**From Fragile to Agile: Marketing as a Key Driver of Entrepreneurial Internationalization**

**Purpose:**

The paper conceptualizes strategic agility in entrepreneurial internationalization and highlights the role of marketing “under particular conditions” – those of early and fast internationalizers. **Design/methodology/approach:**

The study is based on in depth case studies of four entrepreneurial internationalizers using an inductive approach.

The role of marketing is studied along a set of four key business processes, i.e. sensing through selective customer/partner intimacy; business development through selective experimentation and testing; coordination and harmonization of multiple stakeholders and creative extension of resources.

**Findings:**

Strategic agility is a composite of flexibility and selective responsiveness.

Marketing thought, mainly thorugh customer interaction, plays a prominent role in achieving strategic agility.Customer and market-centric thinking needs to be buit in a key set of business processes.. Marketing’s contribution to strategic agility means an ability to cope with time, relationship and functional dependencies. Strategic agility helps improve the risk profile of the entrepreneurial internationalizer. Entrepreneurial internationalizers are particulary suited to compete on and benefit from strategic agility.

**Practical implications:**

The findings show managers and entrepreneurs in early and fast internationalizing ventures a path to strategic agility which helps to overcome the many parallel challenges that come with firm foundation and internationalization.

**Originality/value**:

Strategic agility is a novel explanation for entrepreneurial internationalization. The study explains the prominent role played by marketing in achieving strategic agility and growth. Strategic agility is reconceptualized in the context of the young and small internationalizing firm.

**Key words:** strategic agility, agile marketing, entrepreneurial marketing, early internationalization, accelerated internationalization, entrepreneurial internationalization, international new venture, born global firm, business process.

**Introduction**

New ventures that internationalize early and fast are an interesting firm cohort to study. Entrepreneurial internationalizers manage successfully both the inherent uncertainty of their new business, and the uncertainty and complexity arising from a dynamic international environment in addition to their resource constraints. Such ventures can be deemed fragile and vulnerable, due to the challenges arising from the simultaneous occurrence of the liabilities of newness, of smallness (Stinchcombe, 1965) and of foreignness (Hymer, 1976). At the same time, however, they show the capacity to achieve early and fast growth in international operations, as the International Entrepreneurship literature shows. This raises questions of whether all small, new, and internationalizing ventures are subject to such liabilities or whether at least some of them are able to develop assets, strategies or capabilities which help them to face or even leverage such conditions better than do their domestic or slowly internationalizing counterparts. For example, Autio challenged conventional wisdom about the liability of newsness discussing the concept of “learning advantage of newness”. Small and new ventures in their international growth can experiment novel approaches, without the constraints from existing knowledge and routines. In our paper, strategic agility can counterbalance the supposed fragility of small and new ventures and enable early and fast growth in foreign markets.Adding to the explanations for their early international expansion and performance is of huge interest to scholars and entrepreneurs alike. Extant research has investigated multiple drivers of entrepreneurial internationalization, ranging from the founder’s and entrepreneurial team’s international orientation (Madsen & Servais, 1997), their social capital (Kocak & Abimbola, 2009) and capabilities (e.g. Weerawardena, Mort, Liesch, & Knight, 2007), to strategy considerations (e.g. Hagen & Zucchella, 2014; Hagen, Zucchella, Cerchiello, & De Giovanni, 2012), to particular high-tech and knowledge-intensive industry patterns, and, most recently, to business models (e.g. Hennart, 2014; Autio, 2017). However, marketing in an entrepreneurial internationalizer context has received surprisingly little attention, in spite of the fact that research points to its important role (e.g. Aspelund, Madsen, & Moen, 2007; Mort, Weerawardena, & Liesch, 2012; Ripollés and Blesa, 2012).

Entrepreneurial marketing has been discussed at the entrepreneurship/marketing interface (Hills, Hultman, & Miles, 2008; Morris et al., 2002; Yang & Gabrielsson, 2018), marketing in a small firm context (e.g. Gruber, 2004), or marketing in born globals[[1]](#footnote-1) (e.g. Mort et al., 2012). Consistent with the entrepreneurial and small firm stance, research at the interface of entrepreneurship and marketing essentially focuses on “doing more with less” (Morris et al., 2002) and acting proactively and ahead of competition (Covin & Slevin, 1990). In international marketing studies, the literature has instead mostly neglected the SME specific conditions (Merrilees & Tiessen, 1999; Larimo et al., 2018) and especially new venture conditions in its discussion of the firm’s marketing strategy and marketing-mix adaptation (e.g. Tan & Sousa, 2013; Vrontis, Thrassou, & Lamprianou, 2009).

Our research bridges both fields, entrepreneurial marketing and international marketing, with the aim to understand how the internationalizing new venture - through customer- and market centered posture - manages the manifold parallel challenges arising from the triple liabilities of newness, smallness and foreignness.

We take the view that marketing thought, especially in a small and new venture setting, must be the “glue” in the firm which guides and coordinates all activities with a view to create customer value. In other words, marketing must be a key contributor to the core set of business processes in a new and small venture. When functional boundaries are still fluid and the entire entrepreneurial team is acting aligned by compelling interest, a proactive customer- or market-oriented posture in business processes will spur the venture's value creation and the ensuing customer satisfaction in international markets. Through its boundary spanning function, marketing establishes the link between the firm’s external and internal contexts, which, together with its sensing and bonding role (Day, 1994), plays a crucial role in identifying, assessing and satisfying current or latent customer expectations. Especially in times of increased competition, fast technology change, and rapidly changing, potentially diverse customer expectations in many markets, marketing thought helps build both, the “right” and the timely responses to such customer and market expectations. Investigating the role of marketing in a set of business processes, e.g. information search, innovation, value chain management etc., then means to account for the strategic notions of products and markets but also for the more operational notion of speed. Under such a view, marketing helps the firm cope with time, relationship and functional dependencies with the overall aim to make the firm strategically agile, i.e. responsive and flexible in international markets. With regard to the domains of marketing (Webster, 1992; Varadarajan, 2000) our research mainly contributes to "marketing as culture" as it emphasizes the primary importance of customers at the organizational level.

Our qualitative findings result from an inductive research on four in depth case studies of entrepreneurial internationalizers, analyzed according to the Gioia et al. (2013) methodology. The findings allow us to introduce and conceptualize a novel international performance driver, i.e. strategic agility, consisting of selective responsiveness and flexibility. These two dimensions extend knowledge in the field and identify both advantages and tradeoffs in pursuing strategic agility. The empirical findings also allow us to show the role of marketing in the design and implementation of the underlying key set of business processes and abilities, which concur in forming strategic agility. We therefore complement and extend marketing theory through the integration and clear conceptualization of international *and* entrepreneurial marketing in the internationalizing start up.

**Linking marketing with strategic agility**

Strategic flexibility or agility has been proposed by strategic management and strategic marketing scholars to escape rigidity and to cope with turbulent environments and capitalize on change. Grewal and Tansuhaj (2001) for example describe strategic flexibility as an organizational ability to manage economic and political risks by promptly responding in a proactive or reactive manner to market threats and opportunities, thereby making it possible for firms to resort to ‘surprise management’. Most commonly strategic flexibility leverages on a flexible resource pool, leadership unity (e.g. Doz & Kosonen, 2010; Grewal & Tansuhaj, 2001; Cunha, Gomes, Mellahi, Miner, & Rego, 2018) and market sensing capabilities (e.g. Doz & Kosonen, 2010; Weber & Tarba, 2014). It is seen most valuable in high-speed industries or turbulent markets (e.g. Johnson et al., 2003; Nadkarni & Narayan, 2007). Since the management of uncertainty creates difficulty in assimilating information and devising strategic plans, authors underline strategic foresight, concerted and/or quick (re-)deployment of resources devoted to the product-market operations and they emphasize the structural constraints which may impede (timely) reaction (e.g Grewald & Tansuhaj, 2001; Weber & Tarba, 2014; Doz & Kosonen, 2010; Gomes, Weber, Brown, & Tarba, 2011). Extant work, with only a few exceptions (Nemkova, 2017; Arbussa et al., 2017), looks into large and longer established firms. It thus predominantly focuses on the issue of renewal and is associated with the tensions between the “old” and the “new” business logics.

Our contribution instead focuses on young and small internationalizers, which are managing tensions between their supposed fragility as represented by conditions of newness, smallness and foreignness and the opportunities unveiled by international markets. Operating under such “particular conditions” requires strategies and processes that allow them to align external and internal contexts to confront situations of uncertainty which surround them.

