

Strategies to adopt in overcoming constraints to succeed in a new emerging market on the example of Chinese SME expanding to Uzbekistan and Kazakhstan. Overcoming liability of foreignness as the one of key success factors.

Introduction

- *Main research question:* “What are the best practices for Small and Medium sized Enterprises (SMEs) in terms of adopting and implementing isomorphism and Transactive Memory System (TMS) strategies to mitigate Liability of Foreignness (LoF) when entering new developing markets (DM)?”
- Focus is on *Chinese small and middle enterprises* entering markets of Kazakhstan and Uzbekistan.

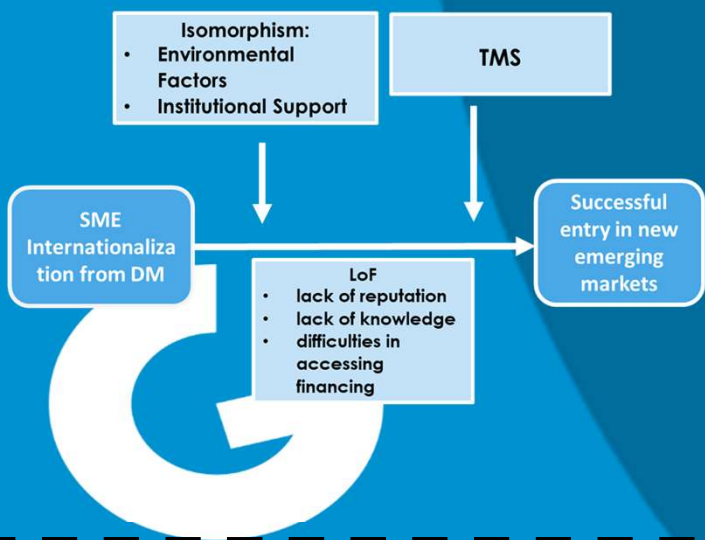
Data and Methodology

- Multiple case study to examine Chinese SMEs expanding to Kazakhstan and Uzbekistan markets.
- Semistructured interviews collected from decision makers and market players from Chinese, Kazakh and Uzbek companies.
- Niche market of aseptic packaging industry
- Total of approximately 40 interviews

Results

- Chinese companies are driven to enter the internationalization process due to intense competition and shrinking profit margins in the domestic Chinese market
- Analysis of factors contributing to their successes and failures in global expansion
- The interviews indicate that Chinese firms typically prefer to enter new markets through local agents
- Respondents frequently mentioned that “learning by doing” was widely used to overcome challenges
- Sharing knowledge, information, and experience has played a significant role in successful expansion

Theoretical framework of overcoming LoF



PILOT STUDY PRELIMINARY RESULTS

