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International Startups from Poland: Born Global or Born Regional?[1]

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Abstract

Purpose: The article discusses the pace of internationalization by empirically verifying the speed of internationalization of Polish international firms and identifying which pattern is more frequently used by international startups from Poland: born global or born regional.

Methodology: The article employs a quantitative approach. It builds on a sample of 355 international businesses from Poland (CATI survey).

Findings: By using *t* test, *U* test, and ANOVA, the analysis showed a correlation between the company's international strategy as a planning instrument and the speed and scope of internationalization.

Research limitations/implications: Based on prior studies from other parts of the globe, we assume that among Polish companies the number of born regionals – i.e. businesses that are international from their inception – is growing, while their activity is mainly restricted to the European Union. Among Polish international firms, there are many born global. In the studied sample (selected randomly), the share of born globals was 61.5%, and global startups 43%, which is a very high rate. The results enable to adopt a hypothesis that the number of Polish-born regionals is relatively high in comparison with the traditional path and born globals.

Originality/value: The article describes one of the first studies to (i) capture the phenomenon of born regionals in Poland and (ii) enrich empirical studies on emerging markets such as Poland.

Keywords: startup, born regional, born global, born international, international entrepreneurship, Poland

JEL: F23, L26, M13

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Introduction

There is an ongoing debate on the role of time in the internationalization process of firms (Ratajczak-Mrozek, 2015). There are usually two competing perspectives. The first, classical or traditional, states that the internationalization process is incremental, in which the firm goes through various stages by treating internationalization as a slow process of excellence (international by stages); this approach stems from the concept of exporting by learning (Wąsowska, Obłój and Ciszewska-Mlinarič, 2016). The second perspective views internationalization as a rapid process and believes that some factors determine more complex internationalization from the inception (international at founding), which is known as international entrepreneurship (Głodowska, Maciejewski and Wach, 2019; Kowalik et al., 2017; Wach, Głodowska and Maciejewski, 2018).

International new ventures strive to find a niche in the global market by applying an effective internationalization strategy (Hallbäck and Larimo, 2007, p. 42). As a rule, they simultaneously operate on many markets already in the initial stage. In their development, we see four types of ventures distinguished by Oviatt and McDougall (1994), or they are born globals right at the inception. They are young entrepreneurial firms who make use of their entrepreneurial orientation in the global context (Wach, 2018).

This article discusses the pace of internationalization by empirically verifying the speed of internationalization of Polish international firms and identifying which pattern is more frequently used by international startups from Poland: born global or born regional. The article includes literature analysis and a discussion on the empirical results of a survey questionnaire conducted on a sample of 355 firms from Poland. The overarching goal of this paper is to verify the following research hypothesis:

H: The number of *born regionals* is growing among Polish companies, while their activity is mainly restricted to the European Union.

The first section of the paper includes the literature review on the internationalization time, we focus on the instant internationalization expressed in the early and rapid internationalization. The second section reveals the empirical results of the prior studies of various researchers. The third section discusses the methodological assumptions of the empirical studies, among them research design and sampling. The fourth sections elaborates the empirical results of the survey and statistical calculations.

Theoretical Framework

The Essence of Startups in Modern Economy

New ventures or, recently, startups are the pure essence of entrepreneurship theory and practice. The most popular definition of startups is the one by Blank and Dorf (2012), who view startups as temporary organizations that search for a scalable, repeatable, and profitable business models. In the initial stage, startups only have ideas but not customers or knowledge about them. Thus, startups cannot define their actual customer needs or the qualities of products that will satisfy them. Therefore, the process of building a new product should happen with customer's participation in multiple iterations, corrections of mistakes in product development, and not on the basis of a pre-assumed plan. The scaling of a business model requires the potential to increase activities by transferring and disseminating a venture in a country, on a continent, or the whole world. Such event frequently occurs thanks to modern information technologies, which require no physical presence on every continent. The above model of creation and launch of an innovative product on a market agrees with the consumer development process (customer-focused development of products) created and popularized by Blank (2003).

Another frequently quoted definition of a startup was formulated by Ries (2011), who argues that a startup is a human institution built with the thought of creating new products in the conditions of utmost uncertainty. Ries consciously omits the matter of the size of the firm, the industry, and its sector of the economy. We often associate startups with the Internet industry mainly due to the fact that a lot of them develop online, thanks to the common access to the Internet and the resulting possibility to reach numerous recipients, also by means of social media, which enables the startup to reduce promotional costs. However, Ries proposes that a startup can be a firm from any sector of the economy. Moreover, the size of the firm is to be irrelevant, which means that a startup can be both a small business or a large corporation. The human factor is very important in the functioning of a startup since people identify products not with firms but with people who created them (Ries, 2010).

A startup is a combination of an existing or created need and the way to satisfy it. Due to the diversity of concepts for addressing customer needs and considering the level of product innovativeness with its sales business model, we distinguish the following types of startups (Moore et al., 2008, pp. 67–68):

- providing customers with products from other sources unavailable in a given area, based on knowledge of business models from other markets;

- providing customers with improved versions of known products, for which there already is a renowned market and business model;
- using a technology which allows for the creation of a new product. This type of startup has a high risk due to the lack of proven business models available for imitation. However, it has the highest growth potential due to its most innovative character.

