Determinants of Rapid Internationalisation in the Technological Industry:
Lessons for South African Born Global Firms

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Lauren Paige Jakins

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ABSTRACT

Over the past two decades the world has witnessed the emergence of a new type of internationalising firm, formally known as a Born Global. Such a phenomenon has infiltrated the study of internationalisation, where a Born Global commonly refers to a firm that internationalises since inception, or within 2-3 years after and reaches a significant degree of internationalisation in a short period of time. Not only have these firms challenged the traditional method of internationalisation but also stretched previous local technological firms to the international level through the rapid internationalisation of operations from inception. Various perspectives have been researched to enrich this new area of business, however, little research has been conducted in the context of type of industries from where these firms emerge.

The purpose of this study is to gain a deeper understanding of the phenomenon from the technological industry perspective by investigating the various determinants that influence these Born Global firms from developed markets to thrive in their international markets.

To achieve the purpose of this study a multiple case-study of two firms both within the technological industry was conducted. The two Born Global firms selected as part of the sample were Sproxil and Uber. This study adopted a qualitative approach for the literature review, data collection and analysis throughout the course of the study. The multiple case-study approach collected secondary data, which enabled the development of an in-depth understanding of multiple cases of Born Global firms. This study utilised several theoretical concepts to build an underlying framework to guide the study.

The findings of this study identified six main determinants influencing Born Global firms to rapidly internationalise from the technological industry within the developed market context. These determinants are as follows; superior human capital, technology, innovation and product differentiation, market characteristics and orientation, networks and lastly timing: speed of internationalisation. This study aims to contribute to the existing body of knowledge by providing lessons learnt for the developing market context, like South African Born Global firms operating within the technological industry.

Keywords: Born Globals, technological industry, rapid internationalisation, developed markets, determinants.
# Table of Contents

SECTION ONE: .............................................................................................................. 1

1.  INTRODUCTION ................................................................................................. 1

1.1 Contextualisation: ............................................................................................ 1

1.2 Rationale: ........................................................................................................... 2

1.3 Problem Statement: ............................................................................................ 3

1.4 Research Purpose (Aim): .................................................................................. 3

1.5 Research Question: ............................................................................................ 3

1.6 Organisation of the Study: ................................................................................ 4

SECTION TWO: .......................................................................................................... 5

2.  THEORETICAL FOUNDATION AND LITERATURE REVIEW ......................... 5

2.1 Theoretical Foundation: .................................................................................... 5

2.2 Evidence/ Findings from Earlier Research: ...................................................... 7

2.2.1 Superior Human Capital: .............................................................................. 8

2.2.2 Technology: ................................................................................................... 10

2.2.3 Innovation and Product Differentiation: ...................................................... 11

2.2.4 Market Characteristics and Orientation: ..................................................... 12

2.2.5 Networking: .................................................................................................. 13

2.2.6 Timing: Speed of Internationalisation: ...................................................... 14

2.3 Concluding Remarks: ....................................................................................... 15

SECTION 3: ................................................................................................................. 17

3.  METHODOLOGY .................................................................................................. 17

3.1 Research Design: ............................................................................................... 17

3.1.1 Research Paradigm: .................................................................................... 17

3.1.2 Research Strategy: ...................................................................................... 18

3.2 Research Plan: ................................................................................................... 19

3.2.1 Population and Sampling: ........................................................................... 19

3.2.1.1 Population: ............................................................................................ 19

3.2.1.2 Sample: .................................................................................................. 19

3.3 Data Collection Method: .................................................................................. 21

3.4 Data Analysis Method: .................................................................................... 22

SECTION FOUR: ....................................................................................................... 24

4.  FINDINGS - EMPERICAL DATA ......................................................................... 24
SECTION ONE:

1. INTRODUCTION

1.1 Contextualisation:

Over the past two decades, the Born Global phenomenon has infiltrated the study of internationalisation (Hermannsdottir, 2008). A Born Global firm is a company that since inception, or soon after, is internationally orientated and has reached a significant degree of internationalisation in a short period of time (Falize & Coeurderoy, 2012). The phenomenon was first introduced in a report presented by Australian McKinsey and Co. (1993), which challenged the thinking behind the traditional internationalisation process. Further empirical studies acknowledge the Born Global phenomenon, indicating that these firms challenge traditional internationalisation literature (Nafula & Zubiran, 2012) (Teichert & Liu, 2014). Earlier research indicates that the Born Global phenomenon was developed as an alternative concept to describe firms that ‘leap-frog’ the traditional internationalisation process (Knight & Cavusgil, 1996).

With a world economy becoming increasingly dependent on globalisation, the drive for businesses to expand internationally is rapidly increasing. Evers (2011; 17) claims that the internationalisation landscape is “a strategic route for survival”. Although the phenomenon of rapid internationalisation has gained increasing attention, limited information has been documented in the field.

Disruptive innovations like the internet and information communication technology (ICT) advances are pertinent drivers for rapid internationalisation specifically in the technological industry (Bell & Loane, 2010) (Nafula & Zubiran, 2012). Such technological advances enable firms from both developed and developing countries to engage more effectively in rapid internationalisation. However, it is evident within the literature that South Africa lacks the development of Born Global firms as compared to their developed counterparts. This study is relevant and topical as it aims to explore the Born Global phenomena to derive lessons learnt for the developing country context of South Africa.
1.2 Rationale:

I developed an interest in the topic as it was an area of business previously unknown to me and I was excited to explore what lies behind the Born Global phenomenon.

The introduction of globalisation has changed the international business landscape. This study is relevant due to the increase in information and communication (ICT) advances, market saturation and competition which creates great impetus for rapid internationalisation of firms (Evers, 2011). The internationalisation process has accelerated over the past decade where companies begin their export operations earlier than before in the organisational life cycle (Falize & Coeurderoy, 2012). Moreover, it is now widely accepted that the internet and other communication technologies have enabled firms to internationalise. Through developments of the World Wide Web (www) firms are enabled to internationalise faster and engage with customers and suppliers more efficiently. The aim of this study is to focus on exploring the determinants promoting rapid internationalisation through an analysis of successful Born Global firms in the technological industry. These firms are Sproxil and Uber.

From the review of literature, it is evident that currently there are limited studies on rapid internationalisation of South African Born Global firms. This study is specifically relevant because there are no studies conducted on rapid internationalisation within the technological industry among South African Born Global firms. It is therefore relevant to explore the determinants of the aforementioned Born Global firms to derive lessons learnt for South African Born Global firms in the technological industry.
1.3 Problem Statement:

The problem of this study relates to the specific combination of determinants that stimulate rapid internationalisation of Born Global firms. The motivation is to gain an understanding of the determinants which enable successful Born Global firms in the technological industry to appear in developed economies, which may lead to the lessons learnt for Born Global firms in developing economies, like South Africa.

1.4 Research Purpose (Aim):

The purpose of this study is to explore the various determinants that allow firms in the technological industry to rapidly internationalise through a comparison of two successful Born Global firms: Sproxil and Uber. These lessons learnt will be applied to Born Global firms in the technological industry within the South African context.

1.5 Research Question:

What are the determinants promoting rapid internationalisation of Born Global firms in the technological industry and what are the lessons that can be learnt for South African Born Global firms?

Sub-questions:

- Which theories can be used as a theoretical framework for the study on rapid internationalisation?
- What are the determinants of the rapid internationalisation of Born Global firms in the technological industry according to the literature?
- Does the case study analysis support the findings from the literature?
- What are the lessons that can be learnt for South African Born Global firms?
1.6 Organisation of the Study:

This study is divided into six sections. The previous section introduced the topic and gave a brief background along with the rationale for the study, problem statement, research purpose and the research question. The remainder of the study is structured as follows: Section two focuses on the theoretical foundation as well as the literature review, section three explains the methodology, whilst section four presents the findings consisting of the two case studies on Sproxil and Uber. Section five covers the interpretation of findings in terms of the literature and relevant theories, whilst section six concludes and provides suggestions for further research.
SECTION TWO:

2. THEORETICAL FOUNDATION AND LITERATURE REVIEW

In this section, the following discussion in section 2.1 provides the theoretical background and section 2.2 presents the literature review that covers the determinants from earlier research structured according to the themes that emerged from the literature. Lastly, section 2.3 concludes.

2.1 Theoretical Foundation:

An extensive literature search reveals that the following theories are relevant to use as the underlying framework to support rapid internationalisation as it is reflected in the Born Global phenomenon: Dunning’s Eclectic Theory (1998), the UPPSALA Model (1977) and the Network Theory (1995).

*Dunning’s Eclectic Theory* (1988) integrates diverse explanatory approaches from a variety of theories into one cohesive framework. The intention was to create a framework to identify and evaluate the significance of factors influencing, firstly, the initial interest of foreign production by enterprises, and secondly, the growth of production (Dunning, 1988). According to the theory, a firm’s decision to expand into foreign markets is dependent on three necessary advantages upon entry; ownership-specific advantages, location-specific advantages and internationalisation-specific advantages (Dunning, 1988). A more recent researcher, Hermannsdottir (2008) provides a comparison of the three advantages on Dunning’s (1988) earlier work where an analysis is conducted on what combination of his advantages are required to internationalise. Dunning’s theory is relevant to this study since it provides a detailed outline to the choice of foreign markets and the mode of international entry by Born Global firms. These factors can be applied to the Born Global firms under study and to the South African context.
The UPPSALA Model of Johanson & Vahlne (1977) is useful because it follows the internationalisation process of traditional firms versus that of Born Global firms. This model states that the main factor explaining a firm’s international behaviour is attributed to incremental learning at the firm level, according to which firm internationalisation is a gradual process through which firms intensify their foreign market activities (Johanson & Vahlne, 1977). Lack of knowledge about foreign markets is a contributing factor to Born Global failure, hence, gradual knowledge development causes international expansion to occur incrementally, progressing through a distinct pattern of steps, i.e. a process (Hermannsdottir, 2008).