The design and implementation of (international) marketing strategy and business processes therefore depend on the macro environmental and competitive factors but also on the firm’s internal context within which they exist (e.g. Morris et al., 2002; Srivastava et al., 1999; Mort et al., 2012). The small, young and international firm will exhibit “particular” marketing and business processes that are different from other longer established and/or bigger counterparts. For example, in the presence of a new breed of customers, of continuous and disruptive technological and market change, a market driving product development process may shift from an emphasis on most efficient production processes or designing a technically superior product to creating a customized solution that maximizes value from its use (Ghauri, Wang, Elg, & Rosendo-Rios, 2016). It co-innovates or co-produces with its customers to ensure that product features respond to customers’ unsatisfied or latent needs. Further, the value chain process would not only look for the “best” input but develop a network of relationships and integrate its own value chain with those of suppliers, customers and other partners. In the marketing core process of customer relationship management a move from a transactional view to developing and fostering relationships and interaction with individual customers or sets of customers would be recommended (Srivastava et al., 1999; Elg, Ghauri, & Schaumann, 2015). The same reasoning would apply to supplier relationships (Carmeli et al., 2017).

In the special case of new ventures that internationalize, uncertainty characterizes not only their external (international) environment, it is inherently present also because of their new, innovative endeavors (Gruber, 2004). Firms today act in an environment consisting of convergence of industries, fluid firm boundaries, rapidly changing demand patterns, emerging technologies with ensuing decreased ability to forecast etc. (Hitt & Reed, 2000; Read et al., 2009). Entrepreneurial internationalizers have been described frequently as originating from high-tech or knowledge intensive industries where product life cycles are compressed, technological change is rapid, and windows of market opportunities are narrow (e.g. Hitt et al., 1998). These conditions, but also unpredictable or serendipitous events – ‘surprises ’- require processes and capabilities conducive to recalibrate and capitalize on opportunity rapidly (Evans, 1991; Ghauri et al., 2005).

When approaching foreign markets early, uncertainty is exacerbated and the potential need of adaptation (Tan & Sousa, 2013; Vrontis et al., 2009) to existing or new customer expectations requires time-oriented strategies and rapid action (Barkema et al., 2002; Grewal & Tansuhaj, 2001; Poolton et al., 2006; Junni, Sarala, Tarba, & Weber, 2015; Weber & Tarba, 2014). The international marketing discourse, traditionally centered on the dichotomy standardization versus adaptation (e.g. Tan & Sousa, 2013; Theodosiou & Leonidou, 2003), is probably now requiring the inclusion of new dimensions. Business processes therefore must account for the role that external market *and* organizational challenges play in shaping strategic design and operational decisions. Marketing, in our view, identifies a way forward to integrate the uncertainty and complexity which arises from external conditions with the design and implementation of the value-creating processes to achieve customer value and ultimately superior performance in international markets.

Following Srivastava et al. (1999) we concentrate on four business processes, which are central for the creation of both customer and overall firm value, namely the development of new customer solutions or the reinvigoration of existing solutions; the continual enhancement of the acquisition of inputs and their transformation and desired outputs; the creation and leveraging of linkages and relationships to external partners, especially channels and end users; and the information and search process. According to Srivastava et al. (1999) marketing substantially contributes or is home to these four core processes. Under this view, we suggest, marketing becomes the "glue" across the firm by integrating the customer’s voice and expectations - making the firm customer- or market-centric and, in turn, responsive - and by providing oversight and coordination - making the firm flexible. It assumes a crucial role because it embraces all four areas and has the potential of guidance towards customer value and responsiveness (Efrat, Gilboa, & Yonatany, 2017).

Different from dominant conceptualizations, we focus on the firm’s processes more than on capabilities or orientations, because the propensity to act in an entrepreneurial or market-oriented manner must not automatically match with the firm’s ability to do so. Through the analysis of core business processes (e.g. market sensing, innovation, coordination of and cooperation with value chain partners), we also go beyond the functional discussion, especially appropriate in the new and small firm where functional boundaries are less clear, where the few people in the team work closely together, and where exploiting synergies is the key. We do not aim at defining boundaries between similar concepts but aim to identify common elements on which to build a holistic concept of what may be marketing’s contribution to strategic agility and entrepreneurial internationalization. This addresses a gap in studies about the role of marketing in entrepreneurial internationalization (Autio, 2017) in conditions of internal and external uncertainty.

**Method and data**

Our research is of exploratory nature and aims at achieving a deep understanding of new and complex phenomena, which need to be approached under a holistic perspective. A case study method therefore is particularly suitable (Ghauri & Gronhaug, 2010). We undertook our empirical study along the lines of a grounded theory approach following the so-called “Gioia method” (Langley & Abdallah, 2011, p. 213). Gioia and colleagues (e.g. Corley & Gioia, 2004; Gioia et al., 2013) have established a systematic inductive approach for concept development and related data analysis which departs from first order participant perspectives. This approach can capture concepts[[2]](#footnote-2) relevant to the human organizational experience in terms that are adequate at the level of meaning of the people living that experience and adequate at the level of scientific theorizing about that experience (Gioia et al., 2013).

*Sampling*

The firms under analysis were selected through purposeful sampling (e.g. Patton, 2014). We departed from entrepreneurial internationalizers we knew well from ongoing (different) research and teaching projects. We had a panel of 35 cases of international entrepreneurial ventures, which we had the opportunity to follow since their foundation, for different reasons: research purposes, teaching case studies or through startup competitions and awards. To uncover potential changes of business processes in longer “post”-foundation phases, we chose not only newly founded ventures but also a more established young company. All companies are entrepreneurial internationalizers and were also simultaneously challenged by managing their new businesses and new market opportunities. Since early and fast internationalization has been frequently explained with high-tech or knowledge intensive industry patterns (e.g. Axinn & [Matthyssens](https://scholar.google.it/citations?user=WfMWCXcAAAAJ&hl=it&oi=sra), 2002), we looked for variation in technology levels (low-medium-high tech) without restriction to industry or type of customers (B2B or B2C), however with a focus on firms with digital business models. This focus comes with the emergent discussion of lean – digital - business models which have been related positively to speed and scope in international expansion (Hennart, 2014; Tanev et al. 2016; Autio & Zander, 2016; Autio 2017). Choosing digital firms consequently helped control other major influencers than marketing in business processes. In the first stage we chose 3 start ups, which responded to our selection criteria (internationalization, industry and business model, technology) and were available for dedicated multiple interviews. In a second stage, as we were beginning to analyse the transcripts and draw theoretical elaborations, we decided to add a further non-digital case to our study to confirm or disconfirm our preliminary findings (Ghauri, 2004; Patton, 2014). During the first interviews we had realized that “agile” took on importance in our digital companies. It was primarily associated with project teams and speed in software development but had in one case triggered a pervasive company culture which came close to the notions of flexibility and responsiveness we were deriving from our data. With the fourth firm, as is the case with the other three firms, we had already established personal contacts with (please see table 1 below).

The sampling procedure thus responds at the same time to the need of grasping insights from paradigmatic cases. i.e. firms in businesses likely to be highly involved in extensive agile marketing practices, but also ensuring differentiated technological and market conditions, to improve generalizability. According to Flyvbjerg (2006), researchers should produce exemplar or paradigmatic case studies, especially when novel research fields are being explored. We also referred to Tsang (2014, p.369), who discusses how “case study results may be less generalizable than those of quantitative methods only in the case of within‐population generalization.” For these reasons, the fourth case was deliberately chosen outside the mentioned industry and technology criteria, with the aim to understand how generalisable our findings from the first three cases were, also outside the digital context. This case study also helped in achieving theoretical saturation (Eisenhardt, 1989).

*Please insert table 1 about here*

*Data collection*

We collected data through semi-structured interviews with more than one person in the same firm and interviewing some corporate partners. We conducted 13 in-depth interviews (Table 1) with highly knowledgeable informants (Eisenhardt & Graebner, 2007) such as the owners, founders, top management team members (e.g. CFO, marketing manager). We also interviewed suppliers or investors, when available, to have a different point of view of the company strategy and marketing approaches. We further triangulated data from interviews, using a variety of secondary data from various firm’s internal and external sources (see Table 1). Triangulation of different sources enabled us to obtain a deeper understanding of our cases as well as to avoid misinterpretation. Nevertheless, insights regarding the core of our research aim – understanding the role of marketing in a set of key business processes - was gained mainly via in depth, face-to-face interviews with knowledgeable informants.

The interviews mainly took place in the period June-November 2017 (10 interviews) and we could add three more interviews in the period February-March 2018, to get a deeper understanding about some updates on recent developments. Each interview lasted between 90 and 120 minutes. Interviews were recorded on a digital device and transcribed or carefully documented with handwritten field notes. Both researchers transcribed the interviews and confronted each other’s transcripts or field notes. The interview protocol was almost standardized across interviews. We began by asking the informants to illustrate the key features of their company, the internal/external challenges they faced, their internationalization endeavors. We then focused on the key business processes and the role of marketing in these processes.

During the interviews, we did not provide any ex-ante definition of agility and related concepts: we left the interviewees free to speak about the above-mentioned topics, e.g. the design and implementation of their core business processes and how these were connected to developing and marketing their products or service at home and abroad. Later, we started prompting and probing the interviewees to get more insights around the most relevant and some uncovered issues. In some instances, the term agility was used by the interviewees themselves and in these cases, we asked them to provide practical examples of what they exactly meant. Thus, our interview protocol respected the Gioia et al. (2013) methodology foundations: “We do not presume to impose prior constructs or theories on the informants as some sort of preferred a priori explanation for understanding or explaining their experience.”