International New Ventures as a Form of International Startups

The traditional approach of the stage theory of internationalization suggests that firms internationalize only after the period of domestic maturing. Thus, in the first stage, they operate only on the internal market and – with experience – they gradually enter foreign markets. The most famous stage model is considered to be the Uppsala model by Johanson and Vahlne (1977), which assumes the step internationalization process that begins from a lack of regular export activity through export with the use of intermediaries and trading branches to manufacturing branches characterized with the highest level of engagement on foreign markets. In the stage approach, internationalization is perceived as the effect of learning with which increases the engagement of resources on foreign markets (Wach, 2012b). Of course, due to the process of liberalization of the flow of services, people, and capital, we cannot limit the engagement only to commodity turnover.

The issues discussed in the stage theory of internationalization apply well to startups at the idea and initial stage of launching business activity. This approach of facing international competition requires a proven, developed, and accepted product or service, adequate financial resources, experience in international trade, and knowledge on cultural and legal differences. Therefore, we may assume that the acquisition of all those resources needs time and practice that, by definition, a startup does not have. Thus, traditional internationalization theories focused on the entry of large firms on a foreign market but did not refer to new ventures at the early stages of their lifecycle. Firms that omit individual stages of internationalization undertake activities on international markets from their inception. Most often, such firms are called international new ventures, born globals, or global startups.

Oviatt and McDougall (1994) foreground the concept of the participation of new ventures in the internationalization process, or the *international new ventures* (INVs). They emphasize that a lot of aspects of business activity are international. The intensification of international trade and development of transnational corporations cause an increase in the number of managers with experience in internationalization, while

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their mobility itself diffuses knowledge. The development of transportation and communication shorten the distance between countries, also in the cultural sense. In order to achieve their international goals, firms increasingly rely on communication technologies, such as e-mail, the Internet, electronic data exchange, and other computer-aided systems. The technologies enable low-cost global communication to win over the market and other data worldwide (Knight and Cavusgil, 2005). What follows is the reduction of costs of conducting international business, which decreases the competitive advantage of large and experienced multinational firms over small firms who only begin their activities but have unique knowledge and fast reaction capabilities. Therefore, internationalization ceased to be the domain of large firms, whereas even startups may decide to internationalize. Moreover, due to the process of markets internationalization, confrontation with foreign competition becomes unavoidable, even if a firm plans to develop only on the local market. Therefore, more and more businesses adopt the international point of view already at their inception (Drucker, 1991), because they believe that the use of the economies of scale will greatly support them in competing on the world market (Maciejewski, 2018a; 2018b).

An *international startup* means a new venture or business organization, which strives to achieve a considerable competitive advantage by using resources and selling products in many countries from the inception (Oviatt and McDougall, 1994). Oviatt and McDougall emphasize the significance of the age of firms that become international but ignore the question of their size. Contrary to organizations that gradually transform from domestic businesses into multinational firms, international startups commence their activities from an active international strategy. With regard to defining a startup as a firm which is at the stage of implementing an idea and does not sell since its products or services are still in the stage of development, an international startup is a firm that accepts its obligation to sell products to many countries after finishing developmental works.

When defining *international new ventures*, Oviatt and McDougall (1994) do not only refrain from considering the size of a firm but also the period of time when it should undertake activity on foreign markets to be called early-stage. Moreover, there are other important elements, such as the moment of the establishment of a venture, the process of the creation of a new product, and the moment of undertaking deliveries to foreign markets.

Such INVs mainly implement competitive advantages based on resources of unique knowledge and resources. The freedom and time of their flow favor the growth of the venture's scale, also on international markets. However, to maintain the advantage requires the internationalization of some transactions along with the control and protection of knowledge, especially in the situation of undertaking cooperation with foreign partners. The literature concentrates on the network concepts of internationalization, which propose internationalization in the process of interorganizational and interpersonal relations, which requires cooperation and mutual learning. Sharing knowledge and experience enables firms to overcome barriers connected with the apprehension toward foreign markets (Wach, 2017). However, this process makes startups risk losing their competitive advantages that base on an innovative idea and knowledge, which have market value. If these have insufficient protection, startups must take into account the imitation, development of substitutes, production of an alternative, or even improved versions by competitors, which is the cost of the internationalization of a venture. The higher the costs in relation to possible benefits, the higher the pressure to choose the direct internationalization mode with the omission of cooperation with foreign partners. Therefore, Acs and Terjesen (2013) claim that these are the costs of the internationalization of new ventures, mainly related to the protection of intellectual property rights, which are the basic factor that determine the choice between local and global development strategy. Moreover, they determine the internationalization model that uses or omits the intermediation of large international firms.

International startups can differ in the number of countries included in their economic activity and the scope of activities in the value chain coordinated on markets. Based on these variables, Oviatt and McDougall (1994) distinguish four types of international startups. The first two are traditional and limited to export and import:

- *export and import startup* concentrates on addressing the demand based on the activity on a few foreign markets along with engaging in activities that do not exceed trade exchange and coordination of logistical processes;
- *multinational trader* conducts export and import activity on many markets but limits the coordination of activities to logistics;
- *geographically focused startup* limits its activity to a specific region but engages in the coordination of activities that exceed logistics to include technological development, human resources, and production;
- *global startup* achieves its competitive advantage by the coordination of numerous organizational activities in a geographically unlimited area.

The origin of competitive advantage of international new ventures lies in the awareness of their founders, which allows them to quickly notice opportunities in international markets and develop new ways of their utilization. Moreover, the internationalization of a venture arises from the multinational composition of the group of founders who have experience and a network of contacts in many countries. Oviatt and McDougall

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(1994) emphasize that global startups are the most difficult internationalization form, as they require proper coordination both in the geographical and organizational aspect. Yet, it is these aspects that, with a proper strategy of development, realize the decisive competitive advantages for a firm's success. They appropriately quickly react to changes on the global market and use its resources in deliveries to markets that enable them to achieve the highest rate of return.

