Table 1: Case firms’ key facts and data information

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| Company | Founda-tion | Key activity | International | Firm size (nr employees) | Inter-views | Key informants | Secondary sources (triangulation) |
| Company A | 2010, Italy | Horizontal platform development for different eco-systems (e.g. cities, travel, CRM) providers based on an innovative (patented) search technology | Offices in London (2014) and Brussels (2017); international projects | 80 | 4 | The two founders and the CFO. A commercial partner | Company reports and presentations, websites, press information; interviews on TV channels, videos from the internet |
| Company B | 2015, Italy | Visibility and awareness campaigns for digital marketing. In 2017 a spin off to enter performance marketing | 2017, first subsidiary in Spain  3 foreign market entries planned in 2018 | 30 | 3 | One of the founders and the Marketing Director. The CEO of a main commercial partner | Company presentations and reports, social media, press releases. |
| Company C | 2014 US | Software -analytics for Volleyball matches | 2015 European, Asian, Latin American  customers | 10 | 3 | The founder and the CFO. The Marketing Director of a main competitor | Company presentations and reports, website, social media, press releases. |
| Company D | 2014, Italy | Fast casual food; local ingredients | 2015, pop up shop then food truck in London | 6 | 3 | The founder, an equity investor and a main supplier. | Company presentations and reports, website, social media, press releases. |

Table 2: Data supporting themes and aggregate dimensions

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| Data supporting interpretations | |
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| Themes | **Representative quotations** |
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| Selective customer/partner intimacy and intensity for market sensing | “We always ask feedback to our customers. At the end of each volley season we ask what proved best or worse and what they would like to add for the following season.” (Company C).  “Customers are a vital source of knowledge. Foreign customers further improve the diversity of our knowledge base and learning opportunities. Though the rules of volley are the same worldwide, different countries and – inside a country – different teams develop their own way to playing volleyball. This represents a great richness for us and being exposed to such diversity is vital to our success.” (Company C)  “Selecting customer signals is vital for an organization to grow and survive.” (Company C)  “Listening to every voice has high costs.” (Company C)  “International customers permitted us to understand our potential.” (Company C)  “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 volley match of their teams close by. They are now happy to come, we just take them 45 minutes, offer a meal and speak about their needs. They feel their opinion counts and can make a difference in product development.” (Company C)  ”I personally visit my foreign customers in Europe, Asia and Latin America. This is a great source of ideas and customer insight, with some tradeoffs.” (Company C)  “We also have partners that further enhance our learning and customer insight, for example major volleyball and referees associations.” (Company C)  “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 in food this may cause problems. Everybody feels like a Masterchef referee but 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)  “Being exposed to demanding customers in the 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 is not sold, to make a bread cake. We want to move towards a zero-waste business model.” (Company D)  “We know everything of our users, because we track them continually in their habits, behavior, trends.” (Company B)  “We develop an insight through observation, interests and passions, exposure to social networks and conversations in teams.” (Company B)  “We launched company BB to enter a different type of business: it is always digital marketing but it is instead performance and not visibility driven. To launch this new business we leveraged on the experience acquired in digital marketing and working with media centers” (Company B)  “Our investors do not only provide us with capital, they are also a source of inspiration and highly valuable in the exchange of comments on ideas. We have regular meetings scheduled but I hear many of them, just for a quick exchange and hear their opinion. “ (Company A) |
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| Selective experimentation & testing for innovation and business development | “We need to constantly validate our value proposition and make quick adjustments to our products.” (Company C)  “All this 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 to put forward in development. I call this filtering.” (Company C)  “We ask our customer often which functionalities they’d like to add. But then we only develop the most wanted and strategically relevant for their team performance.” (Company C)  “The scope of an idea or project rests basically on the customer insight – stay focused on the customer and simple.” (Company C).  “We also learned how to use scope creep risk to develop a differentiated offer, from basic to premium packages.” (Company C)  “You must excel in managing tradeoffs and do it quickly.” (Company C)  “Our first international customers asked for our premium package and helped us to refine it dramatically.” (Company C)  “We are constantly working along experimentation-validation cycles, which are rather short. The process of looking ahead and looking back accompanies this cycles.” (Company C)  “Experimentation permits to use fewer resources to achieve product development and launch.”  “We experienced revenue generation on the domestic market because of the international customers – more ambitious teams wanted the same (premium, the authors) service.” (Company C)  “Engaged customers spend more.” (Company C)  “When we started London operations, we began with a pop-up restaurant. The aim was to explore a new market from the inside and understand better if our value proposition could work. The London experience helped us in developing also a few “fusion” meals, though the basic offer remained the same as in Italy.” (Company D)  “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)  “In London we developed a limited number of menus (Company D types) options, just nine. After considering more menus (due to the above mentioned initial listening to many different people, the authors) we found that 9 options was a good compromise between variety, quality and prices. We did the same with wines (4 local quality brands) and beer (one craft local brand).” (Company D)  “Once you have a restaurant you can try to experiment gradually new things, as we did with the two “fusion” options in our London Menu. But for us it is key to avoid consumer confusion and to lose our identity, strongly rooted in local specialties from an Italian region” (Company D)  “We test the insight on a small group of people, which may embody the personas we have in mind.” (Company B)  “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)  “In developing the Company B app 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)  “Recently we are also making market research for the customers, using the community. We propose a similar mechanism as for the main business: we provide coupons/credits for those who answer a questionnaire.” (Company B)  “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)  “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) |
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| Coordination, cultivation and harmonization of multiple stakeholders and resources | “Designing our value chain with outsourcing match analysis to Bulgarian and Cambodian partners further enhanced our responsiveness to changes in value proposition and product-market portfolio.” (Company C)  “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 accomodates needs of different partners worldwide.” (Company C)  “International customers permitted us to understand our potential and to mitigate a number of risks.” (Company C)  “We had a major problem in 2015 when our software did not work. We had to manage furious customers but we only lost one over 100, thanks to the good and trust-based relationships we developed.” ( Company C)  “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)  “We have a 100 % retention rate and we could maintain even in our hardest time, when our software had a major bug. “ (Company C)  “We do our best to establish a contact with customers, using social media and a loyalty program.” (Company D)  ”Some of them (partners, the authors) also accepted to co-finance our crowdfunding campaign.  “We try to have partners with the same ambitions but wine providers follow very old fashioned business logics and do not really support our ambition – the craft beer producer really shares our mentality and business logics. (Company D)  “We discussed with our investors the entry plan and they helped us in planning commercial contacts.” (Company B)  “Outsourcing is good for a few activities, but certainly not for our core like technology development, creativity and community management.”  “We work with some media centers and the Spanish have a systems of relationship with Italian ones.”(Company B)  “We wanted investors who could support our growth through a good knowledge of the business and providing useful commercial contacts.” (Company B)  “We foster international institutional projects and contacts with other companies in the same area to jointly build the context conducive to our growth (ideas of small valleys in Europe, the authors).”(Company A)  “We are running graduate programs and master programs together with partners to form the personnel of our future.”(Company A) |
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| Creative management and extension of resources | “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.” “Our customers are key also because we can leverage on their own networks to gain new customers and to have positive reviews.” (Company C)  “Now we also have a loyalty program for three different types of customers (regular, business, on which we particularly focus with discounts, because they bring in employees and work lunches, and lately sport people, eg from gyms or tennis courts around.” (Company D)  “We certainly benefited from being a small and young team of people.” (Company C)  “Those who are involved in agile processes are more engaged and involved in problem solving, look constantly for creative solutions and are less easily stopped by difficulties and challenges, thanks to a good working of teams and scrums.” (Company C)  “We do not operate under resource dependency. Instead, we reasons collectively under resources stretching, when we envisage a good opportunity” (Company C)  “I went for crowdfunding, a novel thing to me. Crowdfunding may not succeed but it will help my brand recognition and also it is putting me in contact with other potential equity investors.” (Company D)  “We have 30 people organized in teams (e.g. creativity, development, community management internationalization team etc.) while at the beginning everyone did everything. “ (Company B)  “We leverage on the community of users to launch and test new businesses. For example recently we are also making market research for the customers. “(Company B)  “Many of our investors have brought friends and partners to invest in our venture. “ (Company A)  We have a flat hierarchy, mainly organized in teams. “(Company A)  “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) |

