process and into the social contexts that influence the behaviors and performances reaching across international borders. This is the perspective we take in our review. We focus first on the theoretical foundations of this emerging domain, and then follow with an overview of the empirical research that has been conducted up to now.

There has been much academic interest in BGs because they can enter and compete in international markets very soon after their inception. This is quite different from the step-by-step internationalization processes described by traditional theories of international business, such as the Uppsala model (Johanson & Vahlne, 1977). On the face of it, not only is the mere idea of a firm "born global" counterintuitive for those theories; it is also seemingly quite impractical. Why would a tiny, resource-constrained firm try to serve customers and get orders in a global market if it has all it can do to make its way around its hardly understood home base? Yet numerous such firms have proved that this can work, and they have provided a living laboratory for probing various aspects of multinational business engaged in by such firms.

The idea of EEs has become prominent in recent years for understanding the diverse set of factors that influence the acts of entrepreneurship and innovation in a given place and time (Stam, 2015). Such ecosystems consist of a network of interconnected actors—entrepreneurs, investors, support organizations, government entities, and educational institutions—that, taken together, produce a favorable environment for the creation and growth of entrepreneurial ventures (Granovetter, 1985). Ecosystems are not just theoretical concepts, but rather are present in day-to-day life and in the "dream, plan, act" cycle that forms the basis for all acts of entrepreneurship.

Even though the importance of BGs and EEs is becoming better known, little is written about how the unique characteristics of BGs and their distinct economic embeddedness differ from those of traditional entrepreneurial ventures.

Unfortunately, most existing studies focus on one or a few aspects of this complex issue—such as internationalization strategies, network development, or performance metrics—and treat them as if they were the be-all, end-all of understanding comparable-to-yet-different-from-others economic and social systems. Addressing this gap necessitates a comprehensive exploration of the unique characteristics, behaviors, and interactions of BGs within their EEs.

This chapter is structured to provide a thorough review of the relevant literature, beginning with the conceptual foundations of BGs and EEs. By synthesizing and evaluating existing studies, this chapter aims to establish a robust theoretical framework that will inform the subsequent empirical analysis and contribute to the advancement of knowledge in the field of international entrepreneurship.

In the following sections, the review will cover the definitions and theoretical underpinnings of BGs, the characteristics and dynamics of EEs, and the interplay between these two constructs. It will also examine empirical studies that have investigated the embeddedness of BGs and the factors influencing their rapid internationalization. This review will set the stage for addressing the research questions posed in this study and provide a foundation for developing insights into the unique role of BGs in shaping global markets and driving economic growth.

2.2 Conceptual Foundations

2.2.1 Born Global Firms

The idea of BGs arose in the early 1990s when the number of firms—including many young ones—that were exporting and engaging in international business activities soon after their foundation began to skyrocket. The "born global" term was first used by Oviatt and McDougall (1994) in the context of their ground-breaking piece of research that aimed to unravel the mystery of why and how certain firms can internationalize at a breathtaking pace. Unlike the traditional way of doing business, these firms have the

ability to forgo the "go-slow" pace as described by the Uppsala model (Johanson & Vahlne, 1977) and can, right from the get-go, stake a claim in international markets.

Companies that are labeled "born global" are usually small and medium-sized firms that operate in specialized markets characterized by high innovation levels and advanced technology. Often, these firms will be led by strong, can-do types of founders who have a proactive strategy for getting into international markets. From day one, these firms use their unique resources and can't-miss capabilities to compete effectively in global markets (Knight & Cavusgil, 2004). They don't "play small" or "hang back" in export mode, the prelude to global marketing that has been the traditional path for most small and medium sized firms (SMEs) over the decades.

There are several critical ways in which BGs differ from traditional firms. Firstly, this is a question of mindset and strategic orientation. BGs are international from the get-go. This global orientation is often reflected in the international experience and networks of the founders, who play a pivotal role in shaping the firm's strategic direction (Cavusgil & Knight, 2015)

The second, following closely upon the first, is that they operate in industries with a common set of characteristics—ones that ring true for virtually all high-tech sectors—and those industries are defined by rapid technological change and intense global competition, which necessitate swift and decisive international actions to capitalize on market opportunities (Gabrielsson et al., 2008).

The rapid globalization of firms that go international from their very inception is helped by a number of factors. Part of what makes this possible is the information and communication technologies (ICT) that have spread over the last decade or so. They have reduced the barriers to entering foreign markets and made it easier to get the necessary market intelligence for a successful operation (Rialp et al., 2005). Use of these technologies has also increased overall efficiency, a fact that directly affects decision-making in the international context. Operation alongside these very necessary bumps in technology are also the geopolitical changes that have been taking place and leaving

much of the world's markets more open to access by firms around the globe (Freeman et al., 2006).

Various theoretical perspectives attempt to explain the internationalization of BGs. One of these is the resource-based view. It holds that such firms have resources and capabilities that are unique to them and that are especially well suited to gaining an advantage in international markets. The BGs may have the technological head start over traditional rivals that allows it to pre-empt the market for its disruptive innovation, as Sony did with its portable cassette player in the 1980s. It may offer an innovative and much-wanted product, one that taps effectively into the desires and aspirations of the consumers in an international niche (Barney, 1991).

Another perspective is the network theory of internationalization, which holds that a firm's connections to useful people and resources are critical to its successful expansion into foreign markets. A firm may have few resources of its own, but by tapping into the resources and knowledge bases of its network, it may gain valuable contacts, leads, and market intelligence. In the end, we may say that the network theory of internationalization is the "who you know makes the difference" perspective ...

Even though a lot of study has been done on BGs, there is still a lot left that we don't know. One thing we do not know much about is the effect that the conditions in their home countries have on the conditions of those countries into which they internationalize. But to really understand the issue at hand, we need to know what these firms look like and how they interact with local conditions in those nine different countries that we've chosen as the sites for this research.

In brief, the BGs concept offers an understanding of a particular kind of firm that does not follow the traditional internationalization path but, from the very outset, engages in a large number of international business activities. These firms are distinctive because they are usefully interpreted as having a global mindset, serving diverse markets, and using a range of strategic alliances, networks, and technologies that allow them to operate across borders. However, further research is needed to explore the role of EEs in supporting the growth and internationalization of BGs, thereby addressing the

existing gaps in the literature and contributing to a more comprehensive understanding of their unique dynamics and success factors.

2.2.2 Entrepreneurial Ecosystems

The idea of EE is crucial for getting a handle on what makes businesses work within certain geographic areas and industries. They encompass a wide array of actors, institutions, and organizations, all interconnected and working together to forge an environment that is conducive to the creation and growth of companies (Stam, 2015). This section looks at the major elements that make up the more progressive EEs and the aspects of their nature that make them vital for BGs.

The entrepreneurial environment is made up of many essential parts, all of which are vital for the growth of entrepreneurship. These parts can be grouped into three distinct categories: cultural, social, and material (Mason & Brown, 2014). Cultural parts are about the shared attitudes, values, and beliefs found in a society. For a society to be an effective environment for entrepreneurship, the culture must have a very specific set of beliefs about what entrepreneurship is and is not.

The social components of a business ecosystem are the networks and relationships through which information, resources, and support are funneled, both officially and unofficially. Social capital, derived from these networks, is crucial for entrepreneurs to access the knowledge, resources, and opportunities needed for venture creation and growth (Adler & Kwon, 2002). Ecosystem participants interact with each other and with the components of the ecosystem. They form a complex set of affiliations that allow them to collaboratively gather the very diverse types of ... well, anything. Strong interactions between elements benefit everyone, but especially knowledge workers like entrepreneurs. When elements work together, the sum is greater than its parts.

Elements of the material variety involve very visual and palpable things: money, facilities, and services. These are the resources that a successfully realized entrepreneurial vision must draw upon. Material elements include access to physical elements, such as buildings, machinery, and land; to financial resources, such as venture capital; and to personnel, such as labor. For an ecosystem to have viability, it must

ensure these critical material elements are present and within reach of the firms that it hopes to grow into clusters that will propel its economy. And these are the very material elements that any urban region—especially a developing one—intends to acquire or develop to ensure a successful, vibrant entrepreneurial environment.

The concept of "embeddedness," as defined by economic sociology, pertains to how much economic actors and their activities are connected to the numerous social relationships and networks that compose our modern societies (Granovetter, 1985). In the realm of the EE, the idea of "embeddedness" becomes a way to focus attention on those connections that exist between and among the actors in that system. Not all appearances of social connections within the system are of equal value, however. When it comes to fostering the kind of successful entrepreneurial activity associated with well-functioning ecosystems, some connections are more valuable than others (Stam & Spigel, 2017). In this piece, we investigate just why and how the connections that lead to valuable EEs are formed and how these connections manifest.

For firms with a global focus from the start, especially those that rapidly internationalize, having an EE in place is vital. These firms can and often do put the local resources and networks available through that ecosystem to good use. They can, for example, draw on knowledge available locally to overcome "liabilities of newness and foreignness" (Coviello, 2006). Furthermore, operating as part of an ecosystem also helps firms to be more visible, makes it easier for them to work alongside other, established firms in their industry, and gives them more "room" to scale their operations (Autio et al., 2000).

The relationship between BGs and EEs has major impact on the growth and internationalization strategies of the former. A well-developed and supportive EE can serve as a launch pad for BGs (Brown & Mason, 2017) and give them a head start over their rivals, giving more weight to the "acceleration" typology of an ecosystem from the earlier discussion. These ecosystems, with strongly innovative capabilities, ample financial resources, and healthy support networks, can help BGs achieve its internationalization objectives. And, by achieving these objectives, the international entrepreneur can lay claim to another launch typology—the "successful exit." But

ecosystems that are not well defined or supportive of young ventures can have a detrimental effect on the growth and long-term viability of these companies; this much we know from the various case studies.

To sum up, the environments where BGs develop hold considerable power over the paths they take. And those components that make up said environments—whether they are structural (such as the legal, regulatory, and educational systems), financial (such as the access firms have to capital), physical (such as the area's infrastructure), or social (such as the cultural norms as the embodiment of the people or place)—all conspire to affect the types of firms that start up, the types of opportunities they choose to go after, and ultimately the types of paths to profitability they pursue.