Oviatt and McDougall (1995) formulate the list of questions for startup founders to answer when they consider if their firm should be a global venture or a domestic venture:

- Are optimum human resources dispersed in different countries? Whereby these are unique skills that arise from proper education and communication infrastructure that are of key significance. It is not about unqualified workforce who are responsible for a small part of costs in technology-intensive industries in which startups develop;
- Is foreign financing easier or more suitable? For startups, the problem of finding the sources of financing the venture is fundamental, particularly in the conditions of uncertainty, inscribed in the definition of such a venture. Due to the financial limitations of the local market, a higher potential for the support for activity can be found internationally;
- Does winning the target customer require conducting activity on foreign markets? The more global the needs, the higher the inclination of the company to internationalize should be already at the inception. Globalization processes that occur in the world economy favor simultaneous preparation of products for customers in many countries;
- Will launching the venture influence the reaction of foreign competition? Due to the increased flow of information, firms should expect that the idea of a new business model will be quickly copied and applied by competition on the world market. Therefore, delays in the internationalization of a venture may effect in loss of competitive advantage;
- Is the sale of the product in many countries a necessary condition for the functioning of the firm? A wide sales market may be necessary to cover the high expenditure for research and development. Moreover, a global startup has a much higher number of potential customers than a domestic venture that offers the same product;
- Will narrowing the area of interest to the local market adopted in the first phase of development become a barrier for internationalization in the future? Competitive advantages in the domestic market may be insufficient to fulfill the requirements of the world market. Internationalization may require changes

> and adaptation to the new market situation, including the firm's organization of work, which may be an impassable barrier in conditions of inertia. We can see here benefits for those startups that undertook international activity as early as possible.

In the light of the above issues, the abolition of barriers in the flow of information, capital, goods, and workers seems to plead in favor of the internationalization of firms already at the early stage of their creation. Competitive advantages are also determined by a firm's organizational structure which, in the case of young firms that use the Internet and information technology in the internationalization process, allows for more effective use of the opportunities created by the market.

Born Global as a Particular Case of International Startups

Some authors interchangeably use terms born globals, international new ventures, and international startups. According to others, born globals are a subgroup of international entrepreneurial firms (Gabrielsson et al., 2008), while the term itself refers to a separate conceptual group within the immediate internationalization models and includes firms that are a special case of international new ventures: international startups (Wach, 2012a, p. 118). Many foreground the differences that function in the literature, both in the terminology of early internationalized firms (Duliniec, 2011) and in the understanding of the term born globals itself (Przybylska, 2010), which depends on researchers' own criteria (quantitative or qualitative).

Coviello (2015) observes the specificity of born globals against international new ventures by emphasizing the significance of exports in their activities on foreign markets. Contrary to born globals, other ventures of this type engage in different activities in the international value chain, as emphasized by Oviatt and McDougall (1994). If the firm actively exports to world markets shortly after establishment, we should qualify it as born global, but if its operations are more diverse and exceed export, we should call it "a global startup."

Rennie (1993) is the first to use the term born global in 1993, with regard to the internationalization path of Australian firms. However, Rennie gives no details to characterize this type. Nevertheless, a definition based on the threshold criteria concerning the size, age, and export revenues of the firm appears in Knight and Cavusgil (1996). According to them, born globals are firms that employ not more than 500 workers, with annual turnover below100 million USD, whose share of export in the total turnover exceeds 25% during the first two years of functioning. In a later publication, Knight and

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Cavusgil (2005) extend this period to three years. Moreover, the firms perceive the world as their proper market and not as a supplement to the domestic market already at inception, not to mention that their operations use state-of-the-art technology, which serves to develop a unique idea into a product or an innovative way of conducting a business activity (Knight and Cavusgil, 1996). Therefore, these are firms that differ from their competitors in terms of high quality or added value. They often specialize in manufacturing just one product or a narrow variety of products like computer software. Due to limited resources and lack of market experience, such firms usually engage in activity on absorptive markets of developed countries, in which uniform demand allows them to apply standardized marketing strategies (Przybylska, 2010). In their activity, such born globals often use cooperation in business networks that base on their knowledge and experience in the internationalization process (Duliniec, 2007). Many often assume that the international character of firms' operations focuses on export but rarely direct investment, due to the small size and limited resources (Nowiński, 2006).

Quantitative criteria to define born globals were the subject of discussion that concerned the share of export sales in revenue, the number and location of sales markets, and the time in which the firm achieved the assumed internationalization level. The literature raises a lot of doubt against widespread definitions of born globals (Table 1) by emphasizing that they adequately apply only to highly developed economies and not to emerging markets or developing economies (Persinger, Civi and Walsh Vostina, 2007; Lopez, Kundu and Ciravegna, 2009).

Table 1. Selected qualitative and quantitative definitions of born globals

Author	Time before starting international activity	Share of foreign sales	Number of markets	Other characteristics
Rennie (1993)	2 years	75%	Multiple	Global mindset from the outset
Knight & Cavusgil (1996)	2 years	25%	.	Global mindset from the outset
Madsen & Servais (2000)	3 years	25%	.	
Chetty & Campbell-Hunt (2004)	2 years	80%	Worldwide	.
Luostarinen & Gabrielsson (2006)	n.a.	50%	.	Global vision and global growth path

Source: adopted from Pawęta (2013, p. 43) who originally based it on Gabrielsson and Kirpalani (2012, p. 5).