This theory will support the explanation of how successful Born Global firms have smoothed the incremental steps of the internationalisation process. For this reason, it is relevant to the study as Born Global firms challenge conventional theories of incremental, gradual internationalisation. In addition, technological advances are challenging the traditional UPPSALA internationalisation model, causing Born Global firms to be a disruptive phenomenon within the technological market.

The Network Theory of Coviello & Munro (1995) on the other hand, emphasises the impact of both formal and informal business relationships on the rapid internationalisation of firms. Networks and relationships are critical for the development of firms of all sizes, as they link activities and resources and lead to the identification of new market opportunities. Networks are an essential element contributing to the growth of Born Global firms (Coviello & Munro, 1995). For this reason, it is relevant because networks may act as a bridge which enables rapid internationalisation towards the Born Global phenomenon specifically in the developing market context of South Africa.
2.2 Evidence/ Findings from Earlier Research:

The purpose of this literature review is to situate the study within the literature to explore the determinants which influence the rapid internationalisation of Born Global firms. Over the past two decades, the Born Global phenomenon has infiltrated the study of internationalisation, where there has been an increasing interest in firms exhibiting international market penetration close to inception (Madsen, 2012). The current literature on Born Global firms claims that the changing world economy has influenced the rapid emergence of these firms (Evers, 2011) (Kaur & Sandhu, 2013). My evidence collected for the period 2010 to 2016 attribute the changing world economy to the 2008-2009 global financial crises where the world went into recession causing the collapse of many industries. This created great impetus for new disruptive innovations to take the market at a rapid pace. Born Global firms exhibit specific characteristics and resources that propel them into early and rapid internationalisation when compared to the traditional exporter (Kaur & Sandhu, 2013).

Born Global firms challenge the internationalisation process of traditional firms. As mentioned earlier, they produce for highly innovative technological industries and perceive the world as one market, while operating internationally since inception, or soon after (Teichert & Liu, 2014). Some authors categorise firms as Born Globals if they begin to export to multiple countries within 2-3 years of inception (Kaur & Sandhu, 2013). Furthermore, Tabares, Alvarez & Urbano (2015) claim that to be a Born Global, the firm should have at least 25% of the international market share within the first three years since inception.

For the purpose of this study, Born Global refers to technology-related companies that operate internationally from inception, or within 2-3 years and generate at least 25% of total revenue from foreign markets. This contrasts with traditional exporters which refer to firms based on the UPPSALA internationalisation model, which describes the internationalisation process as a gradual expansion to international markets (Teichert & Liu, 2014). This new form of rapid internationalisation of firms challenges the traditional models because these types of Born Global firms follow a very different pattern, where the regular use of technology and distinctive intangible
assets (networks and risk-taking entrepreneurs) act as valuable resources and capabilities to aid successful internationalisation (Tabares, Alvarez & Urbano. 2015).

The following subsections cover the determinants of the rapid internationalisation of Born Global firms: superior human capital, technology, innovation and product differentiation, market orientation networks and timing which all contribute to the entry-specific advantages.

2.2.1 Superior Human Capital:

Human capital is a key strategic resource and has long been identified as a main determinant for firm success. Human capital refers to the favourable measure of a business owner’s cognitive abilities (brain-based skills), educational level, competency, work experience, and the overall value of the work force (Hitt et al, 2017). Firms who possess superior human capital naturally gain superior performance (Hitt, Jackson, Carmona, Bierman, Shalley & Wright, 2017). Hitt et al (2017) claim that superior human capital strengthens a firm through stimulating creative innovations and rapid response rates to change which can improve a firm’s productivity. However, superior human capital is extremely difficult to create, yet easy to destroy through ineffective management (Hitt et al, 2017). It is therefore important for the firm to foster human capital through effective strategic management.

The strategic management of a firm refers to the quality human capital vested in the entrepreneur. According to Louw & Venter (2013) it concerns the general effectiveness and choice of direction within a dynamic, complex and ambiguous environment, with the primary objective of achieving a sustainable competitive advantage for the organisation. Varna (2010) refers to Ganitsky (1989) who examined ‘innate exporters’ who in addition to being more flexible, also possess internationally orientated management skills. This is supported by Kaur & Sandhu (2013) who claim that founders/managers of Born Global firms have developed a set of characteristics that are vital for international expansion. Better educated managers with previous industry and international experience are more open-minded and have greater managerial knowledge and capabilities. Such managers are more likely to consider internationalisation as a strategic move. Without reservation, Teichert & Liu (2014)
emphasise the dependence of the firm’s international experience on the founders/manager’s levels of education, work experience and knowledge. What is clear is that the more advanced the founder's international experience, the higher the speed at which learning and internationalisation of the firm takes place (Teichert & Liu, 2014).

Equally important is the finding by Kaur & Sandhu (2013) that the founder’s experience decreases the psychic distance between markets, which relates to the differences in languages, culture, industrial development and the political system of the countries (Teichert & Liu, 2014). In addition, entrepreneurial orientation, which refers to the entrepreneur’s ability to recognise, discover and exploit opportunities, encourages founders/managers to pursue internationalisation with less concern for a firm’s lack of tangible resources (Kaur & Sandhu, 2013).

In comparison to traditional firms/exporters, Born Global founders are greater risk-takers and innovators who leverage the advantages of technological advances to propel such rapid internationalisation (Kaur & Sandhu, 2013).

Furthermore, Born Global founders possess an explicit global vision from the inception (Kaur & Sandhu, 2013). This is supported by the findings of Tabares, Alvarez & Urbano (2015) who also claim that the entrepreneur’s intellectual capital is crucial for Born Global development. This includes successful entrepreneurship, global vision, IT capabilities, technological innovation, customer orientation and international market knowledge, all corresponding to similar research results (Tabares, Alvarez & Urbano, 2015).

Furthermore, Ochinanwata & Ezepue (2016) mention that Born Global entrepreneurs engage in strategic thinking and create synthesis between new and old ideas while understanding the trends in both the domestic and international markets. What is not mentioned previously is that Born Global firms favour the invention of a unique global offering, developed through their awareness of international markets and entrepreneurial orientation (Ochinanwata & Ezepue 2016). From this it can be derived that the competitive advantage obtained by Born Global firms stems from the entrepreneur’s quality of human capital.
Therefore, Born Global firm’s superior human capital combines resources (finances, firm’s reputation, culture etcetera) from various national markets, whilst using the competencies they developed from previous experience to rapidly internationalise.

2.2.2 Technology:

Current literature on the Born Global phenomenon relates to new industries and specifically to high-technology based sectors (Anderson, Gabrielsson & Wictor, 2004). According to Evers (2011) changes in market orientation is a core driver of the Born Global process, however market orientation changes do not emerge on their own, but rather due to changes in technology. Sometimes regarded as high-technological industries, the information technology (IT) and e-commerce sectors are common examples of successful industries for rapid internationalisation (Evers, 2011).

It is now widely accepted that internet and allied ICT advances, allowing for direct and immediate foreign market entry, have facilitated firm internationalisation (Bell & Loane, 2010). In addition, the World Wide Web (WWW) has evolved providing new tools, such as Web 2.0, to enable more effective rapid internationalisation of firms in both developed and developing countries, like South Africa. It is therefore evident that the internet is a main driver of business development and rapid internationalisation. The emergence of Born Global firms has been strongly influenced by the globalisation of business activities and the impact of new process and communication technologies (Bell & Loane, 2010). Firms with limited resources can internationalise faster as they can obtain a global reach via a website, which further lowers marketing costs and allows for increased contact between buyers and sellers.

Additional internationalisation factors found in the literature include: increased customisation and differentiation, spurred by production and process technologies, which in turn led to niche markets (Evers, 2011). Furthermore, the emergence of niche markets within changing market orientations has been initiated by technological development in areas like production and communication.
Kaur & Sandhu (2013) further argue that rapid technological advances, such as the internet, result in lower costs of internationalisation in terms of transportation and communication costs with better accessibility to knowledge. This makes world markets more accessible at lower costs. On top of this, network relationships are all attributed to technological developments which contribute to rapid internationalisation. For example, social media applications enable people to frequently stay in touch globally, without any capital investment, thereby gradually eroding conventional communication services (Ochianwata & Ezepue, 2016). Disruptive innovative technologies have led to the success of numerous Born Global firms where for example, smart phone applications are available through technology-based innovations that aim to simplify every-day life.

2.2.3 Innovation and Product Differentiation:

The product offering of Born Global firms is a critical factor to secure rapid internationalisation. Due to increasing globalisation, competition is rough in international markets. For this reason, Born Global firms continuously focus on their product offering to develop new products and services to differentiate themselves in the market (Cavusgil & Knight, 2009).

One of the most important factors that allows for product differentiation is the role of niche markets and an increase in demand for specialised products (Varma, 2010). These findings agree with those of Porter (1980), who emphasised that Born Global firms typically engage in a differentiation strategy, which involves offering improved, differentiated and innovative products which causes disruptive innovations to emerge within the market.

Born Global firms emphasise a differentiation strategy because their resources are specialised to specifically target niche markets. As previously mentioned, ownership over unique resources will enable Born Global firms to further their differentiation strategy and gain a competitive advantage through their expertise, unique product offering or technical service (Kaur & Sandhu, 2013). Therefore, Born Global firms exploit their distinctive competence in order to internationalise early. Nafula & Zubiran (2012) claims Born Global firms explore many opportunities through targeting
unique products to niche markets, where traditional companies may not be able to satisfy a certain need due to production problems. Born Global firms have the ability to develop unique products and service offerings and to reach niche markets in various countries and gain acceptance worldwide, because they are usually leaders with technological edge and do not commonly operate in traditional markets (Nafula & Zubiran, 2012).