2.2.3 Concept of Embeddedness in the Entrepreneurial Environment

Understanding the dynamics of EEs and why some firms succeed is rooted in the notion of being "embedded." This refers to how much one's economic activity is constrained or directed by, and possibly benefits from, ongoing social relationships. The whole issue of embeddedness comes straight out of the work of the sociologist Mark Granovetter and his classic 1985 article, "Economic Action and Social Structure: The Problem of Embeddedness." Granovetter was concerned with the way social structure enables, in his term, "economic actors." That is, more than just firms, people in their various roles in society have reasons to take economic action; and people take economic action in social contexts (Granovetter, 1985).

BGs need to establish and maintain key relationships with network participants in order to access the resources and information necessary for their success (Uzzi, 1997). In particular, the firms need to form a basis of trust with suppliers, customers, investors, and strategic partners. Although all kinds of relationships are important, we focus here on the kinds of key relationships that are most valuable in achieving a foothold BGs in foreign markets (Coviello, 2006). We refer to these key relationships as those in which the network participant is "embedded" because that term serves well to describe both the nature and the quality of the relationship. Not only is the relationship of such high value, but the firm, through the key actor in the network, also secures access to the

resources, information, and market intelligence needed to mitigate the risks of international expansion.

BGs benefit in many ways from their structural embeddedness. They gain ready access to information and resources precisely because of their network position. BGs that occupy a central position within the network act as powerful "hubs" of information and "knowledge brokers" within the EE where they are situated (Burt, 2000). Unlike many traditional, hierarchical firms that often fail to capture the value of network relationships, in the case of BGs, good network positioning coincides with a firm's strategic objectives (partly with regard to the intended effect on the firm's choice of strategic alliances and collaboration partners).

Shared ways of thinking, feeling, and behaving define any group—be it a firm, a market, or an ecosystem. Nahapiet and Ghoshal (1998) refer to these as cognitive norms, values, and frameworks that shape the posture of the actors within a network. Such an understanding carries important implications for building and maintaining trusting, productive relationships (Zhou et al., 2007). If you don't have a shared normative framework or are not at least in touch with those of your interlocutors, you risk talking past one another. A particular shared cultural understanding of the way things work in a given context is an important form of capital for born global entrepreneurs. Why? Because if you don't have it, you're not likely to have much of a business at all.

The idea that network participation and network structure are key dimensions that can substantially affect how organizations can access and use resources is increasingly recognized (Nahapiet & Ghoshal, 1998; Burt, 2000). From this perspective, business network theory and social capital theory have progressively converged. Both assume that network ties can grant organizations access to critical resources, but they differ on the role of relationship strength. According to social capital theory, strong ties (e.g., deep, trustworthy relationships) can, on balance, lead to a more effective generation and use of resources, compared to weak ties (Adler & Kwon, 2002).

Cognitive embeddedness refers to the shared peculiarities of norms, values, and cognitive frameworks that form part of the basic fabric of the behavioral regularities and expectations of the actors in a network. It represents to what extent a firm has

assimilated and internalized the cultural and institutional presumptions of its environment.

Cognitive embeddedness, for BGs, cannot be taken for granted because it is not given to and guaranteed to firms that exist in international markets. It must be achieved through deliberate actions that firms take, especially around market-building activities in different cultural contexts. Cognition is the forerunner to action, and the way different knowledge systems cognize underpins how different markets and cultures understand (i.e., make sense of) and act upon the world in which they exist.

For a company to be institutionally embedded means for it to be recognized and accepted as part of the formal and informal frameworks that govern economic activities. These frameworks involve, among other things, the work of industry associations and trade groups; the development of industry and technical standards by both public and private sector bodies; the establishment and maintenance of regulatory structures at the local, national, and transnational levels; and the expression of public policies and executive orders that affect the practice of business. From the perspective of BGs, this is generally advantageous, both from the standpoint of reducing the firm's exposure to legal and regulatory risks and from the standpoint of making the firm more "legitimate" in the eyes of its potential customers and business partners both at home and abroad.

The concept of social embeddedness centers on the idea that societal norms and relationships vastly influence economic behavior. For a BGs, social embeddedness encompasses a range of activities that can be deemed socially and environmentally responsible. And the concepts of "social" and "environmentally responsible" lead us, in the business-speak of the day, to corporate social responsibility (CSR) and, to an even broader degree, to "being involved" and "part of the community." Yet, for such firms, social embeddedness goes further than being responsible. It requires that they be trusted.

The increasing amount of research on both BGs and EEs at the international level has not yet led to an understanding at a fundamental level of how these firms are situated within those ecosystems. Ecosystem studies often pay little attention to the internationalization processes of the individual firms and the way they interact with

entrepreneurs and other actors in the ecosystems as a whole (Zahra & George, 2002). Although Jones et al. (2011) make a good case for studying BGs in an ecosystem context due to the complementarity between these firms in terms of their expertise and what they bring to the ecosystem (p. 121), very few studies have done so. Consequently, there is a research gap that needs to be filled with regard to process studies on international BGs and their rather complex dynamics in interacting with EEs (Rasmussen & Madsen, 2002).

To summarize, the EE that surrounds a company contains many different aspects of embeddedness, both direct and indirect. Being embedded in an ecosystem is so much more than just cohabitating with other firms; it involves a vibrant and ongoing set of linkages across multiple dimensions. For firms that are part of the born global set, making those connections is essential because they must do so quickly and efficiently to access the resources they need for growth. Failing to secure those resources in short order might well be a mortal blow to a firm just entering maturity.

2.3 Table of Existing Literature

Table 1: Existing Literature

Author	Year	Title	Research questions/objectives	Main findings	Area of research (EE/BG)	Methodology	Region/Country Focus
Acs, Z. J., Autio, E., & Szerb, L.	2014	National systems of entrepreneurship: Measurement issues and Examine national systems of entrepreneurship and their measurement		Highlighted the importance of measuring national systems of entrepreneurship and	EE	Quantitative	Global

Author(s)	Year	Title	Methodology	Findings	Country
Bosma, N., Jones, K., Autio, E., & Levie, J.	2008	Global entrepreneurship monitor 2007 executive report Provide a comprehensive overview of global entrepreneurship trends	EE	Presented data and analysis on global entrepreneurship activities	Global
Audretsch, D. B., & Keilbach, M.	2007	The theory of knowledge spillover entrepreneurship Develop a theory on knowledge spillover and its impact on entrepreneurship	EE	Proposed that entrepreneurship can be driven by knowledge spillovers	Global
Audretsch, D. B.	2004	Sustaining innovation and growth: Public policy support for entrepreneurship Explore how public policy can support entrepreneurship and innovation	EE	Identified ways public policy can sustain innovation and entrepreneurial growth	Global
Andersson, S., & Wictor, I.	2003	Innovative internationalization in new firms: born globals—their internationalization processes Investigate the internationalization processes of born global firms	BG	Found that born globals adopt innovative approaches to internationalization	Sweden

Coviello, N.	Cohen, S., & Hochberg, Y. V.	Cohen, B.	Brown, R., & Mason, C.
2006	2014	2006	2017
The network dynamics of international new ventures	Accelerating startups: The seed accelerator phenomenon	Sustainable valley entrepreneurial ecosystems	Looking inside the spiky bits: A critical review and conceptualisation of
Explore the network dynamics of international new ventures	Investigate the role and impact of seed accelerators on startups	Examine sustainable entrepreneurial ecosystems	Critically review and conceptualize entrepreneurial ecosystems
Highlighted the importance of networks in the internationalization process	Found that seed accelerators significantly impact startup success	Discussed the characteristics of sustainable entrepreneurial ecosystems	Offered a new conceptualization of entrepreneurial ecosystems
BG	EE	EE	EE
Qualitative	Quantitative	Case Study	Conceptual
Global	Global	United States	Global

Isenberg, D. J.	Gabrielsson, M., Kirpalani, V. H. M.,	Feld, B.	Etzkowitz, H.
2010	2008	2012	2002
How to start an entrepreneurial revolution	Born globals: Propositions to help advance the theory	Startup communities: Building an entrepreneurial ecosystem	Incubation of incubators: innovation as a triple helix of university-industry-
Provide insights on starting an entrepreneurial revolution	Advance the theory of born globals	Guide on building entrepreneurial ecosystems in cities	Discuss the role of university-industry-government networks in innovation
Outlined key factors for fostering entrepreneurial ecosystems	Proposed several propositions to enhance understanding of born globals	Provided strategies for creating vibrant startup communities	Proposed the triple helix model for fostering innovation
EE	BG	EE	EE
Qualitative	Theoretical	Practical Guide	Theoretical
Global	Global	United States	Global

<p>Mason, C., & Brown, R.</p> <p>2014</p> <p>Entrepreneurial ecosystems and growth-oriented entrepreneurship</p> <p>Investigate the relationship between entrepreneurial ecosystems and growth-oriented entrepreneurship</p> <p>Identified factors that contribute to growth-oriented entrepreneurial ecosystems</p> <p>EE</p> <p>Conceptual</p> <p>Global</p>	<p>Knight, G. A., & Cavusgil, S. T.</p> <p>2004</p> <p>Innovation, organizational capabilities, and the born-global firm</p> <p>Examine the innovation and capabilities of born-global firms</p> <p>Found that innovation and organizational capabilities are crucial for born globals</p> <p>BG</p> <p>Quantitative</p> <p>Global</p>	<p>Knight, G. A., & Cavusgil, S. T.</p> <p>1996</p> <p>The born global firm: A challenge to traditional internationalization theory</p> <p>Challenge traditional internationalization theory with the born global concept</p> <p>Showed that born globals internationalize rapidly from inception</p> <p>BG</p> <p>Theoretical</p> <p>Global</p>	<p>Jones, M. V., Coviello, N., & Tang, Y. K.</p> <p>2011</p> <p>International entrepreneurship research (1989–2009): A domain review</p> <p>Review the field of international entrepreneurship research</p> <p>Conducted a thematic analysis and developed a domain ontology</p> <p>BG</p> <p>Thematic Analysis</p> <p>Global</p>
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Rasmussen, E. S., & Madsen, T. K.	Oviatt, B. M., & McDougall, P. P.	Martin, R., & Sunley, P.
2002	1994	2006
The born global concept	Toward a theory of international new ventures	Path dependence and regional economic evolution
Discuss the concept of born globals	Develop a theory for international new ventures	Explore the concept of path dependence in regional economic evolution
Explored the characteristics and implications of born global firms	Proposed a new theoretical framework for understanding international new ventures	Discussed the implications of path dependence for regional development
BG	BG	EE
Theoretical	Theoretical	Quantitative
Global	Global	OECD Countries