Some researchers adopted the criterion of the share of export in revenues on a relatively low level of 10% (Zhou, Wu and Luo, 2007). However, the majority share the view of Knight and Cavusgil (1996), who refer the term born globals to firms that record export earnings not lower than 25% in total revenue (e.g. Madsen, Rasmussen and Servais, 2000; Andersson and Wictor, 2003). Other studies focus on the fact that the 25% threshold of export in revenue, set by Knight and Cavusgil (1996; 2005) for American firms, is inadequate for European firms, due to differences in the size of the internal market. In the case of a small country where firms easily reach a relatively significant share of export earnings in the revenue structure, many assume that the criterion should be established on a much higher level (Duliniec, 2011). To isolate European born globals, Luostarinen and Gabrielsson (2006, p. 775) adopt the criterion of 50% share in export revenue obtained on the markets located outside the home continent.

Moreover, Oviatt and McDougall (1994) observe that the number of markets served seems important from the viewpoint of the identification of born globals. It is very difficult to consider the firms that realize their foreign sales on the market of only one country as operating globally, even if it is a significant position in their revenue structure. Therefore, many often assume like Luostarinen and Gabrielsson (2006) that sales should occur on at least two continents. To that end, Fan and Phan (2007) consider the significance of the firm's functioning in various cultures by assuming that born globals are only those firms that operate on at least five foreign markets, thus obtaining 40% share of export in total sales.

The differences in the identification of born globals concern also the time in which the aforementioned conditions should be achieved. Many researchers follow Knight and Cavusgil (e.g. Andersson and Wictor, 2003; Zhou, Wu and Luo, 2007; Glaister et al., 2014) and adopt the period of 3 years. Others move this limit even to 15 years while formulating even stricter conditions for the internationalization level (Gabrielsson, Sasi and Darling, 2004). The literature on entrepreneurship agrees that a new firm should be understood as a business which has been functioning on the market for no longer than 6 years (Daszkiewicz, 2017). Thus, numerous researchers adopt this period in the analysis of born globals (Nowiński, 2006).

Gabrielsson et al. (2008) question the usefulness of the quantitative criteria for the needs of the identification of born global firms, mainly due to the omission of the size of the home market, neighboring markets, and the specific character of the industry, which hinders research that approaches the problem from the perspective of international comparisons. In their approach, the distinguishing feature of a born global firm is having a product with a global market potential, which – along with a global vision

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at the inception – leads to accelerated internationalization by entrepreneurial abilities and risk acceptance (Daszkiewicz, 2017).

Born Regional as a Peculiar Form of International Startups in Emerging Markets

Within international entrepreneurship, there appear at least two other noteworthy groups of concepts. *Accelerated/rapid internationalization* models concern traditional SMEs that avoid activity on the global market from the very beginning but have a high speed of internationalization (Kalinic and Forza, 2012). Moreover, the concept of *born regional* means firms which are internationalized at inception, but their scope mainly concerns the markets of neighboring countries and only with time some broaden their international activity (Hashai and Almor, 2004; Lopez, Kundu and Ciravegna, 2009). Recently, the *born-again global* concept has turned out to be ground-breaking (Bell, McNaughton, Young and Crick, 2003). It concerns firms that initially operate on the domestic market, but in effect of recognizing opportunities on foreign markets, they rapidly internationalize to progress analogously to born globals. These usually are firms that come from traditional industries. The integrative model by Bell, et al. (2003) combines a few elements: (1) internal and external environmental conditionings; (2) international entrepreneurship concept with entrepreneur, his traits, attitudes, and perception at its heart; (3) the integration of different paths of traditional stages approach, born global path, and the path of accelerated internationalization, born-again globals; (4) the concept of learning, and knowledge is a source of competitive advantage in the model, thus it agrees with the latest trend of creating knowledge-based models (Wach, 2012b). It seems that the entrepreneurship approach will prevail in all future holistic models since the holistic analysis of co-dependencies is an inherent quality of entrepreneurship.

Prior Studies

Oviatt and McDougall (1994) presented the popular concept of the early internationalization of young firms with the understanding of factors which determine the internationalization process, which opposed the existing stage theories, the Uppsala model in particular. One of the main reasons for which Oviatt and McDougall's work (1994) received so much interest was the recognition of International New Ventures (INVs) as an important set of firms to have achieved an important position in the world economy. Oviatt and McDougall emphasized the influence of the firm's age on its implementation of advantages on the international market, successful expansion, survival, and efficiency.

According to these authors, young firms learn and develop unhampered by the organizational structure consolidated for years and adopted business models. However, the focus on a firm's age became a source of controversies in works that develop the concept of international new ventures. These works mostly refer to differences in the length of preparation that a firm needs to enter a market, which definitely affects the resources at its disposal. Some new ventures also effect from the isolation from the existing experiences of firms, which use their rich human and financial resources (Zahra, 2005). Moreover, some emphasize that larger and older firms can learn and adapt, too, and they simultaneously have the assets and resources, particularly human resources, which allow for investments in learning. Small and young firms must consider their limitations (Majumdar, 2000). Therefore, we should focus on the advantages and threats in the internationalization process at the early stage of firms' activity. Some discuss whether the age of a firm determines its competitive advantages on international markets or entrepreneurial activities are important regardless of a firm's age (Zahra, George, 2002). In light of the above arguments, Oviatt and McDougall (2005) adopt a more general definition of international entrepreneurship, which covers both new ventures and mature firms. The definition foregrounds the entrepreneurial activities of firms and not their age in the context of internationalization. In this new approach, scholars consider international entrepreneurship to be behaviors that combine innovation, activeness, and risk, which cross national borders regardless of firms' size and age. A similar definition was proposed a few years later by Oviatt and McDougall (2005), who assume that international entrepreneurship includes discovering, assessing, and using opportunities beyond state borders in order to create future goods and services.

