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INTERNATIONALIZATION OF MANUFACTURING FIRMS: A CASE STUDY
OF ESTONIA AND ISRAEL

Bachelor Thesis

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I have written this Bachelor Thesis independently. Any ideas or data taken from other authors or other sources have been fully referenced.

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Introduction

Globalization often refers to a broad network of cross-border economic, cultural, social, and political ties and processes, which has changed how firms function in an increasingly interconnected world, allowing them to grow outside of their home markets (Yeates, 2002). Rapid developments in communication, transportation, and technology have lowered trade barriers and made it possible for firms of all sizes, including those in the manufacturing sector, to engage in the global economy (SMU Academy, 2023). According to Fu (2024), to utilize globalization, firms must allocate resources for international expansion while meeting the objectives of industrial transformation if they want to become globally competitive.

Through globalization, a new term has emerged to define the process through which firms expand into foreign markets: internationalization. This process has now become a cornerstone of business growth and competitiveness (SMU Academy, 2023). Thus, firms can now expand their customer base, diversify their sources of income, and take advantage of talent and resources around the world. However, there is no one-size-fits-all approach to internationalization. Firms use various tactics based on their objectives, available resources, and outside factors.

While the born-global phenomenon spotlights firms that internationalize quickly at birth (Knight & Cavusgil, 2004), models like the Uppsala model, which has been around since 1977 and most recently updated in 2017 (Wach, 2021), stress a gradual approach to market access. Internationalization is a complicated yet fascinating field of study because the choice of approach is frequently influenced by elements including economic situations, cultural adaptation, geographic positioning, and technical improvement.

Despite their diverse markets and sizes, countries like Estonia and Israel have a vibrant entrepreneurial culture that has helped some of their firms succeed internationally. Both countries are relatively small economies, with Estonia being smaller, but highly technology-oriented, with Israel having a stronger focus on high-tech and start-ups. Estonia is tech-driven and network-based and is famous for being a digital-first country with a sophisticated e-governance infrastructure (USAID, 2023). Israel places a higher priority on quick entry into global markets to take advantage of unique opportunities because of its strong start-up culture and flexibility in high-tech industries (Lago, 2021).

The choice of Estonia and Israel in this thesis also reflects the intention to highlight differences between European and Asian market dynamics, offering a broader perspective for firms aiming to expand across continents. While Estonian firms often rely on technological

networks and digital expertise, Israeli firms emphasize flexibility and innovation in navigating global markets. This thesis specifically focuses on manufacturing firms from each country, as they offer a grounded perspective on how innovation-driven manufacturing firms navigate internationalization. Understanding these distinct paths can shed light on how entrepreneurial ecosystems shape global expansion strategies.

The author has yet to find a comparative analysis focusing exclusively on the internationalization strategies of manufacturing firms in Estonia and Israel. Previous research has either examined internationalization in general or explored each country separately, such as the works of Roolaht (2002), Reiljan (2003), and Sadekov (2021) on Estonian firms and the importance of collaboration in order to ensure stability in the core basis of an internationalization effort, and Hashai and Almor (2004) and Schäfer and Henn (2023) on Israeli firms, notably born-globals that are either gradual in their networking or traditionally collaborative. Broader studies such as those by Zahoor et al. (2020), and Du, Zhu, and Li (2023), address internationalization with a focus on innovation and collaboration but do not cover both countries together. These studies focus on the nature and necessity of internationalization throughout time.

Moreover, recent, publicly accessible studies specific to Estonia and Israel are in short supply. This thesis aims to fill that gap by comparing the internationalization strategies of Estonian and Israeli manufacturing firms, highlighting key similarities and differences through a comparative case study approach.

To achieve this aim, the key factors influencing internationalization and the outcomes of different strategies in use must be identified through the following research tasks:

- to review existing literature on internationalization theories and models;
- to analyze how various factors affect internationalization outcomes;
- to identify the internationalization strategies of Estonian and Israeli manufacturing firms through a case study;
- to compare similarities, differences, and contextual patterns in internationalization between the two countries;
- to offer practical suggestions for firms aiming to improve their internationalization efforts;
- to conclude and reflect on the comparative analysis of internationalization in Estonian and Israeli manufacturing firms.

This thesis is divided into two parts: theoretical and empirical. The theoretical part covers key concepts and frameworks of internationalization, examining how Estonian and Israeli manufacturing firms align with these theories. A thorough review of existing empirical studies also highlights the need for further research. The empirical part addresses this gap by explaining the methodology and rationale for the research, while also providing a practical perspective through in-depth case studies. These case studies help bridge the gap between theory and practice by offering insights into the strategies used and the results achieved. A summary of the findings, implications for business practice, and suggestions for further research are presented in the final section of the thesis.

Keywords: internationalization, globalization, manufacturing firms, Estonian firms, Israeli firms, business strategies, comparative analysis, case study

1. Theoretical background and literature review of internationalization

1.1. Defining internationalization methods and strategies

First presented is a very conservative and original approach, the Uppsala model, developed originally by Johanson and Vahlne in the 1970s, which has had a major influence on our knowledge of how firms internationalize. The Uppsala model, according to Johanson and Vahlne (1977) is based on a multi-stage process that involves exporting via independent agents, creating subsidiaries for overseas sales, and direct production overseas. According to this model, firms usually begin their internationalization in regions that are similar in terms of geography and culture in order to capitalize on existing knowledge before moving on to other markets.

Johanson and Vahlne (2009) revised the model to include network theory, emphasizing that strong business relationships are important for internationalization; because of the liability of outsidership, which increases the risks for firms without these ties, trust and network depth are needed for success. In their 2019 paper, Vahlne and Johanson explained that the reason for the revision of the Uppsala model a decade earlier was criticism; it appeared at the time that the old model was criticized for the learning-related limitations and lack of flexibility and limited attention to networks and globalization, despite its fundamental role (Forsgren, 2002; Petersen et al., 2003, as cited in Vahlne & Johanson, 2019).

The Uppsala model's presumptions about incremental learning and market commitment have changed to take digital transformation into account in light of Industry 4.0 (Bhatti et al., 2022). Industry 4.0, also known as the Fourth Industrial Revolution, is a framework for the modern, technological cycle of changes in firms, emphasizing the integration of tech such as the Internet of Things, Cyber-Physical Systems, and more; it is

used for the creation of smart, autonomous production systems which improve efficiency and competitiveness (Erboz, 2017). Digital tools like big data analytics and real-time data systems allow firms to quickly learn and adapt to new markets without needing a consistent physical presence. Since they can access global markets faster using digital platforms than they could with outdated models, start-ups and IT firms stand to benefit the most from the change.

