

Access to networks and internationalisation commitment
as precursors to marketing strategies in international markets.

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By

Carl Arthur Solberg*

BI Norwegian School of Management, Sandvika Norway

and

Francois Durrieu

Bordeaux Ecole de Management, Talence, France

*Corresponding author:

carl.solberg@bi.no

Tel: 47 – 67 55 73 63

Abstract

The role of networks and international commitment in the formation of internationalisation strategies has not yet been explored in international research. The present paper investigates these relationships in a sample of 206 Norwegian exporters.

The results indicate that networks play a significant role in explaining a number of internationalisation strategies. It is suggested that the information, the trust, and the norms embedded in networks come into play when explaining the dynamism of strategy formulation. The main finding is that access to networks in key international markets impact positively on the development of some global strategies such as marketing control / positioning, whereas it does not enhance the creation of international strategic alliances. It is theorised that well functioning marketing networks come in lieu of alliances, making these redundant, *rather than leading to* such alliances. Furthermore we find that international commitment is a strong driver to global marketing strategies – both international strategic alliances and marketing control / positioning strategies. Also product development strategies are strongly and positively affected by firm commitment to international markets suggesting that much of the product development in the sample firms is directed toward international customers.

Introduction

Access to critical customers is paramount in international markets. This is particularly true in a globalised world market where time to market is critical to preempt competitors from achieving strongholds in key markets that later are difficult to invade. Distance – both geographic and cultural, embedded relations by incumbent firms, nationalistic purchasing practices (in spite of international regulations), and general inertia by purchasing agents are factors that render international market introduction particularly time consuming and resource demanding. It is therefore vital to set up a network system that can bridge the gulf between exporter and local key customers in foreign markets. This network generally consists of independent agents or distributors, and - at later stages of exporter life – sales subsidiaries (Johanson and Wiedersheim Paul 1975, Johanson and Vahlne 1977), and further down the chain, local dealers reaching out to the final customer.

The present research tries to untangle the role played by networks in determining the strategic orientation of the firm in international markets. Much of the attention in international marketing literature has been on entry modes (Benito and Welch 1994) and on governance modes of the foreign local representative (Bello and Gilliland 1997, Cavusgil and Zhang 2003, Bello et al 2003). Furthermore, research on strategy development has focused on factors such as international experience (Cavusgil and Zou 2002) or international capabilities of the firm (Solberg et al 2004). We argue that *access* to international market networks (and not necessarily the degree of internalisation, Anderson and Gatignon, 1986), together with management

commitment to international business operations, play an important part in explaining the strategic choices made by management.

Literature review and development of hypotheses

Access to networks

Networks facilitate economic efficiency. That is the conclusion drawn from economic sociologists such as Burt (1977), Granovetter (1985), Coleman (1988), Bucklin and Sengupta (1993), Uzzi (1997). Also the IMP school of thought contends that relations and interaction in networks create business opportunities and market efficiency (Håkanson and Snehota 1997).

Networks may be defined as interlinked relationships both at the individual and the organisational level. In the present context networks should be understood as relationship between trading partners and the final customer in the market place. These trading partners are primarily the local representatives in foreign markets, their distribution system of local dealers, and cooperating firms such as logistics partners, advertising agencies, banks etc.

Uzzi (1997) maintains that embedded relationships (in networks) are rational through positive effects like trust, fine-grained information transfer and joint problem solving arrangements. He furthermore asserts that: “embeddedness creates economic opportunities that are difficult to replicate via markets, contracts, or vertical integration.” (p. 37). Achrol et al (1990) propose a framework of social capital consisting of four components: organisational compatibility, goal compatibility,

partner commitment and trust. Coleman (1988) suggests that social networks have three functions:

1. Networks constitute a social capital through the creation of trust, obligations and expectations of the partners in the network. In other words individuals with high level of obligations have more social capital to draw on than other individuals. Following Morgan and Hunt (1994) trust between (network) partners leads to commitment. Therefore we may maintain that the commitment by the network partner is an additional asset that is accounted for in the development of the firm strategy. Uzzi (1997) shows how trust promotes access to “privileged and difficult to price resources that enhance competitiveness but are difficult to exchange in arm’s length ties” (p. 43). The essence is here that the trust fostered in networks constitutes a resource that enables the partners to more easily identify business opportunities - and pitfalls, and thereby to devise appropriate strategies.