Research into international new ventures concentrates on their inclination to entrepreneurship. Scholars often emphasize that this inclination is on a high level on each stage of a firm's development, and it motivates the construction of a company's competitive position (Jones and Coviello, 2005). However, Hashai and Almor (2004) observe changes in the functioning of international startups along with the process of their maturation. At the initial stage, the firms strive for export and, then, create branches to serve customers on foreign markets, close in terms of psychic distance (Sperling, 2005). Next, the firms engage in mergers and acquisitions by creating subsidiaries that penetrate distant markets. According to Almor (2013), the development of an international venture can take place on three paths: with regard to the customer, country, or product. Mature firms most often follow one of these three paths to decrease the risk of internationalization. Customer-related development occurs with the use of technological advantage and stems from the global niche, in which relatively few customers create a high value of sales. The firm must select such form of development at an early stage of its lifecycle and should implement it with greenfield strategy. Firms that decide to

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develop at the country scale – connected with higher risk – should use the network strategy by forming strategic alliances or joint ventures based on cooperation with a local partner with an established position on the market. Development related to the product considers the need for the constant modernization of offer with regard to technological progress. Since constant modernization requires the time-consuming process of new technologies development, development-oriented firms should adopt the strategy of mergers and acquisitions, which allow them to overtake existing firms that already developed a new product. Gabrielsson et al. (2014) foreground that international new ventures evolve and so does the character and intensity of their entrepreneurship. They also emphasize that international motivation, inclination to innovation, attitude to risk, and market orientation positively influence development only at the early stages of international startups. Moreover, Gabrielsson et al. (2014) claim that too high a level of innovativeness at subsequent stages could be a barrier to the organization of a firm's structure. On the other hand, too high level of risk would prevent the concentration on key products and adaptation of the strategy of operation to individual countries. Therefore, some of the dynamic capabilities of a firm in terms of entrepreneurship should be strong at the early stages of their growth but remain under control at the later stages.

Methodology

The Survey

The research sample was selected based on firms registered in Poland in REGON (National Business Register). We used the CATI method (computer-assisted telephone interviewing). Professional pollsters conducted interviews. They selected 7,100 firms from REGON and sent the survey to them. Out of those firms, only 355 agreed to participate in the study (5%). The study applied Stratified random sampling in accordance with the following criteria:

1) the sample includes only internationalized firms (at least exporters),
2) the sample includes firms of various size but reflecting the research needs, namely (a) with a small share of micro-firms as the least internationalized, although they constitute the most numerous group in the studied population; (b) with a relatively small share of large firms which – although they are the smallest group in the population – are the most typical research objects in the subject of internationalization, with the assumption that each of these groups should constitute about 10–15% of the research sample; (c) with a relatively

large share of both small- and medium-sized enterprises which, in accordance with the assumptions, should constitute 25–45% of the sample.

From the 7,100 selected firms, the sampled part of the population included 3,313 firms, while the final research sample showed a 10.7% *response rate*. In total, the study gathered 355 surveys. The reasons for the non-inclusion of the remaining firms were as follows:

- 28.1% (1991) not internationalized firms who did not fulfill the first criterion,
- 25.3% (1796) had a wrong telephone number in REGON or nobody answered the phone, thus, they could not take part in the survey,
- 22.9% (1627) refused to participate in the survey,
- 18.7% (1331) of firms came across or for various reasons caused difficulties which prevented obtaining reliable responses.

The sampling

In the discussed sample there are 355 exclusively internationalized firms who conduct any international activity, at least export. The initial analysis shows considerable diversity of the population in terms of the time of conducting the activity and the declared time interval between the establishment of the firm and the moment of internationalization. Considering the fact that the age of the firms ranges from 1 to 183 years, it is not justified to apply average measures, which imply the use of location measures to depict the "age structure" of the analyzed sample. Half of the cases pertain to firms that exist no longer than 20 years, but one-fourth of the cases was not older than 14. Moreover, the age of firms in 75% of the population does not exceed 25, while only 10% of the firms exist on the market for 39 years and longer. As for the period of time from the establishment to the internationalization of the firm, it ranges from 0 to 61 years, but in accordance with the interpretation of the median, in half of the cases it is a year and less, and in the other half it is a year and more. 75% of the studied firms internationalized in their eighth year of activity, with only 10% in the whole sample who expanded abroad after 16 years from the firm's establishment. Considering the fact that not all the firms ($n = 10$) define the moment of inception or internationalization in the questionnaire, the study finds that the majority, as many as 61.5% cases, experienced early internationalization (i.e. up to 3 years from establishment). Without taking the firms' age into consideration, in the sample, we found entities which most often internationalized by the end of the 1990s, most often in 2000, and directly after the accession to the European Union.