2.2.4 Market Characteristics and Orientation:

The term industry/market is used to categorise, or group, or separate companies based on common characteristics related to product types, production technology or market attributes (Boter & Holmquist, 1996). Increasing global economic integration and increasing centralisation of economic activities lead to greater market homogeneity across various industries (Evers, 2011). Evers’ (2011) indicates that Born Global firms are commonly found in globally integrated industries and homogenous international markets. From the literature it can therefore be derived that the nature of the industry directly influences the product/service offering and vice versa. Arnold & Quelch (1998) argue that technology breakthroughs contribute to influencing emerging market characteristics.

A prerequisite for the rapid internationalisation of Born Globals relates to the characteristics of the market. According to Dunning (1988), Born Global firms need to obtain location-specific advantages. This refers to the competitive advantage that a firm gains by strategically locating its production, or part thereof, to international locations (Hermannsdottir, 2008). Aregbeshola, Luiz, Ojah, Oosthuizen, Palmer & Venter (2011) further argue that through location-specific advantages, Born Global firms obtain relatively cheaper cost structures which allow for lower prices and attractive demand levels in foreign markets, in conjunction with higher foreign exchange earnings through the opportunity to conduct international business. It is therefore inevitable that inadequate knowledge of the specific features of international markets pose a serious barrier to Born Global success (OECD, 2009).

According to empirical evidence, industry factors offer a comparative advantage in rapid internationalisation (Taylor & Jack, 2016). It is further argued that Born Global
firms are only present within the manufacturing industry (Kaur & Sandhu, 2013). Despite this, many researchers indicate the prevailing saturation of the technological industry among Born Global firms. However, there is limited empirical evidence to support any associations between industry factors and the extent of internationalisation of Born Global firms. According to Evers (2011) emphasises the effect of a limited domestic market, where the size or saturation of the domestic market creates great impetus for firms to internationalise early. Findings show that Born Global firms possess knowledge on the specific characteristics of international markets prior to their first foreign market entry (Evers, 2011).

Rodriguez-Serrano & Martin-Velicia (2015) further claim that Born Global firms need to develop a market-orientated organisational culture which promotes the development of a dynamic absorptive capability. This is the ability to identify the value of new information, thus generating a market response of continuous innovation. This market-orientated culture of Born Global firms reinforces the behaviour of individuals within the organisation, so that the aim is to deliver superior value, through disruptive innovation in the technological industry.

2.2.5 Networking:

Critical networks are a core contributor to Born Global success. Born Global firms strive to derive a compelling competitive advantage from the use of intangible resources through network relationships. Coviello & Munro (1995) claim that network relationships contribute to rapid internationalisation as they help firms to identify new markets opportunities, which contribute to the creation of market knowledge. The same authors pointed out that markets are described as a web of relationships among various members, including: customers, suppliers, producers and competitors.

Several scholars applied the networking theory of international businesses to describe Born Global firms. This theory emphasises the impact of both formal and informal, business relationships on the growth of a firm’s internationalisation (Hermannsdottir, 2008). Given the resource constraints of Born Global firms, network relationships are particularly important as they link activities and resources together. Moreover, Varma (2010) states that firms substitute international networks and
strategic alliances for a lack of their own resources. Therefore, firms are dependent on the resources of their network partners to internationalise. Equally important is that many service firms, such as those in the technological industry, engage in followership. This refers to firms being forced to internationalise as they need to follow their customers when they move into international markets (Evers, 2011).

Initially many Born Global firms do not have the necessary skills, knowledge and resources to successfully enter foreign markets. However, Born Global firms can overcome these limitations through network advantages. In agreement with Varma’s (2010) findings, Morrish & Vasilchenko (2012) claim that business networks contribute to rapid internationalisation by providing synergistic relationships with firms that complement the resources at different stages in the value chain.

Solid networks therefore enable firms to rapidly internationalise with limited resources and assets to facilitate foreign market entry (Kaur & Sandhu, 2013). Teichert & Liu (2014) emphasise the importance of information and communication technology (ICT) to facilitate the information exchange and maintenance of network relationships. As a result, a good network is developed through information technologies and a combination of relationships. Teichert & Liu (2014) prove that Born Global firm’s exhibit increased international networking activity when compared to traditional exporters.

2.2.6 Timing: Speed of Internationalisation:

A fundamental component of the rapid internationalisation of Born Global firms is the pace at which firms internationalise. As mentioned in the definition of Born Global firms, to be a Born Global, firms need to internationalise from their inception, or within 2-3 years after (Kaur & Sandhu, 2013). Varma (2010) finds that firms in the technology intensive industries internationalise faster than those in other industries, as they capitalise on ICT advances and use technological developments to create new niche markets. In contrast to these findings, Varma (2010) also notes that the size of the company negatively affects its flexibility and speed of internationalisation, irrespective of the industry sector, thus implying that smaller firms have a better chance at Born Global success compared to multinational enterprises (MNE).
According to the UPPSALA model of internationalisation traditional firms follow a series of steps, whereas Born Global firms mitigate such steps to internationalise faster by disrupting the market. As mentioned previously Born Global founders with higher international experience tend to increase the speed of learning within the firm, allowing faster internationalisation (Teichert & Liu, 2014).

The speed of internationalisation is attributed to the following: improvements in transportation technologies, increased knowledge of human capital and changes in production (Taylor & Jack, 2016). The same authors conclude that the size of the domestic market, the entrepreneurs experience and the industry structure all impact on the speed at which Born Global firms internationalise.

2.3 Concluding Remarks:

The purpose of the literature review was to assess the determinants of successful Born Global firms within the literature and to explore the most important findings of earlier research. The concept of Born Global firms was initially explored by McKinsey & Co. (1993), who challenged the thinking behind the traditional internationalisation process. A thorough review of earlier studies on this phenomenon supports the Born Global phenomenon indicating that these firms challenge traditional internationalisation literature. Furthermore, emerging evidence demonstrates that many firms do not internationalise following the traditional UPPSALA incremental internationalisation model, but rather beginning internationalisation from inception.

The review of literature gives an overview of three theoretical underpinnings of the internationalisation of firms; Dunning’s Eclectic theory, the UPPSALA model and the Networking theory. Dunning’s Eclectic theory lays down the foundation for rapid internationalisation into one cohesive framework. This theory is important because it links to the determinant of superior human capital which correlates to the influencing interest of enterprise foreign production and secondly, the determent of timing correctly corresponds to Dunning’s growth of production. The UPPSALA model is critical to understanding rapid internationalisation of firms because in contrast to Born Global firms the UPPSALA model follows the traditional internationalisation process of firms, attributed to incremental learning. Lastly, the Networking theory provides further insight into the networking determinant of rapid internationalisation by linking
activities and resources that spur the Born Global phenomenon. These theories are therefore deemed relevant as they provide a suitable framework for the Born Global emergence and how they challenge the traditional internationalisation process.

The main findings related to the determinants of the success of Born Global firms relate to: the superior human capital of the firm which highlights the importance for the Born Global founder to be risk-taking, flexible and must be able capitalise on previous (international) experience. One of the most prominent determinants for Born Global success is technology, because ICT advances enable the creation of new niche-markets and product offerings. Innovation and product differentiation is critical for Born Global success as niche markets followed by a differentiation strategy offer the Born Global a unique product offering. Market characteristics and orientation indicated that Born Global firms have a better chance of success if they identify a location-specific advantage to reduce costs. An increasingly important determinant is the role of networking which enables the founder to link resources and activities, while further identifying areas for expansion through partnerships and international network relationships. It is critical that timing is taken into account, because the speed of internationalisation differentiates between a traditional exporter and a Born Global firm, where internationalisation is required from inception, or 2-3 years after. An important finding is that Born Global firms are becoming more widespread, particularly in niche, technology-driven markets. It is therefore evident that if future Born Global firms were to adopt the aforementioned determinants they may be successful and engage in rapid internationalisation.

Although there is an increase in the number of Born Global firms, research conducted at the centre of this phenomenon is limited and fragmented. This indicates that the empirical evidence is more advanced than theoretical developments within this field. Given the difference between Born Global firms in developed and developing markets, it is important that further research is conducted to investigate the success factors within developing markets. As a matter of fact even less attention has been paid to the determinants of successful Born Global firms in the technological industry within developing markets. In addition, although there is a vast amount of literature on Born Global firms, in general there is no specific study relevant to the South African context. Therefore, exploring these determinants may provide an important contribution to Born Global literature in the South African context.
3. METHODOLOGY

In this section the methods on which this research is based is explained. The section mentions the methods used within the research design as well as a description of the process; the research design used, the research plan, the data collection methods, data analysis methods and lastly a discussion of the trustworthiness of the study.

3.1 Research Design:

3.1.1 Research Paradigm:

A paradigm refers to the cluster of beliefs or the way in which we think and dictates a specific discipline’s influence on what should be studied, how research is conducted and how the results will be interpreted (Du Plooy-Cilliers, 2015).

This study makes use of the interpretivist paradigm. Interpretivism has been influenced by several intellectual traditions; the most relevant for this study is that of phenomenology which looks at the way individuals make sense of the world around them (Du Plooy-Cilliers, 2015). Studies that follow the interpretivism paradigm are often referred to as phenomenological studies, which relates to qualitative research (Creswell, Ebersohn, Eloff, Ferreira, Ivankova, Jansen, Nieuwenhuis, Pietersen & Clark, 2016). This paradigm is suitable for this study as a phenomenon, such as the rapid internationalisation of Born Global firms, change constantly and the environment influences these changes. Phenomenon’s are shaped by their environment, therefore producing different answers when conditions change, thus making it critical to keep this ‘influence’ in mind when conducting research (Creswell et al, 2016).
3.1.2 Research Strategy:

According to Creswell et al (2016) research can follow three approaches; quantitative or qualitative or mixed methods research. For the purpose of the study, a qualitative approach is followed which is the process of “bringing order, structure and meaning to the mass of data” (Bezuidenhout & Cronje, 2015; 232). Qualitative research presents interpretive data which relies on linguistics instead of numerical data (Bezuidenhout & Cronje, 2015). A qualitative approach provides rich data allowing for an in-depth analysis of the Born Global phenomena, by understanding the phenomenon of theory applied to various themes. Furthermore, this method offered higher flexibility in conducting secondary data gathering and analysis of information. This study merely wanted to understand human behaviour through the social sciences (Bezuidenhout & Cronje, 2015).

