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# Competitive strategy versus sector-specific determinants in success perception of Polish born globals

**Ewa Baranowska-Prokop**
*Warsaw School of Economics*
*Poland*
*ebarano@sgh.waw.pl*

**Tomasz Sikora**
*Warsaw School of Economics*
*Poland*
*tsikora@sgh.waw.pl*

**Abstract.** The main objective of this paper is to describe and compare the impact of two factors: competitive strategy (analyzed mainly through marketing-mix tools) and sector-specific determinants (i.e. industry type), on success perception of Polish born globals. The statistical analysis (SPSS) has been applied to the original data set obtained from 256 Polish SMEs through a questionnaire and CATI technique. The outcomes have been evaluated against three hypotheses. Our research revealed that unlike the born globals from highly developed countries, the success perception of decision makers from Polish early internationalized firms is only weakly affected by the industry type. The decision makers strongly support the statement that the success of their firms depends on competitive strategy and marketing tools which they apply. The answer to the basic research problem is that competitive strategy plays more important role than sector-specific determinants in success perception of Polish early internationalized firms.

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## INTRODUCTION

The analysis of born-global companies constitutes an important part of the literature on the internationalization of the firm. The internationalized new ventures drew attention of the researches in the late 80s and early 90s of the last century. The term born global was first used in 1993 (Renie, 1993), but until now, there is no widely accepted and universal term describing this type of companies. Some authors call them, for example, *global start-ups* (Jolly et.al., 1992), *born internationals* (Majkgard and Sharma, 1999), *international new ventures* (McDougall and Oviatt, 1994, pp. 49-59) etc.

Born globals are typically operating in niche markets and in technology intensive industries. As small enterprises lacking substantial resources, or market experience, they address their offer to the large absorptive markets of developed countries (Duliniec, 2011, p. 23). Born globals are active in the relatively homogeneous markets that enables them to apply standardized strategies suitable for the firms with limited resources.

The investigation of Polish born globals started at the end of 1990s, and several research groups conducted the analysis (Przybylska, 2010, and 2013), Jarosiński (2012), Kowalik and Baranowska-Prokop (2013). One of the key research issues related to born globals is the analysis of the impact of early internationalization on their economic results. It should be stressed that there is a research gap concerning this phenomenon in the case of Polish early internationalized firms, as well as companies from other post-communist countries (Witek-Hajduk, 2013). We attempt to fill in this gap.

The main objective of this paper is to compare the impact of competitive strategy and the sector-specific factors on the success perception of Polish born globals.

It is worth mentioning that most of the researchers conclude that in the case of born globals established in developed countries, the consistent implementation of competitive strategy is the decisive factor of success. Initially, there has been a general agreement that market concentration strategy with clear offer differentiation should be applied (Knight and Cavusgil, 2005). Results of later research have not been as unambiguous. For example, the analysis of American born globals shows that high profitability is strongly related to differentiation strategy, and generates better results than market concentration (Gleason et.al., 2006, pp. 96-120). On the other hand, the analysis of Belgian born globals indicates that the firms operating in the high-tech industries achieve the success faster than their peers in the traditional sectors, which leads to the conclusion that the company's success is primarily dependent on industry characteristics (Sleuwaegen and Onkelinx, 2010).

The research conducted on Polish born globals showed that the differentiation strategy was perceived as more beneficial than the cost-leadership strategy, or lack of any clearly defined strategy (Baranowska-Prokop and Sikora, 2014). However, the sector-specific determinants of success perception have not been explored. In this paper, we attempt to consider the impact of industry characteristics on perceived economic results, and compare it to the effects of competitive strategy analyzed through marketing-mix tools and other management-related decisions effectively used by interviewed managers.

The rest of the paper is organized as follows. In the next section, we present research method and the hypotheses. Next, the results of our analysis are discussed. Finally, we provide research summary and conclusions.

