

Analysing the importance of international knowledge, orientation, networking and commitment as entrepreneurial culture and market orientation in gaining competitive advantage and international performance

Entrepreneurial
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orientation

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Abstract

Purpose – This study argues that having an entrepreneurial culture and market orientation are critical for young enterprises to gain competitive advantage and superior international performance. We investigate how young entrepreneurial companies despite their limited resources and experience expand rapidly in foreign markets almost from their inception.

Design/methodology/approach – This investigation uses a mixed-methods approach, combining in-depth interviews and survey data. In-depth interviews lead us to conceptualise a model highlighting the importance of international knowledge, international orientation, international networking and international commitment as entrepreneurial culture and market orientation for gaining competitive advantage and, in return, superior performance in the international market. Then, the derived conceptual model is empirically tested on a sample of Malaysian Small and Medium Enterprises (SMEs).

Findings – Results show that entrepreneurial culture is positively associated with competitive advantage and international performance, while market orientation is positively related to competitive advantage but not to international performance. In addition, government support strengthens the positive effect of competitive advantage on international performance.

Originality/value – This study investigation analyses the importance of entrepreneurial culture and market orientation in contributing to competitive advantage and superior performance. In addition, this study examines the critical role of government support in the relationships between entrepreneurial culture and competitive advantage and between competitive advantage and international performance.

Keywords International knowledge, Entrepreneur characteristics, Government support, International performance, Market orientation, SMEs

Paper type Research paper

Introduction

Internationalization has long been associated with large and established firms. The vast amount of resources needed to explore and operate in international markets cause that small

