Institutional support for the internationalization of Swedish Small and Medium-Sized Enterprises.

A Study of the Kalmar Region
Abstract

Extant research concludes that SMEs tend to be highly dependent on the local institutional environment when internationalizing. In relation to that, international business literature accentuates the lack of studies that aim to understand how government support influences SMEs' international business performance. This further justifies the current inquiry for conducting more diverse scientific research in order to better describe and evaluate how governments should apply and effectively utilize their support toward internationalizing SMEs. Based on that, the aim of this study was to first identify the approaches that Kalmar based SMEs undertake to internationalize. Second, to identify the current initiatives implemented by the local governmental agencies toward the internationalization of these firms. Third, to identify how the governmental agencies in Kalmar could potentially improve the internationalization support towards the local SMEs. By fulfilling these aims this study was able to answer the overarching research question of How could the Swedish governmental agencies better contribute to the development of the internationalization process of their SMEs at the regional level? International business literature, internationalization process theories in combination with the available knowledge concerning the local institutional environment were utilized to conduct a thorough theoretical base for this study. The theoretical base laid the foundation for the constructed conceptual framework that was later utilized to collect and analyze data derived from five local SMEs and four key governmental agencies. This research project implemented a qualitative methodology and a multiple case study design. The data were collected through ten semi structured interviews. As an outcome, the findings of this study concludes that the identified prevailing internationalization process traits in combination with the uncovered improvement elements for governmental internationalization support, positively influence the configuration between the SMEs internationalization and the local institutional environment. This further contributes to achieving understanding concerning how Swedish regions could foster the internationalization process of their SMEs. Finally, to the best of the authors’ knowledge, this is one of the first studies to address the issue of governmental endeavors toward the internationalization process of Swedish SMEs.

Key words
Institutional environment, Internationalization process, Governmental support, SMEs, Home market, International business strategy, Swedish government, Kalmar region, Policymakers
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<th>Description</th>
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<tbody>
<tr>
<td>KCC</td>
<td>Kalmar county council</td>
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<tr>
<td>ICT</td>
<td>Information and communication technology</td>
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<td>SMEs</td>
<td>Small and Medium sized Enterprises</td>
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<td>FDI</td>
<td>Foreign Direct Investment</td>
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1. Introduction

The following chapter presents holistic background information concerning globalization, internationalization, and the important role of small and medium sized enterprises (SMEs) in the international market, including Sweden. Moreover, a general background in relation to both the Swedish export situation and the Kalmar region is conferred. Additionally, the background presents the empirical relevance of the internationalization of Swedish SMEs and current governmental initiatives that aim to improve their engagement with internationalization activities. Thereafter, the chapter presents extant theoretical contributions in relation to SMEs internationalization and the role of governmental support, indicating a current research gap in the international business literature. Finally, the allocated research gap is addressed with respective research questions, framing the purposes of this study.

1.1 Background

Globalization has been shaping the social reality for people all over the world throughout history. In the last three decades, the impacts of globalization have become more evident than ever. That is through both increased global interconnectivity and consumption (Steger, 2020). The multidimensional nature of globalization has allowed it to leave a seismic impact towards the evolution of politics, economies, ideologies, cultures, and the natural environment (Steger, 2020; Guillén and Ontiveros, 2016). Furthermore, the dimensions of globalization have allowed people and communities to seek opportunities on an international level beyond their national borders. Consequently, globalization is argued to affect communities on a more global scale (Sparke, 2013).

Even though the process of modern multidimensional globalization has been an ongoing phenomenon for several years (Steger, 2020). The technological development in combination with a global economy is continuing to be the main drivers for globalization. The former represents for example the development and integration of technological development in terms of digitalization and ICT (information and communication technology) (ibid). While the latter stands for the accelerating free movements of capital, labor, and products across national borders (Mishra and Topolova, 2007).
Globalization has today grown into a subject matter which can not be overseen, where it is considered as a basis for the survival of nations (González, 2016). According to the World Bank the global integration, sharing, and trading of resources across national borders have become a necessity. As a consequence of this, the pressure on government officials and policymakers around the world to foster international collaboration has become indisputable. Including proactively initiating international trade agreements and promoting cross-border investments to achieve economic growth in the local home market (ibid). Furthermore, Contractor (2021) postulates that for the next coming decade the global economy will require more globalized endeavors. This is in order to recover and further sustain itself from the impact of the ongoing Covid-19 pandemic (ibid).