## RESEARCH METHOD AND HYPOTHESES

Market research was conducted from February 7 till March 15, 2013 by applying the c*omputer assisted telephone interviews* (CATI), (Duliniec et al., 2013). The sampling frame was GUS (Central Statistical Office) data base. The sample has been selected under the following conditions, which are the most common criteria for selection of born globals in the international (Knight et. al., 2004) and Polish literature (Przybylska, 2013):

- firm was established not earlier than 1990,
- it is not an outcome of M&A,
- it's not a branch of a foreign firm,
- it has not been privatized,

– it belongs to sector C – manufacturing firm (according to PKD classification[1]),
– it has reached at least 25 percent of revenues from exports.

A sample of 256 enterprises with the number of employees between 10 and 249 has been selected from the total of 18 732 Polish manufacturing firms (the selection base, or the "gross sample"). Small enterprises employing 10-49 people accounted for 52,3 per cent of the sample and the medium-size firms employing 50-249 people constituted the remaining 47,7 per cent. The average annual sales revenue was below 2 million euro for 51,6 per cent of analyzed firms. The revenues in the range of 2 to 10 million euro were reported by 40,6 per cent of enterprises, and the sales of 10 to 50 million were earned by 7,8 per cent. The interviewed person was responsible for the firm's relations with international partners. Among the analyzed firms 40,2 per cent were established between 1990 and 1995, 18 per cent were launched from 1996 to 2000, and 38,3 per cent of enterprises were founded in the period of 2001-2008, and only 3,5 per cent were created in the period of recent crisis, i.e., after 2008. According to the certified market research company which collected the data, the random sampling of enterprises (within two strata: small and medium-size enterprises) makes it possible to apply statistical inference for the obtained results.

The analysis has been focused on the manufacturing firms.

The lowest size of the research sample ($n_{min}$) has been determined by the following formula:

$$n_{min} = \frac{1}{4d^2 / Z_{\alpha} + 1/N}$$

where:

$d$ – the maximal estimation error
$Z_{\alpha}$ – the level of confidence (confidence coefficient)
$N$ – the size of the population.

Setting $d$ = 0,05, $Z_{\alpha}$ = 1,96 (at the confidence level of 95%), $N$ = 18 732 (the "gross sample")

$$n_{min} = \frac{1}{4 * 0{,}05^2 / 1{,}96 + 1/18732} = 193{,}97$$

we obtain the lowest size of the research sample at $n_{min}$ = 194, i.e., our research sample of 256 firms is above this threshold.

The maximal standard estimation error has been calculated according to the following formula:

$$d = Z_{\alpha} * \sqrt{\frac{p(1-p)}{n}}$$

where

$d$ – the maximal estimation error
$Z_{\alpha}$ – the level of confidence ($Z_{\alpha}$ = 1,96)
$p$ – the distribution parameter (equal to 0,5; it takes into consideration maximum sampling variation)
$n$ – the actual sample size.

[1] http://www.klasyfikacje.gofin.pl/pkd/4,0.html

Setting $Z_\alpha$ = 1,96, $p$ = 0,5, and $n$ = 256, we obtain the following maximal estimation error

$$d = 1{,}96 * \sqrt{\frac{0{,}5 * (1 - 0{,}5)}{256}} = 0{,}06125$$

Thus, the maximal estimation error amounts to 6 percent.

In this paper, we focus on the relationship between the perception of success in doing business by respondents from Polish born-global firms and the industry branches in which they operate, as well as, on the relationship between these perceptions and the characteristics of managerial strategies they use (mainly from the perspective of marketing-mix tools).

We test the following hypotheses:

**H1**: The success of enterprises depends on the branch of industry in which they operate.

**H2**: The success of enterprises depends on the managerial and marketing strategies they use (the strategies expressed by marketing-mix tools and other management-related actions).

**H3**: There is a positive relationship between the intensity of use of management and marketing tools and the success of enterprises.

## RESEARCH RESULTS

The following statement concerning evaluation of firms' success was posed to Polish born globals to be evaluated on a 5-point Likert scale:

"Considering the situation on the (domestic and foreign) markets in which our firm operates, it can be concluded that our company has been successful in comparison to its competitors."