*Case studies’ highlights*

Company A is the longer established and largest organization in our group of firms: it was founded in 2010 by two experienced serial entrepreneurs, with the aim to exploit the market opportunities from their patent about a novel search technology. They have been growing steadily since then and now have around 80 employees. Beyond the original idea, they now provide technological solutions for data aggregation and search. After their experience in the Elite program of the London Stock Exchange, in 2017 they were mentioned among the European young firms with the highest market valuation. The venture represents a success story of fast growth, also in international markets with currently two offices in London and Bruxelles. "The need to have tools to access and organize the information, and to have a more precise search, is the real battlefield of the future" says one of the founders. Their understanding of the future market demands for data search services led the firm to progressively extend their offer from companies to smart cities and tourist destinations. “In each case, we approach the customer with a problem-solving attitude and without any pre-constituted package of solutions” says their CFO. One of their commercial partners underlines the “hunger for continuous innovation” of the founders, and their ability to broaden the firm market horizons to new market segments. “They reason in terms of information and search needs in a data driven economy. They target data organisation problems. And they realised progressively that this issue spans from large multinationals to smaller firms, from city management to technology cluster, no matter where they are located.”

Company B was founded in 2015 by three young entrepreneurs. It operates in digital marketing services and supports awareness and engagement campaigns of major brands through social media. “We started our business following an experimental and lean approach.” About their business another founder says “We have a special complexity to deal with: online communities of people are the users of our app, and they are a cost for us, because we reward them with coupons and the like, but our customers are companies and media centers, which generate our revenues and pay for the visibility of their brand. We need to consider both if we want to succeed.” Also B is an entrepreneurial internationalizer which, two years after foundation, started operations in Spain through a subsidiary. The internationalization approach of B differs substantially from A, because entry requires the development of a local community of users of their app and their platform in each country. This is the only factor which slows the process of internationalization. “We can say that internationalization rests on a planning of commercial activities and a lean approach for developing the community “. In 2018 they plan to enter three new foreign markets, and for this reason they are looking for a new round of venture capital. They need also to develop a network of commercial partnerships. One of their main Italian partners speaks of their “highly dynamic attitude towards market opportunities”.

Company C was established in January 2014 in Provo, Utah by a freshly graduated entrepreneur. The context of operating the business is substantially different as compared to the first two cases. The founder was then 28 and had former experience as volleyball coach and scout. His passion for volleyball led him to conceive a startup in the volley metrics field. He thought that there was a potential market, with still a small number of companies and with value propositions that were not really in line with the needs of volley teams. Digital technologies, big data and artificial intelligence now disclose several novel value propositions in many different fields, including sports. The firm quickly gained its first 50 customers in its first year of operations, and then they moved up to the actual 400 customers at the end of 2017. A takeoff year was 2015, when the company raised US$ 1 million equity. It was also the year in which they started inward and outward international operations. Their customers are mainly teams in the US volley college league (a very large market with little competition) but the share of international teams is increasing. In 2017 international teams represented 10 percent of the customer base (but a higher share of revenues, because they frequently buy the premium packages) and international growth is a key priority for 2018. The firm has also an early international value chain because already in 2015, they started to outsource the volley matches analytics to Bulgaria and continue now also in Cambodia.

The entrepreneur did a successful exit in December 2017, when his firm was acquired by a leading multinational in sport metrics. From January 2018 the founder works as business development manager for the volley metrics unit. A main competitor of company C says: “It is surprising how fast they have been growing and how they approached the foreign markets: they could have stayed in the US college market, in which they gained leadership, but took the decision to expand abroad and to target more ambitious segments, like the premier league teams. They thus increasingly segmented their offer, into standard and premium packages, also tailoring their offer to the most demanding customers”.

Company D was founded in September 2014, opening a restaurant in Italy. From the beginning the idea of the founder, a young entrepreneur, was to develop a scalable business, with the aim to make it grow early and fast abroad. The format is an original concept of a fast-casual restaurant, offering high quality drinks and food, locally sourced. In February 2016 he opened a pop-up store in Central London, with the aim to explore the UK market, which then became a regular business. In January 2018 they started a crowdfunding campaign to collect money for further international development of the business. The firm has six employees and a number of external consultants for marketing and shop design. The founder declares: “The industry –especially in Italy- is too much based on old logics of business, which are born, develop and die with the family story. Scalability is not an issue; fast international growth is not usual. That’s why we have coffee at Starbuck’s or Costa and pizza at Domino’s or Pizza Hut”. One of their suppliers says: “Their drive for international growth is also affecting our operations and our strategic directions. We stayed local for decades and now we are suddenly embracing with them new logics”. An investor from the crowdfunding campaign argues: “As an investor, I am pleased to see all this ambitions towards multiple markets. I also appreciate the fact that however the company keeps constant the model of business and the approach to customers”.

**Data analysis**

Data analysis followed a grounded theoretical approach. We started with open coding (i.e. the first order *concepts*, or *conceptual* coding) based on informant experience and information (Strauss & Corbin, 1990). Two researchers independently coded the interview transcripts and subsequently met to compare each other’s codes. Based on a discussion and a third independent researcher’s view, who had been asked to provide a neutral perspective, the set of codes was agreed. By focusing on the similarities and differences between the open codes, we aggregated the first level concepts into more abstract second order themes (see Gioia et al., 2010). In line with the grounded theory approach, second order themes are developed through the constant analysis of emerging patterns, relationships, and existing theory (e.g. Gioia et al., 2013; Peirce, 1974). We followed a recursive process of going back and forth and between case evidence, (unexpected) emerging patterns, and existing theory (Ghauri, 2004; Santos & Eisenhardt, 2009; Dubois & Gadde, 2002; 2014). Finally, we collapsed second order themes into overarching aggregate dimensions to facilitate the presentation of our emergent model (i.e. data structure). The findings are illustrated below in the data structure (please see figure 1) containing first order concepts, second order themes, aggregate dimensions, and, importantly their relationships.

As illustrated in figure 1 four main themes emerged in exploring the role of marketing approaches in entrepreneurial internationalization. The four themes, according to their commonalities and distinctive features, were then collapsed into two main dimensions, i.e. selective responsiveness and flexibility. We illustrate how and why these aggregate dimensions and their constitutive themes emerged and recall the internal and external firm context . Table 2 presents quotations from which we derived concepts and then distilled the four themes.

*Please insert table 2 around here*

We turn now to a detailed presentation of the empirical analysis. Following figure 1, we start with the presentation of themes (business processes) and their underlying concepts ("mechanisms").*Please insert figure 1 about here*

**Selective customer/partner intimacy and intensity for market sensing**

The ability to explore markets, and to learn about the international market, is essential for recognizing opportunity and developing marketing knowledge. Recognizing the opportunity is the earliest stage of the internationalization process. This stage is heavily influenced by marketing and market-related knowledge because such knowledge is not only required to spot the opportunity but also for evaluating whether it is worth pursuing and for assumptions about the viability of the new opportunities (Fernhaber & McDougall-Covin, 2009). It also leads to the creation of more effective marketing strategies and sustainable superior returns (Mort et al., 2012). Firms with stronger sensing ability then should be better positioned to create and satisfy demand and achieve early revenue and growth in international markets (Ghauri et al., 2016).

However, in an uncertain environment, the nature and level of demand frequently remains unclear. Additionally, itis dependent on the strength and creativity of marketing effort (Gruber, 2004). In an uncertain environment, the venture is not only faced with limited predictability but also with complex and varying signals. One aspect of knowledge is substantive knowledge of market information, the other, crucially relevant for marketing, is the “knowledge” of where to find market data (Kirzner, 1973). According to our analysis, one way for the small internationalizer is to rely on direct customer contact to ensure the acquisition of the “right” information.

*“We know everything of our users, because we track them continually in their habits, behavior, trends.” (Company B)*

Customer intimacy isone of the elements present in conceptualizations of entrepreneurial marketing (Morris et al., 2002), while there is another one, customer intensity, which emerges from our analysis. The ventures do not only know their customers well, they have also a high level of customer intensity (Jayachandran, Hewett, & Kaufman, 2004) – that is they closely work and interact with current and potential customers to identify opportunities (and threats) and so possess an in depth understanding of explicit and latent needs of both, current and future customers.

*“I develop very close relationships with each customer, to the best of my capacity. With our* best *customers we have frequent meetings and phone calls. We are used to invite customers at our company anytime there is a volleyball match of their teams close by. They are now happy to come, it just takes 45 minutes, we offer a meal and speak about their needs. They feel their opinion counts and can make a difference in product development… Customer intensity reduces the risk of product innovation/change.” (Company C)*

Opportunity discovery or creation through and with customers/partners is one of the dimensions of customer intimacy and intensity, the other one, less recognized, is the reduction of chances of failure through the identification of threats and drawbacks. The crucial elements and the novel elements of marketing in market sensing are customer/partner intensity but also selective listening. Selective listening does not only allow for the recognition/creation of alternative offerings, it also adds the potential of better and quicker judgment and better and quicker responses.