Drawing on the relevant literature on the internationalisation of Born Global firms, this study adopts an exploratory approach. Qualitative, exploratory research design was best suited for this study as the objective was to explore the main issues and variables and to gain a better understanding of the born global phenomenon, fit with the research question (Creswell et al, 2016). Through the use of case studies an investigation into the Born Global phenomenon within its real-life context was conducted (Creswell et al, 2016). The application developed a case for two successful Born Global firms within the technological industry where certain ‘general ideas’ acted to guide the empirical research (Mouton, 2005).

Researchers of the interpretivist paradigm, as in this study, often follow an inductive data-analysis approach, where various themes could emerge from the data itself (Creswell et al, 2016). Here the researcher moves from the specific to the general to apply the findings (Du Plooy-Cilliers, 2015). Inductive theorising allows for the building of an existing or new theory, where various patterns or regularly occurring themes emerge, such as the determinants of successful Born Global firms (Du Plooy-Cilliers, 2015). In this study, the research built on the Born Global phenomenon contributes to the body of
knowledge within the technological industry in the developing market context of South Africa.

3.2 Research Plan:

3.2.1 Population and Sampling:

3.2.1.1 Population:

The population refers to the total group of entities from whom information is required (Davis, 2015). The population for this study is represented by all Born Global firms. Characteristics of such Born Globals to be successful require superior human capital through an innovative, risk-taking entrepreneur. Furthermore, the firm's product or offering generally complements those of other global players, whilst taking advantage of global IT infrastructure, ICT advances and disruptive technological advances.

3.2.1.2 Sample:

The sample refers to the specific people or entities that this study was conducted on (Pascoe, 2015). It is generally accepted that the technological industry dominates the Born Global phenomenon because technological breakthroughs such as the internet and ICT advances have made it possible for firms from both developed and developing markets to rapidly internationalise. For the purpose of this case study, the elements of the sample were focused on the following two Born Global firms; Sproxil and Uber.

Sproxil is a web-based service company founded in 2006. The company first operationalised in the USA in 2008 then internationalised to Nigeria, India, Kenya and Ghana in 2011. Sproxil developed
authentication solutions using short message services via mobile phone technology (Bailetti, 2012). Through rapid internationalisation and disruptive technological advances, Sproxil provided great insight into lessons learnt for the South African context.

Uber is a transportation company driven by mobile application technology. Founded in 2009 in San Francisco, USA, Uber soon internationalised into Paris, France in 2011 and further expanded into London, United Kingdom in 2012 (Belarbi, 2015). Uber epitomises disruption changing the face of the traditional taxi industry. Their rapid internationalisation is indicative of a successful Born Global firm, therefore Uber assisted in the creation of a suitable case study for the research.

The two Born Global firms under study were Sproxil and Uber, their internationalisation process was studied and adapted to the South African context, thus forming the recruitment method for the study.

The unit of analysis refers to the object under study, which in this case the unit of analysis referred to firm internationalisation in the technological industry.

The sampling method best suited to the population of this study was non-probability, purposive sampling, more specifically, theoretical and judgement sampling (Mouton, 2005). These methods were selected because there is a specific purpose of sampling successful Born Global firms within the population. Qualitative research makes use of purposive sampling, as members of the sample are selected with the ‘purpose’ of representing the phenomenon (Creswell et al, 2016). This study required that Born Global firms within the technological industry were purposely selected as they were representative of the population and allowed for the findings to be generalised and applied to the remainder of the population (Mouton, 2005).
Data Collection Method:

Data collection is divided into primary and secondary data. Primary data refers to information collected by the researcher such as interviews and secondary data is collected by a different researcher or organisation (Nieuwenhuis, 2016).

This study made use of a multiple case-study approach to collect secondary data, through the development of an in-depth understanding of multiple cases of Born Global firms. A case study is a detailed description of a social phenomenon, in this case the rapid internationalisation of Born Global firms that exist within a real-world context (Strydom & Bezuidenhout, 2015). This study made use of both exploratory and explanatory case studies, because where the former describes the case within its broader context, the latter offered an attempt to explain the certain circumstances of the Born Global phenomena (Strydom & Bezuidenhout, 2015). The main objective of the data collection was to gather information for the case studies about actual events. This allowed for a deeper understanding of the complex phenomenon and strengthened what is currently known through previous research (Nieuwenhuis, 2016).

Secondary data was collected from two firms: Sproxil and Uber. For the purpose of this study, these firms were selected as they are successful Born Global firms operating within the technological industry.

The strength of using multiple sources of data collection evidence is important to ensure the reliability of the study (Nieuwenhuis, 2016). Therefore, this study integrated qualitative content analysis with the case study approach to data collection. Through conducting qualitative research, the best-suited data collection method was documents or textual data. Here the focus was on all types of written communication that enhanced the phenomenon (Creswell et al, 2016). Such written data sources included: published and unpublished documents, peer reviewed journal articles, newspaper articles, company reports and administrative documents. The documentation sources included company administrative documents, reports as well as internal records from the companies under study. Yin (2009) includes all news and articles found in the mass media via the internet and printed media into this source. Although the documents mentioned above are not always accurate, they were useful to gain a better understanding of the company and its environment.
Qualitative content analysis allowed for the subjective interpretation of text data through a systematic classification process of coding and the identification of various themes such as: superior human capital, timing and technology throughout the Born Global firms (Strydom & Bezuidenhout, 2015). This referred to studies that analyse the content of the text or documents such as company records and reports (Mouton, 2005). This data collection method provided an in-depth understanding of the documentation sources on the two Born Global firms.

3.4 Data Analysis Method:

Data was analysed using two multiple case studies. This enabled the researcher to understand the differences between the cases with the goal to replicate findings (Nieuwenhuis, 2016). These case studies were developed around the following two Born Global firms: Sproxil and Uber. An analysis of possible determinants attempted to determine what factors influence the Born Global phenomenon.

Qualitative content analysis was used to analyse the data gathered. This assisted the exploration and identification of overt and covert themes and patterns embedded within the Born Global phenomenon (Bezuidenhout & Cronje, 2015). Content analysis systematically compressed the text into fewer content categories such as: superior human capital, technology, innovation and product differentiation, market characteristics and orientation, networks and timing: speed of internationalisation based on the rules of coding (Nieuwenhuis, 2016). This enabled the researcher to identify unique themes that illustrated a range of meanings of the Born Global phenomenon (Bezuidenhout & Cronje, 2015). Due to the interpretivist nature of the study an inductive data-analysis was conducted to analyse the company case studies, various themes and categories emerged from the data through the researcher’s meticulous examination and constant comparison of the two Born Global firms (Bezuidenhout & Cronje, 2015) (Creswell et al, 2016). This study made use of thematic coding to identify the themes emerging from the data within the company case studies.

Case study research refers to the investigation of a contemporary phenomenon which is not clearly evident and where multiple sources of evidence are used (Creswell et al, 2016).
This was useful in understanding a novice issue, such as rapid internationalisation, where improvements were made on known knowledge via previous research (Creswell et al, 2016). Through the use of multiple data-collection methods such as, the case study approach and qualitative content analysis, trustworthiness was enhanced which strengthened findings applied to Born Global firms in the South African context. The aforementioned Born Global firms were analysed and a case was built for each, which enables the findings to be applied to the South African context.
SECTION FOUR:

4. FINDINGS - EMPERICAL DATA

In this section, a summary of the data collected from the two Born Global firms, Sproxil and Uber is presented. This data is presented under the various themes related to the theoretical framework and the literature review. In addition, section 4.3 provides a typology table where the similarities between the two firms is summarised.

4.1 Sproxil:

4.1.1 Company Profile:

Sproxil is a venture-backed social enterprise with an innovative solution to fight the proliferation of counterfeit pharmaceuticals in Africa, through the use of mobile phone technology (About Us, 2017). Its mission is to create trust across supply chains by connecting legitimate companies directly to their customers in an efficient way. This enables consumers within emerging markets to make the optimal purchase decision (About Us, 2017). The company’s technology-based solution provides easy to use scratch-off tags and robust back end analytics attached to products, thus enabling consumers to use Sproxil’s Mobile Product Authentication (MPA) technology to verify the genuineness of their products (Nafula & Zubiran, 2012). Sproxil took advantage of the explosive growth in mobile phone access within developing nations, therefore it was logical to use a participatory technology tool which is now prevalent in resource-constraint environments.

Sproxil was incorporated in 2009 (About Us, 2017). Although ground research began in 2006 when the company seeded in Nigeria, Africa, the company was formed and headquartered in the United States. However, Africa is considered the incubator where Sproxil emerged.
4.1.2 Empirical Findings:

In this section the themes that emerged from the literature is integrated with the findings of Sproxil to develop the case study.

**Superior Human Capital:**

According to Sproxil’s Chief Financial Officer (CFO) Alden Zecha, the top three factors responsible for Sproxil’s success are: Firstly, there are the people within the Sproxil team. Mr. Zecha notes that the people who work for Sproxil and their invaluable contribution to the team are a critical factor for the firm’s success (Nafula & Zubiran, 2012). Sproxil’s founder and Chief Executive Officer (CEO), Ashifi Gogo contributes that the Sproxil brand attracts great talent in an affordable manner. Attributed to Gogo’s belief of building a quality team he says; “You can do a lot with a small team of highly-skilled and motivated people” (Gogo, 2010; 1). Secondly, Mr. Zecha prides their success to the approach adopted in designing the business, where since inception the business model was designed to be international, thus indicating the future orientated characteristics of the founders. This business model takes the various stakeholders in the Sproxil system into account in addition to ensuring that the service offering was aligned to the stakeholder interests (Nafula & Zubiran, 2012). Thirdly, CEO Gogo found that majority of their success was due to their ability to execute the plan with the limited people and resources at hand. Furthermore, the founders stated that although having a good business model was important, it is only one factor in successfully running a business. This is due to the fact that several businesses operating identical plans will have completely different results based on how it is executed and who the team is comprised of (Nafula & Zubiran, 2012).