Distribution of answers to the above statement is shown in Table 1.

Table 1

Distribution of answers to the statement concerning firms' success: "Considering the situation on the (domestic and foreign) markets in which our firm operates, it can be concluded that our company has been successful in comparison to its competitors" (the lack of success corresponded to values of 1 and 2 on the scale; the success corresponded to values of 4 or 5)

| Responses | | Frequency (N) | Percent | Valid Percent | Cumulative Percent |
|---|---|---|---|---|---|
| Valid | Definitely, not | 6 | 2,3 | 2,4 | 2,4 |
| | Rather not | 6 | 2,3 | 2,4 | 4,8 |
| | Midpoint | 48 | 18,8 | 19,4 | 24,2 |
| | Rather yes | 115 | 44,9 | 46,4 | 70,6 |
| | Definitely, yes | 73 | 28,5 | 29,4 | 100,0 |
| | Total | 248 | 96,9 | 100,0 | |
| Missing | | 8 | 3,1 | | |
| Total | | 256 | 100,0 | | |

Source: own calculations (one company, a unique case of "beverages producers" in our sample, has been removed from analysis, thus increasing the number of missing cases from 7 to 8).

The respondents in the biggest group of firms declared that their companies achieved a moderate success, "rather" agreeing with the above statements. It should be noted that respondents from only few firms (less than 5 percent) admitted the lack of success compared to competitors (both in Poland and abroad). This may result from unwillingness of respondents representing unsuccessful companies to agree to be interviewed, or from the fact that – as it has been pointed out in our previous article – that probably "the weakest firms went out of business due to 2008 crisis" as highly export-dependent born globals were strongly exposed to the contraction of global demand (Baranowska-Prokop and Sikora, 2014, p. 111).

***Branch-specific characteristics as success factor***

The breakdown of the sample by industrial branch is presented in Table 2.

Table 2

Distribution of companies by branch ("frequency" means the number of companies in the branch).

| Main branch | Frequency (N) | Percent |
|---|---|---|
| Food processing industry | 36 | 14,1 |
| Metal production | 25 | 9,7 |
| Rubber & synthetic materials | 23 | 9,0 |
| Production of timber & cork articles | 15 | 5,9 |
| Production of machine tools non- classified elsewhere | 14 | 5,5 |
| Furniture production | 13 | 5,1 |
| Garment production | 12 | 4,7 |
| Optic, electronic & computer parts | 10 | 3,9 |
| Textile articles | 7 | 2,7 |
| Firms operating in two sectors | 7 | 2,7 |
| Paper articles | 5 | 2,0 |
| Articles of other mineral raw materials | 5 | 2,0 |
| Production of electric devices | 5 | 2,0 |
| Production of chemicals | 4 | 1,6 |
| Production of leather & tanned leather articles | 3 | 1,2 |
| Production of cars & trailers | 3 | 1,2 |
| Production of other transportation equipment | 3 | 1,2 |
| Tobacco articles | 2 | 0,8 |
| Printing & recorded media | 2 | 0,8 |
| Production of medication & pharmaceuticals | 2 | 0,8 |
| Other manufactured products | 59 | 23,1 |
| Total | 255 | 100,0 |

Source: own calculations.

As shown in Table 2, the structure of the sample by industrial branch is strongly diversified with important number of branches represented by just few companies (one firm was excluded from the sample as the only representative of beverages producers, because any analysis based on a single firm in an industry is unreliable; this firm could have been included in the "other manufactured products" category, but this option will be considered in a different paper).

Also, it should be noted that:

– the biggest number of enterprises belongs to the category "other manufactured products", i.e., they cannot be captured by the classification framework,
– the majority of Polish born-globals from our sample are doing business in "traditional" industries; contrary to the previous findings on the born-global firms from highly-developed countries (mainly focused on high-tech activities).

Table 3 presents the results concerning the success of born-global enterprises on the market as evaluated by respondents on a 5-point Likert scale (the lack of success corresponds to values of 1 and 2 on the scale; the success corresponds to values of 4 or 5).