*“At the beginning we were listening a lot to every customer, we wanted to hear all the voices to validate our value proposition. But in the end, this may cause problems. Everybody feels like a Masterchef referee and wants to pay as little as possible. We got soon overwhelmed by all this listening. We learned to filter comments and reviews and to focus attention on experts’ opinions.” (Company D)*

*“In our marketing effort, we feel that we need to stay relevant for our customers, but we also have to be consistent across customers and over time.” (Company A)*

Selective listening also signals the tradeoff between the willingness to be highly proximate to customers and the concern about maintaining a core value proposition over time. Selective sensing thus balances the possible disadvantage or risk of listening too much with the need to keep focus, of acting and designing a value proposition around some core elements, which need to be stable over time. The novel contributions to extant literature here are *selective* *sensing* based on customer/partner intimacy and *intensity* to allow for a broad outside-in perspective. We also emphasize the discovery of threats or downsides inclusive of the risk of losing focus which extant literature has overlooked.

**Selective experimentation and testing for innovation and business development**

As we have mentioned above, facing market uncertainties in international markets, the small young firm is called to translate customer/partner insight and expectations into propositions of commercially viable products and services. Marketing thought thus substantially contributes to another process, that is rapid, frequent and inexpensive experimentation (Amit & Schoemaker, 1993) with new offerings in the widest sense of “new combinations” (Schumpeter, 1934), e.g. products and services innovation, business models, international marketing decisions. Experimentation thus is based on the afore mentioned ability to select signals and develop strategic alternatives based on customer- and market knowledge which helps make well grounded and timely decisions.

The customer need and propositions regarding how to satisfy and best respond to this need begin the series of steps that culminate in the completion of the activity, e.g. a new or improved product. The process thus implies a bottom-up approach based on discovery, learning, and co-creation. As is the case in customer/partner sensing, creation of value and responsiveness towards and with the customer and partner is the focal point. Value can ultimately be defined only by the customer and therefore, also in experimentation and testing, the interaction with the customer is the key.

*“Our first international customers were asking for our premium package and helped us to refine it dramatically.” (Company C)*

*“We are setting up labs with companies and institutional partners to co-create different platforms (i.e. experimental projects). For example, one with the Department of Engineering of your University is up and running.” (Company A)*

*“We are testing the idea of sending products to our users and receive feedback. This is an alternative way to have consumers’ feedback, but it is more complex (goods delivery) and engages smaller numbers. We’ll see how the tests go.” (Company B)*

Involving customers is not only an efficient way but also an effective way of experimentation. The test with customers, e.g. involving them in focus groups, the use of online user communities, or open innovation networks is an economic and fast option which levels the playground for small firm experimentation and it is a way to broaden the scope or define the “right scope” for experimentation. It also takes less time for companies to teach potential customers about the benefits of a product and how to use it if the customers have already spent time learning about a product and its uses before they come to buy (Hennart, 2014). In innovation management both the role of marketing and the involvement of customers are long recognized and quick, economic and frequent experimentation and iterative processes are present in strategic management (Amit & Schoemaker, 1993), entrepreneurial marketing (Morris et al., 2002; McHenry & Welch, 2018) and lean thinking (Blank, 2003; Ries, 2011) but rarely have they been combined and integrated in a process conducive to innovation in the broadest sense.

Based on our analysis, we also introduce the idea of the development of series of propositions, i.e. multiple options, to be tested. Many alternatives help to widen the available scope of actions and so contribute to flexibility in addition to generating the most and appropriate and fastest responses to customer needs.

*“The London experience helped us in developing also a few “fusion” meals, though the basic offer remained the same as in Italy.” (Company D)*

*“We also learned how to use scope creep risk to develop a differentiated offer, from basic to premium packages” (Company C).*

When early international growth is envisaged, marketing must envision offerings, business models and/or creative strategies which open options for quick growth and inexpensive adaptation. To grow internationally means to consider potentially different needs of international customers and markets and integrate these at the very first stages of experimentation. Experimentation at this stage requires marketing thinking in a way that different needs of customers are designed into the series of experiments that are undertaken. Early and rapid internationalization to a broad range of potentially very different markets and customers however also requires the ability to leverage or reconfigure existing capabilities according to their needs, an ability which is valuable also if international growth occurs unexpectedly. Under this perspective, key to establishing agility and subsequent growth is to anticipate the (marketing) efforts of the next stages of company growth because strategies suited for a current stage might prove liabilities later (Moore, 1991).

*“Spain may involve some adaptation of our approach, but we are ready for this, developing continually our offer based on customers and communities’ response is key to our success from the start.”(Company B)*

Another less recognized dimension of customer-based experimentation is the reduction of chances of failure. Experimentation in this sense alters the risk profile of the venture on the basis that it discovers what is difficult to predict (Reeves & Deimler, 2011). Further, experimentation minimizes time and cost: it reduces the time to “innovation” and the time to market and therefore binds fewer resources and accelerates rates of return.

*“We are constantly working along experimentation-validation cycles, which are rather short. The process of looking ahead and looking back accompanies this cycle.” (Company C)*

*“Certainly, the idea of the pop up store has used fewer resources than opening a permanent shop. Also, when this temporary store closed, we decided to choose an innovative and lower cost start, using a curious mobile van (Apecar, an iconic small Italian truck) to advertise and contemporary sell throughout London”. (Company D)*

When a venture tests its options in interaction with the customer, assesses their impact and decides whether, how and where to move, it must adapt while it moves, and so reduces time and overall risk.

*“Being exposed to demanding customers in Central London, but mainly to a general society, in which people care about the environment, made us increasingly concerned about waste issues. We now recycle all the bread we do not sell but we want to move towards a zero-waste business model.” (Company D)*

*“The exposure to diverse customers and possibly also competitors generates a number of hypotheses, but it is the responsibility of the entrepreneur to make decisions. You need to decide among options. I call this filtering.” (Company C)*

Under a holistic view related to business processes, marketing assumes a boundary spanning function (Day, 1994) through the integration of the external component, the market and the customer with the internal component, that is regular and continual interaction with the core process of innovation management. As these external and internal components become more dynamic and complex, also boundary functions must become more agile. Marketing contributes significantly to the formulation of propositions for experimentation and the overall assessment of the value provided, the assessment of whether the market is scalable, large enough, and accessible or not. Consequently, international growth but also the firm’s vulnerability is very much in the hands of marketing.

Also in the case of experimentation our empirical evidence highlights selectivity, or in other words, the need to bring the most promising options quickly into focus. Here it relates not only to the selection of the most promising option but, again, to the selection of the "right" customers for experimentation and testing. Relatedly, the underlying quality of hypotheses and the definition of stopping points for experimentation emphasize the important role of marketing. Marketing’s judgment and anticipation with regard to the current *and* future growth of the business is underlined. The emphasis on selectivity emerges clearly from our findings: it may be more important in a resource-constrained setting like ours but we believe it is a characterizing element of achieving the “right” responses rapidly.

**Coordination, cultivation and harmonization of multiple stakeholders**

Partnering or networking aims to leverage the assets, knowledge and competencies of external entities, e.g. customers, suppliers, distributors etc (Coviello, 2006). Huge research attention has been paid to networks in IB (Vahlne & Johanson, 2013) and IE literatures. Especially research on entrepreneurial internationalizers emphasizes the importance of networks as sources of knowledge and as a substitute for resources in general (Zucchella, Palamara, & Denicolai, 2007). Research has also acknowledged the positive and important role of social and business networks in the exploration and exploitation of opportunities (e.g. Elg et al., 2015), in the way those opportunities are recognized and implemented, and in explaining performance such as entrepreneurial internationalization. Zaheer and Zaheer (1997) also found that firms with wide-ranging information networks were able to exhibit superior responsiveness and performance in turbulent business environments. What is less discussed in extant work is that firms must not only effectively acquire knowledge and other assets but that they are also called to harmonize such resources and capabilities with partners and to do so with speed (Sambamurthy et al., 2003), an aspect which emerges clearly from our analysis

*“We wanted investors who could support our growth through a good knowledge of the business and providing useful commercial contacts.” (Company B)*

*“In the digital business, especially when you work with developers, you are constantly exposed to agile management. The challenge is to transfer this logic to the entire organization, to support fast international growth.” (Company C)*

Moreover, it is important to think of strategy in terms of dynamic (and agile) business systems and effective strategies at network level (Reeves & Deimler, 2011) without being able to rely on strong control mechanisms. The relational and functional dependence of the small and young firm supports this thought and underlines the need of a strong ability of cooperation and coordination.

*“We foster international institutional projects and contacts with other companies in the same area to jointly build the context conducive to our growth.…Also, we are running graduate programs and master programs together with partners to develop the personnel for our future.” (Company A)*

*“We try to have partners with the same ambitions, but wine producers usually follow very old-fashioned business logics– the craft beer producers for example really share our mentality and business logics.” (Company D)*

In the context of the entrepreneurial internationalizer the idea of business systems means that the move from a dominant network view to a business process view, as we propose it, is appropriate. We put focus on the notion of value chain and stakeholder/ customer relationship because it particularly emphasizes the creation of value throughout the horizontal and vertical firm activities.