A core factor contributing to Sproxil’s superior human capital is their founders, Ashifi Gogo and Alden Zecha, who are both well educated, skilled entrepreneurs. Currently serving as CEO, Ashifi Gogo, was born and raised in Ghana therefore having a good understanding of West Africa has set the precedence for the birth of Sproxil in West Africa. Mr. Gogo is an entrepreneur with a global mindset saying that, “There was never any question about being global. Sproxil addresses the global problem of counterfeit products, so we naturally have a global strategy” (Elliott, 2011; 3). Under
his leadership Sproxil developed its award winning Mobile Product Authentication (MPA) technology which has been used over 50 million times by consumers to verify the authenticity of their products (Sproxil Executive Team, 2017). Ashifi Gogo has a technical background with a PhD in engineering and majoring in communication technology from Dartmouth College, Massachusetts and is their first-ever PhD Innovation Fellow (Gogo, 2017). In addition, he holds a BA in Mathematics and Physics from Whitman College, USA. Mr. Gogo possesses the relevant business experience as before the introduction of Sproxil he co-founded VSOL Ghana Limited, a leading Voice over Internet Protocol (VoIP) and computer networking service provider in Ghana, West Africa which provided highly efficient and affordable IP and broadband telephony technology to organisations (Preventing Fraud in Medicine, 2012). Ashifi Gogo’s work has been recognised through a variety of awards and fellowships, where for one he was awarded the Social Entrepreneur of the year in 2014 by the Schwab Foundation. In addition, Sproxil was named the world’s most innovative company in health care by Fast Company in 2013 (Sproxil Executive Team, 2017).

Co-founder and CFO Alden Zecha identifies his experience to be from the ‘developed’ side, being born and raised in the United States, unlike Gogo’s developing nation heritage from Ghana (Nafula & Zubiran, 2012). Mr. Zecha is responsible for the company’s overall strategy along with leading the finance and administrative departments globally. He has a MSC and BSC with honours in Chemical Engineering from Princeton University, USA and his experience is much more varied (Sproxil Executive Team, 2017). Alden Zecha brings over 20 years of broad experience where prior to joining Sproxil, he co-founded and served as CFO for Private Sea and Rethos. In addition, Zecha co-founded an OTC drug distribution company and worked with the Japanese MHW (FDA equivalent) on regulatory compliance issues for Proctor & Gamble (Sproxil Executive Team, 2017). Having worked in over 20 different countries throughout his career he has obtained significant international experience favorable of a Born Global firm. However, he has no notable experience in the African context, the home of Sproxil.
Technology:

CFO Alden Zecha explains that technology within Sproxil is more of a tool used to deliver their service offering (Nafula & Zubiran, 2012). After witnessing the effects of counterfeit medications firsthand in CEO Ashifi Gogo’s native Ghana, he founded Sproxil. With the consideration of the country’s high rate of mobile penetration, Mr. Gogo took advantage by identifying how mobile phones can help combat fake drugs within the marketplace (Innovations in Africa: Sproxil, 2012).

It is identified from secondary sources that Sproxil’s markets are experiencing great technological breakthroughs in terms of telecommunications through mobile phone usage and internet advancements. Within the emerging markets where Sproxil operates, mobile phone technology is experiencing high adoption. To illustrate, mobile phone subscriptions worldwide jumped from under 1 billion in 2000 to more than 6 billion in 2012 – 5 of which are in emerging markets (Sproxil Solutions for Emerging Economies, 2012). Sproxil has capitalized on this trend towards mass mobile phone adoption and encourages consumers to use their mobile phones to fight against counterfeiting.

Innovation and Product Differentiation:

Critical to the success of the firm, Sproxil has taken advantage of global innovations and disruptive technological advances to develop a unique product offering. Ashifi Gogo’s innovative development of Mobile Product Authentication (MPA) technology has disrupted the market of the counterfeit drug industry. This mobile phone based pharmaceutical verification application allows customers to easily identify fake drugs before they even leave the pharmacy (Innovations in Action: Sproxil, 2012). Sproxil has differentiated themselves within the product authentication market by providing an innovative, comprehensive solution to protect high risk/high value products in cash-based emerging markets from pharmaceutical counterfeiters. In addition, Sproxil provides wider benefits whereby brand owners are able to monitor fake product ‘hot spots’ – regions where counterfeit incidents have been regularly encountered by consumers – and use leads provided by consumers to assist law enforcement to catch the counterfeiters (Innovations in Action: Sproxil, 2012). Therefore, the system integrates into the various networks of society. The MPA
application enables consumers to simply scratch Sproxil’s label attached to the packaging and text a unique set of numbers to a toll-free number to verify the authenticity of the medicine (About Us, 2017) (Innovations in Action: Sproxil, 2012). Sproxil’s award winning unique product offering has been recognized by various organizations such as; The Clinton Foundation, IBM SmartCamp and Mobile Infrastructure Technology to name a few (Sproxils Executive Team, 2017).

Market Characteristics and Orientation:

The characteristics of the market pose a prerequisite for Sproxil’s market entry. Although headquartered in the USA, since inception in 2009 in the USA, Sproxil first deployed their products globally from Nigeria in 2010, a critical market for counterfeit drugs (Zafula & Zubiran, 2012). Sequentially they captured the Kenyan market, in addition to Ghana and India in 2011.

Mr. Gogo identified that the counterfeit drug problem stems from China and India and infiltrates into Africa. Therefore, their anti-counterfeit drug solution involves a supply chain from China and India to Africa, thereby following the supply chain Sproxil captures the desired markets (Elliott, 2011). Alden Zecha explains that Sproxil opts to enter emerging markets where the culture and society is mainly cash-based and where the use of cards and electronic payments is low. The reason behind this is that many of these cash-based markets have momentous counterfeiting problems and although the counterfeiting problem is prevalent in emerging markets, it cannot be neglected for developed markets (Zafula & Zubiran, 2012).

When identifying the chosen markets, Sproxil considers the various market opportunities available. Sproxil enters markets with large opportunities to counteract the expense and investment which is of high priority. Furthermore, Sproxil considers the cost of setting up the local offices, the market culture as well as business and regulatory aspects (Elliott, 2011). Sproxil’s operations were initialized in Nigeria due to the large population and the prevalent counterfeit drug problem; in addition, the Nigerian government was committed to solving the problem in partnership with Sproxil (Elliott, 2011). Sproxil’s MPA solution was initially adopted by pharmaceutical companies, but since
expanding into five countries across three continents they protect products across various industries, including pharmaceuticals, beauty, health and electrical cables to say a few (Sproxil Solutions for Emerging Markets, 2012).

The founders realized before inception that Sproxil would be an international venture. This was initiated from the beginning and was built into the business model. Additionally, Sproxil’s trend of sales revenue has generated 100% foreign sales generated from emerging markets outside the USA (Zafula & Zubiran, 2012).

Networks:

Co-founder Alden Zecha emphasises the importance of networks, however majority of Sproxil’s networks were developed during the time that they have been in operation and not prior (Innovations in Africa: Sproxil, 2012). He further stated that networks change over time and are not static. It is emphasised throughout Sproxil’s reports that their ability to expand into international markets was facilitated through their networks that have more knowledge about the international business environments that they could contact regarding both religious and general business culture (Nafula & Zubiran, 2012). It is noteworthy that prior to founding Sproxil the international presence of both founders contributed to a strong pool of contacts in Ghana, Kenya, India and Nigeria (Zafula & Zubiran, 2012). However, simply because they had a wide range of contacts does not simply mean that they could expand into all those markets, but such contacts did facilitate the entering of the markets. Sproxil emphasises that partnership building is an important component of their success where through their client partnerships they aim to expand their reach to more consumers around the world (About Us, 2017).

Timing: Speed of Internationalisation:

Within 3 years since inception Sproxil has successfully entered 5 countries worldwide. Sproxil began research in 2006 but only began setting up their headquarters in the USA 2009. In 2010 Sproxil captured the Nigerian market and later entered Kenya, India and Ghana in 2011 (About Us, 2017) (Zafula & Zubiran, 2012).
4.2 Uber:

4.2.1 Company Profile:

Uber Technologies Inc is an American based technology company currently operating in 633 cities worldwide (Uber, 2017). It is an application for mobile phones offering transport services which creates a public transportation network (Teichert & Liu, 2014). The idea of Uber was born in 2008 when serial entrepreneurs and co-founders, Travis Kalanick and Garrett Camp, identified an opportunity for an on-demand car service application while waiting for a cab on a snowy night in Paris. Later founded in 2009 in San Francisco, USA, the entrepreneurs formed the company called UberCab and officially launched in 2010 (Uber, 2017).

Within two years of operations Uber managed to start its rapid expansion on both the national and international level. Uber’s expansion ability is attributed to their ability to raise large amounts of capital. In 2010 Uber raised $1.25 million in Angel Investments by First Round capital followed by an additional $11 million in Series A raised in 2011 by Benchmark capital (Troyslit, 2016). This funding enabled the growth of their first national expansion in 2011 in New York, USA followed by various other cities. At the end of 2011 a further investment of $37 million by Menlo Ventures, Goldman Sachs and Bezos Expedition enabled the company’s first global expansion, to Paris, France (Troyslit, 2016).

4.2.2 Empirical Findings:

In this section the themes that emerged from the literature is integrated with the findings of Uber to develop the case study.