The microfoundational components of the concept emphasize how important entrepreneurial skills are for promoting global expansion. The microfoundational lens shows how bounded rationality and bounded reliability, two ideas that are important for understanding managerial decision-making, shape leadership and strategy choices in internationalizing firms, directly affect their capacity to effectively enter global markets and reach cross-border efficiency. (Kano & Verbeke, 2019)

Through digitalization, founders can more effectively navigate global markets and find a balance between knowledge construction and tech-driven, dynamic decision-making processes; it also enables them to collaborate with local partners more effectively, leveraging shared knowledge to scale operations across borders and enhance their competitive edge in global markets (Banalieva & Dhanaraj, 2019). These improvements reduce the liabilities of foreignness that formerly limited growth by enabling firms to overcome obstacles associated with distance and cultural differences (Yamin & Kurt, 2018).

Other than the Uppsala model, there are cases of born-global firms; according to Knight and Cavusgil (2004, p. 124), born-globals are “business organizations that, from or near their founding, seek superior international business performance from the application of knowledge-based resources to the sale of outputs in multiple countries.” The phenomenon of born-global firms challenges traditional views of internationalization by emphasizing the role of external environments over firm-specific advantages (Zander, McDougall-Covin, & Rose, 2015). In order to enable faster internationalization through both exploratory and exploitative learning processes, born-global firms frequently rely on strategic resources and local knowledge spillovers in foreign markets, which serve as key enablers by providing location-specific knowledge and promoting technological advancement via connections to market leaders (Fosfuri & Motta, 1999). Li (2010) adds that firms actively seek to acquire new knowledge from foreign environments while leveraging existing resources to achieve rapid market entry and expansion.

The change in viewpoint is consistent with modern entrepreneurial theories, as Alvarez and Barney (2007) emphasize the importance of personal decision-making and seizing opportunities, stating that whether opportunities are discovered or created influences

how entrepreneurs approach fast internationalization. In order to deal with uncertain environments, Sarasvathy (2001) introduces the idea of effectuation, which resembles spontaneous improvisation rather than a predetermined decision-making framework and emphasizes the significance of utilizing available resources and creating seizable chances; effectuation prioritizes affordable loss and adaptability over predictive planning, allowing firms to respond better to evolving conditions in foreign markets they plan to enter or are already in. According to Audretsch and Feldman (1996), information spillovers and industry clustering are among the factors that increase global competitiveness. These factors can benefit ideas such as effectuation.

Such factors support interactive learning and improve innovation through localized capabilities, which enable firms to create and sustain competitive advantages in a global economy. These capabilities are based on institutional endowments, regional infrastructure, and embedded tacit knowledge (Malmberg & Maskell, 1999). Understanding such contextual aspects is necessary to develop a solid theoretical framework around the unique paths of born-global firms (Knight & Cavusgil, 2004).

According to Kuivalainen, Sundqvist, and Servais (2007), true born-globals should reach out to culturally distant foreign countries, internationalize during the first three years of their founding, and earn at least 25% of their income from overseas during this time. According to Zahra, Ireland, and Hitt (2000), international expansion improves financial performance through better technological learning and competitive advantage. This is especially true when firms adjust their operations to local market conditions and leverage different kinds of international market knowledge. This global success is further reiterated; according to Gabrielsson, Sasi, and Darling (2004), after 15 years of operation, born-globals produce at least 50% of their total revenues from outside their original location.

Knight and Cavusgil's (2004) definition of born-global firms appears to be the most reliable as it is mentioned in most articles, whether directly cited or paraphrased, such as Øyna and Alon's (2018, pp. 157–158) and Escandon-Barbosa et al.'s (2019, p. 1) articles that reference the original definition, stating born-globals are “entrepreneurial start-ups that, from or near their founding, seek to derive a substantial proportion of their revenue from the sale of products in international markets.” Earlier literature supports this, e.g., Rennie's (1993, pp. 45–52) article in *The McKinsey Quarterly*, where he mentions that he views born-globals as “firms near their creation date that go on to rapidly internationalize.”

Oviatt and McDougall (1994, p. 469) have a likewise definition for international new ventures, similar to past definitions. They claim INVs are “business organizations that from

inception, seek to derive significant competitive advantage from the use of resources and the sale of outputs in multiple countries.” Oviatt and McDougall (1994) introduced the INV model which focuses on firms looking for a competitive advantage by fast and early entry into foreign markets. This model argues the importance of cross-border networks and resource coordination in contrast to conventional slow expansion techniques (Oviatt & McDougall, 1994; Pidduck et al., 2022).

Clark and Pidduck (2023) add that INVs are fundamental to international entrepreneurship because while there are still some disagreements over how to define born-globals and INVs, a common understanding of INV traits is necessary for clarity in international entrepreneurship research. INVs reflect several internationalization tendencies, from fast, resource-intensive expansion to market-driven, opportunistic growth strategies (Zahra & George, 2017). Experts note the importance of utilizing consistent terminology to enhance the quality of research and reduce confusion within the context (Coviello, 2015). As mentioned before, Industry 4.0 has revolutionized internationalization strategies, especially for INVs and born-globals, by allowing them to use cutting-edge technologies like big data analytics, artificial intelligence, IoT, and more to overcome resource limitations and get into global markets early, renouncing conventional internationalization strategies like the Uppsala model (Oliva et al., 2022).

These technologies improve cross-sector efficiency and decision-making by improving the integration of data and product flows; today, firms do not require a strong local presence to monitor global trends and opportunities thanks to real-time data, resulting in dynamic flexibility for internationalizing firms (Strange & Zucchella, 2017).

To sum it up, INVs and born-globals both reflect fast internationalization, but Industry 4.0 points out flexibility and reliance on digital ecosystems to lower risks and capitalize on unpredictability. It demonstrates how technological advancements reduce distinctions between early internationalizing firm types while extending their worldwide reach (Oliva et al., 2022).

Then there are the born-again global firms which are a unique phenomenon in the world of international business due to their sudden internationalization after existing for some time; some, for example, can internationalize following major changes in ownership (Bell, McNaughton, & Young, 2001). Generational shifts frequently serve as a catalyst for born-again global internationalization in family-owned firms and leadership transitions introduce new entrepreneurial orientations, reshaping organizational strategies and enabling rapid global expansion (Kessler & Zipper-Weber, 2023).

Kessler and Zipper-Weber (2023) also mention that changes often mix strategic risk-taking with familial values, demonstrating two purposes of socioemotional wealth: as an anchor and as a motivator during internationalization.