Wright, M.	Stam, E.	Spigel, B.	Rialp, A., Rialp, J., & Knight, G. A.
2014	2015	2017	2005
Venture capital investment and technological innovation	Entrepreneurial ecosystems and regional policy: A sympathetic ...	The relational organization of entrepreneurial ecosystems	The phenomenon of early internationalizing firms: what do we know after a ...
Investigate the relationship between venture capital investment and technological innovation	Critique the concept of entrepreneurial ecosystems from a policy perspective	Examine the relational organization within entrepreneurial ecosystems	Review research on early internationalizing firms
Found that venture capital investment significantly promotes technological innovation	Provided a critical analysis of entrepreneurial ecosystems and their policy implications	Highlighted the importance of relationships in entrepreneurial ecosystems	Summarized knowledge on early internationalizing firms and identified research gaps
EE	EE	EE	BG
Conceptual	Qualitative	Literature Review	Theoretical
Global	Global	Global	Global

Zahra, S. A., Ireland, R. D., & Hitt, M. A.	2000	Zahra, S. A., & George, G.	2002
<p>International expansion by new venture firms: International diversity,</p> <p>Investigate the international expansion strategies of new venture firms</p> <p>Discussed the impact of international diversity, entry mode, and technological learning on</p>		<p>International entrepreneurship: The current status of the field</p> <p>Review the field of international entrepreneurship and propose a future research</p> <p>Provided a comprehensive review and proposed future research directions</p>	
BG	BG	BG	BG
Literature Review	Literature Review	Quantitative	Quantitative
Global	Global	Global	Global

3. Methodology

3.1 Aims

This study aims to investigate the extent to which BGs link themselves with their EE. This will involve examining how these firms use ecosystem resources, such as knowledge networks, financing options, and market access points to overcome the challenges of international entrepreneurship and exploit the possibilities of an increasingly connected world (Jones et al., 2011). The study will also seek to determine the way in which the dynamics of the EE affect the strategic decisions, organizational architectures, and innovation processes of BGS and, specifically, this will entail an inquiry into how they connect to international actors. They include analyses of the effects of factors such as network density, institutional support, and regulatory environments on BGs.

By investigating the embeddedness of ecosystems in the case of BGs, our research intends to make contributions to both theoretical and practical insights in the fields of international business, entrepreneurship, and ecosystem studies; to provide nuanced understandings of how and why ecosystem embeddedness facilitates or constrains the internationalization of BGs at different levels and stages; to facilitate strategic decision making, policy making, and future research in this area (McDougall et al., 2003); and overall, to clarify the theoretical position, present empirical evidences and contribute to the practical guidance on how EE embeddedness matters to the internationalization mechanism of BGs and their performance outcomes. Based upon these research objectives, we would like to accomplish the knowledge contribution to academic scholarship, business practice, and policy making in international business, entrepreneurship, and ecosystem studies (Mason & Brown, 2014).

3.2 Case Selection

Our research concentrates on three BGs that have effectively sailed international markets. These three firms were selected based on their swift internationalization, geographical spread and sector relevance. Within a few years after establishment, these

firms have expanded their activities internationally, a prominent feature of BGs (Knight & Cavusgil, 2004).

Company A

Company A is an industry leader in medical technology, focused particularly on vascular health solutions, which is an area that is lacking in solutions. Guided by the fundamental mission to create lasting improvements in patient health with pioneering technology, Company A collaborates closely with premier medical institutions and research groups to build its ever-growing reserve of cutting-edge technical capabilities. By leveraging an extended network of professionals and institutions, they continually sharpen their technological edge. This collaborative approach grants it prime access to medical innovation and the latest breakthroughs, allowing the company to offer the market's newest, most effective solutions.

Company A has factories in Sweden and Finland, strategically positioned in Europe to leverage its rich medical research and development capabilities. These facilities incorporate today's leading-edge technology enabling high-quality manufacturing that meets strict regulatory requirements. The company's global digital relationships provide additional operational acuity and market reach to serve patients and healthcare providers around the world.

Company A's marketing strategy relies on how the product often does not face competition from market competitors directly but from cultural norms. As a result, the firm's solutions must meet not only medical and regulatory criteria but must do so in a way that aligns with different ideas and practices of health and medical treatment in different cultures. This of course poses a unique problem and requires a finesse approach to market entry and product adoption.

Company B

Company B is a prominent firm in software development, IT consultation, cloud solutions, and cybersecurity services which began operating in the year 2010. Their range of services offers development of customized software for businesses that have strict needs, solve the migration issue when adapting to a digital setup, and bulwark any digital threats one can think of.

The success of Company B is largely due to its strong integration into Silicon Valley's bustling tech ecosystem. The region is famous for its density of technology companies, venture capital firms, and a culture centered on innovation.

Silicon Valley integration provides numerous benefits for the company. Proximity to venture capital firms gives Company B the chance to secure funding that supports its expansion and research initiatives. Access to top-tier talent means the company can attract and keep talented professionals who will seamlessly drive innovation and quality service. Furthermore, dense mentorship networks provide industry veterans who help Company B through challenges and ventures. The strategy boosts Company B's growth and establishes its reputation as a foremost provider of industry-leading software to the worldwide casino industry.

Company C

Company C is a provider of safety nets to remote workers, travelers, and freelancers. Their product line includes health insurance and other protective plans for those who need something a little different from traditional insurance. As more people begin to venture abroad, either temporarily or indefinitely, Company C intends to grow with them, employing its growing network of in-country resources worldwide.

With a subscription-based model, Company C is useful for those with varying amounts of money or travel plans. The service lets clients adjust how much coverage they pay for each payment cycle. This means they don't have to worry about spending too much money or not having enough coverage for a given time period.

3.3 Semi-Structured Interviews

3.3.1 Interview Framework

The main objective of creating a semi-structured interview format is to provide a comprehensive view of a business. The framework not only encompasses the nature of the business itself but also its main difficulties and the strategies it is using for growth. It uses prearranged questions as the basis for the discussion, but it also permits going off-script to delve into areas that are important yet weren't sufficiently covered by the predetermined questions.

Our primary goal with these interviews is to gain an understanding of the business' operations; identify any real or perceived challenges the business faces; pick apart the strategies, if any, that are being used to meet those challenges; and gauge the extent to which the business environment is either assisting or hindering those strategies from being realized.

The interviews, in addition, explored the regulatory obstructions faced in different regions and how firms manage to overcome these challenges. This involved an understanding of the legal and regulatory environments impacting on business operations, and how firms ensure compliance with or adapt to these regulations (Klein & Wöcke, 2007). Finally, the questions probed how networks facilitate internationalization and help firms become part of local ecosystems. This chapter looks especially at the kinds of networks businesses can draw on to carry out these functions, including not only the formal and informal networks operated by individuals and businesses but also networks formed through partnership and alliances that can act either to prop up existing business operations or to significantly extend the reach and base of firms that employ them for growth (Coviello, 2006).

3.3.2 Data Collection

Data were collected through semi-structured interviews conducted via email with senior executives from the selected firms. Each interview involved a series of open-ended questions that were designed to elicit detailed responses. The email format allowed respondents to provide thoughtful and comprehensive answers at their convenience. The responses were then transcribed for analysis. Additionally, field observations and archival materials, such as company reports and market analyses, were collected to triangulate the data and enhance the study's validity.

3.4 Data Analysis

3.4.1 Analytical Framework

The data were analyzed by transcribing the email interviews and then comparing the responses through a comparative study framework. This method facilitated the identification of common themes and differences across the firms, providing insights into their internationalization processes and integration into EEs (Sasaki, 1998).

First, the transcriptions were reviewed multiple times to gain a thorough understanding of the content. Key themes and patterns were identified through careful reading and comparison of the responses. The focus was on understanding the motivations for international expansion, strategies for cultural and political adaptation, regulatory challenges, and the role of networks (Caulfield, 2019).

The comparative study framework enabled the identification of similarities and differences in how the firms approached these areas. This comparative analysis provided a richer understanding of the factors influencing their internationalization and how they embedded themselves in local EEs (Sasaki, 1998).

3.4.2 Data Analysis Comparative Case Study

BGs, regardless of their sector, share some commonalities. All firms leverage international markets from the outset to drive growth, benefiting from global opportunities and diversifying their market presence. Continuous innovation is critical across all sectors, whether in developing new health solutions, digital infrastructure technologies, or insurance products (Cavusgil & Knight, 2009; Kudina et al, 2008).

Differences between the different sectors are marked. The health and insurance industries face much more rigorous international regulations than digital infrastructure providers do. The result is that doing business in these sectors is now subject to more complex rules and regulations around international markets and has a much longer timeline for international expansion. For companies in the compliance and regulation-heavy health sector, they must, first, make sure what they are exporting—a robot, telemedicine service, surgical tool, or implant, to name but a few—is up to the same levels of expected quality and reliability as are demanded in the highly credentialed and regulated health markets of the importing country (The Sociable, 2024).

The support of an EE is vital for the scaling and innovation of BGs. These ecosystems deliver the necessary ingredients for success: access to capital, strategic mentoring, and infrastructure. In addition, ecosystems operating under favorable regulatory environments can greatly accelerate market entry. Collaboration within and across the various "sub-ecosystems" of the EE concept is also pivotal. The better a region

approximates the ideal type of a closely collaboration-oriented ecosystem, the greater its chances of producing a long-lasting series of innovative firms with effective go-to-market strategies.

Data Triangulation

Conducting data triangulation is highly beneficial to develop a comprehensive understanding of BGs. Data triangulation helps approve results through the process of cross-verification of data from various sources, which increases the reliability and validity of the research process. Those companies that cross the border shortly after birth face different environments, challenges, and opportunities which vary from industry to industry and through data triangulation we can present a better picture.

4. Findings

In this chapter, we demonstrate the principal outcomes of this research which investigates how BG firms get embedded into EE and what determines them to target global markets right from the start. To have a profound understanding of the topic, I have adopted a combination of semi structured e-mail interviews with the senior executives from three distinct BGs, supplemented by secondary data sources such as company reports, market analysts and industry publications. The multiple sources-based approach provides a comprehensive analysis of the strategies and practices that are employed by these firms in navigation on the international markets.