Superior Human Capital:

The entrepreneurial experience of Uber’s founders, Travis Kalanick and Garrett Camp, has provided the company with an ownership advantage as identified in Dunning’s Eclectic theory (1988). Since inception the founders identified the whole
world as its market (Troyslit, 2016). Travis Kalanick describes himself as an experienced, successful serial entrepreneur with a degree in Computer Engineering. Before founding Uber, he gained international experience in two other entrepreneurial technological projects, one which sold successfully for $19 million (Troyslit, 2016) (Teichert & Liu, 2014). Kalanick graduated with a degree in Computer Engineering On the other hand, before Uber Garrett Camp was involved in technological projects such as StumbleUpon – a search engine which had more than 25 million users. In addition, Ryan Graves, another key person in Uber’s team, acting as Vice president and the Board Director, as well as Thaun Pham, Chief Technology Officer both have vast experience in the technological industry and in their own entrepreneurial ventures (Troyslit, 2016).

Uber’s founders managed the company’s development from starting out in a niche market in San Francisco into its current global presence. At the time of foundation, Uber consisted of 20 employees whom quickly grew to 550 in 2014 (Teichert & Liu, 2014). In order to be successful Uber’s leadership team identifies themselves as being open minded for innovation and are willing to take high risks (Teichert & Liu, 2014). Uber has a learning strategy characterised by high tolerance of internal failure, solution finding and dynamic adaption of market peculiarities (Uber, 2017). The current conflict between the political constraints and differing regulation in each country is a prime example of Uber’s high risk-tolerance. Regardless of such challenges Uber’s founders continue to offer their services, which shows their belief that prohibitions and laws are hostile towards innovation progress.

**Technology:**

Uber has an asset light but technology intensive business model, thus owing to the increasing population of internet transportation network companies (ITNC). Uber is a technology company and does not refer to itself as a taxi or limousine operator (Uber, 2017). The company does not own a fleet of cars employ drivers nor has a maintenance department. Uber simply uses technology to connect individuals in need of a ride with an available driver via a mobile phone application which also includes the automated payment once the ride is complete, therefore delivering a customer service experience while meeting the needs of tech-savvy commuters (Troyslit, 2016). In order to utilise the Uber service, one must possess a Smartphone with
internet access. The proliferation of information technologies created an opportunity for Uber to rapidly internationalise their operations. The success of Uber's technology is attributed to the easy replication in each country of operation. The Vice President at Uber, Ryan Graves states that technology provides the basis for the business that allows the company to deliver significant value for their drivers.

**Innovation and Product Differentiation:**

Uber's innovative business model offers the company a major competitive advantage by being the first product/service offering in the US or foreign market taxi industry to connect drivers with potential clients through an online platform. Their business model provides a two-sided platform that connects the two parties together. Uber follows the principle of a sharing economy, implying that private cars are shared (Teichert & Liu, 2014). Their main aim is to reduce the number of unused cars on the roads through the use of their application. The communication and payment between them is facilitated through the mobile application offered by Uber (Troyslit, 2016). Their value is delivered from the requests screening that their technology enables the drivers, as well as the efficient pricing and payment system, that enables riders to choose their desired level of service (UberX/ UberBlack) and allows not to worry about payment as the fare is billed automatically from the rider's credit card linked to the client's app (Troyslit, 2016). For each ride where Uber matches riders with drivers they take a 20% commission, while the remaining 80% is kept by the driver (Uber, 2017). Therefore, Uber has differentiated them in the taxi industry as they merely provide contract drivers the technology to offer transportation services and make money. Therefore, Uber operates as a referral or dispatch system for drivers with their own cars (Uber, 2017).

Uber's service works for riders in the following way: Through the mobile application the individual sees the nearby available vehicles and the estimated time of arrival (ETA). Once the client orders the ride the request is sent to the nearby driver. Then the app enables the individual to see the real-time movement of his/her driver on the map. This is where Uber offers its innovative value to riders – the convenience of ordering a ride within a couple of ‘taps’. Once the rider has arrived at their destination, the client simply leaves the car without paying cash as the payment is automatically settled with the card connected to the Uber account (Troyslit, 2016). Uber bases the
price of each ride on the time and distance which is automatically determined by a pricing algorithm. This effective and efficient payment process is Uber’s second value adding activity. Lastly, the two-sided rating and review system increases the safety and quality of the service, where both riders and drivers with low ratings are disconnected from the Uber service (Uber, 2017).

Uber constantly innovates their business model, modifying it to meet the needs of a local market. Moreover, Uber expands their service into other businesses, such as UberEats (food delivery) or UberRush (courier transportation services) (Uber, 2017).

Contributing to Uber’s ownership advantage is the strong well-known brand. The company considerably invests into brand building that is reflected in their launch strategy where marketing and PR are at the core (Troyslit, 2016). Uber utilises technological advancements to create the “buzz” through social media networks, this is their primary marketing channel. Upon entering China, India and Russia Uber pursued a combination of cost leadership and differentiation focus strategies with a bigger focus on cost leadership. Through the variety of the premium class UberBlack and affordable UberX the company is able to target different customer segments, from wealthy business travellers to regular local commuters (Troyslit, 2016).

*Market Characteristics and Orientation:*

Uber bases its market expansion on the simple principle that as long as the taxi industry is an important part of a city’s transportation network, there will always be a demand for Uber’s services (Troyslit, 2016). Attributed to Uber’s market size and international expansion is the development of niche markets. Due to the small nature of such markets Uber was spurred to rapidly internationalise in order to increase its revenue and customer base by exploiting opportunities outside its domestic market (Teichert & Liu, 2014). Back in 2010 when Uber operated in the taxi and limousine market in the USA prior to their internationalisation to Paris, the saturated market was a contributing factor to venture global.

When government regulators began putting pressure and questioning the long-term impact of Uber on incumbent companies, Uber emphasised that it was a technology
company and not a taxi company (Troyslit, 2016). Through extensive emphasis on the fact that Uber only provides the application-based service for the drivers and prospective riders, bans in several American cities posed a negative reputation which began limiting the growth of the business. This is when Uber identified the opportunity to internationalise and expand its markets in countries where governments were unfamiliar with Uber's business model and its potential threats, thus emphasising their strategic decision (Troyslit, 2016). Therefore, Uber sought to exploit the unfamiliarity and gaps in foreign taxi regulations.

The niche market orientation and limitations of the market to grow Uber's business in the US represent a contributing factor for the company's decision to internationalise. When internationalising to foreign countries Uber initiates its operations in major cities, then expands its brand to smaller ones. For each city Uber enters the same launch strategy is followed. When entering a new country or even city Uber looks closely at the consumers within the market in order to offer them the most suitable service (Teichert & Liu, 2014) (Troyslit, 2016). By effectively adjusting the technology and business model of the company, Uber is able to customise the final product suitable for the demands of people in the new location. Regardless, Uber sees the world as its market, customising its products and for doing so, it establishes local subsidiaries in the chosen location to conduct market research develop consumer profiles and get acquainted with the regulation environment (Troyslit, 2016).

For many of Uber's chosen markets, the sheer market size and rapid economic growth are the two most sought after contributing factors for market selection. For example, Uber expanded into China due to the high interest in innovative products, increasing market size and an untapped opportunity for Uber (Teichert & Liu, 2014). Furthermore, the Chinese market offers both innovative and growing technological potential posing as a locational advantage for the company to exploit in the future.

*Networks:*

The international entrepreneurial experience of Uber's founders initiated the development of critical network activity. When entering China in 2014 the company strengthened their presence through strategic partnerships with local companies. Uber partnered with Baidu, a Beijing-based technology company which provides
services similar to Google, and also became a major Chinese investor by committing $600 million (Troyslit, 2016). The investment was utilised to develop Uber’s Chinese presence while creating connections with politically connected and economically powerful Baidu into Uber’s close network circle. This relationship aided the company in the face of regulatory pressures in addition to the localisation of services – with the use of Baidu’s maps (Troyslit, 2016).

Many of Uber’s strategic partnerships offer the company a myriad of advantages. When entering Russia, a partnership with a Russian businessman, Mikhail Friedman made a $200 million investment in 2016 (Troyslit, 2016). Uber tends to opt for partners who contribute capital intensive investments which enable further expansion and business development.

*Timing: Speed of Internationalisation:*

Uber holds the characteristics of a Born Global firm when it comes to rapid internationalisation. With the foundation built for UberCab in 2009, the company first launched in San Francisco in 2010 and began its first national expansion in 2011 in New York (Uber, 2017). Later that year Uber began its first international expansion in Paris, France. Next the company expanded to Toronto, Canada and to London, UK in 2012. Later in the same year Uber entered its first city, in the Asia Pacific Region, geographically distant but culturally close, Sydney, Australia. In 2013 Uber further internationalised to Johannesburg, South Africa and Bangalore, India. After additional funding in 2014 from various strategic partnerships Uber launched in Beijing, China as well as a rather modest entry into the Russian market. Continuing in 2014 Uber opened in a new city almost each day (Troyslit, 2016). By capitalising on growing ICT advances and consumer markets Uber was able to internationalise at a rapid pace.
4.3 Typology Table:

From the above findings numerous similarities between the firm’s determinants were observed, which are summarised in the typology table below:

<table>
<thead>
<tr>
<th>DETERMINANTS</th>
<th>SPROXIL</th>
<th>UBER</th>
</tr>
</thead>
<tbody>
<tr>
<td>Superior Human Capital</td>
<td>Founders – educated with extensive international and technical experience.</td>
<td>Founders – Highly educated and International entrepreneurial experience.</td>
</tr>
<tr>
<td>Technology</td>
<td>Service offered - primarily based on telecommunication technologies- technology key</td>
<td>Unique technology- transferability of technology across borders – Mobile application technology.</td>
</tr>
<tr>
<td>Innovation and Product Differentiation</td>
<td>The product remains the same but is considered unique within the market. Dependent on post-sales support.</td>
<td>Innovative, asset light business model enabled for investment into growth. Ability to innovate the business model to tap into new geographic markets and client segments.</td>
</tr>
<tr>
<td>Market Characteristics and Orientation</td>
<td>Targets developing/ emerging countries with increasing counterfeit drug problems.</td>
<td>Market size (saturation) and international expansion enabled the development of a niche market segment. Same launch strategy in each city. Analyse customer needs – most suitable service.</td>
</tr>
<tr>
<td><strong>Networks</strong></td>
<td>Highly dependent on relationships - they assist the establishment in each country of operation.</td>
<td>Founder’s experience – initiated the development of critical network activity (strategic partnerships).</td>
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SECTION FIVE

5. INTERPRETATION OF FINDINGS:

In this section, the empirical findings outlined above are linked to the theoretical framework set out in the literature review. The analysis will indicate how the multiple cases of Sproxil and Uber have coordinated their activities to internationalise and how this data is interpreted according to relevant theory.