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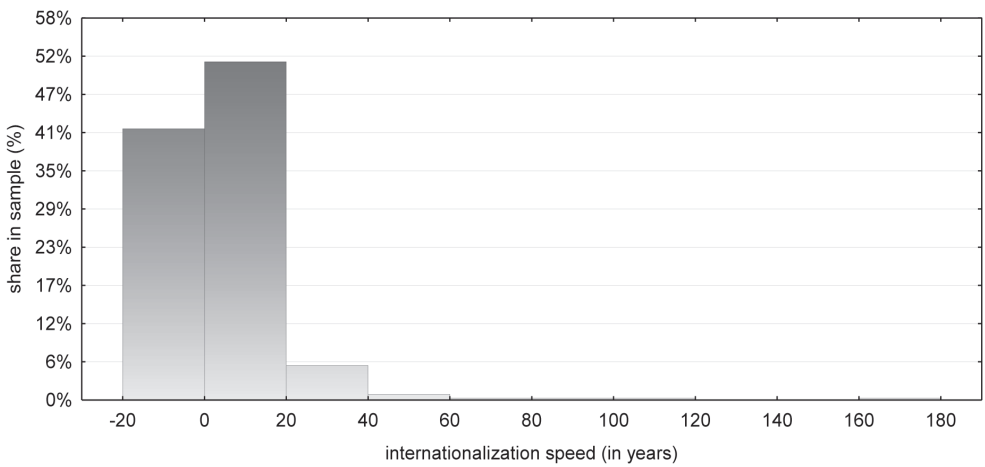
Empirical Findings

In the analyzed sample, the period of time which passed from the establishment of a firm to its internationalization ranges from 0 to 162 years (Figure 1). However, in accordance with the interpretation of the median, half of the cases range a year and less while the other half a year and more (Me = 1). 75% of the studied firms internationalize in the eighth year of activity at the latest (Q3), and only 10% in the whole sample undertake foreign expansion after 16 years from setting up the firm. Considering the fact that not all the firms (n = 10) define the moment of establishment or internationalization in the questionnaire, the study shows that in the majority, namely as many as 61.5% cases, there occurred accelerated internationalization, namely up to 3 years from the establishment.

Figure 1. Distribution of the internationalization speed of the studied firms.



Source: own elaboration based on the survey (n = 355).

The obtained results indicate the rejection of popular research observations in Poland, which assume that Polish firms adopt the accelerated internationalization path much less frequently than conventional internationalization. The majority of the studied firms made the first internationalization within three years from inception. Other researchers draw similar conclusions, among others:

1) Mińska-Struzik (2014) on all Poland's sample of 199 firms confirms that 45% of the studied firms internationalized their activity in a period below three years from inception.

2) Daszkiewicz (2016) on a sample of 263 firms from the industries of high and medium-high technologies proves that nearly 55% of the firms she studied internationalized in a period below three years from inception.

The literature verification of another popular research observation in Poland – which shows that the percentage of born globals among Polish firms conducting international activity is relatively low in comparison with highly developed economies – is negative. The results of various studies for the above Polish firms (Mińska-Struzik, 2014; Daszkiewicz, 2016) and into the scale of early internationalization worldwide (Jarosiński, 2013, pp. 234–237) are quite positive (Table 2). Therefore, we must reject the assumption and say that the phenomenon of born globals may equally concern both Polish and foreign firms.

Table 2. The assessment of the scale of early internationalization worldwide

Author (year)	Country	Research sample	Results
Rasmussem and Madsen (2002)	Denmark	355 SMEs	43% of the sample are *born globals*
Moen (2002)	Norway, France	255 Norwegian, 70 French firms	9% of Norwegian sample, 12% of French sample are *born globals*
Moen and Servasis (2002)	Denmark, Norway, France	677 firms from 3 countries	31–39% of the firms in the sample are *born globals*
Kuivalainen, Sundqvist and Servais (2007)	Finland	783 firms	24% of the sample are *born globals*

Source: own collation based on Jarosiński (2013, pp. 234–237).

The studied sample of firms ($n = 355$) reveals that early internationalization most often applies to micro- and small firms (Figure 2), whereas medium or large firms much less frequently internationalize early. The findings of Jarosiński (2013) prove the opposite, that the average time of large firms' internationalization is less than 3 years (2.8 years). Let us note that Jarosiński (2013) indicates on a selective sample of 241 firms that the internationalization speed is low; contrary to Mińska-Struzik (2014), Daszkiewicz (2016), and the research findings the current study.

We should assume that family firms generally internationalize faster than other (Figure 3), although the general cumulated distributions vary considerably.

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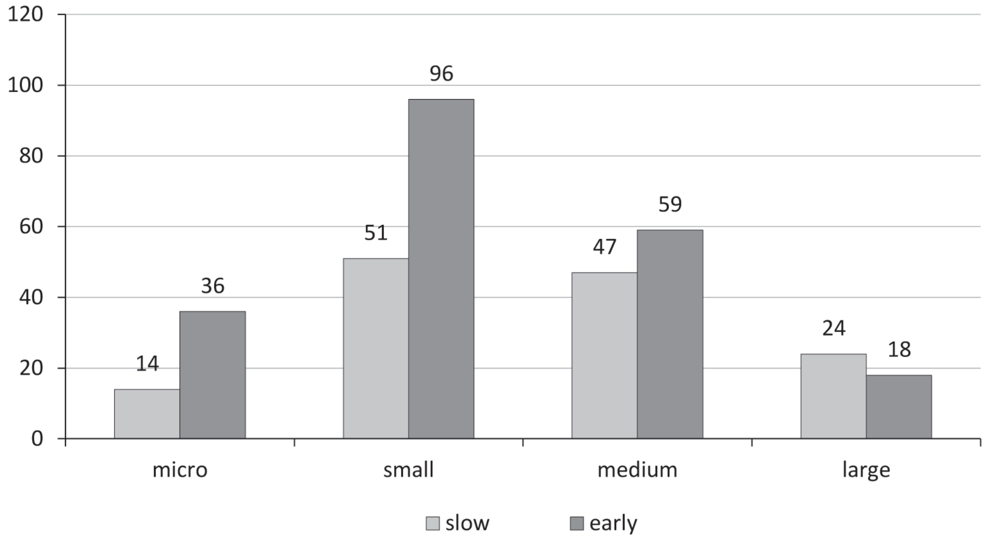
Figure 2. Slow (stages) vs. early (rapid) internationalization by the size of a firm