This paper aims to answer two main questions. First, how do BGs differ from ordinary entrepreneurial firms in terms of their embedding within EEs, both domestically and internationally? We examine BGs' integration into local and global networks, partnerships, and resource pools. Second, what factors drive BGs to international markets from day one, while other entrepreneurial firms typically begin with local or regional markets? We evaluate industry-specific drivers, the regulatory environment, and the strategic use of global networks and resources.

The results demonstrate substantial variation in organizational embeddedness between BGs and regular start-ups. These differences underscore how early and deep entrenchment into global networks produces strategic benefits. The study also isolates the driving factors that lead businesses to adopt a transnational stance upon their founding. Highlights include industry characteristics, technological imperatives, and institutional arrangements.

RQ1: How do born global firms differ from ordinary entrepreneurial firms in terms of their level of embeddedness with their entrepreneurial ecosystem, both domestically and internationally?

Company A: Health sector BGs, such as biotech firms or medical device makers, navigate highly regulated environments, are heavily reliant on specialized know-how, engage in massive and sometimes very expensive

research and development operations. However, healthcare BGs operate in significant global systems of regulation and governance that require them to rely on EEs to assist and guide them through these obstacles. This contrasts with ordinary entrepreneurial firms that might operate within less regulated, more localized markets and ecosystems, highlighting the unique dependencies of health sector BGs on international ecosystems.

Company B: Born-global digital infrastructure companies, such as those in the tech industry, are often deeply integrated into dynamic EEs like Silicon Valley. These ecosystems offer unparalleled access to venture capital, top-tier talent, and innovative networks, which are critical for rapid global scaling. Unlike ordinary entrepreneurial firms, which might have more localized operations and networks, digital infrastructure businesses leverage global tech hubs for resources and support that facilitate their international expansion from the outset and because of these factors, have an easier time, not having to rely as heavily on EEs. (Zahra & George, 2002)

Company C: The insurance industry is now home to born-global startups, especially those that are using InsurTech as a means of disrupting established business models. These startups, which seem focal in driving the industry's digital transformation, are clustered around innovation hubs such as those in London and New York that form the financial services ecosystem. These areas provide access to capital, regulatory support, and international client networks. The ordinary insurance company still operates within the national market, but it lives on while conjoined to the local life of an ecosystem that is heavily regulated. The need for sophisticated risk management and compliance with diverse international regulations makes the global ecosystem critical for insurance sector BGs (Almor, Tarba, & Margalit, 2014).

RQ2: What factors influence the decision of born global firms to pursue global markets from inception compared to entrepreneurial firms that initially focus on national or regional markets?

Company A: Developing new health solutions has a very significant impact on the kinds of businesses that make up the health sector. Because of the enormous costs and time associated with such work, the need for substantial funding and the global nature of health challenges pushes these companies to seek international markets from the start. Being part of ecosystems with strong international connections and streamlined regulatory pathways supports this strategy. Ordinary entrepreneurial firms in the health sector might focus on national markets initially due to more limited resources and the complexity of navigating international regulations.

Company B: The very nature of digital products and services makes them perfect for global markets. They can be delivered around the world with ease and scaled across borders with minimal incremental costs. Access to instant networking and resource sharing is another reason why companies are pursuing global markets and encourages this global orientation. In contrast, ordinary entrepreneurial firms may lack the immediate scalability of digital products and thus focus on establishing a strong local market presence before considering international expansion (Knight & Cavusgil, 2004).

Company C: For insurance sector BGs, the pursuit of international markets is influenced by the need to diversify risk and leverage global financial networks. The inherent nature of insurance, which often involves managing risks that are not confined to national borders, necessitates a global approach. EEs that offer regulatory flexibility and access to international clients further drive this decision. Conversely, traditional insurance firms may concentrate on national markets initially due to established domestic client bases and regulatory familiarity (Madsen et al., 2007).

In this analysis, we compare BGs across digital infrastructure, health and insurance sectors, showing how their embeddedness in EEs shapes their development and strategies.

Company A

One of the main challenges faced by BGs in the health sector is that they have to navigate complex international health regulations. These differ significantly between countries. High levels of investment in R&D are needed to ensure a competitive edge and to foster the development of medical technologies and treatments. EEs that help health sector firms include healthcare clusters, such as Boston or Basel. These provide access to specialized knowledge and provide funding opportunities and industry partnerships. Ecosystems that offer advantages including accelerated regulatory approvals (e.g., fast-track FDA approvals) enable quicker market entry, reducing time-to-market for new products (Coviello, 2006). Public-private partnerships are crucial to add credibility, but more importantly they are vital to provide funding, which is much needed by early-stage health firms to scale and innovate.

Clusters in healthcare, in addition to their role in assisting collaboration, offer substantial specialized expertise, entrance to capital, and environmental conditions and partners needed for innovation and growth. Ecosystems with automatic processes for regulatory ratification dramatically empower new hasty market entrance, most needed for competitive survival.

In regard to embeddedness, Company A falls under the cognitive embeddedness as it focuses norms, values, and cognitive frameworks that shape the behavior and expectations of actors within the network (Nahapiet & Ghoshal, 1998). It also takes part in institutional embeddedness with its integration of institutional framework.

Company B

Integrated into technology hubs, such as Silicon Valley, born global digital infrastructure (BDG) providers tend to obtain great benefits. First, technology hubs provide such access as venture capital, top-tier talent, and mentorship is crucial to an early-stage technology firm. Furthermore, in those technology hubs, there are investment firms, such as Sequoia Capital or Andreessen Horowitz, with sufficient capital and depth of experience to help perform due diligence and coach the firm through the product's development and go-to-market phases (Feldman, 2014). Second, those companies born global digital infrastructure would have to experience more favorable regulations to

support digital innovation and data protection (World Economic Forum 2013). That means by making a starting global law which can not only increase the level of investment, open the global market, distribution and market access channels for companies in sector ICT-based services more easily.

Tech hubs provide the ability to tap into venture capital, elite talent, and mentorship networks central to scaling and enduring innovation. Propitious regulations that support digital innovation and data security cultivate an enabling environment for growth. Close proximity to universities and other tech companies breeds constant innovation and the ideation of new technologies.

Concerning embeddedness, Company B falls under structural embeddedness as it pertains to the overall network structure in which firms are situated. Their direct connection to the aforementioned tech hubs makes it a big part of the business' advantage in the market.

Company C

Insurance firms that are born global require a complex understanding of heterogeneous threat profiles in international markets. Respecting ever-changing regulatory frameworks is perhaps their main operational and managerial challenge. In cities such as London or New York, financial ecosystems provide capital; technical expertise; and extensive client networks. Internationally convergent regulatory environments promote innovation in insurance, and global financial networks and forums foster business expansion and knowledge transfer (Saxenian, 2006).

Access to capital, expertise, and client networks, which are crucial for growth and operational efficiency are facilitated by financial hubs. Supportive regulatory environments promote the creation of innovative insurance products and solutions. Knowledge exchange and business development are facilitated by the participation in global financial networks and forums.

This also places Business C into social embeddedness because they emphasize the importance of broader societal norms and relationships in shaping economic behavior.

Their focus on a lifestyle with similar needs, the importance of social embeddedness is one of their greatest strengths.

5. Discussion

5.1 Analysis of Findings

The findings of this study are presented in this chapter, addressing the central research questions about how BGs are embedded into EEs. To answer these questions, semi-structured email interviews were conducted with senior executives from three BGs in the health, digital infrastructure, and insurance sectors. This chapter discusses how BGs differ from ordinary entrepreneurial firms in their embeddedness within EEs, both domestically and internationally (RQ1), and delves into the factors influencing their decision to internationalize from establishment compared with firms that initially target domestic or regional markets (RQ2).

RQ1: How do born global firms differ from ordinary entrepreneurial firms in terms of their level of embeddedness with their entrepreneurial ecosystem, both domestically and internationally?

Company A

Company A has a higher level of embeddedness in specialized healthcare clusters. These clusters in Boston and Basel give access to research up to the minute, funding opportunities and key industry connections. For instance, company A deeply integrates in these ecosystems to use specialized knowledge and make regulatory tasks much more fluid, essential for a quick market entry. This is different for an ordinary entrepreneur firm; in fact, we could say that they are more linked along their birth city and that their expansion happens gradually.

Company B

In the digital infrastructure sector, BGs get the most value from being embedded in technology hubs like Silicon Valley. These hubs offer access to venture capital, top-tier talent, and robust mentorship networks. Company B uses these resources to innovate and scale at a speed fast embeddedness that most typical entrepreneurial firms only see after getting to first base locally and seeking a broader network of connections.

Company C

Company C is a born global insurance business that embeds itself in financial hubs like New York or London. These financial hubs provide access to substantial amounts of capital, expertise, and client networks that are vital to managing diverse risk profiles and meeting a range of international regulatory requirements. Because of the extensive level of embeddedness, these firms can exploit global financial networks and forums to develop business and exchange knowledge at a global level. Regular entrepreneurial firms are limited to local markets initially, and venture abroad only after a significant period when local market expansion opportunities have been exhausted.

It is in observing the global integration of these BGs into international ecosystems, guided by networks and resources of global reach from their inception to maintain the edge of competitiveness and to fuel the aggressive flames in getting more. Conversely, it is the building of local ecosystem and initiation upon which ordinary entrepreneurial firms are likely to depend prior to expanding internationally.

RQ2: What factors influence the decision of born global firms to pursue global markets from inception compared to entrepreneurial firms that initially focus on national or regional markets?

Company A

Many factors determine the choice of health sector BGs to internationalize at inception. One key factor is the substantial investment in research and development (R&D) required to maintain a competitive edge. For example, Firm A internationalizes early in order to recoup these R&D investments and scale their innovations. In addition, the presence of specialized healthcare clusters and streamlined regulatory processes in certain regions also encourages early globalization.

Company B

In the digital infrastructure industry, the speed of technical innovation and the necessity for empires of scale in infrastructure support push firms to look to global markets. Company B benefits from its embedding in technology hubs that furnish a peerlessly deep pool of venture capital (VC), human talent, and networks of innovation. Being

tapped into these flows is vital for competitive viability and rapid growth, and so informed its decision to globalize from the start.

Company C

To ensure companies, insurance businesses need a varied understanding of risks, in compliance with several regulatory frameworks. An international solution is required here. For example, Company C uses financial hubs to access the necessary resources and networks. It is the complex insurance industry with the advantages of global financial centers that shape their early internationalization efforts.