5.1 Superior Human Capital:

Kaur & Sandhu (2013) argue that the entrepreneurial orientation of Born Global firms influences the level of the firm’s innovativeness, risk taking by founders and international experience. In the case of both Sproxil’s and Uber’s management it was found that the founders also make the strategic decisions for the organisation based on their international exposure, educational level and strategic partnerships. Both Sproxil and Uber have a dedicated leadership team, comprising of founders who have led the companies by developing high-risk ventures by being proactive and fostering innovativeness. Sproxil’s co-founder stated that innovativeness is encouraged throughout the firm. It is believed that their counterfeiter competitors are continuously innovating, and it is important for them to do the same in order to continue their market leadership. The literature reveals that better educated managers with previous industry and international experience are more open-minded and have greater managerial knowledge and capabilities. Such managers consider internationalisation as a strategic move. This is evident in the case of Sproxil where the founders state that the business model was designed to be truly international from the beginning (Nafula & Zubiran, 2012).

As Kaur & Sandhu (2013) argue, the founder’s international experience decreases the psychic distance in new international markets, therefore increase the chance of success as born Global firms. Both companies have founders with high quality educational backgrounds which facilitated the internationalisation of their companies. Sproxil's founders have PhD degrees in communication technology engineering.
while Uber’s founders have degrees in computer engineering. Furthermore, in the case of both Sproxil and Uber it was evident that the co-founders had tremendous international experience from their previous entrepreneurial experiences. In addition, they also had extensive knowledge of the markets they operated in. For example, Sproxil’s founder Ashifi Gogo was born and raised in Ghana therefore having a good background of the way the market operated before entry.

It is evident in both companies that the founders made decisions that involved high levels of risk. This can be seen during the start-up of both Sproxil and Uber, who both entered a unique, disruptive type of business for their home markets. Additionally, concerning the marketing of their products, capital acquisitions, choice of market entry and product offerings were all made strategically. This all agrees with Tabares et al. (2015)’s proposal that the entrepreneur’s intellectual capital is crucial for Born Global development. Therefore, we can see that this is not an exception with Sproxil and Uber.

Maintaining a multicultural workforce puts pressure on the managers to coordinate resources and capabilities while meeting their customers’ needs in a timely manner (Tabares et al, 2015). This theory is supported with the empirical findings were both Sproxil and Uber addressed the challenge differently. Sproxil addressed this issue by opening representative offices in their various markets to attend to customer needs proactively. On the other hand, Uber overcame this challenge by investing time in building strategic partnerships with the investors in the chosen markets. This helped Uber increase the reliabilities of delivering a valuable service in a timely manner.

5.2 Technology:

Throughout the findings it is illustrated that technological advancements both within the organisation and the markets is crucial for the success of Born Global firms. Specifically, telecommunication leapfrogging in Sproxil’s markets such as, Nigeria, Kenya and Ghana contributed to the success factors for companies that utilised mobile phone services that interface with the MPA service of Sproxil. If it was not for this technological leapfrog, Sproxil’s implementation solution against counterfeits
would have been detrimental. Evers (2011) notes that market orientation changes do not emerge on their own, but rather due to technological changes. These technological advancements enable Born Global firms to bridge the gaps within the markets they operate in.

Bell & Loane (2011) argue that the internet and allied ICT advances enable direct and immediate foreign market entry, thus facilitating rapid internationalisation. This is evident in the case of both Sproxil and Uber who are both technological companies operating via a mobile phone application. This type of technological intensive and asset light business model enable these firms to penetrate the markets easier in both cases.

5.3 Innovation and Product Differentiation:

A critical factor for Born Global success refers to a firm’s unique product/service offering. The increase in globalisation has increased competition to international markets. It is for this reason that Born Global firms should give high importance and be constantly focused on innovating or improving their offerings (Cavusgil & Knight, 2009). It is evident within the empirical findings that both companies; Sproxil and Uber give high priority to the product/service they offer to international markets. Sproxil considers their offering to be more of a service than a product and considers it to be unique due to the lack of direct competitors operating in the international market. Moreover, the company has a strong positioning in the technological market as it has been recognised and acknowledged by various top end organisations. Uber’s core business is focused on its service offering to connect potential Uber riders with Uber registered drivers via a mobile application. It is considered that Uber’s technology has disrupted the taxi industry worldwide and has even been restricted from certain markets due to such effect. On the other hand, such disruptive technologies have created the competitive advantage to create a new market. Although competition is rife due to replica applications being made, Uber maintains its market position through continuous innovation, for example by continuously developing the app to improve rider and driver safety.
Several researchers addressed one main success factor for rapid internationalisation which is the differentiation strategy. Kaur & Sandhu (2013) mention that ownership over unique resources enables Born Global firms to further their differentiation strategy and gain a competitive advantage through their expertise, unique product/service. This is emphasised in both companies to a certain extent. On the one hand, Sproxil is often concerned about the service they offer to stay ahead of their competitors. They are continuously innovating and improving their design processes and technology to maintain their market share. By being aware of the traditional product lifecycle of the service, they attempt to continuously try to shift their markets through regular innovations, like moving their MPA services into various industries other than pharmaceuticals. Furthermore, the co-founder states that the business culture revolves around innovation, where each individual is seen as an innovator. This embodies how Sproxil is focused on their differentiation strategy.

On the other hand, Uber has been supported by their investors, financially and with other intangible resources such as knowledge, to keep developing their service through various improvements. The financial investments in each country of origin have been the core driver for Uber’s innovative improvements, expansion strategies and customisation of service. However, Uber distinguishes their differentiation strategy when entering the Indian and Russian market to a more cost leadership focus strategy. This is attributed to cities in these regions being characterised by lower incomes in comparison to London and Paris. It is noteworthy to emphasise the distinction between the two strategies as these markets are more price competitive, so Uber had to adjust their strategy away the traditional Born Global perspective.

Cavusgil & Knight (2009) mention that targeting unique products/services to niche markets are one of the most frequent strategies adopted by Born Global firms. This is attributed to the inability of large firms to satisfy the needs of small markets. This applies to the case of both companies. Sproxil targets a niche market, but since it is a business to business, their niche market is companies within the pharmaceutical industry in African countries where counterfeiting is seen as a major problem. Sproxil provides a service which offers a complete solution to their customer’s problem. Uber’s niche market has developed over the years from transportation to a logistics provider due to the widening of their service offering. Therefore, their niche market is tech-savvy individuals who make use of taxi services but now through the use of mobile phone technology.
Niche markets have become an important source of opportunities for Born Global firms as they increasingly demand more specialised and customised products (Cavusgil & Knight, 2009). This aspect is more prominent in the case of Uber who often spends time in the prospective markets before entry to identify the particular needs of the customers and then develop and customise the application to meet such needs. Uber’s marketing strategies through social media enables them to get closer to their customers, thus increasing loyalty and repurchasing behaviours.

5.4 Market Characteristics and Orientation:

According to Dunning (1988) market characteristics are a prerequisite for successful rapid internationalisation. A contributing factor relates to market size. According to Cavusgil & Knight (2009) the increasing number of Born Global firms is attributed to the development of niche markets. In the case of Uber who operated in the US taxi and limousine market in 2010 prior to their Paris internationalisation, the aspect of limited market potential was a significant motivator to increase their market size internationally. Therefore, the limited growth to Uber’s niche market in the US represents a core contributor to internationalise. Furthermore, the slowing growth trend in new customer acquisition is another reason Uber focused on foreign market entry, where the opportunity for fast growth were not yet exploited.

On the other hand, Sproxil market appeared limited to countries where the proliferation of counterfeit pharmaceuticals was evident. It is for this reason that Sproxil immersed themselves in every market outside the US where such a supply chain was present. Sproxil’s markets are mostly emphasised for cash-based societies and telecommunication technology advancements. They carefully chose their markets putting emphasis on those with more developed structures to facilitate their success. This supports Arnold & Quelch (1998)’s argument that technological breakthroughs contribute to influencing emerging market characteristics.

It is noted that the case study companies were serving niche markets right from the start. This is seen where Sproxil’s solution to protect the pharmaceutical industry and naive customers from counterfeitters is how they address the needs of such a niche market. As noted by Sproxil’s co-founder, they industry in which they operate is
relatively new with limited direct competitors, however Sproxil encourages competition as more competitors will increase awareness of counterfeit drugs among consumers and may opt for their solution.

5.5 Networks:

According to Coviello & Munro (1995) the company’s relationship with customers, suppliers, producers and competitors are highly important for new firms. This is evident in both case studies, as they mention that networks and building good relationships with customers, distributors and suppliers play a critical role for the organisation, especially when internationalising. Sproxil places huge emphasis on how important networks are for their business. Uber attributes networks and key relationships as some of the firm’s key success factors in their internationalisation process. They continuously improve their customers interface by interacting on various social media sights to maintain customer relations.