Table 3

Statistics for: „Considering the situation on the (domestic and foreign) markets, where our firm operates, it can be concluded that our company has been successful in comparison to its competitors"

| Main branch | Mean | N | Std. deviation |
|---|---|---|---|
| Tobacco articles production | 4,5 | 2 | 0,707 |
| Production of cars & trailers | 4,33 | 3 | 0,577 |
| Furniture production | 4,31 | 13 | 0,63 |
| Textile products | 4,29 | 7 | 0,488 |
| Garment production | 4,27 | 11 | 0,647 |
| Food processing industry | 4,22 | 36 | 0,76 |
| Production of timber & cork articles | 4,2 | 15 | 0,676 |
| Articles of remaining mineral raw materials | 4,2 | 5 | 0,837 |
| Metal production | 4,08 | 25 | 0,702 |
| Production of paper & paper articles | 4 | 4 | 0 |
| Other manufactured products | 3,98 | 56 | 0,963 |
| Firms operating in two sectors | 3,86 | 7 | 0,69 |
| Optic, electronic & computer parts | 3,8 | 10 | 1,135 |
| Production of machine tools non- classified elsewhere | 3,79 | 14 | 0,893 |
| Rubber & synthetic materials | 3,67 | 21 | 0,796 |
| Production of electric devices | 3,4 | 5 | 1,342 |
| Production of remaining transportation equipment | 3,33 | 3 | 0,577 |
| Production of chemicals | 3,25 | 4 | 1,708 |
| Production of leather & tanned leather articles | 3 | 3 | 2 |
| Printing & recorded media | 3 | 2 | 2,828 |
| Production of medication & pharmaceuticals | 2,5 | 2 | 0,707 |
| Total | 3,98 | 248 | 0,897 |

Source: own calculations.

The number of branches not reporting "success" (values below 4) amounts to eleven. If we consider that values above 3,5 indicate the "success", there will be only six non-successful branches. There is only one

branch reporting a definite lack of success (values below 3). Thus, the substantial majority of companies declared they were successful.

The verification of the first hypothesis (H1) is done through univariate analysis of variance – ANOVA, non parametric tests, and regression analysis. For the analysis of variance, the "industry type" is considered as a typical nominal variable. For the purpose of regression analysis, industries are coded as binary variables, where 1 indicates that a particular enterprise is doing business in a given branch and 0 – that it is not.

The results of the analysis of variance are presented in Table 4.

Table 4

Results of ANOVA analysis for the measure of a firm's success and the branches in which companies are doing business as reported in the Table 3 (after removal of 3 outliers)

**ANOVA**

Considering the situation on the (domestic and foreign) markets in which our firm operates, it can be concluded that our company has been successful in comparison to its competitors

| | Sum of Squares | df | Mean Square | F | Sig. |
|---|---|---|---|---|---|
| Between Groups | 22,512 | 20 | 1,126 | 1,687 | **0,037** |
| Within Groups | 149,422 | 224 | 0,667 | | |
| Total | 171,935 | 244 | | | |

**Test of Homogeneity of Variances**

Considering the situation on the (domestic and foreign) markets, where our firm operates, it can be concluded that our company has been successful in comparison to its competitors

| Levene Statistic | df1 | df2 | Sig. |
|---|---|---|---|
| 2,685 | 20 | 224 | 0,000 |

Source: own calculations.

The results of Anova analysis confirm Hypothesis 1. There is at least one significant difference in success evaluation between branches, and in fact, there are several significant differences between branches from the top and the bottom in the Table 4. Since variances are not homogenous across groups this result should be confirmed by a nonparametric test.

The result of Kruskall-Wallis test does not confirm the Anova result for the whole sample (Chi-Square = 23,78, df = 20, p = 0,252), which could lead to the rejection of Hypothesis 1. However, if one of the most represented "top" branches in Table 3, i.e., the furniture production branch (mean evaluation of success equal to 4,31), is compared with one of the "bottom" branches, i.e., the rubber and synthetic materials branch (mean evaluation of success equal to 3,67), the significant differences in evaluating success do exist. According to t-test (variances may be considered as equal) and to Mann-Whitney U test the difference is significant at p = 0,019, leading to a weak support for Hypothesis 1 (as there is no significant difference between the majority of industries as far as the perception of success is concerned).