*“Designing our value chain with outsourcing to match with our Bulgarian and Cambodian partners further enhanced our responsiveness to changes in value proposition and product-market portfolio.” (Company C)*

We have already mentioned above the boundary spanning role of marketing and, thus, its relevance to cooperation and coordination. Here we add the role of matching and bonding (Day, 1994). Bonding in the customer context includes cultivating strong customer relationships, especially at an early stage, not only with respect to their co-creation and testing roles. Strong and trust-based customer relations allow the firm to continuously and quickly increase its knowledge and experience with them, which then can be used for monitoring and for insight into retention mechanisms or how to lower cost of serving them (Srivastava et al., 1999). Morris et al. (2002), in a similar vein, refer to this as the establishment of visceral relations with customers.

*“We had a major problem in 2015 when our software did not work. We had to manage furious customers, but we only lost one out of 100, thanks to the good and trust-based relationships we developed.” (Company C)*

Beyond establishing customer relationships, the bonding role (Day, 1994) of marketing can also be exploited to harness marketing infrastructure. Parallel innovation or co-promotion can be also achieved through establishing cooperation and strong bonds with value chain partners, be they suppliers or distributors or other partners.

*“We work with some media centers and the Spanish have a system of relationship with Italian ones.” (Company B)*

*“Some of them (partners, the authors) also accepted to co-finance our crowdfunding campaign.” (Company D)*

The lean structure and the short hierarchy of new ventures should permit the persons who who are in contact with partners to respond quickly and proactively. The lean structure also puts the basis for knowledge sharing and learning across the entire organization and with partners. Importantly, the new firm also is described to profit from the learning advantages of newness (Autio et al., 2000) and it is not yet subject to any relevant path-dependencies. Structural flexibility (Chen & Hambrick, 1995) then increases the exploitation of synergies, speed of decision making and makes coordination and harmonization easier and quicker, contributing considerably to the flexibility and responsiveness dimensions of strategic agility. From our analysis emerge three novel elements: one is the importance given to the harmonization of resources and strategies with "right" partners, in addition to the objective of resource mobilization and risk-sharing. The second element reinforces our view of carefully designed business processes and the set up of a system of (international) stakeholders which is conducive to exploiting opportunities and synergies and flexible in market responses. Thirdly, differently to extant work, our findings show that management must rely on strong bonding capabilities because the young ventures lack the power to establish strong control mechanism. These bonding capabilities seem however subject to a tradeoff, especially with key suppliers: marketing agility imposes a pace and an approach that some suppliers are not used to follow, especially if they are more traditional and long-established firms. The partnership structure may be only partially elastic and the agile design may struggle in achieving its goals, due to some supplier’s resistances. While partnering overall increases flexibility and responsiveness it may also negatively play out with the risk of too strong interdependence and reliance on partners.

**Creative management and extension of resources**

The small size, structural flexibility (Chen & Hambrick, 1995) and learning advantages of newness (Autio et al., 2000), make the new ventures’ learn faster, communicate more directly, and make decisions quicker - all elements which should reinforce an ability to act in a nimbler fashion when discovering opportunities in the marketplace (Gruber, 2004). Thus, essentially, we argue that small firms and new firms do more with less (Morris et al., 2002; Elg et al., 2015). However, smallness and newness are also associated with resource scarcity which makes the firm vulnerable as mentioned earlier. In this context we have already discussed that through building and managing partnerships marketing is able to mobilize and use resources .

*“We have partners who can provide reliable analytics in a very short time and almost cover a 24 hour time zone. They also enable a segmented offer, because the Bulgarian partner provides high quality analytics in very short time, while the Cambodian one can provide a more basic type of analysis at a lower cost. This accommodates needs of different partners worldwide… We do not operate under resource dependency. Instead, we reason collectively under resource stretching, when we envisage a good opportunity.” (Company C)*

The "resource stretching", or the idea of creative extension of resources can be illustrated with an issue of crucial importance in the new venture, namely the process of building an identity and a brand. The young internationalizing firm lacks legitimacy, market acceptance and trust. Now, the process of building credibility can be initially based on customers and partners who are personally known to the entrepreneurs.

*“We started from a very small community around our original Facebook page: we invited people to take photos of branded products and have coupons as a reward. The market answer has been good, and enabled us to further develop the value proposition and business model, as well as the technical features of their app. From there we started proposing the services to brands and further developing the app.”(Company B)*

For such a customer base the anonymity of the firm is less important and firm-based credibility is compensated through person-based credibility (Gruber, 2004). The firm will respond to first and few customer requests in the best manner possible to have them spread positive word-of-mouth and catalyze a virtuous circle which helps the firm gain broader credibility and establish an identity. [[3]](#footnote-3) From this approach, two other vital effects result, namely getting quickly first sales without legitimacy and, secondly, building a loyal customer base which can be served with decreasing cost and may be of help for continual experimentation, sourcing of innovation, etc. Although extant literature has stressed the importance of social and business networks in the early stages of the venture lifecycle as a source of contacts and information, it has not fully considered the positive effects of extending resources and combining them to achieve and accelerate the establishment of assets and competitive advantage.

*“We also have partners that further enhance our learning and customer insight, for example major volleyball and referees associations. They also serve for our legitimation and reputation. “ (Company C)*

*“Our high-level institutional contacts bring reputation and legitimacy. We are now talking with top level in companies, cities etc. which would not have been possible for a small unknown start up.” (Company A)*

Another key explanator of entrepreneurial internationalization, the niche strategy, is neither a random choice nor a choice dictated by the lack of market power or competitive conditions. Also in this case, marketing strategically extends resources, i.e. a small customer base, because it can be served globally without adaptation and so is responsive to a global customer segment, is timely and resource conserving in its response because it does not need time nor funds for adaptation (Hagen et al., 2012). The niche also satisfies the requirement of being flexible. For example, in times of economic downturns the loyal customer base can be leveraged to achieve additional sales with other products and strong retention mechanisms. In the more positive case of exploding demand appropriate scaling allows to adequately respond and manage such demand.

In the context of creative management and extension of resources we add the *advantage* of being new and small to the discussion. If leveraged or if, in other words, resources are extended, the structural flexibility and the learning advantage of newness will greatly benefit timely and adequate market responses. The leadership capability (e.g. Doz & Kosonen, 2010) present in earlier work here displays quasi automatically, it is inherent in the entrepreneurial team and founding/organization factors.

Figure 1 above summarizes the empirical analysis presented so far. It also illustrates our reconceptualization of strategic agility as reflected on two dimensions, i.e. selective responsivemenss and flexibility, derived as the two overarching dimension of marketing's contribution to a key set of firm business processes. We move now the discussion of empirical findings from themes to aggregate dimensions to show the novel elements which extend the extant construct of strategic agility.

**Strategic agility reconceptualized in entrepreneurial internationalizers: a composite of selective responsiveness and flexibility**

The notions of agility we discussed earlier primarily underline flexibility, *as an ability to (re)act effectively to changing circumstances*. We instead confirm flexibility as *one* of the constitutive dimensions of agility and identify a second, neglected, dimension - *selective* responsiveness – which is customer and market focused. In a dynamic international enviornment and an era characterized by customers whose expectations change quickly and who are increasingly looking for customized solutions, responsiveness may be one of the most important capabilities needed. Responsiveness allows the firm to understand and respond to an external signal, for example the identification of a latent or unsatisfied customer need, changing customer needs or different customer expectations in foreign markets. Responsiveness thus connects the firm with the customer and the market and includes a firm’s knowledge and recognition of signals as well as the preparation and actions necessary to address them (Kohli & Jaworski, 1990; Narver & Slater, 1990).

Following market-orientation literature (e.g. Narver & Slater, 1990; Elg et al., 2015), responsiveness is a “performance”-related concept which originates in the interaction with customers and markets. “Selective” responsiveness involves decisions about when and how much to act upon and accommodate signals, i.e. customers’ expressed or latent needs, or changes to product or market portfolios. Flexibility instead is the internal enabler of responsiveness. Both dimensions are needed to achieve strategic agility: sensing, understanding and satisfying of customers must be linked with mechanisms that trigger and enable flexible behavior, for example selective listening, selective experimentation or harmonization of objectives and resources across stakeholders. In our context we underline that flexibility and selective responsiveness must be achieved without unsustainable cost (Amit & Schoemaker, 1993; Teece, 2007; Sharifi and Zhang, 2001; Santos Bernardes & Hanna, 2009).

Lastly, differently from extant work, our conceptualization of strategic agility is built through customer- and market-centric business processes, an approach we consider particularly suited in a small and new firm environment where the few people in the team work closely togehter and functional boundaries are fluid.