Changes also occur externally, like new client relationships, which can trigger sudden global expansion (Witt, Khalik, & Godinez, 2024). These firms are sometimes the result of acquisitions or management buyouts, which allow new executives to pursue determined global strategies by frequently utilizing the parent firm's networks and resources or those from previous operations (Bell, McNaughton, & Young, 2001). Following their re-establishment, firms often achieve high export ratios, which frequently leads to a sudden shift in focus towards export markets. Critical events, such as the need to track domestic clients moving abroad or recovering assets, further accelerate this rapid internationalization process. These events demonstrate how quickly firms can move from a domestic focus to significant global engagement (Bell, McNaughton, & Young, 2001).

The justification for born-again global firms goes beyond simple operational changes; it is a calculated strategy to increase firm value via internationalization. In contrast to traditional models of internationalization, which often display a smooth pattern, the behavior of born-again globals suggests that firms can switch between local and foreign markets based on strategic opportunities or limitations. The importance of senior management's commitment, knowledge, and financial resources in facilitating internationalization is made clear by this unstable approach. Therefore, instead of concentrating only on export-driven growth, public policy measures that help small and medium-sized enterprises should consider the potential of born-again global firms and encourage strategies that include mergers, acquisitions, and access to international networks. (Bell, McNaughton, & Young, 2001)

In Germany and the UK, recent studies on niche-focused hidden champions, a subset of born-again globals, present the idea of re-born-again globals. These firms shift from periodic exporting to a more focused and accelerated internationalization path after taking initial international steps. They often use foreign direct investments instead of exports to boost their competitive positioning in global markets. (Witt, Khalik, & Godinez, 2024)

Re-born-again globals function through repetitive phases that mirror the Uppsala model's learning and commitment components, in contrast to conventional born-globals or INVs. However, by rapidly expanding their market reach after an important change, they deviate from the Uppsala model's strategy. They are in line with Industry 4.0 trends because of their reactive but purposefully increased internationalization, which emphasizes agility and

quick re-entry into the global arena while also adapting to technological improvements (Witt, Khalik, & Godinez, 2024).

The analysis of the internationalization of eight German and five British long-running worldwide hidden champions showed that 30% of them complied with born-again worldwide predictions, while 70% equally complied with born-again global and Uppsala criteria, indicating a hybrid approach (Witt, Khalik, & Godinez, 2024).

According to Angulo-Ruiz, Pergelova, and Dana (2020), hybrid firms refer to a unique type of firms that combines social and economic objectives. This specific strategy shows the flexible ways in which firms can apply both conventional and fast internationalization strategies, depending on internal shifts and market opportunities.

Kessler and Zipper-Weber's (2023) study shows that some born-again global firms adjust their strategies by mixing quick expansion with progressive learning, demonstrating hybrid flexibility. Such findings broaden the conversation about early internationalizers, highlighting how firms alternate between gradual and accelerated approaches, adapting to external challenges and opportunities (Witt, Khalik, & Godinez, 2024).

Given the potential differences in the internationalization processes of firms in different locations, the author has included a comparison of the characteristics of the discussed approaches in Table 1. The characteristics in the table are presented in random order, while the approaches are listed according to their order of appearance in the text.

Table 1.

Comparison between internationalization methods' characteristics.

Characteristic	Uppsala model	Born-globals & INVs	Born-again globals
Speed of internationalization	Gradual	Fast, immediate	Slow at first, sudden
Reasoning for internationalization	Broadening horizons, step-by-step progress	Entrepreneurial vision	Major changes
Reliability in networking and partnerships	Originally limited, expanded with time	Important and necessary	Uses existing relationships
Market entry strategy	Initially local	Diverse and distant markets	Strategic, export/FDI-based
Adaptability to technological advances	Moderate	High	High

Sources: compiled by the author based on studies used in the literature review, including Johanson & Vahlne (1977, 2009), Oviatt & McDougall (1994), Bell, McNaughton, & Young (2001), Knight & Cavusgil (2004, 2015), and more.

As shown in Table 1, the Uppsala model takes on a careful, slow strategy, beginning locally and progressively growing as networks are established over time. On the other hand, born-globals/INVs rapidly expand internationally, primarily through partnerships and a drive to succeed that focuses on remote markets. Although they begin more slowly, born-again globals experience fast internationalization as a result of significant changes, frequently leveraging pre-existing relationships and strategic moves like foreign direct investment or exports. And on a final note, compared to the Uppsala model, both born-globals and born-again globals are more innovative.

1.2. Review of empirical studies – internationalization, Estonia, and Israel

To get a general idea of practical internationalization, there is a need to review the existing empirical studies that indulge in internationalization as a global phenomenon and as an effort by Estonian and Israeli firms. Zahoor et al. (2020) present a systematic review of the literature on SME internationalization, with a specific focus on the role of collaboration. The study defines key factors that affect the results of internationalization by synthesizing previous research into a conceptual framework. The study shows how partnerships, networks, and strategic alliances help SMEs overcome resource limitations, build credibility, and lower the risks involved with entering global markets.

The fragmented nature of existing literature about this aspect is another point made by Zahoor et al. (2020), who encourage further studies to examine the potential results of SME collaborations. Collaboration appears as a key aspect of internationalization; for example, Amal and Rocha Freitag Filho (2010) examined SME internationalization, emphasizing the interaction of networking and entrepreneurship, with similar findings. The study emphasizes how Brazilian SMEs in the manufacturing sector rely on their capacity to create and sustain both domestic and international networks through the use of a qualitative multi-case study methodology. These networks are enhanced by entrepreneurial activity, which is defined by creativity and proactive risk-taking and makes it easier to enter global markets. The study's conclusions highlight the non-linear character of internationalization, which is impacted by relational links and resource limitations that determine the entry strategy and rate of foreign market engagement.

This further proves the necessity of relational networks and collaboration, which can also be seen in Estonia's case. Internationalization is both necessary and difficult for Estonian firms considering Estonia's small and open economy. Roolaht's (2002) study dives into how relational factors impact the internationalization efforts of Estonian firms. The study employs a case study methodology that is supported by triangulation with survey data and public

statistics to offer nuanced insights. This helps in emphasizing the significance of both external and internal relational factors in managing Estonia's economic challenges. Through case studies of eight firms in a transitional economy, the study highlights the importance of intra-firm capabilities, relational networks, and market conditions. These networks, which include suppliers, customers, and partners, help firms overcome resource and market size constraints by encouraging market entry and expansion.

Enhancing past findings, Sadekov's (2021) study explores the internationalization of Estonian born-globals, firms that as mentioned before, internationalize rapidly at birth despite the constraints of small domestic markets such as Estonia's. Estonia's advanced digital infrastructure and e-residency programs are key enablers that help firms bypass entry barriers via digital platforms and European networks. According to Sadekov (2021), flexibility and innovation are key traits that help born-globals compete worldwide, particularly in high-tech industries. Despite Estonia's resource and human capital limitations, firms can leverage digital tools and relationship frameworks to succeed, as flexibility and creativity improve collaboration efficiency and should be applied practically, not relying solely on theory.