2. Information in social relations is according to Coleman (1988) a separate form of social capital. In the words of Burt (1992):

“There are limits to the volume of information you can use intelligently. [...] Given a limit to the volume of information that anyone can process, the network becomes an important screening device. It is an army of people processing information who can call your attention to key bits – keeping you up to date on developing opportunities, warning you of impending disasters. This second-hand information is often fuzzy or inaccurate, but it serves to signal something to be looked into more carefully” (p. 62).

This is also corroborated by research in Norway. For instance, Gripsrud et al (2000) find in a survey of Norwegian exporters of bio products that information captured

through the exporter's network partners enhances firm performance. In the same vein Solberg (2003) shows that information through network partners is more valued by exporters than information obtained through international market research. Access to market networks therefore has the potential to give the exporter a privileged access to market information which it later will use to develop its competitive advantages through strategic decisions.

3) Social relations create norms and may therefore be regarded as effective means of sanctions. Also writers within inter-organisational relations emphasize the role of norms. For instance Jaworski (1988) and Wathne and Heide (2000) maintain that the purpose of socialization controls is to achieve goal alignment as the trading partners internalize each other's norms, values, and commitment to mutual obligations. Established norms and values act as a "standard", against which the principal's and the agent's performance is compared. Norms and values prevent opportunism because the agent expects rewards when performing within accepted standards, and negative responses from the principal if the performance is below standards. In the worst case, the agent is expelled from the relationship (Jaworski 1988). As Wathne and Heide (2000, p. 47) put it; "the effectiveness of socialization as a strategy for managing opportunism rests on its completeness, or its ability to promote values that apply across contexts or situations". Nohria and Goshal (1994) show that socialization through shared values is related to corporate performance. We may therefore argue that the common beliefs and norms developed through socialisation in networks facilitate communication and discussions about strategic options between the network actors, and hence indirectly impacts on the formulation of business strategy by the exporter.

International commitment

With antecedents in the late fifties (Penrose 1959) and in the sixties (Cyert and March 1963), many writers during the late sixties and up to the beginning of the eighties have sought to explain the international involvement of firms as a sequential, stepwise process leading the firm to spread its activities to more and more markets, culturally and geographically more and more distant, involving ever more committed and risky modes of entry. The proponents of this school of thought have produced a rich body of research that gives insights into different aspects of this process. The seminal work in this field was partly made by the "Uppsala School" with contributions from Johanson and Wiedersheim-Paul (1975) and Johanson and Vahlne (1977). Their findings, based on four case studies of Swedish MNEs, suggest that there is a loop process between the market and the firm whereby market knowledge leads to commitment decisions in the firm, the ensuing marketing activities in their turn leading to increased market commitment and knowledge, and so on.

This model has been widely accepted in the literature although it has also been criticised for lack of methodological rigour and for the absence of conceptual and theoretical frameworks to guide research (Cavusgil and Nevin 1981; Andersen 1993). This may be one reason why the empirical evidence from the different studies sometimes shows contradictory results. Nevertheless, the diversity of studies gives us a multi-faceted insight into the different aspects of the internationalisation process of firms. The main conclusion is that the learning process comes about primarily through experience in the market and that commitment to get involved in international markets is one of the main outcomes of this experience. "Experiential knowledge

generates business opportunities and is consequently a driving force in the internationalization process" (Johanson and Vahlne 1990, p.). This commitment is necessary for the firm to build the network of distribution and information channels indispensable to engage in the export learning process.

Strategy development, network access and international commitment

We have argued above that networks and export commitment affect strategy formulation. The question remains then: what strategies are effected and how? In the wake of the globalisation trends the last couple of decades a number of writers have examined the content of internationalisation strategy – as opposed to the process - (e.g. Craig and Douglas 2000; Hout, Porter, and Rudden 1982; Porter and Takeuchi 1986; Jain 1989; Ohmae 1989; Yip 1995; Solberg 1997; Zou and Cavusgil 1996, 2002). Different dimensions of strategy have been treated, for instance:

- Standardisation/adaptation of the marketing mix
- Coordination and control of operations
- Centralisation/decentralisation of decisions
- Market concentration/market spread
- Consolidation/expansion
- Sequencing of market entry
- Competitive reaction
- Entry / operation modes

We have adopted the classification presented by Solberg (1997) and Solberg et al (2004), who identified nine different strategies. One may group these strategies in two major categories:

1. Cautious / stepwise internationalisation strategies involving concentration on few markets and customers, consolidation and a stepwise approach in what we may term a typical “Uppsala fashion” of experiential learning, product development oriented toward the domestic market.
2. Global strategies entailing both expansive strategies and strategies to inhibit and deter global competition. Relevant strategies in this context are: global product development, marketing control (centralisation/standardisation), market positioning and strategic alliances.