On the other hand, typical entrepreneurial companies usually begin with a domestic or regional orientation for reasons associated with constraints of resources, geographical proximity, first-mover opportunities, local market knowledge, and the necessity of developing a stable home base before attacking foreign markets. Such firms then gradually, selectively, and intensively build up foreign capabilities and networks as they grow in their existing markets.

Table 2: Analysis of Findings

Aspect	Company A (Health Sector)	Company B (Digital Infrastructure Sector)	Company C (Insurance Sector)
Embeddedness in Entrepreneurial Ecosystems	Embedded in specialized healthcare clusters like Boston and Basel.	Embedded in technology hubs like Silicon Valley.	Embedded in financial hubs like London and New York.
Key Resources and Partnerships	Access to cutting-edge research, funding opportunities, and key industry partnerships.	Access to venture capital, top-tier talent, and mentorship networks.	Access to capital, expertise, and client networks.

Regulatory Environment	Benefits from streamlined regulatory approval processes for quicker market entry.	Favorable regulations supporting digital innovation and data protection.	Requires compliance with varied international regulatory frameworks.
Factors Influencing Early Globalization	High R&D investment needs and presence of healthcare clusters encouraging early globalization.	Rapid technological innovation and need for large-scale infrastructure support drive early globalization.	Complexity of managing diverse risk profiles and benefits of operating in global financial centers.
International Networks and Collaborations	Extensive international networks with research institutions and industry partnerships.	Strong collaboration networks with universities and research institutions.	Participation in global financial networks and forums.
Challenges	Navigating complex international health regulations.	Maintaining competitiveness in a rapidly innovating sector.	Compliance with diverse and stringent regulatory frameworks.
Support from Entrepreneurial Ecosystems	Specialized knowledge, funding, and regulatory support.	Venture capital, talent, mentorship, and regulatory support.	Capital, expertise, client networks, and knowledge exchange platforms.

5.2 Implications of Findings

The lessons from this study have wide-ranging implications for understanding the roles and tactics of BGs within EEs. By exploring their embedding in different ecosystems and their motivation to target global markets from inception, this work exposes critical determinants that can affect both theoretical and practical orientations. The lessons for

policy makers, ecosystem builders, and corporate strategists keen on fostering the growth and internationalization of BGs are especially valuable. This study confirms the importance of customized strategies, enabling institutions, and smart social networking in fashioning the global triumph of BGs.

5.2.1 Embedment in Entrepreneurial Ecosystems

The researchers discovered that deep integration into EEs is essential to the success of BGs. Company A's participation in healthcare clusters allows it to take advantage of specialized assets and regulatory shortcuts that quicken market entry and encourage creative growth. Company B's existence in tech hubs underlines the importance of venture capital and human capital in preserving technological superiority. Company C's business in financial centers reminds entrepreneurs of the importance of wide-ranging financial networks in managing diverse risk profiles and conforming to international rule sets. These insights urge BGs to make embedding in ecosystems with industry-relevant strategic advantages a high priority.

5.2.2 Key Resources and Partnerships

Unique sectoral needs drive reliance on specific resources and partnerships. For Company A, connections to research institutions are crucial for preserving its edge in medical innovation. Given Company B's reliance on venture capitalists and tech talent to drive growth and innovation, Company B ought to maintain those relationships. And Company C will rely not just on financial networks for capital access and scale advantages but also upon connections with experts to navigate and redirect resources through the tangle of international insurance markets. All imply a need to develop a partnership strategy tailored to one's own industry's needs and to signal and defend those industry-specific resources.

5.2.3 Regulatory Environment

The regulatory landscape is a crucial element in structuring the international strategies of these firms. Efficient regulatory processes in the health sector substantially cut time-to-market, highlighting the importance of regulations that expedite approvals for novel health solutions. Regulations in the digital infrastructure sector that favor digital innovation and data protection are indispensable for upholding worldwide

competitiveness. The diverse regulatory landscapes in the insurance sector necessitate strong compliance strategies, demonstrating the need to cultivate regulatory proficiency. Policymakers must recognize these sector-specific constraints when crafting regulations to foster an environment conducive to BGs' growth.

5.2.4 Factors Influencing Early Globalization

The motivation to enter global markets early on is subject to a number of influences, which vary across sectors. For Company A, the need to recoup huge investments in R&D and profit from global healthcare clusters is clearly paramount. The imperative for Company B to develop new technologies fast and leverage global infrastructure and talent compels early globalization. For Company C, the demand for sophisticated risk management and regulatory compliance attracts attention to global financial hubs for early internationalization. Such insights mean that firms must assess the dynamics of their industries and their strategies carefully when they contemplate entering a market, weighing the pros and cons of early globalization.

5.2.5 Challenges from and Support of Entrepreneurial Ecosystems

Firm-specific challenges, including the complexity of the health regulation, combating fast-paced technology sectors' competitiveness, and blending diverse insurance regulatory requirements—emphasize the importance of the EEs behind. These ecosystems, by the domain-specific knowledge, funding, and regulatory support they provide, are critical to enable BGs to address these sector specific challenges. Therefore, robust EEs with the appropriate mechanisms will substantially uplift their success rates.

5.3 Directions for Future Research

Several areas warrant future research in order to deepen our understanding of how BGs assimilate into EEs, particularly given the current gaps in knowledge we have today. Our suggestions for future research are:

- **Comparing Regions**

Future investigations are needed to investigate how BGs are embedded in EEs across different regions. While this research examined well-known hub locations such as Silicon Valley, Boston and London, it would be valuable to explore emerging

ecosystems in other parts of the globe. Doing so would help identify the regional differences in support mechanisms, resources, and policies that impact the success of BGs.

- **How Ecosystems Evolve Over Time**

Insights into how EEs change over time and the implications of shifting ecosystems for BGs, can be gained through longitudinal studies. By following an ecosystem over years or even decades, we can explore the impact on these firms of shifts in government policies, economic structures, and technological developments.

- **Insights Relevant to Industries**

Additionally studying sector specific dynamics within the EE is necessary. Each sector has its own sets of characteristics and requirements. For instance, the requirements of a technology startup may be significantly different from that of a healthcare or insurance company. In-depth studies focusing on specific sectors are likely to generate customized approaches in efficiently leveraging ecosystem resources.

- **Analysis of the Impact of the Policy**

Examining the impact of government policies on the integration of BGs into EEs offers valuable insights. Future research should explore how various policies, including tax breaks, grants, and regulatory frameworks, assist these firms in international expansion. This can aid the formulation of more effective government support mechanisms.

- **Impacts of Digital Transformation**

Another possible avenue for research is to study the impact of digital transformation on the embeddedness of BGs. Researchers need to investigate how digital platforms, digital networking, and virtual collaboration play a role in internationalization and innovation in the era of Internet, and how these digital tools can enhance the global integration of BGs.

- **Dynamics of Network and Social Capital**

Further research should concentrate on unearthing the mechanics of networks and the effect of social capital on born global entrepreneurial successes. Analyzing how BGs build and take advantage of network connections within EEs can shed light on ideal types of networks and how social capital enables essential power resource accessibility.

- **Comprehensive Case Studies**

Studying in detail the history of some BGs that embody themselves in EEs can give real life examples and best practices. These histories can stipulate item by item how they embedded and grew internationally in a system.

6. Conclusion

Taking a close look at how EEs are ingrained in companies that become internationalized right from the beginning, helps us understand the essentials for various types of policymakers and entrepreneurs to create this type of environment. This isn't just something that is a simple copy-paste strategy from, say, Silicon Valley to another place but rather an understanding of how the local conditions can be energized to enable not just one but many such firms to emerge in any given space. This means that word should get around which is happening at the local level, and we should learn from that as to what is common across emerging EEs and what works well in those places.

The way in which ecosystems interact is shaped by dynamic segmentation. This becomes particularly clear when we compare the health and technology sectors. Even though both are driven by innovation, they are very different. In one, the work is bogged down by countless regulations, meaning that entrepreneurs must necessarily follow a different path. In the other, strong growth is possible because startups can grow ... rapidly. Summing it all up, we say that the health and technology sectors are molds that give shape to BGs, with their widely divergent strategies and prospects for "winning" in the world.

Policies need to align. They are the very structure—some would say the backbone—of the environment in which EEs can or cannot form, prosper or not. Policymakers are in the business of building what is sometimes referred to as the "institutional environment." This means not only crafting the right legal framework but also, importantly, erecting the kinds of investment incentives and support systems that are friendly to enterprises.

More than that, key policies and regulatory arrangements must also be "industry-consistent" with the industries in which these enterprises have to compete. The emergence of an "international entrepreneurial ecosystem," with policies that birth it and sustain it, is an upside-down and inside-out world that requires a whole lot of

attention to details in what are often half a dozen "important-to-consider" domains for scholars and policymakers.

To move the analysis field forward, research could compare different sectors and conduct longitudinal studies. Additionally, the field could benefit from examining the governance mechanisms of various ecosystems, which could help determine the conditions that allow some BGs to flourish and others to fail. Next, researchers could look at the policies and actions taken by various countries and regions to assess their impact on BGs and ecosystem development. Moreover, the diversity of ecosystems could be studied. Understanding the different types of born global ecosystems and their success rates could lead to a better understanding of why some BGs succeed and some do not. Finally, the field could do empirical studies of various emerging technologies and business models that have the potential to significantly impact the field of analysis in the future.

To put it simply, how EEs connect to BGs is not a straightforward matter and varies depending on the sector-level context and the specific micro-processes of the local entrepreneurship ecosystem. The "best practices" solutions for promoting the effectiveness of BGs in one context may be fruitless in another. What matters most is the virtuous cycle of BGs formation and the deepening and broadening process those ventures undertake. Our research found that by developing an amplified culture of innovation, collaboration, and resilience within the local entrepreneurship ecosystem, one can usually create an environment that's quite conducive to the formation and growth of BGs.

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8. Appendices

8.1 Appendix 1 Questionnaire

We are Even Nysæther Lien and Hieu Hung Phan. We are conducting this survey regarding our master's thesis about the embeddedness of economic environments within Born global businesses and entrepreneurial firms with a domestic market. We want to investigate how these businesses are affected and the key differences. This analysis, with the results of these interviews, be the main ingredients in our master's thesis.