Another way of verifying Hypothesis 1 is to test whether a linear regression model can be built to explain the measure of firms' success by industrial branch. The model is shown in Table 5 (with the use of stepwise regression - forward selection method).

Table 5

Linear regression model for the measure of companies' success with the explanatory variables related to the type of industrial branch (after removal of 10 outliers).

**Model Summary[b]**

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | Durbin-Watson |
|---|---|---|---|---|---|
| 1 | **0,346[a]** | **0,119** | **0,104** | 0,693 | 2,185 |

a. Predictors: (Constant), Production of remaining transportation equipment, Production of medication & pharmaceuticals, Production of machine tools non- classified elsewhere, Production of goods from rubber & synthetic materials.
b. Dependent Variable: Considering the situation on the (domestic and foreign) markets, where our firm operates, it can be concluded that our company has been successful in comparison to its competitors.

**ANOVA[a]**

| Model | Sum of Squares | Df | Mean Square | F | Sig. |
|---|---|---|---|---|---|
| Regression | 15,189 | 4 | 3,797 | 7,903 | 0,000[b] |
| Residual | 111,958 | 233 | 0,481 | | |
| Total | 127,147 | 237 | | | |

**Coefficients[a*]**

| Model | Unstandardized Coefficients | | Standardized Coefficients | T | Sig. |
|---|---|---|---|---|---|
| | | Std. Error | Beta | | |
| (Constant) | 4,195 | 0,050 | | 84,506 | 0,000 |
| Production of medication & pharmaceuticals | -1,695 | 0,493 | -0,212 | -3,440 | 0,001 |
| Production of goods from rubber & synthetic materials | -0,528 | 0,159 | -0,205 | -3,318 | 0,001 |
| Production of machine tools non- classified elsewhere | -0,489 | 0,175 | -0,172 | -2,789 | 0,006 |
| Production of remaining transportation equipment | -0,043 | 0,020 | -0,132 | -2,136 | 0,034 |

Source: own calculations.

The model is not well adjusted to the data, because the value of R-square is close to 0,1. The negative values of regression coefficients are due to the fact that branches which have been selected for the model are those with the means signaling the "non success" (at the bottom of Table 3). The construction of our model enables the comparison of two approaches: one based on management and marketing-mix tools and the other, the final "mixed" model.

## THE REGRESSION ANALYSIS GIVES ONLY A VERY WEAK SUPPORT FOR HYPOTHESIS 1.

### *Marketing strategies as success factor*

The questionnaire included several questions concerning various top management capabilities and orientations related to business activities on international markets, as well as the management- and marketing-related tools. An example of the more general management-related questions is a pair of statement: "In our

firm the most important issues are cost savings and continuous cost reduction – In our firm, the issues of cost savings and continuous cost reduction are not the most important".

As far as marketing-related tools are concerned, questions or pair of statements are related to various aspects of marketing-mix strategies, i.e. product strategy (quality, new product development capabilities), price strategy (competing through low or high prices, adaptability of price setting to changing market environment), promotion strategy (branding and use of promotion) and distribution strategy (capacity to deliver products to customers).

Since the 5-point Likert scales have been used as a measure of companies' success (table 1) as well as measures of management and marketing-mix tools, these variables can be considered as interval variables. Therefore results of variance analysis will not be discussed (since they are redundant with the regression analysis) and only regression models will be presented.

The expression "the intensity of use of management and marketing tools" in the hypothesis 3 reflects the properties of measurement scales, i.e., the particular management and marketing tools have not been measured on a 2-point or binary scale (use – not use, has – does not have), but on a 5-point scale which are believed, as in the case of companies' success, to capture more nuanced picture.