We argue that access to international market networks coupled with commitment to internationalise will positively impact on the development of global marketing strategies. The information embedded in the network, together with the trust and ensuing commitment and “shared values” among network partners will not only enhance the capabilities of the firm to engage in global marketing strategies, but also incite or motivate the firm to get more deeply involved in international markets. Also the firm’s commitment to international markets will support this mechanism through a proactive stance to the opportunities created in the network. On the other hand, lack of such network and commitment will for the same reasons favour more cautious internationalisation strategies. We therefore propose that:

H1. Access to networks in key international markets is a) positively related to adoption of global strategies and b) negatively related to cautious internationalisation strategies.

H2. Commitment to international markets is a) positively related to adoption of global strategies and b) negatively related to cautious internationalisation strategies.

Strategies and performance in international markets

Much of the research in international business has centred on explaining internationalisation processes and choice of strategy. Concerning export performance the majority of studies assert that it is directly affected by internal and external factors (Donthu and Kim, 1993; Holzmuller and Kasper, 1991; Louter et al., 1991; Madsen, 1989). However, the determinants of export performance are still characterised by a fragmented collection of confusing and often contradictory findings (Aaby and Slater, 1989; Cavusgil and Zou, 1994). A major reason for this is the lack of synthesis and assimilation of the fragmented knowledge (Leonidou and Katsikeas, 1996).

In this paper we argue that the effect of access to networks and international commitment on performance is mediated by the choice of strategy. Only a few contributions have sought to make this link between international marketing strategy and performance. Notable exceptions are Cavusgil and Zou (1994) and Zou and Cavusgil (2002). Zou and Cavusgil (2002) conclude that global marketing strategy defined as standardised marketing across markets, concentrated and coordinated

marketing activities and integrated competitive moves correlate positively with global strategic and financial performance. We propose that:

H3a: Global strategies correlate positively with performance in international markets, and

H3b: Cautious strategies correlate negatively with performance in international markets.

Figure 1 sums up the hypotheses.

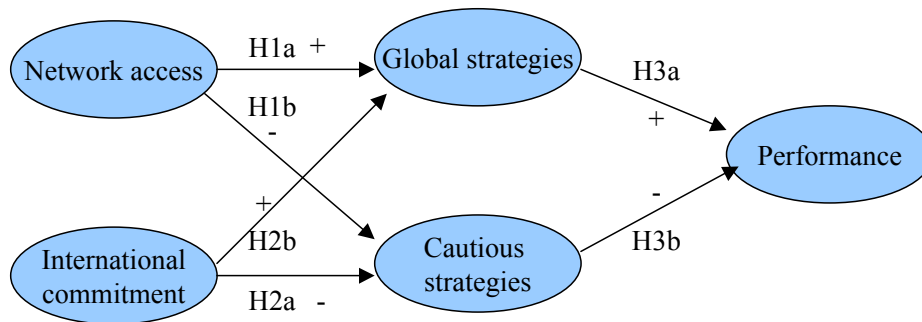


Figure 1: Main model

Research design

Sample

A list of Norwegian-based exporting companies was attained from Kompass Norge AS, a leading Norwegian industry directory. Based on this information a team of four

contacted key informants such as general managers, marketing or export managers (depending on the size of the firm) and informed of the forthcoming questionnaire. We achieved contact with 469 firms randomly selected from Kompass Norge. Personal interviews were carried out in half of the companies (102) studied. The results from the other half were attained through a mail survey yielding a response rate of 28%. All together 206 questionnaires were satisfactorily completed, an overall response rate of 44%. Table 1 gives an overview of the sample firms in terms of sales in home market and sales in the most important international market. Compared to other Norwegian surveys (e.g. Solberg 2002) this sample seems to represent somewhat larger companies.

Table 1: Composition of sample*

Sales	% of total sample	Export share of most important market
<= 25 million NOK	25,0	22%
25,1-50 million NOK	17,6	21%
50,1-100 million NOK	16,1	22%
100,1-200 million NOK	11,3	23%
200,1-500 million NOK	12,9	28%
500,1-1.000 million NOK	8,4	35%
>1.000	9,0	19%
Mean size 928 million NOK *1 NOK=0,14 USD and 0,12 EUR		

Measurements

Several steps were taken to develop and test the questionnaire used in the survey. First, following Churchill's approach (1979) the questionnaire contained a number of

indicators and measures that had already been used in previous research (e.g. Solberg 1994). The literature review was used to establish how the constructs had previously been defined and how many sub-constructs and items these were comprised of. Second, to assess the content and face validity of the items, the questionnaire was discussed with three academics at the Norwegian School of Management BI. They were asked to assess how representative each item was of the final construct, and their suggestions were incorporated. It was decided to use a 5-point Likert scale.