Additional recent research has elaborated on the complexities of Estonian firms' internationalization, emphasizing the dynamic nature of market entry, exit, and re-entry strategies. Estonian firms exhibit a re-internationalization trend influenced by several factors, including strategy adaptability, management changes, and making use of outside opportunities. Vissak and Francioni (2020) point out that re-entry can often be caused by leadership changes, better business situations, or the recovery of networks. The necessity of adaptation has been reinforced by the consequences of crises like the COVID-19 pandemic, which pushed firms to reevaluate their plans to adapt to unstable and unpredictable conditions (Vissak, 2022). These results show the advanced efforts Estonian firms utilize to maintain and grow their global reach despite unexpected, out-of-hand challenges.

Similarly to the aforementioned study by Sadekov (2021), Hashai and Almor (2004) discuss in their work how Israeli knowledge-intensive born-global firms internationalize. However, instead of promoting a focus on immediate collaboration, the study contradicts conventional stage theories by showing that, despite these firms' quick internationalization process, their dedication to foreign markets develops gradually. The study uses a longitudinal analysis and distinguishes different phases of KI-BG internationalization, including the first export to physically close markets, the creation of greenfield subsidiaries, and subsequent mergers or acquisitions to enter remote, distant markets. The results demonstrate how

important knowledge intensity, inventiveness, and entrepreneurial vision are in promoting early and ongoing internationalization.

While remaining on the topic of contradicting conventionality in internationalization, it does not necessarily affect collaboration, as shown in Schäfer and Henn's (2023) study on Israeli born-globals. In their paper, Schäfer and Henn (2023) identify two types of born-globals: those that collaborate to expand and those that maintain ties without depending heavily on them, rejecting conventionality. Schäfer and Henn (2023) explore the Israeli high-tech industry as a cradle for born-global firms, noting the ecosystem's foundations in innovation, migration, and external networks. The study describes how Israeli born-globals benefit from international connections, supported by the IDF and the Jewish diaspora. As stated earlier, these firms target global markets directly, bypassing traditional phases of internationalization but simultaneously maintaining strong ties within global networks, backed by governmental regulations and the entrepreneurial mentality ingrained in the Israeli environment. Additionally, as the author mentioned, Schäfer and Henn (2023) also examine how Israeli born-globals of the collaborative type are growing, noting their reliance on strategic alliances for international growth.

This connects readers to internationalization as a whole and uniquely to Estonia and Israel. The author identified common threads and thematic insights on internationalization across these studies. Methodology-wise, Amal and Rocha Freitag Filho (2010), Roolaht (2002), and Sadekov (2021) use qualitative multi-case approaches, with Estonian studies enhanced by triangulation involving surveys, interviews, and statistical data. Hashai and Almor (2004) use a longitudinal framework to document the dynamic internationalization of Israeli born-global firms. The studies all emphasize the value of networks. Hashai and Almor (2004) emphasize knowledge intensity and entrepreneurial vision as drivers of quick, long-term internationalization, while Amal and Rocha Freitag Filho (2010), Roolaht (2002), Sadekov (2021) and partly Schäfer and Henn (2023), emphasize relational networks as instruments for resource optimization and market entry.

One repeating feature is entrepreneurial collaboration, which has many purposes, such as promoting innovation in Brazil or driving market entry efforts in Israel. Israeli firms take advantage of their tech-driven ecosystems, while Brazilian SMEs negotiate the challenges of emerging markets. As shown by Estonian firms coping with the difficulties of a transition economy, market conditions can differ significantly. Vissak (2022) points out the durability, adaptability, and capacity of Estonian firms to regain lost market share and

reinforce international ties through re-entry strategies by describing how external factors, like the COVID-19 pandemic, caused foreign market entries, exits, and re-entries.

The choice of Estonia and Israel for this thesis is supported by this comprehensive analysis which deals with small-market and innovation-driven economies by contrasting the different approaches used by multiple countries in their internationalization efforts similar to the analysis in the author's work. This comparison brings out the varying strategies firms employ to navigate global markets, influenced by their unique contexts and external factors.

By examining the shared and distinct elements of these approaches, the following section delves into the aspects covered in key studies on internationalization; in Table 2, the author has included a comparison of aspects covered in some of the aforementioned studies, highlighting the similarities taken by the original authors to convey their main points when discussing internationalization approaches. The studies and the aspects in the table are presented in random order.

Table 2.

Aspects and ideas covered in selected, analyzed empirical studies.

Aspect	Zahoor et al. (2020)	Amal & Rocha Freitag Filho (2010)	Roolaht (2002)	Sadekov (2021)	Hashai & Almor (2004)	Schäfer & Henn (2023)
Collaboration	✓	✓	✓	✓	✗	✓
Networks	✓	✓	✓	✓	✗	✓
Innovation	✗	✗	✗	✓	✓	✓
Sector-Specific Analysis	✗	✓	✓	✓	✓	✓
Market Environment Analysis	✓	✓	✓	✓	✓	✓

Note: ✓ - Aspect is covered in the study. ✗ - Aspect is not covered in the study.

Sources: compiled by the author based on reviewed empirical studies.

As mentioned, Table 2 summarizes the main points from previous literature. Amal and Rocha Freitag Filho (2010) and Zahoor et al. (2020) emphasize the critical role of networks and collaboration in SME internationalization, especially in resource-limited settings. Roolaht (2002) and Sadekov (2021) explore how Estonian firms navigate small-market and transition economies through networks and context-specific strategies. Schäfer and Henn (2023) and Hashai and Almor (2004) focus on Israeli firms, highlighting global ecosystems, innovation, and entrepreneurial vision. While all studies stress innovative networking, only half clearly identify creativity as a key factor in international success.

2. Empirical analysis of internationalization strategies

2.1. Research methodology – justification and explanation

The empirical part of this thesis explores the internationalization strategies of two selected firms in the manufacturing sector, one from Estonia and one from Israel, using a qualitative comparative case study approach. This methodology enables an in-depth analysis of firm behavior within real-world internationalization contexts and is particularly suited for addressing complex, context-specific phenomena that cannot be meaningfully examined through quantitative methods alone (Yin, 2018).