**Strategic agility and entrepreneurial internationalization**

We have already mentioned some characteristics that distinguish new ventures and internationalizing new ventures from larger and more established organizations. These characteristics include the liabilities of newness, smallness, foreignness and, importantly, the inherent uncertainty of their undertaking (Gruber, 2004). As Gruber (2004) notes, uncertainty is both an unavoidable aspect of entrepreneurship and of a valuable opportunity in that it serves as a basis for asymmetrical perceptions among actors. The new venture capitalizes on an opportunity that others do not see or that is inaccessible to them, and, in this sense, moves in an “experiment mode” because it tests its innovative resource combination against others, existing or alternative combinations in real-life. Looked at it under this light, the experimentation and testing we mentioned above is the attempt to reduce the firm’s overall uncertainty and risk by limiting it to and in a limited time, resources and market space and a valuable example of how the entrepreneurial internationalizer may limit market-risk or failure, or, in opposite terms enhance market acceptance and superior performance.

For example, foreign market entry is accelerated by adapting offerings faster and better to international markets’ needs. Using experiments based on customer interaction moves products/services faster through the product adaptation process, contributes significantly to customers’ getting the desired products and getting them faster, i.e. being responsive and flexible. Getting the 'right' inputs, such as customer requirements, contacts or marketing infrastructure from partners offers valuable resources that can help eliminate or reduce false starts and delays or even de-internationalization. Reducing the time to market and related time to getting international sales are especially important in resource constrained small firms. Most ventures understand the importance of time to market but frequently they do not realize that a lack of attention to barriers to customer and market acceptance can delay the adoption and diffusion of the product/service and thus international sales. Moreover, timely market inputs help evaluate attractiveness and growth of markets or customer segments and guide rapid resource (re-)allocation to develop products for emerging markets/customer growth segments and to yield superior international sales and growth. Missed opportunities may be extremely costly and a misstep in the international arena may threaten survival in the case of the young and small internationalizer.

We thus argue that agile marketing presents an attempt and a viable way to alter the risk profile of the venture through processes of designing, testing and implementing innovative resource combinations that are flexible and responsive and lead to superior outcomes. This means that agile marketing and strategic agility enable the firm to cope with uncertainties that result from dynamic and turbulent environments such as rapid changes in technology and customer expectations, convergence of industries, and unknown international territories. Flexibility allows the firm to limit disadvantages in cost and time which may arise because of the adaptation need and growth in many international markets. Responsiveness instead will maximize the advantages of exploiting change and adaptation, which is early market acceptance, faster penetration of markets and consequently superior international sales and growth.

We have already discussed the positive word-of-mouth and network externalities linked to customers and the size of the customer base as drivers of market acceptance. Convinced customers do not only allow for early entry and first sales and free publicity, but they also become loyal, are less expensive to serve and so support sustained international performance. Under a longer term perspective, literature suggests that customer loyalty is the entry barrier which is the hardest to overcome (Reichheld, 1996). Each customer contact, whether new or longer established, contributes to identifying sources of innovation to experimentation and testing, and to potentially bringing in new customers. It follows that customer relationship management overall contributes to lessen market risk and so may allow the firm to take more risk by entering more markets quickly, to achieve better market penetration and thus long term international performance.

Overall strategic agility at the same time helps to control uncertainty and risk (Sarasvathy, 2001) and helps to take risk that ensues from entrepreneurial internationalization. Moreover, strategic agility enables the firm to respond strategically and with a larger repertoire of options which will allow to exploit long term growth and performance to the full. Agility in this sense alters the risk profile in both directions – in its flexibility and responsiveness regarding resource allocation and regarding choices regarding offerings and international markets. Finally, it builds on an integral characteristic of the firm, its structural flexibility, which makes it ready to develop advantage based on agility and fits well with their external context as illustrated in figures 2.

*Please insert figure 2 - around here.*

At the same time, agility may generate challenges and tradeoffs which require to be managed. In extant literature the challenge is mainly related to leadership in order to catalyze more flexible action in the face of change. In our context the opposite may occur. Strategically agile ventures may neglect the need of “stability” at certain stages, to prepare for subsequent phases of growth (Hagen & Zucchella, 2014). This relates to focus and commitment, the definition of stopping points (e.g. through selectivity in sensing and experimentation) and the difficult decision of final strategic direction. It is also related to the decision of how much interdependence with customers and partners is beneficial or when partner relations become a setback. For example, our customer and partner intensity/intimacy are posited to be valuable strategic outside advice and thus the source of innovative insights which generate novel value propositions in the sense of market driving behavior. In this process the risk of failure is higher than in the case of simply adapting the offer to customers’ explicit needs and wants. Experimentation and co-creation certainly help in reducing this risk, as mentioned above, but cannot fully eliminate it. The tradeoff between listening and focusing thus generates what we labeled *selective*customer/partner intimacy and intensity for market sensing and *selective*experimentation. In managing these complex tradeoffs an additional capability emerges: the filtering capability, which separates the “wheat from the chaff” by filtering the noise from multiple data sources and market/partners inputs. In our cases the filtering capability rests on marketing and entrepreneurial judgment, though some key partners and investors can have a role in validating this judgment.

**Conclusion**

We bring strategic agility, driven by marketing thought and a customer- and market-centric posture, into the discussion of entrepreneurial internationalization. Based on in-depth case study research, our reconceptualization of strategic agility is reflected in two underlying dimensions, i.e. flexibility and selective responsiveness. We argue that these dimensions are built on marketing’s contribution to business processes, namely selective customer/partner sensing through frequent interaction; selective experimentation and testing, in order to produce innovation; coordination, cultivation and harmonization of multiple stakeholders and resources; creative management and extension of resources. Strategic agility in turn helps the new venture to cope with the many parallel challenges that arise from founding, organizing and internationalizing and to realize early and accelerated international expansion and performance.

Our reconceptualization extends knowledge of strategic agility in two respects: firstly, we add a neglected dimension, responsiveness, and in particular selective responsiveness to the discussion. Most contributions elaborate on the importance of flexibility and time and speed to the market but they neglect the importance of responsiveness which is core to marketing. Flexibility, that is the ability to act on changes in a timely manner, is the main perceived notion of agility which is also reinforced by just-in-time and lean production principles (cites). Flexibility, however, is only one dimension of strategic agility. It must be paired with responsiveness to the customers’ latent and current unsatisfied needs to create value for the customer, achieve market acceptance and ultimately international market performance. While flexibility and responsiveness may be a trade-off, we show that marketing posture and adequate process design allow instead for the achievement of both and their mutual reinforcement. Secondly, we have studied strategic agility as a driver of entrepreneurial internationalization. As such it is positioned in the new, small and international firm context while extant contributions predominantly investigate the large and longer established firm setting (cites). Also in our context we show the value of strategic agility in navigating uncertainty arising from a continually changing complex international environment and rapidly changing customer expectations. Different from the larger and longer established firm context we show that customer- and market-centric business processes stand at the basis for strategic agility and that strategic agility exhibits a quasi innate fit also with the firm's internal context.

Under the lense of "fit" with internal and external environments, we provide new insight into "marketing under particular conditions", and relatedly to the areas of international marketing and entrepreneurial marketing. First of all, marketing in the new venture context goes beyond a functional discussion: marketing thought should embrace all firm processes and activities in order to exploit synergies and produce value for the customer. We show that with a customer-centric posture such processes can be designed, implemented and harmonized to account for opportunities and to cope with liabilities present in the entrepreneurial internationalizer. With regard to entrepreneurial marketing we offer a more holistic picture of "marketing in turbulent environments" or "marketing under resource scarcity" which are the prevailing fields of study (cites). Our findings confirm the dominant prescriptions of resource mobilization - creative management of resources (cites) but, more importantly, we show how these resources and which resources should be mobilized, leveraged and aligned for international expansion. In the stream of international marketing we add the notion of speed to the discussion of standardization vs adaptation. On one hand, strategic agility enables the entrepreneurial internationalizer to adapt quickly - crucially important when accelerated expansion in a potentially very different international environment is envisaged. On the other hand, strategic agility also emphasizes selective responsiveness, or in different words adaptation, which implies the assessment of whether, where and how much to adapt. This will lead to strategic focus and avoid missed opportunities and missteps in going international.

Lastly, and importantly, we add new knowledge to the streams of export performance and international entrepreneurship on the drivers of early and fast internationalization and thus to the explanations of international performance.

We hope our findings are relevant also for entrepreneurs and managers. We show practitioners in international new ventures a path to strategic agility that can enable them to overcome the many challenges they have to confront simultaneously. These challenges relate to the development of an offering that meets currently unsatisfied or latent expectations of international customers, overcoming resource constraints, and the establishment of collaboration and cooperation with international market partners. In the first instance, ventures must embed processes for opportunity recognition, creation and exploitation in customer/partner intensity and an experimental, iterative mode which moves offerings from the concept stage to market-ready commercially viable options and which integrates options for international growth. Another set of practices must address resource mobilization, leverage and extension, including marketing practices that establish legitimacy for the newly internationalizing firm and its offering. Again, this set is based on interaction with the customer, and bonding with various stakeholders. All business processes are based on customer and partner interaction to create solutions that best respond to latent and fast changing expectations and so allow for quick market acceptance and accelerated penetration of markets, yielding early and growing returns from internationalization.