Analysis shows a high level of correlations between measures of particular management and marketing tools. Therefore, the first regression models, before removing all outliers, differ from the final model presented in this article (outliers exceeding 2,5 standard deviations were removed).

The final model based on management and marketing-mix tools is presented in Table 6. Positive sign of regression coefficients means that the more a particular marketing-mix tools were used, the higher evaluation of success was reported.

Table 6

Linear regression model of success perception with the explanatory variables related to management strategies (after removal of 8 outliers).

**Model Summary[b]**

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | Durbin-Watson |
|---|---|---|---|---|---|
| 1 | **0,505[a]** | **0,255** | **0,245** | 0,687 | 1,826 |

a. Predictors: (Constant), Our firm is superior in terms of distribution effectiveness in comparison to its competitors, We compete on the foreign markets primarily through high quality, Our firm is superior in terms of product development and/or adaptation in comparison to its competitors

b. Dependent Variable: Considering the situation on the (domestic and foreign) markets, where our firm operates, it can be concluded that our company has been successful in comparison to its competitors

**ANOVA[a]**

| Model | Sum of Squares | Df | Mean Square | F | Sig. |
|---|---|---|---|---|---|
| Regression | 36,649 | 3 | 12,216 | 25,887 | 0,000[b] |
| Residual | 107,125 | 227 | 0,472 | | |
| Total | 143,774 | 230 | | | |

**Coefficients[a*]**

| Model | Unstandardized Coefficients | | Standardized Coefficients | T | Sig. |
|---|---|---|---|---|---|
| | | Std. Error | Beta | | |
| 1 | 2 | 3 | 4 | 5 | 6 |
| (Constant) | 1,040 | 0,346 | | 3,010 | 0,003 |
| We compete on the foreign markets primarily through high quality | 0,450 | 0,070 | 0,381 | 6,425 | 0,000 |

| 1 | 2 | 3 | 4 | 5 | 6 |
|---|---|---|---|---|---|
| Our firm is superior in terms of product development and/or adaptation in comparison to its competitors | 0,143 | 0,051 | 0,169 | 2,816 | 0,005 |
| Our firm is superior in terms of distribution effectiveness in comparison to its competitors | 0,120 | 0,045 | 0,157 | 2,677 | 0,008 |

* the residuals are normally distributed

Source: own elaboration.

## SIGNIFICANT VALUES AND POSITIVE SIGNS OF REGRESSION COEFFICIENT SUPPORT HYPOTHESIS 2 AND HYPOTHESIS 3.

Compared to the model based on industrial branches only, the model including management and marketing-mix tools is much better adjusted to the data. However, although all explanatory variables are highly significant, the R-square approaches 0,25, which is not a high score. This implies that other factors (e.g., asymmetry of business cycles in foreign markets), not included in the questionnaire also played an important role in determining companies' success.

The final step in verification of Hypotheses 1, 2, and 3 is to test, whether the elements from both sets of variables, i.e. industrial branch type and managerial strategies can be found in a linear regression model with the evaluation of companies' success as a dependent variable.

The resulting model is presented in Table 7.

Table 7

Linear regression model of success perception with the explanatory variables related to the type of industrial branch and the management and marketing tools (after removals of 8 outliers).

**Model Summary[b]**

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | Durbin-Watson |
|---|---|---|---|---|---|
| 1 | **0,562[a]** | **0,316** | **0,297** | 0,669 | 1,853 |

a. Predictors: (Constant), Production of machine tools non- classified elsewhere, Our firm is superior in terms of product development and/or adaptation in comparison to its competitors, Production of goods from rubber & synthetic materials, Production of medication & pharmaceuticals, Our firm is superior in terms of distribution effectiveness in comparison to its competitors, We compete on the foreign markets primarily through high quality
b. Dependent Variable: Considering the situation on the (domestic and foreign) markets, where our firm operates, it can be concluded that our company has been successful in comparison to its competitors