Figure 1: The data structure

* *Selection* of “right” partners
* *Trust-*based intensive relationships
* Mobilization of *complementary resources*
* *Mitigation and sharing of risks*
* *Regular assessment and feedback* of customers regarding future and current offering reduces risk of failure/need of adaptation
* *Better and quicker* development/refinement of *(more) offerings*
* *Co-creation* with customers and key partners
* *Experimentation* is a resource-conserving and rapidly resource-generating way to innovate
* Filtering is important to avoid scope creep

Aggregate dimensions

Creative management and extension of resources

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

Flexibility

**Selective Responsiveness**

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

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

Themes

Concepts

* *Continuous interaction* with *key* partners (e.g. customers, experts) for development and refinement of offering
* *Identification of alternatives/broader scope* of offerings through customers
* Discovery of *threats and potential drawbacks* through regular contacts
* Important to listen but avoid to be overwhelmed, *selection of signals* is vital
* “*Doing more with less*”
* Find new ways to realize objectives (*stretch resources*)
* *Flat hierarchy, quick communication*, passion and involvement

Figure 2: The conceptual framework

Outcome

Firm processes

Internal and external context

**Uncertainty and risk arising from**

Liabilities of newness, smallness, foreiggness

vs

**Opportunities arising from** leveraging newness, smallness, foreignness

**Selective Responsiveness**

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

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

Coordination,cultivationand **harmonization** of multiple stakeholders and resources

Flexibility

Creative management and extension of resources

**Entrepreneurial internationalization**

* decreased time to market;
* early customer acceptance and accelerated market penetration;
* early economic return;
* positively altered risk profile