Overall, our study confirms that strategic agility, driven by marketing thought and posture, constitutes a useful 'mechanism' particularly for small and new firms in their internationalizing efforts. We also suggest that entrepreneurial internationalizers may be particulary to compete on and benefit from strategic agility.

**Limitations and directions for future research**

While we use the context of entrepreneurial internationalizers as a valuable setting to illustrate our concepts of agile marketing and strategic agility, our conceptualization and discussion of strategic agility is not confined to such a cohort. Comparing entrepreneurial internationalizers with domestic high growth firms, more gradually internationalizing SMEs, or comparing entrepreneurial internationalizers with domestic new ventures may provide further insight into the processes in the domains of (international) marketing and strategic agility. Also, exploring in more detail the context and the multifaceted conditions of founding and organizing would certainly yield interesting insight into whether and how business process design and implementation would change in function of differential starting conditions. Following strategically agile ventures longitudinally would also help answer the question whether the “imprinting” is beneficial over the longer term. Also, the development of propositions with further qualitative work and operationalizations of constructs is suggested. That would help to prepare hypotheses testing for further deductive and quantitative work.

**References**

[Arbussa](https://www.emeraldinsight.com/author/Arbussa%2C+Anna) A.,  [Bikfalvi](https://www.emeraldinsight.com/author/Bikfalvi%2C+Andrea) A., [Marquès](https://www.emeraldinsight.com/author/Marqu%C3%A8s%2C+Pilar) P., 2017. Strategic agility-driven business model renewal: the case of an SME. *Management Decision*, 55 (2), 271-293.

Aspelund, A., Madsen, T.K., Moen Ø., 2007. A review of the foundation, international marketing strategies, and performance of international new ventures. *European Journal of Marketing*. 41, 11/12, 2007, 1423-1448.

Amit, R., Schoemaker, P.J., 1993. Strategic assets and organizational rent. *Strategic Management Journal* 14, 33-46.

Autio, E. 2017. Strategic Entrepreneurial Internationalization: A Normative Framework. *Strategic Entre-preneurship Journal, 11 (3),* 211-227.

Autio, E., Zander U., 2016. Lean internationalization. *Proceedings of the AIB 2016 Annual Meeting*   
New Orleans, USA, June 27-30, 2016.

Autio, E., Sapienza, H., Almeida, J.G., 2000. Effects of age at entry, knowledge intensity, and imitability on international growth. *Academy of Management Journal* 43, 909-924.

Axinn C., Matthyssens P., (2001). Limits of internationalization theories in an unlimited world, *International Marketing Review*, 19(5), 436-449.

Barkema, H.G., Baum, J.A., Mannix, E.A. (2002), Management challenges in a new time. *Academy of Management Journal*, 45 (5), 916-930

Blank, S. 2003. *The Four Steps to the Epiphany - Successful strategies for products that win* (2006; 2013 ed.). Stanford University.

Carmeli, A., Zivan, I., Gomes. E., Markman G. 2017. Underlining Micro Socio-Psychological Mechanisms in Buyer-Supplier Relationships: Implications for Inter-Organizational Learning Agility, *Human Resource Management Review*. In Press. http://dx.doi.org/10.1016/j.hrmr.2016.12.002

Chen, M.J., Hambrick, D.C., 1995. Speed, stealth, and selective attack - how small firms differ from large firms in competitive behavior. *Academy of Management Journal* 38, 453-482.

Corley, K. G., Gioia, D. A. 2004. Identity ambiguity and change in the wake of a corporate spin-off, *Administrative Science Quarterly*, 49 (2), 173-208.

Coviello, N.E., 2006. The network dynamics of international new ventures. *Journal of International Business Studies* 37, 713-731.

Coviello, N.E., Munro, H.J., 1995. Growing the entrepreneurial firm: networking for international market development. *European Journal of Marketing* 29, 49-61.

Covin, J.G., Slevin, D.P., 1990. New venture strategic posture, structure, and performance - an industry life-cycle analysis. *Journal of Business Venturing* 5, 123-135.

Cunha, M., Gomes, E., Mellahi, K., Miner, A., Rego, A. (forthcoming). Strategic agility through improvisa-tional capabilities: Implications for a paradox-sensitive HRM, *Human Resource Management Review*.

Day, G.S., 1994. The capabilities of market-driven organizations. *Journal of Marketing* 58, 37-52.

Doz, Y.L., Kosonen, M. 2010. Embedding strategic agility: a leadership agenda for accelerating business model renewal. *Long Range Planning*, 43 (2/3), 370-382.

Dubois, A., Gadde L.E., 2002. Systematic combining: an abductive approach to case research, *Journal of Business Research* , 55, 553– 560

Dubois, A., Gadde, L. E., 2014. Systematic combining - A decade later, *Journal of Business Research*, 67 (6), 1277-1284.

Efrat, K., Gilboa, S., Yonatany, M., 2017. When marketing and innovation interact: The case of born-global firms. *International Business Review, 26*(2), 380-390.

Eisenhardt, K, Graebner, M., (2007), Theory building from cases: Opportunities and challenges, *Academy of Management Journal*, 50 (1), 25-32.

Eisenhardt K., 1989. Building theories from case study research. Academy of Management Review, 14(4), 532-550.

Elg, U., Ghauri, P. N., Schaumann, J. (2015). Internationalization Through Sociopolitical Relationships: MNEs in India. *Long Range Planning, 48*(5), 334-345.

Evans, J.S., 1991. Strategic flexibility for high technology maneuvers - a conceptual-framework. *Journal of Management Studies* 28, 69-89.

Fernhaber, S.A., McDougall-Covin, P.P., 2009. Venture Capitalists as Catalysts to New Venture Internationalization: The Impact of Their Knowledge and Reputation Resources. *Entrepreneurship Theory and Practice* 33, 277-295.

Flyvbjerg, B. 2006. Five misunderstandings about case-study research. *Qualitative inquiry*, *12*(2), 219-245.

Ghauri, P. (2004). Designing and conducting case studies in international business research. *Handbook of qualitative research methods for international business*, 109-124.

Ghauri, P. , Gronhaug, K. 2010. *Research Methods in Business Studies*, 4th edition, London: FT-Pearson.

Ghauri, P. , Hadjikhani, A. , Johanson, J. (2005). *Managing Opportunity Development in Business Networks,* Basingstock: Palgrave.

Ghauri, P., Wang, F., Elg, U., Rosendo-Rios, V., 2016. Market driving strategies: Beyond localization. *Journal of Business Research, 69*(12), 5682-5693.

Gioia, D. A., Price, K. N., Hamilton, A. L., Thomas, J. B. (2010). Forging an identity: An insider-outsider study of processes involved in the formation of organizational identity, *Administrative Science Quarterly*, (*55)* 1, 1-46.

Gioia, D. A., Corley, K. G., Hamilton, A. L. 2013. Seeking qualitative rigor in inductive research: Notes on the Gioia methodology, *Organizational Research Methods*, 16 (1), 15-31.

Gruber, M., 2004. Marketing in new ventures:theory and empirical evidence. *Schmalenbach Business Review*, 56, 164 – 199.

Gomes, E., Weber, Y., Brown, C., Tarba, S.Y. (2011), *Mergers, Acquisitions and Strategic Alliances: Understanding The Process*, Palgrave Macmillan, Basingstoke, UK.

Grewal, R. Thansuhaj, P. (2001), Building organizational capabilities for managing economic crisis: the role of market orientation and strategic flexibility, *Journal of Marketing*, 65 (2), 67-80.

Hagen, B., Zucchella, A., 2014. Born Global or Born to Run? The Long-Term Growth of Born Global Firms. *Management International Review* . 54, 497-525.

Hagen, B., Zucchella, A., Cerchiello, P., De Giovanni, N., 2012. International strategy and performance-Clustering strategic types of SMEs. *International Business Review* 21, 369-382.

Handfield R., Nichols E. Jr., 2002, Supply chain redesign: coverting your supply chain into an integrated value system, Financial Times Prentice Hall. New York.

Hennart, J.F., 2014. The Accidental Internationalists: A Theory of Born Globals. *Entrepreneurship Theory and Practice* 38, 117-135.

Hills, G.E., Hultman, C.M., Miles, M.P., 2008. The evolution and development of entrepreneurial marketing. *Journal of Small Business Management* 46, 99-112.

Hitt, M. A. , Reed T.S., 2000. Entrepreneurship in the New Competitive Landscape, in: Meyer, G. D. and Heppard, K. A., eds. *Entrepreneurship as Strategy* , Thousand Oaks, CA: Sage Publications, 23-47.

Hitt, M.A., Keats, B.W. , DeMarie, S.M., 1998. Navigating in the new competitive landscape: building strategic flexibility and competitive advantage in the 21st century, *Academy of Management Executive*, 12, 22-42.

Hymer, S. 1976. *The international operations of national firms: A study of direct investment*. Cambridge, MA: MIT Press.

Langley, A., Abdallah, C. 2011. Templates and turns in qualitative studies of strategy and management. In D. D. Bergh and D. J. Ketchen (Eds.). *Building Methodological Bridges*, *Research Methodology in Strategy and Management*, (Volume 6), Emerald Group Publishing Limited, Bingley, 105–140.