**ANOVA[a]**

| Model | Sum of Squares | Df | Mean Square | F | Sig. |
|---|---|---|---|---|---|
| Regression | 45,152 | 6 | 7,525 | 16,804 | 0,000[b] |
| Residual | 97,630 | 218 | 0,448 | | |
| Total | 142,782 | 224 | | | |

**Coefficients[a*]**

| Model | Unstandardized Coefficients | | Standardized Coefficients | T | Sig. |
|---|---|---|---|---|---|
| | | Std. Error | Beta | | |
| (Constant) | 1,091 | 0,341 | | 3,196 | 0,002 |
| We compete on the foreign markets primarily through high quality | 0,448 | 0,069 | 0,379 | 6,528 | 0,000 |
| Our firm is superior in terms of distribution effectiveness in comparison to its competitors | 0,130 | 0,046 | 0,165 | 2,862 | 0,005 |
| Our firm is superior in terms of product development and/or adaptation in comparison to its competitors | 0,137 | 0,050 | 0,162 | 2,734 | 0,007 |
| Production of goods from rubber & synthetic materials | -0,434 | 0,161 | -0,152 | -2,696 | 0,008 |
| Production of medication & pharmaceuticals | -1,179 | 0,483 | -0,139 | -2,439 | 0,016 |
| Production of machine tools non- classified elsewhere | -0,423 | 0,186 | -0,128 | -2,270 | 0,024 |

* the residuals are normally distributed

Source: own elaboration.

The analysis of the results contained in Table 7 leads to the following conclusions:

– the "composite" model is better adjusted to the data than previous models based on one set of variables only (R-square value is around 0,3, i.e., other factors also influenced companies' success),
– management and marketing-related variables play more important role in explaining evaluations of companies' success than the type of industrial branch,
– there is a positive relationship between the use of marketing-mix tools and the perception of success, i.e., companies which declared better distribution strategy and better product strategy (higher product quality and superiority over competitors concerning product development and/or adaptation capabilities), evaluated their success higher than companies which were inferior in these respects.

## SUMMARY AND CONCLUSIONS

Early internationalization of enterprise and determinants of it's financial success are one of the most important topics in the literature. However, it should be stressed that research on born globals are in majority of cases conducted on developed markets and particularly on small and open economies (e.g., Finland, Israel, Sweden, Belgium), (Cannone and Ughetto, 2015). Selected research in China, Turkey, India, Mexico, etc. (Uner et.al,2013), (Paul and Gupta, 2014) shows that new international ventures from emerging economies apply different market strategies (i.e. cost leadership) than born globals from highly developed countries.

Besides, it should be noted that significant majority of previously conducted research focused on high-tech industries or considered industry as a zero-one variable, i.e., low-tech versus high-tech branch. Such approach didn't allow to control for the industry effects (Fernhaber et al., 2007). Our research fills in this gap for the case of Polish born globals.

The main objective of this paper was to analyze the success perception (measured by market performance) by decision makers from Polish early internationalized firms. First, we attempted to determine the

impact of the industry type on the success perception. Second, we considered the dependence of the success perception on the applied managerial and marketing strategies (the strategies expressed by marketing-mix tools and other management-related actions). Finally, we analyzed the significance of that relationship.

Our research allows to formulate some interesting conclusions. Unlike the born globals from highly developed countries, the success perception of decision makers from Polish early internationalized firms is only weakly affected by the industry type (H1). Moreover, it should also be stressed that in the case of Polish born globals, IT and pharmaceutical sectors are not strongly represented. These firms primarily operate in traditional branches, e.g. food processing industry – 14,9 percent, metal production – 9,8 percent, rubber and synthetic materials – 9 percent).

We have also found that the implemented competitive strategies (use of marketing tools) significantly contribute to the success perception of Polish born globals. So, the answer to the basic research problem is that competitive strategy plays more important role than sector-specific determinants in success perception of Polish early internationalized firms.

The empirical findings on determinants of success perception of Polish born globals constitute a good basis for further research in this area. Thorough exploration of business strategy applied by Polish born globals from low-tech branches should be conducted (Hennart, 2014).

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