Cavusgul & Knight (2009) state that the presence of global networks creates great impetus for early internationalisation. In the case of Sproxil their ability to expand into international markets was facilitated by having appropriate relationships in the countries of entry that had more knowledge about the business environment and business culture. Like Sproxil, Uber built strategic partnerships which aided their market entry and financial aid for expansion opportunities. Both cases emphasised the importance of having relationships in the markets of entry due to the information about the market, general and business culture that is obtained through such network relationships.
5.6 Timing: Speed of Internationalisation:

It is expressed throughout the literature that the rapid pace at which firms internationalise is a fundamental component of Born Global success. Kaur & Sandhu (2013) contributed to the Born Global definition by stating that firms need to internationalise from their inception or 2-3 years later, thus opposing the traditional UPPSALA Model of internationalisation. Both case studies represent the characteristics of a Born Global firm, firstly Sproxil began research in 2006 but only institutionalised in 2009 in the USA and later began their international expansion in 2011 to Nigeria, Kenya, Ghana and India. Therefore, it took Sproxil 2 years to internationalise. In comparison Uber began foundational work in 2009 and headquartered in the USA in 2010 until their first national expansion began one year later and international expansions began 2 years since inception. Continuing in 2014 Uber opened in a new city almost each day, currently operating in 633 cities worldwide, thus indicative of rapid internationalisation.
SECTION SIX:

6. CONCLUSION

This section concludes the study and presents a summary of the findings, followed by the contribution of the study, trustworthiness, ethical considerations, limitations and lastly, suggestions for further research.

6.1 Summary of Findings:

At the beginning of the study, the research question was set as;

“What are the determinants promoting rapid internationalisation of Born Global firms in the technological industry and what are the lessons that can be learnt for South African Born Global firms?”

When referring back to the purpose of the study and the research question it can be said that through the case studies, the aim of the study has been achieved, as the main determinants of Born Global firms in the technological industry were successfully identified across the two case studies. The research questions were successfully answered by the analysis of cases of both Sproxil and Uber as the sample of the study. The major determinants identified from the literature were those that were prominent throughout both technologically operating companies, thus resulting as the themes that the cases were built upon.

Six key determinants have been identified, namely; superior human capital, technology, innovation and product differentiation, market characteristics and orientation, networks and timing; speed of internationalisation. These determinants have all been identified as crucial to success due their strong influence on the organisational performance of Born Global firms and the promotion of rapid internationalisation. The six determinants collectively deliver the goal of the research and all have in fact been found to be applicable for use as guidelines and lessons that can be adopted by new South African Born Global firms.

In conclusion it can therefore be said that Born Global firms from developed economies are responding to global opportunities by obtaining appropriate
orientations and implementing suitable strategies to their business operations. Notwithstanding the underdeveloped infrastructure in the countries of expansion and constraints in resources, these firms continue to internationalise as they capitalise on their strengths operating within the technological industry. It is therefore critical that Born Global firms operating from developing economies, like South Africa, take the aforementioned determinants into consideration if they aim to succeed in the rapid internationalisation landscape.

6.2 Anticipated Contribution:

Owing to the limited nature of the current literature on Born Global firms within the technology industry and developing economies, this study contributes to the existing body of knowledge by providing new insight into the Born Global phenomenon; this will in turn provide lessons learnt for the South African context. Previous studies conducted by Nafula & Zubiran (2012) indicated that an aspect such as the choice of industry was in need of further development in order to bridge the gap in the Born Global context.

This study contributes to the body of knowledge by relating the aforementioned determinants to the technological industry. However, it is important to mention that the determinants put forward in this review, are not exclusive to the success of Born Global firms within the technological industry. There will be significant carry-over of these determinants to other industries. However, there remains a need for further research to be conducted across other industries in both developed and developing economies.

6.3 Trustworthiness of the Study:

It has been important to demonstrate that this research is accurate, confident and able to produce trustable outcomes. The obtained results were evaluated to demonstrate the ‘trustworthiness’ through the: credibility, transferability, dependability and the confirmability of the study (Nieuwenhuis, 2016). Assessing the trustworthiness is the test of the data-analysis, findings and conclusions of the study (Nieuwenhuis, 2016). It is important to keep in mind that the aim of qualitative
research is to promote an understanding of the phenomenon and to not generalise the results to the broader population (Koonin, 2015).

Credibility refers to the accuracy with which the researcher interpreted the data gathered (Koonin, 2015). To ensure credibility the adoption of well-established research methods including: case study and qualitative content analysis were applied. In addition, the theoretical foundation of the study was aligned with the research question and methods. Lastly, the credibility was further enhanced through a detailed description of the Born Global phenomenon under scrutiny (Nieuwenhuis, 2016).

Transferability is the ability to apply the findings to a similar situation and deliver similar results (Koonin, 2015). This allows for the generalisation within a research approach that does not lead to generalised findings. Given the qualitative nature of this study, generalisation was rejected (Nieuwenhuis, 2016). However, although the findings of this study cannot be generalised to the entire population, the results will be able to be generalised to the technological industry among Born Global firms.

Dependability is seen in the quality of the process of integration that took place between the data collection method, data analysis and the theory generated from the data (Koonin, 2015). This study enhanced its dependability by carrying through the appropriate data analysis techniques from this method. For example, this study used content analysis as a data-collection method, then inline developed qualitative content analysis thematic coding techniques to analyse the data.

Confirmability refers to how well the collected data supports the findings and interpretation of the researcher (Koonin, 2015). To ensure confirmability of results the research process was fully and carefully described, in order to assist others in scrutinising the research design. To further ensure the confirmability researcher bias is mitigated. This will ensure that when others look at the data they will come to similar conclusions as the researcher.
6.4 Ethical Considerations:

Ethics refers to the moral or professional code of conduct setting a standard for the researcher’s attitude and behaviour (Louw, 2014). The following ethical issues were consistently applied throughout the research:

All sources were properly acknowledged throughout the research study and all data gathered was accurately referenced following the Harvard referencing convention. The two Born Global firms that were investigated did not make use of any private or sensitive information; therefore, anonymity was not reserved for the purpose of this research. The findings and results were not generalised to the entire population, although certain aspects were applied and adapted to the technological industry within the South African Born Global context. The researcher is familiar and abided by the ethics policy of the IIE research institution. There was no distorting or falsifying of results to suit the research purpose. Bias was avoided and did not influence the interpretation of results. The data collected for research purposes will not be used for any other purpose, than that of this study. The research was conducted using a solid and valid methodology. The results of the research will not be published, as these are only for academic purposes and is property of the IIE.

This research involved no significant ethical concerns nor posed a risk to any party involved, therefore enabling an effective research process to be followed.

6.5 Limitations of the Study:

Limitations refer to the factors that cannot be controlled by the researcher and may affect the results of the study or how the results will be interpreted. The most pertinent limitations affecting this study are discussed.

This research involved case studies on two different companies within the technological industry. One possible limitation is that the results should not be generalised to the entire Born Global population due to this small sample size. The small number of cases emphasises the lack of generalisability of results (Mouton, 2005). The companies selected for the purpose of this study did not consider the following aspects: Company
size, financial position or international presence, therefore they were not controllable and should be taken into account in future research. Furthermore, data collection and analysis can be very time-consuming which poses a challenge in the fast-changing technological environment, causing information to be outdated (Mouton, 2005). The time constraints imposed to be able to complete the research within the prescribed period limited the amount of information that was collected. Due to limited access to the selected sample there was a certain lack of rigour in analysis as primary data collection methods were limited. The nature of content analysis as a data-analysis method lacks authenticity of the data sources which may lead to limited findings (Mouton, 2005). Lastly, the qualitative nature of the study may encourage researcher bias, it is therefore suggested that future studies conduct a mixed methods analysis to add reliability and avoid bias.

6.6 Suggestions for Further Research:

Given the limited literature covering the Born Global phenomenon within the technological industry, this study identified several areas where further research would be suitable. Firstly, the relationship between the Born Global firms and the influence they have on their markets needs to be further investigated, as they are a relatively new and disruptive phenomenon within their industries. This study would not have provided significant proof to the claimed findings and therefore, a more diverse study ought to be considered where market reactions are studied over a period of time. Secondly, the role of technological advancements on and within Born Global firm’s calls for further in-depth research since it is likely that technological changes will, over time, deliver differing results.

Although this study identified these two main areas for further research, it is still thought that there will be many further aspects also warranting further research and investigation within the Born Global phenomenon. As noted previously, further aspects such as, company size, financial position and international presence are likely to be additional themes for investigation as well as across different industries.
REFERENCE LIST


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DECLARATION I hereby declare that the Research Report submitted for the BCom Honours in Management (HBCM) degree to The Independent Institute of Education is my own work and has not previously been submitted to another University or Higher Education Institution for degree purposes.

You will be required to sign a copy of the following declaration and include it in your POE:
22 June 2017

Student name: Lauren Jakins
Student number: 13020369
Campus: Varsity College: Cape Town

Re: Approval of BComm Honours Proposal and Ethics Clearance

Your research proposal and the ethical implications of your proposed research topic were reviewed by your supervisor and the campus research panel, a subcommittee of The Independent Institute of Education’s Research and Postgraduate Studies Committee.

Your research proposal posed no significant ethical concerns and we hereby provide you with ethical clearance to proceed with your data collection.

There may be some aspects that you still need to address in your proposal. If this is the case, feedback will be provided to you in writing. You will need to address these aspects in consultation with your supervisor.

In the event of you deciding to change your research topic or methodology in any way, kindly consult your supervisor to ensure that all ethical considerations are adhered to and pose no risk to any participant or party involved. A revised ethical clearance letter will be issued in such instances.

We wish you all the best with your research!

Yours sincerely,

Karel Marais
Program Manager: Management

Betsy Stattz
Campus Postgraduate Coordinator

Directors: RJ Douglas (UK), JDR Oesch (non-executive), A Isakidis (non-executive) Company Secretary: C Koopman