Jayachandran, S., Hewett, K., Kaufman, P., 2004. Customer response capability in a sense-and-respond era: The role of customer knowledge process. *Journal of the Academy of Marketing Science* 32, 219-233.

Johnson J., Lee R., Saini A., Grohmann B., 2003. Market-focused strategic flexibility: conceptual advances and an integrative model. *Journal of the Academy of Marketing Science*, 31 (1), 74-89.

Junni, P., Sarala, R.M., Tarba, S.Y., Weber, Y. (2015). The role of strategic agility in acquisitions.*British Journal of Management*, (26) 4, 596-616.

Kirzner, I. M. , 1973. *Competition and Entrepreneurship*, University of Chicago Press, Chicago.

Kocak, A., Abimbola, T., 2009. The effects of entrepreneurial marketing on born global performance. *International Marketing Review* 26, 439-452.

Kohli, A.K., Jaworski, B.J., 1990. Market orientation - the construct, research propositions, and managerial implications. *Journal of Marketing* 54, 1-18.

Larimo J., Zucchella A., Kontkanen M., Hagen B., 2018. *Patterns of SME’s Marketing Mix Combinations and Their Characteristics in Export Markets*. In: Leonidou L., Katsikeas C., Samiee S., Aykol B. (eds) Advances in Global Marketing. Springer, Cham, 333-364.

Madsen, T.K., Servais, P., 1997. The internationalization of born globals: an evolutionary process? *International Business Review* 6, 561-583.

McHenry, J. , Welch, D. 2018. Entrepreneurs and internationalization: A study of western immigrants in an emerging market, *International Business Review, (*27)1, 93-101.

[Merrilees](https://www.emeraldinsight.com/author/Merrilees%2C+Bill) B., Tiessen J., 1999. Building generalizable SME international marketing models using case studies. *International Marketing Review*, 16 (4/5), 326-344.

Morris, M.H., Schindehutte M., LaForge W., 2002. Entrepreneurial marketing: a construct for integrating emerging entrepreneurship and marketing perspectives. *Journal of Marketing Theory and Practice*, 10, 4, 1-19

Moore, G. A. 1991. *Crossing the Chasm: Marketing and Selling High-Tech Products to Mainstream Customers.* New York: HarperBusiness.

Mort, G.S., Weerawardena, J., Liesch, P., 2012. Advancing entrepreneurial marketing Evidence from born global firms. *European Journal of Marketing* 46, 542-561.

Nadkarni S., Narayanan V., 2007. Strategic schemas, strategic flexibility, and firm performance: the moderating role of industry clockspeed. Strategic Management Journal, 28 (3), 243-270.

Nambisan S., 2002. Designing virtual customer environments for new product development: toward a theory. *Academy of Management Review*, 27(3), 392-413.

Narasimhan, R., Swink, M., Kim, S.W. , 2006. Disentangling leanness and agility:an empirical investigation. *Journal of Operations Management*, 24, 5, 440-57.

Narver, J.C., Slater, S.F., (1990). The effect of a market orientation on business profitability. *Journal of Marketing* 54, 20-35.

Nemkova, E., 2017. The impact of agility on the market performance of born-global firms: An exploratory study of the ‘Tech City’ innovation cluster.  *Journal of Business Research*, 80, 257-265.

Patton, M. Q. 2014. Purposeful sampling and case selections: Overview of strategies and options. In M. Patton (Ed.), *Qualitative Research & Evaluation Methods*, 4th Edition, 264-272.

Peirce, C. S. (1974). *Collected papers of Charles Sanders Peirce,* Thoemmes Press, Bristol, UK.

Poolton, J., Ismail, H.S., Reid, I.R., and Arokiam, I.C. 2006, Agile marketing for the manufacturing-based SME, *Marketing Intelligence & Planning*, 24 (7), 681-693.

Read, S., Dew, N., Sarasvathy, S. D., Song, M., & Wiltbank, R. (2009). Marketing under uncertainty: The logic of an effectual approach. *Journal of Marketing*, *73*(3), 1-18.

Ripollés M., Blesa A., 2012. International new ventures as ‘‘small multinationals’’: The importance of marketing capabilities. *Journal of World Business* 47, 277–287

Reeves, M., Deimler M., 2011, Adaptability: the new competitive advantage, Harvard Business Reveiw, July-August.

Reichheld, F.F., 1996. Learning from customer defections. *Harvard Business Review* 74, 56-&.

Ries, E. 2011. *The Lean Startup: How Today's Entrepreneurs Use Continuous Innovation to Create Radically Successful Businesses.*New York: Crown Business

Sambamurthy, V., Bharadwaj, A. and Grover, V. , 2003, Shaping agility through digitaloptions: reconceptualizing the role of information technology in contemporary firms,*MIS Quarterly*, 27, 3, 237-263.

Santos, F. M., Eisenhardt, K. M. 2009. Constructing markets and shaping boundaries: Entrepreneurial power in nascent fields, *Academy of Management Journal*, 52 (4), 643-671.

Santos Bernardes E., Hanna M.D., 2009. A theoretical review of flexibility, agility and responsiveness in the operations management literature Toward a conceptual definition of customer responsiveness,

*International Journal of Operations & Production Management*, 29, 1, 30-53.

Sarasvathy, S.D., 2001. Causation and effectuation: Toward a theoretical shift from economic inevitability to entrepreneurial contingency. *Academy of Management Review* 26, 243-263.

Schumpeter, J.A., 1934. *The theory of economic development: An inquiry into profits, capital, credit, interest, and the business cycle*. Transaction publishers.

Sharifi, H., Zhang, Z., 2001. Agile manufacturing in practice - Application of a methodology. International *Journal of Operations & Production Management* 21, 772-794.

Strauss, A., Corbin, J. M. (1990). *Basics of Qualitative Research: Grounded Theory Procedures and Techniques*, Sage, Los Angeles.

Srivastava, Rajendra Kumar, Shervani, Tasadduq A., Fahey, Liam, 1999. Marketing, Business Processes, and Shareholder Value: An Organizationally Embedded View of Marketing Activities and the Discipline of Marketing. *Journal of Marketing*, 63 , 168-179.

Stinchcombe, A. 1965. *Social structures and organizations*. In J. G. March (Ed.), Handbook of Organizations, Chicago: Rand McNall, 142-193.

Tan, Q. and Sousa, C.M. 2013. International marketing standardization: a meta-analytic estimation of its antecedents and consequences, *Management International Review*, 53 (5), 711-739.

Tanev, S., Rasmussen, E. S., Zijdemans, E., Lemminger, R., & Limkilde,L. 2015. Lean and Global Technology Start-Ups: Linking the Two Research Streams. *International Journal of Innovation Management,* 19, 3, 1540008.

Teece, D.J., 2007. Explicating dynamic capabilities: The nature and microfoundations of (sustainable) enterprise performance. *Strategic Management Journal* 28, 1319-1350.

Tesfam, G., Ghauri, P.,Lutz, C. (2003). Using Networks to Solve Export Marketing Problems of SMEs from Developing Countries, *European Journal of Marketing,* 5(6), 728-752.

Theodosiou, M. and Leonidou, L.C. (2003), Standardization versus adaptation of international marketing strategy: an integrative assessment of the empirical research, *International Business Review*, 12 (2), 141-171.

Tsang, E. W. (2014). Generalizing from research findings: The merits of case studies. *International Journal of Management Reviews*, *16*(4), 369-383.

Vahlne, J.E., Johanson, J., 2013. The Uppsala model on evolution of the multinational business enterprise - from internalization to coordination of networks. *International Marketing Review* 30, 189-210.

Vrontis, D., Thrassou, A., Lamprianou, I., 2009. International marketing adaptation versus standardisation of multinational companies. *International Marketing Review*, 26 (4), 477-500.

Weber, Y. , Tarba, S.Y. , 2014. Strategic agility: a state of the art, *California Management Review*, 56 (3), 5-12.

Weerawardena J., Sullivan Mort G., Liesch P., Knight G., 2007. Conceptualizing accelerated internationalization in the born global firm: A dynamic capabilities perspective, Journal of World Business, 42 (3), 294-306,

Zaheer, A., Zaheer, S., 1997. Catching the wave: Alertness, responsiveness, and market influence in global electronic networks. *Management Science* 43, 1493-1509.

Zhang, Q., Vonderembse, M.A., Lim, J.S. 2003. Manufacturing flexibility: defining and analyzing relationships among competence, capability, and customer satisfaction, *Journal of Operations Management*, 21, 2, 173-191.

Zucchella, A., Palamara, G., Denicolai, S., 2007. The drivers of the early internationalization of the firm. *Journal of World Business* 42, 268-280.

1. Born globals or International New Ventures are young and small firms that internationalize at or close to foundation, intensively and with broad geographic scope. [↑](#footnote-ref-1)
2. Concepts are precursors to constructs. [↑](#footnote-ref-2)
3. Also note that peer recommendations are valued much higher than is company information. [↑](#footnote-ref-3)