In order to define the unidimensional character of this measurement scale we performed an Exploratory Factor Analysis (Principal Component) in order to achieve a preliminary test of construct reliability. To measure the reliability¹ of the constructs, we then used Rho (Jöreskog 1971) more powerful test with small sample and scale with limited items. In order to attain an explicit and consistent evaluation of unidimensionality, we then proceeded to carry out a Confirmatory Factor Analysis as recommended by Gerbing and Anderson (1988). Next we validated the model that explains performance as a consequence of strategic decisions, using EQS model (EQS 6 - Bentler et Wu 2002). With the aim of avoiding problems with multivariate normality, we applied Robust method (Bentler et Wu 2002) that corrected fit index and the corrected coefficients of the model. We also validated the goodness of fit². We used a bootstrap approach to attain more stable coefficients. To validate these coefficients, a Student test ($t > 2$) is required.

¹ Reliability is assured when all indicators measure the same construct and not in too unequal a manner (i.e. loadings must be of a comparative level). The ρ indicator is used to measure the construct internal coherence.

² Some are founded on the adjustment function (Chi², GFI, AGFI and RMSEA). Bentler and Wu permit to have corrected fit Index (for the chi², the scaled test statistic and for the RMSEA the corrected RMSEA) Finally, others are calculated by comparison to a null model (NFI, NNFI and CFI). With reference to the adjustment indices (GFI,AGFI,NFI,NNFI et CFI), their value should be near to 0.9 and, if possible, greater than 0.9. It is recommended to obtain a RMSEA of less than 0.08 in order to be acceptable. The ratio Chi²/df should be inferior to 5.

Results

First of all, we wanted to define generic strategy from the items detailed in exhibit 1.

Factor analysis results are presented in Table 2.

TABLE 2
Rotated Matrix structure

	Component			
	1	2	3	4
SPM4.25	,797			
SPM4.24	,786			
SPM4.22	,762			
SPM4.19	,719			
SPM4.6		,734		
SPM4.13		,669		
SPM4.12		,665		
SPM4.4		,651		
SPM4.27			,777	
SPM4.28			,750	
SPM4.18			,582	
SPM4.16			,541	
SPM4.10				,724
SPM4.7				,694
SPM4.9				,626
%variance	16,23	13,47	13,05	12,16
Reliability	0,85	0,77	0,76	0,72

Four factors are revealed: a factor indicating alliance strategy, a factor defining cautious strategy, a factor describing marketing control / market positioning strategy, and a factor dealing with product development strategy. We consider all the constructs to be reliable, construct reliability varying between 0,85 and 0.72. Secondly, we wanted to confirm the unidimensionality of the two driving constructs of the generic strategy. According to Solberg (1997) and Solberg et al (2004) global strategies may include strategies such as strategic alliances, marketing control

(centralisation, standardisation) and business / product development. Factor 1, 3 and 4 all embody these characteristics, whereas factor 2 typically epitomises the cautious road to international markets.

Factor analysis results of the two constructs, network access and international commitment, are presented in Table 3 and 4.

TABLE 3
Rotated Matrix structure: Network access

	Component
	1
SPM5.1E2	,919
SPM5.1E3	,909
SPM5.1E1	,862
%variance	80,48
Reliability	0,92

TABLE 4
Rotated Matrix structure: International commitment

	Component
	1
SPM4.41	,848
SPM4.39	,830
SPM4.42	,773
SPM4.43	,751
SPM4.40	,704
%variance	61,31
reliability	0,89

One factor defines the each of the two constructs respectively, network access and international commitment (80% and 61% of the information). Both constructs show

strong reliabilities. Finally results of the factor analysis of the performance construct are presented in Table 5. One factor defines the performance and represents 60% of the information. This construct has a strong reliability.

TABLE 5
Rotated Matrix structure

	Component
	1
SPM4.37	,823
SPM4.35	,798
SPM4.36	,796
SPM4.34	,736
SPM4.33	,721
%variance	60,16
Reliability	0,88

Appendix 2 presents the results of the confirmatory factor analysis. All the coefficients of the null model³ are significant. Some of the coefficients change their sign, warranting the following comments:

1. Alliance strategies is primarily used to gain market access rather than to seek complementary competence.
2. The cautious internationalisation strategy concerns chiefly a stepwise approach to a limited number of markets rather than consolidation of relationships with existing clients.
3. The marketing control construct deals predominantly with the positioning aspect .