As a qualitative research method, case studies offer a structured yet flexible framework for exploring phenomena in depth and within their real-world context. This methodology is especially effective for investigating “how” and “why” questions, particularly when the boundaries between the phenomenon and its context are not clearly defined (Yin, 2018). A sophisticated understanding of firm behavior and strategic decision-making is made possible by case studies, which have their roots in interpretivist and constructivist traditions but are equally consistent with realist viewpoints (Harrison et al., 2017; Ridder, 2017). As proven by earlier studies on related subjects, case studies’ methodological flexibility makes them particularly pertinent for examining internationalization processes across institutional and geographic boundaries.

Thus, a qualitative case study method was chosen to address the limited research on firm internationalization in small, innovation-driven economies like Estonia and Israel. Focusing on firms in the manufacturing sector, this approach enables a comprehensive view of their strategies by considering both internal dynamics and external influences. Case studies are “particularistic, descriptive, and heuristic,” focusing on bounded systems to generate insight into underlying processes and meaning (Merriam, 2009, as cited in Harrison et al., 2017). Given this thesis’ emphasis on strategic decision-making, adaptability, and external engagement, the case study design offers the contextual depth required to explore these aspects effectively (Baxter & Jack, 2008).

Data were collected through a combination of primary and secondary sources to ensure a well-rounded perspective on the internationalization strategies of the selected firms. This approach reflects the principle of data triangulation, which strengthens construct validity by drawing from multiple lines of evidence (Baxter & Jack, 2008; Yin, 2018). Themes such as networks, market dynamics, collaboration, and innovation were explored to capture both firm-specific characteristics and broader strategic patterns. A comparative case study benefits

from this layered data collection, as it supports cross-case analysis while preserving the contextual uniqueness of each firm.

The firms chosen for the case study are Israeli-born MotoRad and Estonian-born HANZA, two firms in the engineering/manufacturing sector that expanded internationally shortly after their founding. These firms were selected from a variety of options through purposive sampling, a method well-suited for qualitative case studies where cases are chosen based on their relevance to the research question rather than their representativeness (Ridder, 2017; Yin, 2018). Their origins in small, innovation-driven economies made them especially fitting for examining internationalization strategies under resource and market constraints. The availability of both primary and secondary data further strengthened their suitability for in-depth analysis. Selecting firms from different continents, in this case Europe and Asia, also contributed to a richer comparative perspective by incorporating geographic and institutional variation, enhancing the explanatory potential of cross-case analysis (Baxter & Jack, 2008; Harrison et al., 2017).

To better understand the national contexts in which the case firms operate, Table 3 presents a comparative overview of key economic indicators for Estonia and Israel.

Table 3.

Key Economic Indicators of Estonia and Israel.

Indicator	Estonia	Israel
Population (2025)	1,369,995	10,094,000
Nominal GDP per capita (2025; USD)	32,760	57,760
PPP GDP per capita (2025; USD)	49,671	56,436
Total GDP (2025; USD Billions)	45.00	583.36
Global Innovation Index (2024)	16th	15th
Ease of Doing Business Rank (2019)	18th	35th

Sources: compiled by the author, via IMF World Economic Outlook (2025), Statistics Estonia (2025), Israeli Central Bureau of Statistics (2025) and more.

As shown in Table 3, both countries differ significantly in terms of scale, with Israel having a much larger population and GDP. However, both rank highly on innovation indices and maintain strong reputations for technological development and entrepreneurial ecosystems. These differences offer valuable context for understanding the strategic choices of MotoRad and HANZA, as they reflect how manufacturing firms from distinct economic environments navigate internationalization under varying constraints and opportunities. The following firm overviews offer background on MotoRad and HANZA, providing insight into their origins and operations prior to the analysis of their internationalization strategies:

MotoRad, founded in 1958, focuses on the development and manufacturing of automotive thermostats, caps, and engine management solutions, supplying both OEMs and aftermarket clients worldwide. MotoRad is a privately owned firm. (MotoRad, n.d.)

HANZA, founded in 2008, is a global manufacturing solutions provider offering integrated production services and supply-chain advisory, with manufacturing clusters across Sweden, Finland, Germany, the Baltics, Central Europe, and China. HANZA has been publicly listed on Nasdaq First North since 2014. (HANZA, n.d.)

A semi-structured 40-minute online interview was conducted with Ms. Sandra Ziser, CFO and Israel Site Director of MotoRad, via the Microsoft Teams platform, in March 2025. The interview was recorded and fully transcribed by the author. The semi-structured format allowed for flexibility, enabling follow-up questions that provided deeper insights into MotoRad's decision-making and adaptation strategies. The interview questions are included as an appendix at the end of this thesis.

As mentioned earlier, additional information for both firms was gathered from secondary sources, including official websites, annual reports, and press releases. In HANZA's case, the availability of comprehensive public data made direct contact unnecessary. The collected data was analyzed to identify each firm's internationalization strategy, with the results presented through a detailed comparative analysis supported by tables summarizing key themes. Patterns, similarities, and differences between the firms were highlighted, followed by suggestions and final conclusions.

2.2. Results and discussion – case study findings and comparative analysis

After explaining the methodology, the author begins a comparative analysis of the internationalization processes of MotoRad and HANZA, the two selected firms from Israel and Estonia operating in the engineering and manufacturing sectors. Both firms expanded beyond their home markets early but followed different internationalization paths shaped by external challenges, strategic decisions, and market conditions. This analysis explores how each firm's approach aligns with or deviates from internationalization theories such as the Uppsala model (Johanson & Vahlne, 1977), born-global (Knight & Cavusgil, 2004), and INVs (Oviatt & McDougall, 1994) concepts. The focus is on their motives, entry strategies, and challenges while considering how firms from smaller economies navigate global expansion.

A key factor in understanding internationalization is identifying a firm's motives for expanding beyond domestic borders. According to Zahra, Ireland, and Hitt (2000), firms

often internationalize to enhance competitiveness, access larger markets, and benefit from technological learning.

MotoRad began as a modest metal workshop in Israel in 1958. The small nature of the Israeli market and the rising demand for automotive thermostats and components abroad were the main reasons for internationalization; according to Ms. Sandra Ziser, CFO of MotoRad and Israel Site Director, “You cannot rely on the Israeli market, the size of the market, for the automotive industry... it makes sense that the orders were coming from outside of Israel” (S. Ziser, personal communication, March 2025). This supports Knight and Cavusgil’s (2004) view that firms from small economies often seek early international opportunities due to limited domestic growth potential.

In response to direct market demand, MotoRad’s founder, Joseph Fishman, moved to the U.S. and set up a distribution center in Illinois during the 1960s, marking the firm’s first significant overseas expansion. Then, MotoRad faced strong competition from Stant, a well-established American brand supplying automotive components. MotoRad began exporting products manufactured in Israel directly to the U.S. market and broadened its product line to remain competitive. The firm further expanded by establishing subsidiaries in Germany and Mexico in 1991 and 2013, respectively, adopting a mix of direct exports, distribution centers, greenfield investments, and strategic acquisitions. A significant milestone was the acquisition of its main competitor, Stant, in 2020 (S. Ziser, personal communication, March 2025).