Source: own elaboration based on the survey ($n = 355$).

Figure 3. Slow (stages) vs. early (rapid) internationalization by familiness

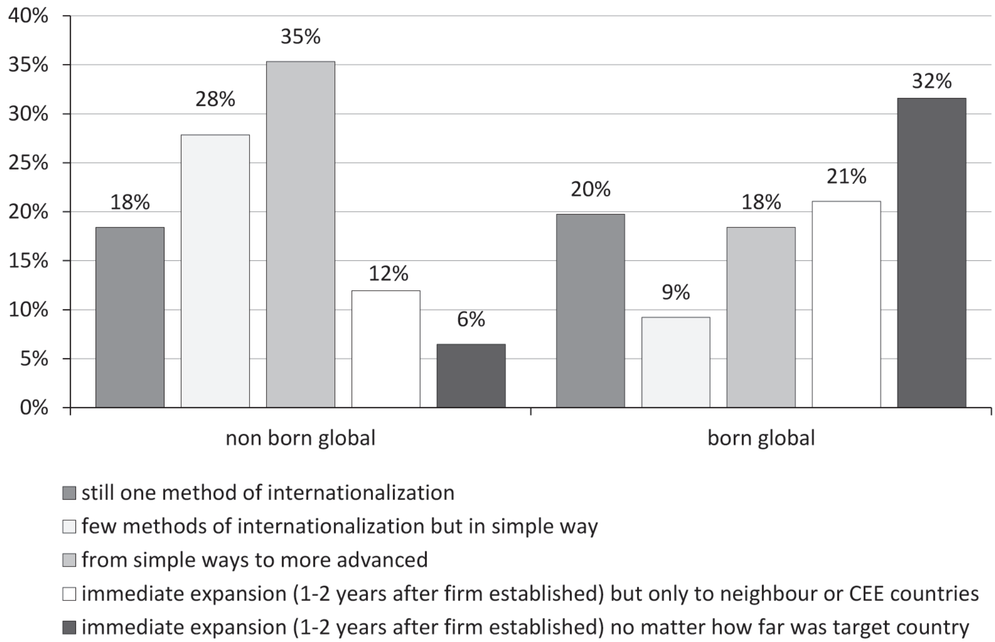
Source: own elaboration based on the survey ($n = 355$).

Among the firms that internationalize relatively late, we less often come across entities from sectors other than industrial processing. We notice that entities in border provinces more often internationalize early than inland entities.

In line with expectations, every third born global expands to different foreign markets disregarding the geographical distance almost from the inception (1–2 years). On the other hand, firms most often expand with simple methods such as import/export or, with time, with more advanced forms for conquering new markets (Figure 4).

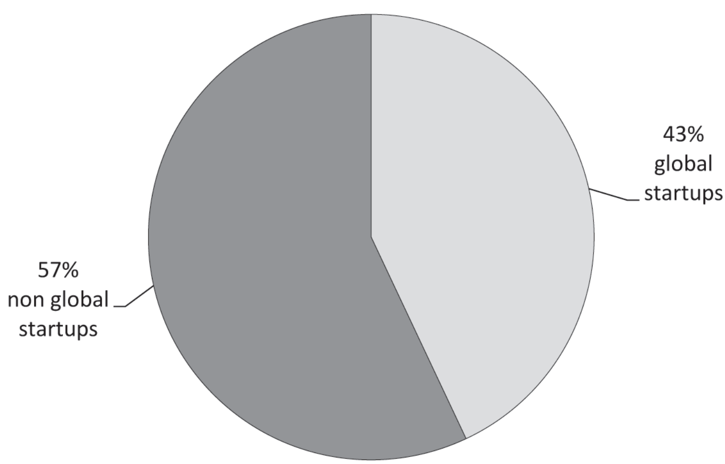
The firms among born globals that internationalize in the year of inception are global startups. According to the conducted survey, such firms constitute as much as 43% of the research sample (Figure 5) and, from the very beginning, operate globally, have internationalization strategies, and adapt their products to foreign markets. In the analyzed sample, 43% firms internationalize as early as in the year of inception. However, when we assume that *a born global is a firm that expanded abroad a year after inception*, the rate rises to 57%.

Figure 4. The modes of foreign market entry by the studied firms



Source: own elaboration based on the survey ($n = 355$).

Figure 5. The share of global startups in the sample



Source: own elaboration based on the survey ($n = 355$).