³ Null model is the measure of the construct without the causal link between them.

4. Performance is described by the results in international market but not as a strategic goal.
5. Furthermore, the business development strategy concerns first and foremost product and technology development.

After confirming all the constructs, we can validate our hypotheses. Table 6 gives relevant fit indexes.

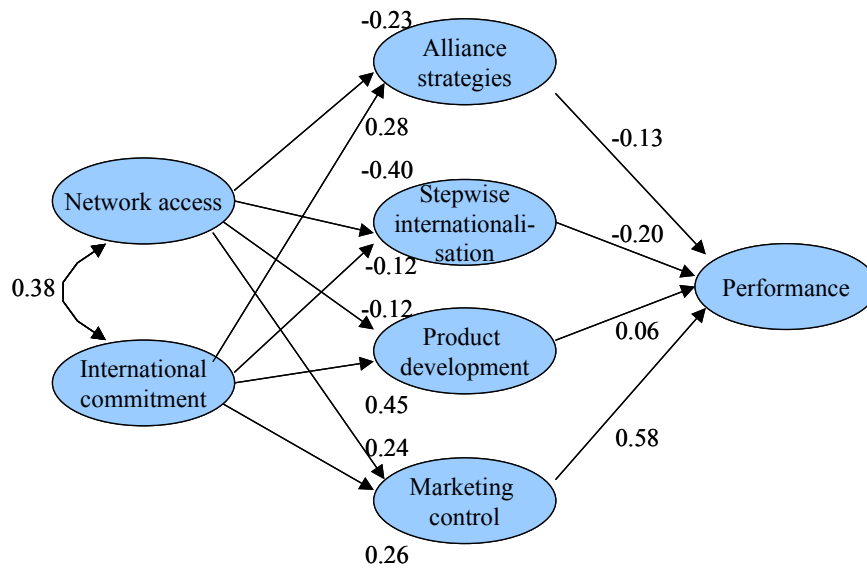
TABLE 6
Fit indexes

SATORRA-BENTLER SCALED CHI-SQUARE	215,38
DEGREES OF FREEDOM	194,00
CHI2/DL	1,11
LISREL GFI FIT INDEX	0,86
LISREL AGFI FIT INDEX	0,82
BENTLER-BONETT NORMED FIT INDEX	0,79
BENTLER-BONETT NON-NORMED FIT INDEX	0,97
COMPARATIVE FIT INDEX (CFI)	0,97
ROOT MEAN-SQUARE ERROR OF APPROXIMATION (RMSEA)	0,03

All fit indexes respect the level of their criteria of validity. The model is well adjusted from empirical data.

FIGURE 2

A model of strategic choice and performance



All the structural coefficients shown in figure 2 are significant as described in appendix 3. Access to networks in key international markets is negatively related (-0,23) to adoption of global strategies when the strategy concerns alliance formation. However, it is positively related to marketing control / positioning strategies, partially supporting hypothesis 1a. The link between network access and stepwise internationalisation strategies and product development strategies is negative in accordance with our hypothesis 1b. The link between network access and stepwise strategy is particularly strong (-0,40).

International commitment to international markets is positively related to adoption of global strategies (alliance 0,28 and marketing control 0,39), H2a then being

supported. On the other hand, international commitment is furthermore positively related (0,45) to adoption of a product development strategy and negatively related to stepwise strategy (-0,12), giving partial support to H2b.

Alliance strategy is negatively related to performance (-0,13). On the other hand, the marketing control strategy is strongly and positively related to performance (0,58). Therefore we may conclude that H3a is partially supported. Stepwise strategy is negatively related to performance (-0,20) and product development strategy is positively related. The level of correlation concerning these two strategies is poor, indicating that these strategies do not have any independent link with performance. Table 7 gives a summary of the hypothesis tests.