Initially, MotoRad followed a gradual expansion path aligned with the Uppsala model, emphasizing experiential learning and incremental entry. In later stages, it adopted a more flexible, opportunity-driven strategy typical of born-again globals (Bell et al., 2001). As Ziser noted, “There are several ways to get into a market... the quickest is through M&A, although it comes with risks” (S. Ziser, personal communication, March 2025), underscoring the role of flexibility and networks in internationalization (Zahoor et al., 2020). This evolution is shown in Figure 1, which outlines key phases of MotoRad’s strategy.



Figure 1. MotoRad’s internationalization strategy timeline.

Sources: compiled by the author.

Throughout its expansion, MotoRad encountered several challenges. One of the major challenges was brand recognition in the U.S. market. Competing without a strong brand presence, MotoRad focused on delivering high service levels, broad product coverage, and data-driven category management to differentiate itself: “We were exceptional in our service... even without the brand” (S. Ziser, personal communication, March 2025). This strategy helped reduce the impact of psychic distance (Johanson & Vahlne, 1977).

Diversifying production between Israel and Mexico helped mitigate supply chain issues, such as tariffs and logistical delays, especially during the COVID-19 pandemic and the U.S.-China trade tensions. Despite higher operating costs, MotoRad prioritized maintaining customer relationships, demonstrating flexibility consistent with Sarasvathy’s (2001) concept of effectuation. Cultural differences across markets also required strategic adjustments. For example, MotoRad tailored its approach to suit the DIY culture prevalent in the U.S. and the more service-oriented automotive market in Europe. As Ziser explained, “Every market has its niche... culture impacts everything, from management style to product preferences” (S. Ziser, personal communication, March 2025), supporting Roolah’s (2002) emphasis on relationship-based strategies in international business.

MotoRad’s internationalization exhibits a hybrid approach that blends opportunistic, market-driven initiatives with methodical, knowledge-based expansion. Although its early expansion fits the Uppsala model, subsequent developments show traits of born-again globals and adaptation tactics linked to Industry 4.0 (Strange & Zucchella, 2017). The firm’s use of flexible supply chains, data analytics, and strategic alliances supports the conclusions of Kessler and Zipper-Weber (2023) regarding non-linear internationalization paths, such as mixing quick expansion with progressive learning; hybrid flexibility, as mentioned earlier. MotoRad’s experience shows how firms from small economies can effectively navigate global markets by combining conventional theories with modern, adaptable strategies suited to external challenges and industry dynamics.

To showcase MotoRad’s internationalization timeline, the author has included an overview of key milestones in Table 4. These milestones highlight significant events in the firm’s internationalization process, including market entries, strategic partnerships, product diversification, and acquisitions. The milestones are presented in chronological order to reflect the evolution of MotoRad’s international strategy over time.

Table 4.

Key milestones in MotoRad's internationalization process.

Year	Milestone
1958	MotoRad is founded in Kiryat Bialik, Israel, initially focusing on metalworks before shifting to heat management solutions.
1963	The first subsidiary is established in North America; founder relocated to the U.S. and opened a distribution center in Illinois.
1982	Official brand launch in North America, partnering with major distributors.
1991	Subsidiary established in Germany to support European operations.
1995	Secured OEM partnerships, integrating into global supply chains.
2003	Centralized R&D and manufacturing at new global headquarters in Misgav, Israel.
2013	Opened distribution and production center in Monterrey, Mexico, to serve Central and South America.
2017	Launched 'UltraStat' thermostat line, showcasing technological innovation.
2018	Expanded product portfolio beyond thermostats.
2020	Acquired main competitor, Stant, strengthening North American market position.
2021	Introduced additional sensor categories as part of a diversification strategy.
2022	Expanded product range to include cooling components for electric vehicles (EVs).
2023	Became market leader in thermostats, coolant caps, and flanges in Europe.

Sources: compiled by the author based on MotoRad's online information and data from an interview with Ms. Sandra Ziser of MotoRad (2025).

As mentioned before and as can be seen in Table 4, the milestones show how MotoRad responded to external challenges and market needs by combining strategic modifications with gradual international development. A shift away from traditional internationalization models and toward a more adaptable, hybrid approach is reflected in the firm's evolution from early exports to acquisitions and product diversification.

The next firm the author has chosen for this thesis is HANZA; HANZA is a global knowledge-based manufacturing firm that modernizes and streamlines the manufacturing industry. It was founded by Erik Stenfors in 2008 and expanded its operations with an important presence in Estonia by using the country's highly qualified labor force, cost benefits, and advantageous geographic location in Europe (HANZA, n.d.). Although founded by a Swedish businessman, HANZA's manufacturing base in Tartu, Estonia was a major factor in its international expansion, serving as an example of how firms in small economies use creative approaches to reach an international consumer base, as described by Roolaht (2002).

Internationalization has always been a part of HANZA's strategy. The main goal was to boost competitiveness by providing flexible, decentralized manufacturing solutions close to customer locations. As mentioned before, Knight and Cavusgil (2004, 2015) define born-globals as firms that rapidly pursue international opportunities by leveraging innovative business models and early market engagement, which fits HANZA's entry strategy; a focus

on building regional manufacturing clusters throughout Europe and Asia and expanding quickly through acquisitions. This network-based approach shows traits of INVs in contrast to the slow process described in the Uppsala model. Studies on adaptive internationalization have highlighted the importance of operational flexibility and responsiveness, which HANZA ensured by integrating different manufacturing technologies into localized clusters (Bell et al., 2001; Strange & Zucchella, 2017).

The firm's reliance on strategic partnerships and client proximity highlights the importance of networks in international growth, supporting Roolah's (2002) argument that firms from small economies depend heavily on relationship-based strategies. The fact that HANZA can provide supply chain advisory services in addition to manufacturing shows how well it fits into modern, service-integrated internationalization approaches.

Throughout its expansion, HANZA navigated significant external challenges, including the 2012 Eurozone crisis, operational delays from factory mergers in 2016, and the disruptions caused by the COVID-19 pandemic in 2020 (HANZA, n.d.). Its response to these challenges reflects Sarasvathy's (2001) concept of effectuation similar to MotoRad, where firms leverage available resources and flexibility to adapt under uncertainty. Furthermore, HANZA's continuous restructuring and optimization efforts align with Kessler and Zipper-Weber's (2023) findings on non-linear internationalization, where firms adjust strategies dynamically rather than following a linear path, once again very similar to MotoRad.