Communities, people, institutions, and business organizations are all highly influenced by the global movement current in today's society. Which has led to an increased convergence and interconnected reality on a global level (Luo, 2021). The movement towards enhanced interconnectedness on a global scale, has increased and further fortified international relationships. Moreover, these relationships are characterized as intricate, deep, and broad (ibid). Consequently, this has shown a direct effect on the international business world and firms’ international business strategy development (ibid). Where globalization has given endorsement for all types of companies to construct strategies enabling foreign market penetration and business expansion (Jansson and Sandberg, 2008; Dadzie et al., 2016; Jansson, 2020). These endorsements towards the international market are a representation of international business. International business has been defined in the business and management literature as a multidimensional phenomenon. To illustrate, Khojastehpou and Johns (2014) argue that international business represents an “organizational process” concerning activities of “entering an international market through the adaption of the organization’s processes, transfer of knowledge and opportunities to reach a new market.” (p. 239). On the other hand, some scholars postulate that international business is instead a “strategy” with a competitive marketing response as the main motivation for implementation. The international business strategy could be seen as a way to cope with the external environment characterized by both a competitive nature as well as constant changes (Solberg and Durrieu, 2006; Zou and Cavusgil, 2002). Additionally, some scholars address international business endeavors as simply aiming and facilitating sales in new foreign markets (Welch and Luostarinen, 1988).
The impact of globalization as mentioned have created plentiful opportunities as well as challenges for business around the world (Jansson, 2020; Luo, 2021). In contradiction to the opportunistic nature generated through the more globalized world, various challenges and risks have been accentuated in relation to doing business on the international scene. This is due to the fact that the global endeavors from various companies have led to increased uncertainty and risks as well as an increased level of competition (Kirby and Kaiser, 2003; Jansson and Sandberg, 2008; Sandberg, Sui, and Baum, 2019).

According to Jansson (2020) in the last two decades, the trend of conducting international business and investing in foreign markets has been accelerating. For instance, Sweden is considered as a small and open economy that heavily relies on international trade in the form of both exporting and importing products and services (Tillvaxtanalys, 2022). Since the 1980 international trade has been accelerating in Sweden (Statistikmyndigheten, 2021). The Swedish current trade situation could be seen as a direct consequence of a more integrated economy internationally (Holmström, 2021). Where countries and firms do not only rely on the export and import of commodity goods, raw materials, or fully internally produced products. Instead, firms and countries are a part of a more integrated global value chain where for example products are produced through collaborative international measures, input of externally foreign produced product components, and external foreign services. This has spurred the internationalization of value chains and integration of international import and export. Additionally, it has enabled Swedish firms and consumers to take advantage of growing opportunities outside their country's borders (ibid). Statistically, this advancement could be seen through the changes of the outward/inward Swedish foreign direct investment (FDI). The outward FDI stock of Sweden was 123.2 billion USD in 2000 and 401.0 billion USD in 2017. While the inward FDI stock registered 93.8 billion USD in 2000 and 335 billion USD in 2017 (Jansson, 2020). According to Holmström (2021), the Swedish export activities contributed 27% of the Swedish Gross domestic product (GDP) in 1980. While in 2020, its contribution had increased to 45% of the nation's overall GDP. This further shows the growing importance of export for the Swedish economy (ibid). Correlatively, the total export rate of both goods and services in Sweden was 208.5 billion SEK in 1982 and has been steadily increasing over the years to reach 2 235.3 billion SEK in 2020. Although, a decrease of 10% in relation to the export rate in 2019 was shown (Statistikmyndigheten, 2021). Moreover, the top 10 largest
destinations for exporting Swedish products and services are Norway, Germany, USA, Denmark, Finland, China, Netherlands, UK, France, and Belgium (ibid).

The Swedish export activities mainly consolidate around raw material, manufactured and semi-manufactured goods, chemicals, and engineering products. In terms of services Sweden is internationally active in the fields of telecommunications, data and information technology, transport, and travel (Statistikmyndigheten, 2021; Business Sweden, 2022; UNCTAD, 2022). The increase of Swedish foreign trade and movement of business towards the international market, could be derived from three main factors (Tillvaxtanalys, 2022). These factors are the advancement of institutions and institutional environment, migration over borders, and the rapid development within technology. These advancements and incentives have paved the way for Swedish firms including small, medium, and newly started enterprises, to enter the international market and further capitalize on its opportunities (ibid). Correlatively, Jansson (2020), postulates that the international market has changed towards a more open exchange environment, which has made it easier for firms of all types, sizes, and ages to exchange products and services and further capitalize on internationalization opportunities. This is proposed to have facilitated sustainable growth for companies with international intent (ibid). These changes in the international market structure and its environment have led to that it is no longer only relevant for the well-established multinational companies to seek international trade opportunities. Instead, SMEs have become central actors on the international scene (Jansson and Sandberg, 2008; Jansson, 2020). According to Gjellerup, (2000) SMEs are an important contributor to the international business world. In fact, today SMEs constitute around 99% of the European companies and are responsible for generating more than 50% of the GDP in Europe. Therefore, they are considered as the backbone of the economy in Europe (European Commission, 2022). In addition, European SMEs are large contributors to developing innovative solutions, fostering technological development, providing employment, and positively improving the competitiveness of the Europe region (ibid). The European Commission refers to SMEs as three various company segments, medium-sized, small-sized, and micro-sized companies (Svenskt Näringsliv, 2022). Medium-sized companies are firms with 50 to 249 employees and with an annual yearly turnover of no more than 50 million euros. Small-sized companies are firms with 10 to 49 employees and with an annual yearly turnover which does not exceed 10 million euros.
Micro-sized companies are firms with less than 10 employees and with a yearly annual turnover that does not exceed 2 million euros (ibid). SMEs also play a pivotal role in the Swedish economy (European Commission, 2019). To illustrate, out of the 1.2 million active companies in Sweden the large majority are SMEs. In fact, 96% of the total number of companies in Sweden are considered micro-sized firms. Together with the medium and small-sized firms, they stand for 99.9% of all Swedish companies (Persson, 2021).