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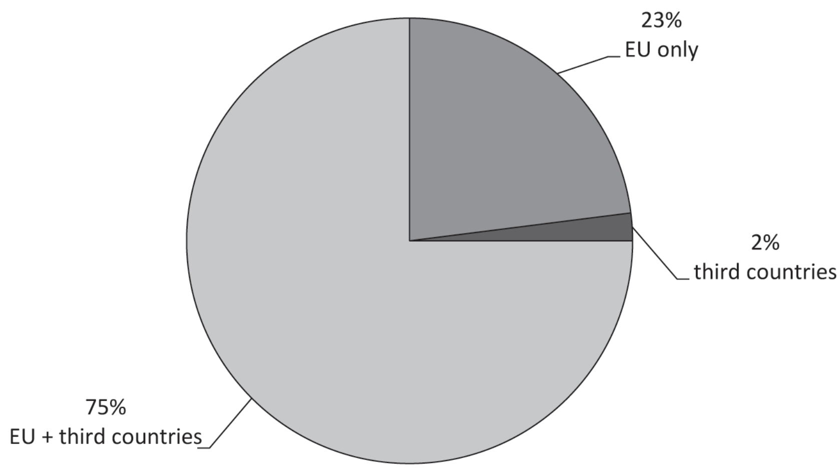
The international scope of activity of the studied firms varies greatly (Figure 6), as 23% operate only in the EU countries, 2% of firms operate only outside of the EU, and 75% of the studied firms operate both in the EU countries and outside of the EU.

Figure 6. The scope of activities of the studied firms



Source: own elaboration based on the survey ($n = 355$).

Based on Chi^2 statistics computed on the basis of multipartite tables, we find that numerous cases of accelerated internationalization (early/slow) and the scope of internationalization (in the 3-variant approach: only the EU; both the EU and third countries; only third countries), zero hypotheses about independence toward the second discussed variable must be rejected (Table 3).

Out of the relations defined in Table 3, we should focus on the following relationships:

1) Small firms most often internationalize within the European Union, while macro-firms mainly in countries outside the EU (relationship 6 in Table 3).
2) Firms in which the share of foreign sales in total sales is high (>75%) mainly internationalize in countries outside of the European Union (relationship 8 in Table 3).
3) Firms that internationalize early much more often achieve a high share of foreign sales in total sales, while those which internationalize late most often have a low share of foreign sales revenues in total revenues.

Table 3. Results of Chi2 test for selected pairs of variables

No.	Variable 1	Variable 2	Chi^2	*p*-value
1	INT _ SPEED	SECTOR (1/0)	4.2923	0.038*
2	INT _ SPEED	INT _ DEGREE	42.2172	0.000***
3	INT _ SPEED	COOPERATION	6.1790	0.013*
4	INT _ SPEED	INT _ VULNER (0/1)	5.8643	0.015*
5	INT _ SPEED	INT _ SCOPE	2.1941	0.334
6	INT _ SCOPE	FIRM SIZE	17.6896	0.007**
7	INT _ SCOPE	SECTOR (1/0)	7.3702	0.025*
8	INT _ SCOPE	INT _ DEGREE	14.5666	0.024*
9	INT _ SCOPE	HIDDEN CHAMPIONS	1.8845	0.390
10	INT _ SCOPE	STRATEGY	8.0601	0.018*
11	INT _ SCOPE	HIGH/LOW	4.4955	0.106
12	INT _ SCOPE	INT _ VULNER (0/1)	12.7070	0.002

Note: * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$
Source: own elaboration based on the survey ($n = 355$).

The above results enable to adopt a hypothesis that the number of born regionals among Polish firms is relatively high in comparison with the traditional path and born globals, whereas the former mainly limit their activities to the European Union.

Conclusions

The presented results of the survey of 355 firms from all provinces of Poland and statistical calculations enable us to draw the following conclusions:

- We can expect that there are many born globals among Polish international firms. In the studied sample (selected randomly), the share of born globals is 61.5%, and global startups 43%, which is very high.
- Firms that enter foreign markets and function in formal or, at least, informal international network have a greater chance for accelerated internationalization.
- Stimulating foreign environment and its use – i.e. internationalization itself – is one of the factors of above-average growth.

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- The beneficiaries of internationalization are mainly production firms, which more often notice foreign market opportunities. Polish-born globals benefit from their adaptation to ecology.
- Only half of international firms have a formal and informal strategy for internationalization, which is a rather low number. Firms with a strategy internationalize faster than those that do not have a strategy, considering the average number of years that pass from the firm's establishment to the first internationalization. However, in the dichotomous approach considering born globals (from 3 years and above), we see such a relationship in the obtained empirical results.

As any research, particularly that of empirical character, the analyses in this article also have their limitations. They are mostly conditioned by the sampling method, applied measures, and analytical tools. First, the survey enforced the application of managerial perception, which means that the researcher did not operate on measurable data, but only on the perception of the studied phenomena by the managers (which is natural in a survey). Thus, it is not possible to absolutize the findings. However, in-depth research is still needed.

The findings in the article form only a starting point for further detailed analyses. In subsequent research, scholars should consider introducing elements typical for international entrepreneurship in connection with research of the environment, which has been not included so far, namely (i) the process of organizational learning combined with environment factors, (ii) the process of the accumulation of knowledge from the environment, (iii) the way of discovering and using opportunities inherent to the environment.

Management should continue research in the areas and contents of strategies, the decision-making process in the strategic management process in international business, and the creation practical recommendations for internationalized firms. Economics should consider the economic effects of strategic management by generating theoretical generalizations in such matters as the economic performance of a firm or the economic effects of internationalization.

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