As a result, HANZA's internationalization yields a hybrid approach that blends aspects of born-globals, INVs, and Industry 4.0-related adaptive strategies. Its experience demonstrates how technological integration, network use, and operational flexibility may help firms from smaller countries, like Estonia, achieve sustainable global expansion. This development is visually summarized in Figure 2, illustrating HANZA's progression toward a hybrid internationalization model.



Figure 2. HANZA's internationalization strategy timeline.

Sources: compiled by the author.

Although both MotoRad and HANZA sought internationalization from small economies, their methods show different approaches: HANZA's quick, acquisition-driven, and cluster-based growth model contrasts with MotoRad's steady, experience-based expansion. However, both firms exhibit network dependence and adaptability, laying the groundwork for a more thorough comparison. Before diving into that, Table 5 helps readers understand major milestones throughout the 17-year history of HANZA.

Table 5.

Key milestones in HANZA's internationalization process.

Year	Milestone
2008	HANZA's founded by Stenfors with the goal of modernizing the manufacturing industry.
2009	First acquisitions: Elektromekan (Sweden) and Tarkon (Estonia), establishing advanced manufacturing bases.
2010	Acquisition of Elos Precision (Sweden), enhancing machining capabilities.
2012	Established HANZA Shared Service Centre for centralized administration.
2014	Listed on Nasdaq First North after reaching SEK 1 billion turnover.
2016	Merged Estonian factories; faced capacity and relocation challenges in Finland.
2019	Expanded into Germany and China; turnover exceeded SEK 2 billion; upgraded stock listing to Nasdaq main list.
2020	COVID-19 disruptions led to restructuring and production consolidation in Sweden and Estonia.
2022	Opened a new production facility in Tartu, Estonia; turnover surpassed SEK 3.5 billion.
2024	Revised financial targets aiming for SEK 6.5 billion in net sales by 2025.

Sources: compiled by the author based on HANZA's online information and public data.

The milestones presented in Table 5 highlight HANZA's strategy of rapid international growth through acquisitions and cluster development. They reflect how the firm navigated external challenges while maintaining a focus on operational flexibility and network integration to support its internationalization objectives.

MotoRad and HANZA both serve as examples of how small-economy firms use networks, creativity, and adaptability to compete globally. Their success can be attributed in large part to their ability to take advantage of information spillovers and industry clustering, which boost global competitiveness. R&D spillovers, knowledge sharing, and clustering promote efficiency and creativity (Audretsch & Feldman, 1996). MotoRad's strategic manufacturing diversification and HANZA's cluster-based strategy both demonstrate an understanding of these competitive advantages, especially when paired with the aforementioned effectuation principles (Sarasvathy, 2001).

Additionally, both firms show how the demands of the digital economy are influencing internationalization today. According to Banalieva and Dhanaraj (2019), conventional internalization theories need to change to take into consideration digitalization, which places a strong emphasis on knowledge flows and technology integration. HANZA's

supply chain advisory services and MotoRad's focus on data-driven category management show how both firms integrate digital capabilities into their international strategies to increase responsiveness and value creation.

Their international careers are also significantly shaped by their entrepreneurial orientation; according to Zahra and George (2017), proactive tactics, dynamic capacities, and opportunity recognition are the main drivers for modern international entrepreneurship. This viewpoint is supported by MotoRad's acquisition of Stant and HANZA's rapid expansion through clusters, both of which exhibit traits of globally oriented entrepreneurial firms. This backs up Clark and Pidduck's (2023) assertion that when negotiating foreign marketplaces, INVs and firms with comparable traits prioritize agility and innovation.

Lastly, the ability of both firms to endure worldwide disruptions shows how important flexibility is in accordance with Industry 4.0 dynamics. Flexibility, technological integration, and proactive risk management are essential requirements for globally running firms functioning in technologically advanced contexts (Oliva et al., 2022). Despite operating in slightly different industries, MotoRad and HANZA both applied similar concepts to handle crises like the COVID-19 epidemic and changing economic situations, proving the value of flexible approaches in a variety of fields.

Due to changes in industry dynamics, strategic approach, and historical context, MotoRad and HANZA's internationalization pathways deviate dramatically despite their similar adaptability and network-driven growth. Beyond broad theoretical frameworks, these distinctions show how internal and external influences shape firm behavior.

The pattern and speed of their internationalization make up the most obvious differences. MotoRad is an example of a gradual trajectory, which is in line with Hashai and Almor's (2004) finding that some born-global firms may still choose to implement phased internationalization because of risk aversion or industry-specific constraints. MotoRad, which works in the automotive components industry, used experience learning at first before embracing acquisitions later in its life. On the other hand, HANZA's quick, acquisition-driven growth is more in line with aggressive international new venture behavior, which is motivated by the need to offer decentralized manufacturing services internationally from the start.

The non-linearity of both firms' paths further underscores their differences. Kessler and Zipper-Weber (2023) highlight that internationalization processes are often dynamic and non-linear, shaped by evolving strategic priorities and external pressures rather than following a fixed trajectory. MotoRad's evolution reflects such a shift, from Uppsala-style

gradualism to born-again global characteristics after its acquisition of Stant. In contrast, HANZA pursued a consistently aggressive strategy from inception, reflecting Estonia's broader trend of fostering fast-scaling international firms (Sadekov, 2021). This distinction illustrates how national ecosystems influence firm behavior, with Estonia's supportive environment for manufacturing services contrasting with Israel's more traditional, incremental industrial growth approach.

Different roles were also played by ownership structure and strategic decision-making; according to Fosfuri and Motta (1999), not all multinational corporations rely on proprietary advantages; instead, some, like HANZA, grow by reorganizing their current capacities through acquisitions as opposed to developing competitive advantages in-house. On the other hand, MotoRad spent decades honing its own product knowledge before using acquisitions to strengthen its position in the market. This discrepancy is consistent with the microfoundational perspective of Kano and Verbeke (2019), which holds that different internationalization efforts are driven by firm-specific routines and capabilities.

The crisis reaction sets the two firms apart even more. Although both showed adaptability, HANZA's difficulties were frequently related to the scaling issues and operational integrations that are common in quick acquisition tactics and therefore, adaptation was insufficient (Vissak, 2022). In contrast, MotoRad's problems were centered on resolving supply chain inefficiencies and obstacles to brand recognition, which reflected the difficulties of competing in well-established markets against well-established competitors.