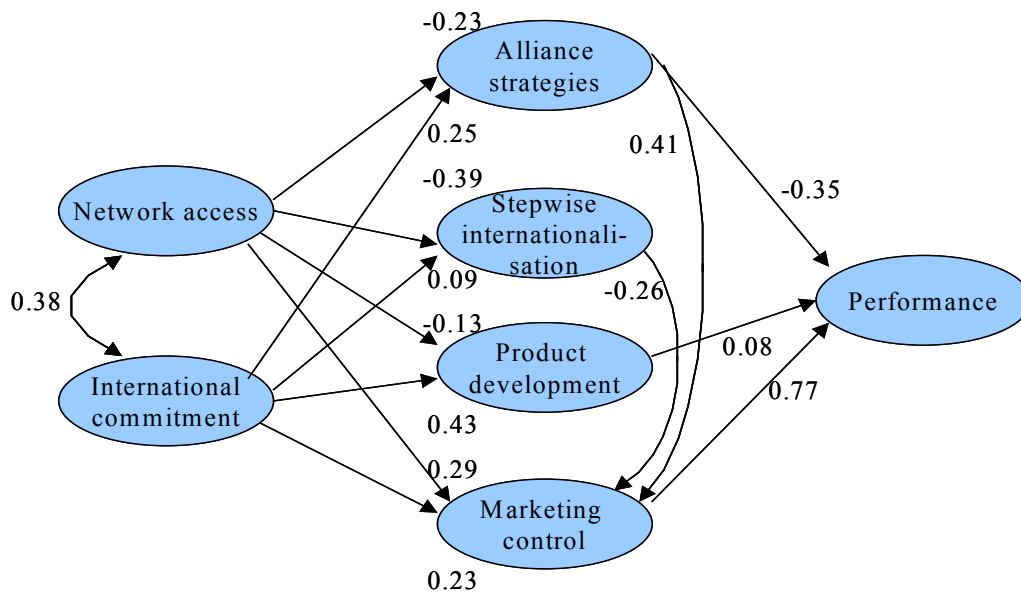
Table 7: Summary of hypothesis tests

<i>Hypothesis</i>	<i>beta</i>	<i>Test result</i>
H1 a		
network access-->alliance	-0,23	Rejected
network access-->marketing control	0,26	Supported
H1 b		
network access-->stepwise	-0,40	Supported
network access-->product development	-0,12	Supported
H2 a		
international commitment-->alliance	0,28	Supported
international commitment-->marketing control	0,39	Supported
H2 b		
international commitment-->stepwise	-0,12	Supported
international commitment-->product development	0,45	Rejected
H3 a		
alliance-->performance	-0,13	Rejected
Marketing control→ performance	0.58	Supported
H3 b		
stepwise-->performance	-0,20	Supported
product development-->performance	0,06	Rejected

One possible explanation for the weak link with performance is that we may have two levels of strategy, in that alliances, product development and stepwise strategies rather behave as antecedents of marketing control / positioning strategy. The alternative model is shown in figure 3.

FIGURE 3

A model of strategic choice and performance modified



Alliance strategy is related negatively and directly related to performance (-0,35) but it is positively and indirectly (0,41*0,77) linked to performance through marketing control / positioning. Stepwise internationalisation strategy is indirectly and negatively related to performance (-0,26*0,77). Product development strategy is positively and directly related to performance (0,08) but the correlation is poor. The link between the two first strategies and marketing control strategy strongly enhances the relation between marketing control and performance.

All fit indexes respect the level of their criteria of validity and are better than the first model. The difference in Chi2 between the model of strategic choice and this model modified is significant at 10%, cf table 7.

Table 7. Fit indexes of the alternative model

SATORRA-BENTLER SCALED CHI-SQUARE	218,34
DEGREES OF FREEDOM	193,00
CHI2/DL	1,13
LISREL GFI FIT INDEX	0,87
LISREL AGFI FIT INDEX	0,83
BENTLER-BONETT NORMED FIT INDEX	0,80
BENTLER-BONETT NON-NORMED FIT INDEX	0,98
COMPARATIVE FIT INDEX (CFI)	0,98
ROOT MEAN-SQUARE ERROR OF APPROXIMATION (RMSEA)	0,03

Discussion

The present research explores the role of networks and international commitment in the development of international strategic orientations of the firm. The general conclusion is that networks and international commitment of the firm significantly impact the choice of strategy – global or more cautious, and that these latter in their turn have an effect on performance. However, some of the relations are different than those originally suggested by the hypotheses.

For instance adequate access to clients through distributors and other network partners does not necessarily lead to market related alliances. The rationale for this suggested relationship is that trust, information and norms embedded in the networks would eventually lead to a more committing relationship between trading partners including strategic alliances. However, contrary to our anticipation, networks seem to work

against market alliances and may therefore indicate that the better the network, the less the need for alliance partners in the local foreign market. This is a plausible explanation and indicates that the suggested dynamism toward a more committing relationship in the relationships does not necessarily take place when the working relationships apparently are functioning well.