Do you agree to participate in this interview as a representative of your company?
(yes/no) Do you or your business wish to stay anonymous? (yes/no)

1. Can you give me a quick introduction about who you are and which company you represent?
- 2 How many countries or regions does your company operate in?
3. What was the motivation behind your company's decision to enter international markets?
- 4 Are there any specific strategies your company uses to adapt to cultural or political differences in international markets?
- 5 Have you encountered any problems when expanding to other regions in terms of regulatory factors?
6. As a startup, were there certain things in other markets that made it difficult to compete against local products? Eg, state support, local cooperation
7. Anything else you would like to add?

8.2 Appendix 2 Interview Data

8.2.1 Company A

We are Even Nysæther Lien and Hieu Hung Phan. We conduct this survey because we are writing a master's thesis about the embeddedness of economic environments within Born global businesses and entrepreneurial firms with a domestic market. We want to investigate how these businesses are affected and the key differences. This analysis, with the results of these interviews, be the main ingredients in our master's thesis.

Do you agree to participate in this interview as a representative of your company?

(yes/no)

Do you or your business wish to stay anonymous?

(yes/no)

1. Can you give me a quick introduction about who you are and which company you represent?

[REDACTED]

[REDACTED]. Siden 2016 har jeg jobbet med å nå nye nivåer av finansiering for Otivio, og vi har samlet inn 250 millioner kroner. Vår nyeste innovasjon er innen behandling av symptomer hos MS-pasienter, og vi forventer regulatorisk godkjenning til sommeren. Utstyret, som produseres i Sverige og Finland, består av en generator ved skoens som forbedrer blodstrømmen i arteriene. Vi har kontor på Skøyen og syv ansatte, samt flere virtuelle samarbeidspartnere, hvorav de fleste jobber med regulatoriske saker.

2. How many countries or regions does your company operate in?

Foreløpig opererer vi i flere regioner, men dette kan variere.

3. What was the motivation behind your company's decision to enter international markets?

Utviklingskostnadene er svært høye, og vi har snart brukt 250 millioner kroner. Det norske markedet er for lite, og det er ikke forsvarlig å fokusere kun på det for et helseprodukt.

4. Are there any specific strategies your company uses to adapt to cultural or political differences in international markets?

Figure 1: Company A Data 1

Ja, i USA er det for eksempel mangel på sosial støtte, og privat betaling er vanlig. Vi vurderer å satse på retailmarkedet der, hvor folk betaler for behandling selv. Dette er annerledes enn i Norge og Europa, hvor helsevesenet i stor grad er statlig kontrollert. Hvert land har ulike tilnærminger til helsearbeid, og vi må tilpasse oss disse.

5. Have you encountered any problems when expanding to other regions in terms of regulatory factors?

I EØS-området er det én godkjenning for hele regionen, men distributører i Asia og USA må ofte møte forskjellige regulatoriske krav, noe som kan være utfordrende. Dette er spesielt vanskelig utenfor Europa.

6. As a startup, were there certain things in other markets that made it difficult to compete against local products? Eg, state support, local cooperation

Vårt produkt er unikt, og det finnes ingen direkte konkurrenter. Vi konkurrerer mot etablerte kliniske rutiner i et konservativt marked. Myndighetene må involveres for å få refusjon, noe som har vært vanskelig i Norge på grunn av en trend mot å redusere helseutgifter.

7. Anything else you would like to add?

Det er vesentlige forskjeller mellom digitale teknologier i Born Global-firmaer.

Rask Internasjonal Ekspansjon:

Digitale Teknologier: Born Global-firmaer som benytter digitale teknologier kan raskt ekspandere internasjonalt på grunn av den digitale naturen til deres produkter og tjenester. Digitale plattformer, apper og tjenester kan lett distribueres globalt via internett uten behov for fysisk tilstedeværelse.

Helsesektoren: Helsesektorens Born Global-firmaer står overfor betydelige hindringer ved internasjonal ekspansjon. Medisinske produkter og teknologier krever ofte omfattende regulatoriske godkjenninger i hvert land, som kan være tidkrevende og kostbart. Dette begrenser muligheten for rask global distribusjon.

2. Kostnader og Investeringer:

Figure 2: Company A Data 2

Digitale Teknologier: Oppstartskostnadene for digitale teknologi-bedrifter kan være relativt lave. For eksempel kan utvikling av en app kreve mindre kapital enn produksjon av en fysisk medisinsk enhet. Videre kan vedlikehold og oppdateringer av digitale produkter utføres eksternt, noe som reduserer behovet for lokal tilstedeværelse.

Helsesektoren: Fysiske produkter i helsesektoren krever betydelige investeringer i forskning og utvikling, produksjonsutstyr, og kliniske tester. For eksempel krever medisinsk utstyr som Otivio produserer omfattende testing og sertifisering, noe som øker kostnadene og tiden før produktet kan nå markedet.

3. Tilpasning til Lokale Markeder:

Digitale Teknologier: Digitale produkter kan lettere tilpasses lokale markeder ved å oversette innhold og tilpasse brukergrensesnittet. Distribusjonsplattformene som App Store og Google Play gjør det enkelt å nå et globalt publikum.

Helsesektoren: Medisinske produkter må ofte tilpasses lokale preferanser og krav, noe som kan kreve justeringer i design, emballasje og funksjonalitet. Hver region har sine egne regulatoriske krav, som krever omfattende dokumentasjon og testing for hver region.

funksjonalitet kan ta lang tid å implementere, og distribusjon av oppdaterte produkter kan være kostbar og kompleks.

4. Regulering og Godkjenning:

Digitale Teknologier: Digitale produkter møter ofte færre regulatoriske hindringer. Mens det kan være noen data- og personvernlovgivninger å forholde seg til, er veien til markedet vanligvis raskere sammenlignet med medisinske produkter.

Helsesektoren: Medisinske produkter må gjennom omfattende regulatoriske prosesser før de kan selges på nye markeder. Dette inkluderer kliniske studier, sikkerhetsvurderinger og overholdelse av strenge helseforskrifter. Dette gjør prosessen med internasjonal ekspansjon mer tidkrevende og kostbar.

Figure 3: Company A Data 3

8.2.2 Company B

We are Even Nysæther Lien and Hieu Hung Phan. We conduct this survey because we are writing a master's thesis about the embeddedness of economic environments within Born global businesses and entrepreneurial firms with a domestic market. We want to investigate how these businesses are affected and the key differences. This analysis, with the results of these interviews, be the main ingredients in our master's thesis.

Do you agree to participate in this interview as a representative of your company?

(yes/no)

Do you or your business wish to stay anonymous?

(yes/no)

1. Can you give me a quick introduction about who you are and which company you represent?

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

2 How many countries or regions does your company operate in?

[REDACTED] opererer i USA, Europa og Asia

3. What was the motivation behind your company's decision to enter international markets?

DigiPlex (i dag STACK), var en ledende norsk datasenterleverandør, valgte å etablere seg i Danmark og Sverige av flere grunner. For det første har selskapet en strategi om å tilby et nordisk økosystem med datasentre, som gjør det mulig for kunder å utvide sin virksomhet i Norden og komme nærmere "The Edge" – som betyr raskere og sikrere ruter til skyen.

Ved å ha tilstedeværelse i disse landene, kan STACK også dra nytte av de lokale markedene og infrastrukturen, noe som er viktig for å møte kravene til hyperscalers og store colocation-

Figure 4: Company B Data 1

leietakere. I tillegg har STACK vunnet flere priser for sine energieffektive innovasjoner og bærekraftsinitiativer, og deres anlegg drives av 100 prosent bærekraftige kilder. Dette er også kjennetegn på Danmark og Sverige, som begge er kjent for sitt fokus på bærekraft og grønn teknologi. Derfor passet dette godt inn i STACK sin portefølje.

Oppkjøpet av STACK (den gang DigiPlex) av IPI Partners, LLC, gir også selskapet kapital, ekspertise og relasjoner for å forsterke sin neste vekstfase i Norden og utover.

4 Are there any specific strategies your company uses to adapt to cultural or political differences in international markets?

STACK fokuserer veldig på en enhetlig kultur i selskapet, men der man samtidig anerkjenner og respekterer andre kulturer, nasjonale og tillærte. STACK ser på forskjeller som en styrke, og ønsker å motivere og legge til rette for dette. Som et eksempel har vi nylig avholdt vår Diversity and Inclusion Conference. Forskjeller er ofte undervurdert som styrker i en virksomhet, og man kan ofte se at man gjerne skulle ønske at alle var mer like. Man kan dermed få en følelse av at ting "skliv greiere" og det kan virke som at det er stor harmoni. Jeg mener derimot at har man forskjeller så vil man få gode diskusjoner, flere innfallsvinkler på problemstillinger og dermed bedre, enklere og mer kostnadseffektive løsninger.

5 Have you encountered any problems when expanding to other regions in terms of regulatory factors?

Det er store forskjeller på regioner og land selv om de fleste av de landene jeg er kjent med enten er i EU eller har en EØS avtale. Noen likheter er det, vi har for eksempel FN's bærekraftsmål som er likt og en del andre ting. Men når det kommer til regulering, strøm, lovverk osv så er det relativt store forskjeller. Måten vi håndterer dette på, er at vi sørger for å knytte til oss lokal ekspertise for alle fagområder vi mener er relevant (oppkjøp, konstruksjon, drift osv.) På generell grunnlag, så kan man si at Danmark (av de nordiske landene) er mindre konservative enn Sverige og Norge. Det er kort sagt enklere å drive business i Danmark.

6. As a startup, were there certain things in other markets that made it difficult to compete against local products? Eg, state support, local cooperation

Det er så lenge siden vi var en startup, det var før min tid, så den historien kjenner jeg ikke så godt til.

7. Anything else you would like to add?

Figure 5: Company B Data 2

Forutsigbare rammevilkår er avgjørende for etablering av virksomheter fordi de gir grunnlag for stabilitet og tillit, som er nødvendig for langsiktig planlegging og investering.

Risikoreduksjon: Forutsigbare rammevilkår reduserer usikkerheten som virksomheter står overfor. Dette gjør det lettere for bedrifter å forutsi fremtidige forhold og minimere risiko knyttet til investeringer.

Investeringsstilbeslutninger: Klarhet i regelverk og politikk oppmuntret til investeringer ved å gi investorer trygghet om at spillereglene ikke endres vilkårlig eller uten forvarsel.