In comparison to the European Union, Swedish SMEs are argued to add more value to the local economy. The statistics from 2019 shows that EU SMEs registered 55% on the added value scale and 67% in relation to employment. While Swedish SMEs established 61% and 65% respectively. In addition, the overall position of Swedish SMEs is shown to be strong in Europe. Whereby Swedish SMEs perform above the EU average in relation to a number of areas. Including, 1. The level of innovation, skillset, 2. Positive environment performance, 3. Robust Financing, 4. EU single market, and 5. Responsive administration. However, it is argued that when it comes to ‘internationalization’ Swedish SMEs are underperforming. That is in comparison to the EU average (European Commission, 2019). Therefore, it is highlighted that the Swedish government is currently in need of knowledge and practical insights concerning the internationalization of Swedish SMEs. In other words, the government needs to identify and further implement constructive endeavors to make it easier for SMEs to benefit from internationalization (Tillvaxtanlys, 2022). This is further understood at a regional level, where for example Kalmar region has initiated various projects and endeavors towards generating deeper knowledge regarding how the region as a whole as well as its companies could develop through generating additional international knowledge (Region Kalmar län, 2022a). This is to be able to understand and take advantage of the untapped opportunities that the region holds and further unleash its potential. In relation to that, the current internationalization projects and work implemented by the region are concentrated towards the Baltic Sea region, the European Union, and China (ibid). The Kalmar County Council (KCC) is responsible for the social and economic development of 12 municipalities in the southeast of Sweden, including Kalmar. The region has a rich history of entrepreneurship which has impacted its business environment. Moreover, the business community in the region consists of industrial engineering companies, agricultural firms, forestry firms, and small enterprises (Informationsverige, 2020). According to the local statistics aggregated by KCC, out of the 24 000 companies currently operating
within the region, the vast majority are small firms accounting for 99% of all the firms (Region Kalmar län, 2022b).

The Swedish government aims to increase the competitiveness and sustainability of Swedish SMEs through internationalization. Therefore, there is a current initiative on the governmental level to develop and strengthen the export activities at the regional level. Namely, Regional Export Cooperation (RES). This initiative concerns the Kalmar region respectively (Almi Företagspartner, 2022a). Furthermore, it is highlighted that current opportunities for development solely within the regions are scarce and insignificant, which encourages investment in creating awareness about the invaluable benefits of internationalization and the potential strategic risks associated with merely focusing on the local market and neglecting international business engagements. RES is additionally implemented to give tailored support to SMEs in their internationalization process. That includes SMEs that are already international, but they aim to expand further. As well as SMEs that have not yet initiated any international endeavors (ibid). The importance of internationalization is further highlighted by the KCC, which argues that securing the future of the business community within the Kalmar region post the Covid-19 pandemic relies on seeking international expansion support through the regional initiatives (Kalmar Region län, 2021).