Also product development strategies show some inconsistent patterns. On the one hand H1 b is corroborated, in that network access in international markets does not lead to product development strategies. On the other hand, international commitment of the firm seems to work in the other direction. In fact, commitment to the international venture of the firm is strongly related to product development (0.40). One possible interpretation of this apparent contradiction is that product development is a natural consequence of being involved in international markets, but that network access to key customers does not necessarily bring about initiatives to carry out this strategy. International commitment entails prioritising resources and involving personnel in marketing, sales and distribution abroad. The market information achieved through this behaviour both from local network partners and other sources (such as competitors, suppliers, technology centres, public officers and others) will transcend the organisation and eventually be translated into decisions on for instance the product portfolio. New products will reasonably be one of the outcomes of this exercise. In contrast, access to network partners with a focus on marketing and sales of products and services is possibly more single-minded and will therefore per se not constitute the foundation for new products and technology.

In addition product development strategies correlate positively with performance in international markets. The question is here whether product development strategies are to be considered a cautious internationalisation strategy as opposed to a global strategy. The answer to this question depends on the focus of the product development. If it addresses the needs in the international market place, it obviously has to be classified more as a global strategy and vice versa. Since the average export share of the firms in the sample is in the range of 19-35% (cf. table 1), we may speculate that in the present research the product development strategies adopted are more internationally oriented and that they therefore correlate positively with the adopted performance measure, and that this may be the reason for the positive link between this strategy and international performance.

Whereas stepwise internationalisation and strategic alliance strategies affect international performance negatively, control / positioning seem to yield positive outcomes. The stepwise approach to international markets is according to the Uppsala school (Johanson and Vahlne 1977, 1990) the “normal” route to international markets, whereby firms incrementally adopt international market information and gradually build their expertise in dealing with international markets. However, this strategy does not seem to pay off in international markets. The sample of companies in the present research consists of exporting firms. Even among the smallest firms the share of sales to the most important export market exceeds 20%, indicating that most of the firms have already taken the first steps in international markets (the average being 23%). We may therefore assume that the first “learning period” has been passed by most of the firms in the sample and that they therefore are generally prepared to take on global strategies, and that a stepwise approach does not pay off.

Furthermore, we note that alliances are not directly and positively related to international market performance (measured as satisfaction with sales and profitability). This is surprising given the tremendous attention on strategic alliances both in the literature and by practitioners. We have explored this further with the hypothesis that large firms or firms with more international experience carrying out strategic alliances are more successful than small and less experienced firms. However, running Anova tests with strategic alliances as the dependent variable and size and degree of international sales as the factor, there does not seem to be any significant difference in strategic behaviour between the size groups in table 1. This may substantiate the negative relationship between alliances and access to networks, in that the latter – when they are well functioning – make redundant market oriented strategic alliances. Nevertheless, strategic alliances seem to indirectly be positively related to performance when coupled with increased marketing control / positioning.

The modified model also warrants some comments. First, marketing control seems particularly effective as a strategy when driven by strategic alliances and aggressive internationalisation strategies (the opposite of a stepwise strategy), the coefficient increasing from 0.58 to 0.77 with the inclusion of these two strategies as drivers. Second, whereas strategic alliances invariably correlate negatively with performance, they need to be complemented with marketing control / positioning strategies in order to yield positive outcomes. Third, a stepwise internationalisation strategy does not seem to be significantly and directly related to performance in international markets even when it is coupled with marketing control / positioning strategies.

Conclusion

The role of networks and international commitment in the formation of internationalisation strategies has not yet been explored in international research. The present paper has investigated these relationships in a sample of 206 Norwegian exporters.

The results indicate that networks indeed play a significant role in explaining a number of internationalisation strategies. We believe that the information, the trust, and the norms embedded in networks come into play when explaining the dynamism of strategy formulation. The main finding is that access to networks in key international markets impact positively on the development of some global strategies such as marketing control / positioning, whereas it does not enhance the creation of international strategic alliances. We theorise that well functioning marketing networks come in lieu of alliances, making these redundant, *rather than leading to* such alliances. Furthermore we find that international commitment is a strong driver to global marketing strategies – both international strategic alliances and marketing control / positioning strategies. Also product development strategies are strongly and positively affected by firm commitment to international markets suggesting that much of the product development in the sample firms is directed toward international customers.

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Appendix 1

Strategy

SPM4.4 We have chosen to concentrate on a few markets abroad

SPM4.6 We want to develop long-term and close relations with a limited selection of clients abroad

SPM4.7 Our main focus the next three years is to include new products in our product portfolio

SPM4.9 We are actively searching for new products within new areas of technology

SPM4.10 We will actively seek to develop market niches the next three-four years

SPM4.12 We will further develop our position in our "little niche" in international markets

SPM4.13 We prefer to develop the company's international involvement one step at a time "slowly and safely".