Planleggingsgrunnlag: Bedrifter trenger stabile vilkår for å kunne planlegge på lang sikt, utvikle strategier og allokere ressurser effektivt.

Konkurransefortrinn: Forutsigbare rammevilkår kan gi et konkurransefortrinn ved å tiltrekke seg bedrifter og talenter som søker et stabilt og pålitelig forretningsmiljø.

Økonomisk vekst: Et stabilt og forutsigbart næringslivsklima er gunstig for økonomisk vekst, da det legger til rette for innovasjon, utvikling og skaper et attraktivt miljø for både nasjonale og internasjonale aktører.

Samfunnsmessig tillit: Forutsigbarhet i næringspolitikken bygger tillit mellom myndigheter, næringslivet og samfunnet, noe som er essensielt for et velfungerende økonomisk system.

Kort sagt, forutsigbare rammevilkår er fundamentale for å skape et gunstig miljø for virksomhetsetableringer og økonomisk vekst.

Figure 6: Company B Data 3

8.2.3 Company C

We are Even Nysæther Lien and Hieu Hung Phan. We conduct this survey because we are writing a master's thesis about the embeddedness of economic environments within Born global businesses and entrepreneurial firms with a domestic market. We want to investigate how these businesses are affected and the key differences. This analysis, with the results of these interviews, be the main ingredients in our master's thesis.

Do you agree to participate in this interview as a representative of your company?

(yes/no)

Do you or your business wish to stay anonymous?

(yes/no)

1. Can you give me a quick introduction about who you are and which company you represent?

[REDACTED]

[REDACTED]. Our mission is to create a safety net for everyone, regardless of where they are, making it easier for people to live and work anywhere in the world.

2. How many countries or regions does your company operate in?

SafetyWing operates in over 180 countries, making it a truly global insurance provider. Our extensive network ensures that our customers receive the best possible care, no matter where they are.

3. What was the motivation behind your company's decision to enter international markets?

Our motivation to enter international markets stems from the rapid rise of remote work and the increasing number of digital nomads. Traditional insurance models often fail to meet the needs of this growing demographic, which is why we saw an opportunity to provide flexible, comprehensive, and affordable insurance solutions that cater specifically to their unique lifestyle.

4. Are there any specific strategies your company uses to adapt to cultural or political differences in international markets?

To adapt to cultural and political differences in international markets, SafetyWing employs several strategies:

Figure 7: Company C Data 1

- **Local Partnerships:** We collaborate with local insurance providers and healthcare facilities to ensure our services meet local regulations and cultural expectations.
- **Localized Customer Support:** Our customer support team is trained to handle inquiries in multiple languages and understand cultural nuances, ensuring a seamless experience for our users.
- **Regulatory Compliance:** We stay abreast of regulatory changes in each country we operate in, ensuring that our products remain compliant with local laws and regulations.

5. Have you encountered any problems when expanding to other regions in terms of regulatory factors?

Expanding to other regions does come with its regulatory challenges. Each country has its own set of insurance regulations and compliance requirements. To navigate these complexities, we work closely with legal experts and local partners to ensure that we meet all necessary regulations and provide a legitimate and trustworthy service to our customers.

6. As a startup, were there certain things in other markets that made it difficult to compete against local products? Eg, state support, local cooperation

As a startup, we have faced challenges competing against local products, particularly those that benefit from state support or have established local networks. However, our global focus, innovative product offerings, and emphasis on catering specifically to the needs of remote workers and digital nomads have helped us carve out a niche market. By continuously improving our services and leveraging technology, we strive to offer unparalleled value that distinguishes us from local competitors.

7. Anything else you would like to add?

At SafetyWing, we believe in the power of remote work and the freedom it brings. We are constantly innovating to better serve our customers and address their evolving needs. Our ultimate goal is to create a borderless world where everyone has access to quality healthcare and insurance, no matter where they choose to live and work. Thank you for your interest in SafetyWing, and we look forward to continuing our mission to support the global remote workforce.

Figure 8: Company C Data 2

8.3 Appendix 3 Discussion Papers

8.3.1 Discussion Paper - Even Nysæther Lien

Even Nysæther Lien

Discussion Paper – International

How the theme of international is connected to the thesis

The thesis's main objective was to get a better understanding of entrepreneurial ecosystems and their connection with born global firms. Such firms face both unique challenges and opportunities, depending on the industry from which they come (Knight & Cavusgil, 2004; Oviatt & McDougall, 1994). My research focused on firms in three sectors: biopharmaceuticals, information technology, and industrial equipment, to shed light on the different strategies they use to surmount those challenges and take advantage of the opportunities that come with being a born global firm.

This thesis is very much relevant to the overall theme of international. It focuses on what are called "born global" firms, companies that expand into international markets almost from the moment they are created (Knight & Cavusgil, 2004). These firms are the embodiment of the "global, interconnected business world." The twenty-first century's international business environment is different from the previous century's. Contemporary globalization is marked not only by much higher overall levels of international interconnectedness but also by the significantly more binding nature of interconnections that are established.

Globalization, the most concrete form of which is linked to financial markets, is one of the major differentiators of recent economic history. Simultaneously, the financial market has been transformed into an intricate allocator of resources among people, places, and times, and these play more and more upon one another. (Meyer, Drori, & Hwang, 2006). The other part of the thesis regards entrepreneurial environments. They are not as relevant to the international subject as it mainly focuses on entrepreneurial activity and innovation within specific geographic or industrial contexts. EEs are composed of several essential components, each playing a critical role in fostering

entrepreneurship. These components can be broadly categorized into cultural, social, and material elements (Mason & Brown, 2014). Our thesis, however, argues strongly that through embeddedness, entrepreneurial environment is essential in the international environment. It underscores the importance of the social context in which firms operate, emphasizing how networks, relationships, and institutional frameworks influence business practices and opportunities. In this discussion paper I will go through several entrepreneurial environment factors that shows the relevancy of the theme “international” for our thesis.

Advances in technology

The crucial basis of a born global enterprise that makes international expansion possible is technological, and especially digital, in various ways. To begin, as is true for other types of businesses, born global must figure out how to communicate internally and externally in an efficient and timely manner. Born global firms are profoundly influenced by technology's inexorable forward march. Besides remaking great power distributions, technology silently and completely alters the international scene at its very core. Small firms can find it easier to push into foreign markets when they have access to high-tech tools and platforms (Kügler & Smarzynska, 2019). Once a decision has been made to push into a certain foreign market, advanced digital tools provide a huge boost in putting forward a brand in that new marketplace and following up with various stages of the e-commerce process. Virtual meeting places and tools allow for real-time interaction. Business operations can move quite fast when digital technologies are employed. Businesses, especially those that are "born global" (Bezençon, 2016), can efficiently service the global market. Good examples of how technology can support growth are the cloud and IoT, which many firms have already adopted. They enable quick and cost-effective servicing of new market entry and of scaling businesses up. In the case of the latter, international supply chains often service the new markets businesses enter (Francesconi et al., 2019; Kügler & Smarzynska, 2019). These digital tools, among others, can ensure that these supply chains are not a bottleneck for the businesses using them.

Regulatory environments

The governance environments encountered by globally operating firms from their inception affect significantly the strategies pursued by those firms. These firms operate

in industries and regions where fast innovation and internationalist governance are conventional, so the basic trade rules are extremely familiar, and many countries are either adopting slight variations of them or simply making their key provisions part of national law, thereby producing something like a total market regime. These governance regimes enable many firms to serve many markets with a virtually identical product and marketing mix. An example for this is the Estonian E-Residency Program that allows company formation, banking, payment processing, and taxation.

A key advantage to new rules is fostering innovation. Some rules are designed to provide a push to innovation. Global trade either supports or undermines the expansion of international start-ups. Good trade agreements make tariffs lower, making it cheaper to get stuff into a market.

Born global firms can make things a lot easier by ensuring consistency in regulation from one market to another. The most obvious effect is that it means that firms can concentrate on selling a consistent message and product across markets, and that appears to be a significant benefit.

Regulations specific to sectors: Each sector has its own set of regulations that companies in that sector must adhere to. Companies, for instance, in the health sector can have their innovations reviewed and approved by the agencies that oversee that kind of thing, such as the FDA (Food and Drug Administration). (U.S. Food and Drug Administration, .n.d) This can lead to a streamlined process for getting safe and effective medical innovations to market faster, and it's something that's beneficial to society.

Economic shifts

Born-global companies are being shaped by how the economy is changing, such as the rise of bundled markets and our growing dependence on world trade. They are the motors of global commerce that have made regions like Eastern Europe, China, and India into big consumer markets for American, Japanese, and European companies. As born globals surge up, there is an opportunity to both benefit from and be challenged by developing economies (Dunning, 2000; Porter, 1998). Not only are emerging markets potentially the largest source of possible growth, but they are also the destination of a brand-new customer base. As a matter of fact, finding customers is the most important

reason that would lead a company to go international. Emerging is not only a promise. Rather, it's a high-risk zone due to the political and economic instability that happens to be the fact of many emerging markets. In terms of infrastructure, most of emerging markets lack development. Being successful in emerging markets requires the individual companies to consider all the mentioned above and generate an appropriate strategy.

The born global companies are great beneficiary of the international trade market development as well as the potential customers. The access to these markets always comes from the expanded import and export. There is also a current global shift towards knowledge-based economies emphasizing intellectual capital and innovation. This seems to be particularly true for the class of born global firms. Born global firms quickly learn that staying in front when it comes to innovation and as far in front as possible underpins their ability to survive and thrive by making a significant investment in research and development (R&D). Their motive for doing so is the same as any other firm's: to earn a return on their investment (Dunning, 2000; Porter, 1998). All of this suggests that born global firms, like their more traditional counterparts, appear to be following well-established paths laid out by knowledge-based and innovation-driven theories of the firm.

Stakeholders

Within the global business world, stakeholders have a dramatic impact. They are the influential actors who make the success and policies happen for businesses engaging in doing business around the world. Among this group, policymakers, the individuals who design international business regulations and laws, stand out. At the core, policymakers have to implement and sustain supportive regulation environments to make the global businesses successful. In addition to this, policymakers must worry about the big picture: the whole international business scene. Policymakers must create and maintain advantageous ecosystems to enable the born globals firm obtaining the competitive advantages they need. Policymakers must think about the enhancements of the international regulation environment to create the clear path for the innovative and potential companies which they want to attract in order to design the next Ubers, the next Amazons (Cavusgil & Knight, 2015).