To summarize the comparative analysis, both firms represent hybrid internationalization paths influenced by their industries, strategies, and national environments. MotoRad shifted from a gradual, experience-based approach following the Uppsala model to a born-again global path after key acquisitions. HANZA, on the other hand, showed traits of a born-global and INV from the start, driven by fast growth and a network-based, cluster strategy. These examples show that firms rarely follow just one internationalization theory, but instead combine different approaches to handle the challenges of global markets.

The national contexts of Estonia and Israel also played a key role in shaping their strategies. Estonia's location and strong manufacturing environment supported HANZA's rapid expansion, while Israel's small market and distance from major automotive centers led MotoRad to take a slower, more cautious approach before moving toward acquisitions. This highlights how firms need to match their internationalization strategies not only with their internal capabilities but also with external economic and geographic factors.

Both firms could improve their internationalization by focusing on innovation and digital tools. MotoRad would benefit from using platforms and analytics to enhance customer engagement and respond faster to market shifts, while HANZA should improve acquisition management and seek new partnerships beyond its current clusters. Continued investment in technology and risk management will be key for both in today's unstable global landscape.

The cases of MotoRad and HANZA show that successful internationalization in small economies relies on flexibility, strong networks, and contextual awareness. While theories offer guidance, firms must adapt them to real-world conditions.

Table 6 summarizes the key similarities and differences in the internationalization strategies of MotoRad and HANZA.

Table 6.

Comparative summary of MotoRad and HANZA's internationalization strategies.

Aspect	MotoRad	HANZA
Origin	Israel	Estonia
Industry	Automotive components	Manufacturing services
Internationalization Type	Hybrid: Uppsala to born-again global	Born-global / INV hybrid
Pace of Expansion	Gradual, experience-based	Rapid, acquisition-driven
Entry Strategies	Exports, subsidiaries, and later acquisitions	Acquisitions, cluster-based model
Key Challenges	Brand recognition, supply chain issues	Scaling difficulties, operational integrations
Use of Networks	Strategic partnerships, M&A	Client proximity, integrated services
Adaptation Approach	Product diversification, service focus	Technological integration, flexibility
Theoretical Fit	Uppsala model, born-again global, hybrid	Born-global, INV, Industry 4.0 strategies

Sources: compiled by the author based on case study findings and literature review.

The comparisons presented in Table 6 highlight how both firms, despite operating in somewhat similar yet different industries and following distinct internationalization paths, relied on adaptability, networks, and hybrid strategies to expand globally. In order to confirm that internationalization is rarely a linear process and frequently requires using multiple theoretical frameworks in practice, Table 6 summarizes how internal factors, such as strategic choices, external influences, national context and industry demands, shaped their approaches to internationalization.

Conclusion

Based on the literature and empirical findings, the thesis can now be concluded. To do that, one must timeline the aim and the work done in a structured, explanatory way.

The goal of this thesis was to explore and compare the internationalization strategies of two firms in the engineering and manufacturing sectors: HANZA from Estonia and MotoRad from Israel. The aim was to identify key similarities and differences in how small, technology-driven manufacturing firms in Asia and Europe expand internationally.

The case studies showed that HANZA moved toward internationalization early, showing traits of born-global and INV models, while MotoRad followed a slower, experience-based path before shifting toward a born-again global approach. Both firms adopted hybrid strategies, balancing flexibility, network-based decisions, and planned growth. These shifts are illustrated in Figures 1 and 2, which were created with the help of ChatGPT (OpenAI, 2025), based on the author's content and guidance. Key comparative takeaways are also summarized in Table 6. The author returns to a point raised in the introduction: "...there is no one-size-fits-all approach to internationalization." The case study of MotoRad and HANZA confirms this; firms use various tactics depending on context, goals, and available resources.

Altogether, the findings reinforce that internationalization is rarely a straight line. For small manufacturing firms, adaptability, innovation, and contextual awareness are essential. It is a shifting process that requires continuous adjustment, and firms that recognize this are better equipped to manage global expansion and long-term success.

From a managerial perspective, both firms still have room to grow. MotoRad could benefit from using more digital tools and data to respond faster to market shifts and improve customer engagement. HANZA should continue strengthening its acquisition processes and explore partnerships beyond its current regional clusters. More broadly, manufacturing firms from small economies should invest in technology, remain operationally flexible, and manage risk strategically to stay competitive.

As with any study, this one has limitations. It relied on secondary data for HANZA and focused on just two firms within specific industries. Therefore, the findings may not fully reflect internationalization in other sectors or countries. Future research could expand the scope to include firms from different industries and regions. It would also be worthwhile to examine how sustainability goals, digital transformation, or geopolitical change influence internationalization strategies.

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Appendix

MotoRad interview questions

1. Why did MotoRad decide to expand internationally?
2. How did MotoRad choose which countries to enter first?
3. How did MotoRad enter new markets? (e.g., setting up its own offices, partnerships, acquisitions, etc.)
4. What challenges did MotoRad face when expanding into new markets (e.g., market conditions, regulations, supply chain issues, strategy changes) and how did the firm manage to overcome these challenges?
5. How important were partnerships (OEMs, distributors, suppliers) in MotoRad's expansion?
6. How would you describe MotoRad's overall strategy for expanding globally?

Source: compiled by the author.

Resümee**TOOTMISETTEVÕTETE RAHVUSVAHELISTUMINE: JUHTUMIUURING
EESTIST JA IISRAELIST**

Ran Yihya

Käesoleva bakalaureusetöö eesmärk on võrrelda Eesti ja Iisraeli inseneri- ja tootmissektoris tegutsevate ettevõtete rahvusvahelistumise strateegiaid, tuues esile peamised sarnasused ja erinevused. Töö keskendub väikeriikide tehnoloogiapõhiste tootmisettevõtete, MotoRad ja HANZA, juhtumiuuringutele, et mõista, kuidas erinevad strateegilised lähenemisviisid ja riikide kontekstid mõjutavad laienemist välisurgudele.

Töö käigus viidi läbi kvalitatiivne võrdlev analüüs, tuginedes teistele andmetele ja intervjuule. Analüüs näitas, et HANZA kasutas kiiret ja võrgustikupõhist rahvusvahelistumist, samas kui MotoRad järgis algselt järkjärgulist laienemist, liikudes hiljem omandamistele keskenduva strateegia poole. Mõlemad ettevõtted olid paindlikud ja kasutasid hübriidseid strateegiaid, et kohaneda välisurgude väljakutsetega.

Töö tulemused rõhutavad kohanemisvõime, innovatsiooni ja kontekstuaalse teadlikkuse tähtsust väikeriikide ettevõtete edukal rahvusvahelistumisel. Praktilise väärtusena pakub töö soovitusi ettevõtetele, kes soovivad parandada oma rahvusvahelistumise strateegiaid ja laiendada teistele kontinentidele.

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09/05/2025