SPM4.16 We want to strengthen our position in central markets to protect ourselves against competitors

SPM4.18 We have established a presence in many key markets to aim to quickly obtain a dominating market position

SPM4.19 We will actively seek *one* main partner with a view to strengthen our capital base

SPM4.22 We will actively seek a *large* market partner with a view to gain access to key clients in international markets

SPM4.24 Alliances with international partners are a essential part of our strategy

SPM4.25 We seek to position ourselves to enter strategic alliances with international partners who will complete our own competence

SPM4.27 We will strengthen our central control with our marketing activities in our most important international markets

SPM4.28 We seek to coordinate our international profile so that we are identically perceived in all markets

Performance :

SPM4.33 We are well content with the *profitability* of our sales to/in foreign countries

SPM4.34 We are well content with our *sales volume* to/in foreign countries abroad

SPM4.35 We are well content with *the development of the profitability* of our international market involvement the past three years

SPM4.36 We are well content with the *growth* of our international sales the past three years

SPM4.37 We are well content with how we obtain our strategic goals in international markets

International commitment :

SPM4.39 We make use of considerable resources to export and internationalization of our company

SPM4.40 Our investments in export and internationalization are long-term

SPM4.41 Our company prioritizes the development of export when planning the budget

SPM4.42 The management is entirely dependent on the company's development in international markets

SPM4.43 "Everyone" in our company is in one way or another involved in sales/marketing abroad

5. International network access

5.1 To what extent would you say that your company, through its distribution and sales network, has access to key clients in their most important markets (by key clients we imply clients who set the tone and who make up an important part of the market).

SPM5.1E1 Export market 1

SPM5.1E2 Export market 2

SPM5.1E3 Export market 3

Appendix 2 : Coefficients of the null model by an bootstrap approach

(international commitment)-->[SPM4.39]	0,74	0,06	77,64
(international commitment)-->[SPM4.40]	0,51	0,11	31,94
(international commitment)-->[SPM4.41]	0,64	0,08	55,28
(international commitment)-->[SPM4.42]	0,72	0,06	77,42
(international commitment)-->[SPM4.43]	0,72	0,07	65,65
(networkaccess)-->[SPM5.1E1]	0,75	0,05	97,46
(networkaccess)-->[SPM5.1E2]	0,93	0,04	165,51
(networkaccess)-->[SPM5.1E3]	0,84	0,04	127,66
(alliance)-->[SPM4.19]	0,58	0,09	42,62
(alliance)-->[SPM4.22]	0,87	0,07	86,92
(alliance)-->[SPM4.24]	0,52	0,07	49,86
(alliance)-->[SPM4.25]	-0,51	0,09	-39,35
(cautious)-->[SPM4.4]	0,59	0,10	38,85
(cautious)-->[SPM4.6]	-0,51	0,13	-25,97
(cautious)-->[SPM4.13]	0,60	0,09	44,16
(business development)-->[SPM4.7]	0,61	0,14	29,84
(business development)-->[SPM4.9]	0,60	0,15	27,07
(marketing_control)-->[SPM4.18]	0,75	0,12	42,35
(marketing_control)-->[SPM4.28]	-0,31	0,10	-20,25
(performance)-->[SPM4.33]	0,53	0,09	40,59
(performance)-->[SPM4.34]	0,67	0,07	60,07
(performance)-->[SPM4.37]	-0,82	0,07	-80,84

Appendix 3 : Structural coefficients by a bootstrap approach

(international commitment)<-->(network access)	-0,38	0,09	-28,55
(international commitment)-->(alliance)	0,28	0,13	14,63
(international commitment)-->(cautious)	-0,12	0,13	-5,95
(international commitment)-->(business development)	0,45	0,15	20,02
(international commitment)-->(marketing control)	0,39	0,16	16,00
(network access)-->(alliance)	0,23	0,13	12,05
(network access)-->(cautious)	0,40	0,12	22,81
(network access)-->(business development)	-0,12	0,14	5,56
(network access)-->(marketing control)	-0,24	0,15	-10,44
(alliance)-->(performance)	-0,13	0,14	-9,34
(cautious)-->(performance)	-0,20	0,15	-13,61
(business development)-->(performance)	0,06	0,16	3,74
(marketing control)-->(performance)	0,58	0,18	31,33