Another crucial stakeholder group is investors--venture capitalists, angel investors, and private equity firms that fund this capital-intensive business model enabling internationalization from inception. Investors provide financial resources, strategic guidance, and networks that facilitate a firm's initial market entry and subsequent expansion within and across borders (Dunning, 2000). Investors are critical in the early stages of internationalization in assessing the risks and returns of operating in foreign markets.

Customers, whether they already have a relationship with the brand or could potentially do so in the future, comprise another key stakeholder group for born global companies (Fletcher, 2001a). Understanding the needs and wants of customers in different international markets is vital for successful market entry, survival and growth. This requires extensive market research and often the tailoring of products and services to meet local tastes and standards. By engaging with customers, firms can build brand loyalty and ensure continuing sales in a range of diverse international markets (Bezençon, Cudré-Mauroux and Schaer, 2016). We can also extend that the importance of internationalization for customers is the innovation of products and services in areas like the health sector. An example of this is Babylon Health from the UK that uses AI to provide accessible and affordable healthcare globally (Burton, 2019).

Conclusion

This paper explains the bond between the theme of internationalization and the thesis on entrepreneurial ecosystems and their influence on born global firms. In this study, the three born global enterprises were studied under different areas of business scenes. The sectors are completely unrelated to one another, however, all the firms in these sectors all internationalized, and had used various approaches to obtain it. Globalization is characterized by international interconnections and tight interdependencies. As “born global” firms, internationalization has an enormous effect on the business level in terms of a simpler way of reaching more customers, ongoing access to energy, innovative capacities across cultures and languages, and even just the ability to list the globe to find the huge amounts of money that are needed to scale up a company’s operation. In short, internationalization has made these companies and the industries they represent far more international.

For the so-called born global firms that straddle national boundaries from their inception and operate in global markets. When different parts of the world come together to create economic integrations, it makes it easier for businesses in all of these countries to reach a bigger group of markets. The European Union illustrates this ease of access best of all: there's no practical difference, for instance, between a bilateral trade agreement negotiated by member states and the trade agreements with EU partners in the Union's "free trade" zone, which allows goods to be traded duty-free and without any quotas in place. (European Union, n.d.)

To sum up, many influential parties that are implicated in global commerce, these actors include local firms, multinational corporations, academics, financiers, and consumers all define to a great extent how these businesses have to possibility to thrive in an international setting. These parts written about in this discussion paper only scratch the surface of the born global, entrepreneurial environment and the international business landscape. Overall, what this discussion paper does is to point out how connected the global business world really is. It truly is nothing short of "one big global stage." Anyone, no matter what part of the world or what region they are searching for the same set of business opportunities.

Hieu Hung Phan

Discussion Paper

Competency Goal: International

BE-509

Our thesis, "Born Global Firms and the Embeddedness of Entrepreneurial Ecosystems" examines the interaction between entrepreneurial ecosystems and the formation and expansion of born global firms. These firms, distinguished from other kinds of firms by their penetration of foreign markets from inception, are still not well understood. I believe that this is an exciting and vitally important area of research because some born global firms have the potential to grow rapidly and achieve enviable success, even in the most uncertain of times, and serve as a positive role model for the kinds of new ventures that can flourish in today's and tomorrow's very different global economy. Our research focuses on two primary questions:

RQ1: How do born global firms differ from ordinary entrepreneurial firms in terms of their level of embeddedness with their entrepreneurial ecosystem, both domestically and internationally?

RQ2: What factors influence the decision of born global firms to pursue global markets from inception compared to entrepreneurial firms that initially focus on national or regional markets?

In this discussion paper I will draw on accumulated knowledge from my master's degree and discuss how my thesis relates to the broad concept "international".

Relation to International Trends and Forces

International Entrepreneurship and Globalization

Technological Advancements

Rapid progress in information and communication technologies (ICT) is arguably the most influential global trend and has prodigious effects on business globalization. These advancements have reduced the barriers to foreign market entry by giving companies much better access to the information they need. Firms can now use these channels to communicate more efficiently, and the internet also allows first-class supply chain management. Penny Loane and Keith Bell (2006) sum it up nicely in their research paper when they state, these are "enabling technologies" for business globalization. One can hardly exaggerate the importance of e-commerce, social media (running on different mobile platforms around the world), or the hearty "e-services" that other nations envy.

Global Market Integration

Now that markets around the world have become more interconnected, the demand across various regions has become more similar, allowing businesses that are born together (i.e., multinational businesses) to consolidate their operations and serve a broader base of customers). As a result, it might be said that globalization has given activities an unprecedented platform, within the context of "interbeing", to not only carry on but also carry across their value. "If globalization is the rising tide that carries all boats, the level of innovation in the boat that an entrepreneur is in determines its seaworthiness." (Rialp, et al., 2005).

Entrepreneurial Ecosystems and Global Networks

Resource Access and Network Strength

Ecosystems for entrepreneurs give firms that are global right from their inception access to the key resources they need, like money, skilled people, and solid technological real estate. The connections within these networks are crucial to those firms for the simple reason that you sort of need to know someone in order to get something done at this level of complexity. A firm in a dynamic ecosystem with a lot of buzz going on is better positioned not only to know what it needs to do but also to know that it needs to know this in order for it to have a viable venture, let alone to scale the venture (Stam, 2015).

Innovation and Collaboration

Born global companies are competitive in international markets because they are not restricted by traditional thinking. These companies are unhindered by past experience, and they are relatively free to adopt fresh approaches in the international markets they compete in. These fresh approaches – these new ways of thinking – allow the founders and top executives of born global firms to see new market opportunities and potential alliances or partnerships that can provide the resources and capabilities to compete successfully in those markets.

Policy and Institutional Support

Regulatory Frameworks

In entrepreneurial economies, it is very important to have regulatory frameworks that are positive, supportive, and that remove as many barriers as possible for firms that want to go global. These firms are very much at the forefront of not only reducing the barriers themselves but also taking the entrepreneurial economy, private sector growth agenda forward. The firms that do go abroad are extremely dependent in many cases on the nature of the policies or regulations that are in place in their home country. If you create the right kind of home policy or regulatory environment, then you will facilitate these kinds of firms being able to go global.

Government and Institutional Support

The interconnected roles of government and education in entrepreneurial economies support the success of born global firms. These figures show how critical initiatives such as incubators, accelerators, and educational programs are for companies that have an international vision and are entering international markets. If those born global firms are to survive and thrive, they need to make their products and services understood and appreciated in international markets. The study suggests achieving that kind of collaboration between public and private sectors, with a heavy dose of entrepreneurship added to the mix, is the way to go (Mason & Brown, 2014).

Cultural and Social Dynamics

Entrepreneurial Culture

It is critical for a born global company to operate in a positive entrepreneurial culture that not only appreciates the risks and innovation that come with internationalism but also the success that can follow. Such a culture within the firm removes a dialogue block that might come from a lack of shared positive entrepreneurial experience. But it is just as vital that such a firm emerges in a positive entrepreneurial culture, an economy of any dimension that has a comprehensive set of activities and appreciates all risk and process performance from taking sides at the local to global stage.

Social Capital

Born global firms require social capital to succeed in international markets. While these firms have a strong network of relationships on which to rely, they can also turn to mentors for sound advice. Peers can lend an empathetic ear and can especially help when business problems seem insurmountable. Industry connections create multiple channels through which firm leaders can access the know-how and resources they need to run their businesses. When the opportunity to form a global venture emerges, these domestic resources become even more useful in helping firms overcome the myriad challenges of taking a business international.

Influence of International Trends on Research Questions and Findings

Research Question 1: How do born global firms differ from ordinary entrepreneurial firms in terms of their level of embeddedness with their entrepreneurial ecosystem, both domestically and internationally?

Born global firms are deeply embedded within their entrepreneurial economies—both at domestically and internationally. This embeddedness is crucial to the process of the firms' emergence and growth. Yet, the deep and rapid internationalization and the kinds of market opportunities that born global firms pursue are not universal in their origins. Nor are there common origins across all the firms, even in a specific national context. That said, a range of international trends, particularly those surrounding technological advancements—chiefly, the shift to digital across a spectrum of technologies and types

of innovation—figures importantly in what makes some opportunities more plausible for a born global firm than others. And these trends also figure in what might make for a kind of economy that is more favorable overall for a range of born global firms than for others.

Research Question 2: What factors influence the decision of born global firms to pursue global markets from inception compared to entrepreneurial firms that initially focus on national or regional markets?

Global markets are the initial targets of the born global firms. The factors that induce this act of pursuing the global markets right from the birth of the firm are many in number. Entrepreneurial orientation factors and drivers, prior international experience, industry and market environment, and overall market conditions are some of the chief drivers of this act of venturing into global markets, right from the birth of the firm. What makes things even more compelling is the evidence of the trends that are going on at the international stage – the trends induced by the globalization process, the existence of supportive technological conditions, and the establishment of the whole policy environment that is supportive of going global.

Practical Implications for Entrepreneurs and Policymakers

Strategic Resource Allocation

The information derived from this study can be useful to entrepreneurs. It can help them make the kinds of informed choices that can boost the chances of survival and growth for their new firms. The study's findings are also likely to be of use to those who study entrepreneurs, as they help to flesh out our understanding of the kinds of conditions that are associated with success. I suggest that entrepreneurial situations can be quite powerful drivers of economic development; they point to the rapid rise in the number of small, globally oriented firms in the software-intensive market as a key example for this century.

Policy Development

The study's discoveries are a tool for policymakers. They can use what has been learned from this investigation to design targeted plans that encourage born global firms to grow and internationalize. Policymakers also have the ability to make changes to the business environment. They can create the kinds of local ecosystems that are fertile

ground for the kinds of born global firms that will drive economic growth and international trade in the future.

Conclusion

Our thesis "Born Global Firms and the Embeddedness of Entrepreneurial Ecosystems" offers valuable insights into the relationship between born global firms and the entrepreneurial ecosystems they operate in. In doing so, it also offers some important insights into the character and operation of the entrepreneurial economies in which these firms are "embedded." For instance, the study makes clear that "born globals" are mostly the creatures of international trends, especially in the form of technological advancement. Their financial, intellectual, and social "capitals" are also strengthened considerably if they are located in a vibrant, entrepreneurial economy.