1.2 Problem discussion

Extant international business research on the internationalization of SMEs has seen a drastic increase of interest and assigned focus. Although, the understanding in relation to the topic and its facets are still considered to be relatively scarce (Ribau, Moreira, and Raposo, 2018). The increasing interest has been current through a gradual research accumulation towards the topic in the last twenty years (Gassmann and Keupp, 2007; Narooz and Child, 2017; Morais and Ferreira, 2020). The origin of research towards internationalization and globalization of SMEs can be traced back to the 1970s (McDougall and Oviatt 1996; Coviello and McAuley 1999). Where e.g., Bilkey and Tesar (1977), started to focus on investigating international intentions and export behaviors of smaller sized US manufacturing companies. In an attempt to gain an improved understanding in relation to how SMEs and entrepreneurial firms go international, researchers have explored both internal and external elements in relation to internationalization
(Kiss, Danis, and Cavusgil, 2012; Idris and Saad, 2019). Moreover, current research on the internationalization of SMEs has also been focused on various angles on the subject matter (Dabić, et al., 2019). Where the aspects of international entrepreneurship, international market entry, international business strategies, and internationalization knowledge have been frequently addressed in SME internationalization research (ibid). As mentioned above international entrepreneurship (IE) is one of the elements widely studied in relation to SME internationalization. IE has gained a strong position in the extant research, from the time it emerged through theories presented by McDougall (1989) (Baier-Fuentes, Merigó, Amorós and Gaviria-Marín, 2018). It has through time further built a widespread literature base, regarding the phenomena (McDougal, 2014). Furthermore, the aspect of international market entry and further modes of entry in relation to SMEs is another element that has been given substantial attention from the scientific world and could be described as one of the more significant decisions for smaller firm's foreign market success (Brouthers and Nakos 2004; Agndal and Chetty, 2007; Musso and Francioni, 2014). In terms of international business strategies, various recent internationalization research-based models have been constructed to support and direct firms including SMEs towards the international market (e.g., Fang et al., 2017; Sui and Baum, 2014; Jansson 2020). While the angle of SME internationalization knowledge has been a central factor in understanding the overall internationalization of SMEs (Saarenketo et., 2004; Mejri and Umemoto, 2010).

Furthermore, streams of current research have been focused on the network and the role of social ties in relation to SMEs going international (Ellis, 2000, 2001, 2011; Musteen, Datta, and Butts, 2014; Idris and Saridakis, 2018). Correlatively, Oparaocha (2015) highlights that international business literature in relation to network and networking studies have frequently been focused on the social and business network. Although, less attention has been given by international business literature in relation to institutional networks when firms go international (Oparaocha, 2015; Gao et al., 2010). Additionally, SME internationalization has been frequently studied by the research community based on the element of liabilities (Morais and Ferreira, 2020). The most conventional researched liabilities are ‘Liability of Outsidership’ (e.g., Johansson and Vahlne 2009; Schweizer, 2012) and ‘Liability of Foreignness’ (e.g., Sandberg, Baum, and Sui, 2019; Johansson and Vahlne, 2009; Zaheer, 1995).
From a broad point of view, the role of the government has been argued to be a variable that could potentially impact SME internationalization (Morais and Ferreira, 2020). According to Ratten et al., (2007), there is a relationship between government policies and the internationalization of SMEs in developed European countries. For instance, Korsakienė, Diskiene, and Smaliukiene, (2015) accentuate that institutional factors impact the internationalization of SMEs in terms of speed and performance. On the contrary, in internationalization situations where governmental support is lacking, SMEs are found to face increased challenges and barriers that hinder their internationalization (ibid).

Government incentives that aim to boost the internationalization of SMEs often appear in the shape of 1. providing resources, 2. establishing supportive policies, and 3. providing services. For instance, extant research highlights that governments could support their SMEs by giving them access to funds and financing solutions (Cardoza and Fornes, 2011). Furthermore, the internationalization of SMEs is proven to be improved by the government endeavors in constructing an improved technological environment (e.g., telecommunication and information technology) (Hessels and Terjesen, 2010). Constructive rules and regulations that aid favorable tax situations for SMEs and export programs that foster their foreign trade activities, including exporting are shown to be helpful for SMEs internationalization (Spencer and Gomez, 2004; Wren and Storey, 2002; Idris and Saad, 2019). Additionally, researchers found that governments can support SMEs through providing knowledge, in the form of consultancy, education, and training programs (Hessels and Terjesen, 2010). From the firm's perspective, research concludes that SMEs tend to be highly dependent on institutional factors, such as government initiatives when internationalizing (Narooz and Child, 2017). Despite the important role of government for SMEs internationalization, international business literature is argued to be lacking an adequate understanding concerning the involvement of domestic (home country) institutional endeavors for SMEs internationalization (Narooz and Child, 2017). This further emphasizes the need for more research focused on how domestic government support and actions influence SME internationalization. That is to create fruitful practical and scientific understanding concerning this topic (ibid). Costa, Lucas Soares, and Pinho de Sousa (2017) elaborate further on the extant shortcomings in current international business literature and postulates that there is a need for both deeper theoretical understanding as well as empirical insights on the role of government in SME internationalization. Furthermore, various scholars...
have agreed that the current knowledge about how institutional support and institutional networks potentially affect SMEs in their international business operations are scarce (Oparaocha, 2015). In a correlative manner, Shamsuddoha, Ali, and Ndubisi (2009) also address the shortcomings of the extant literature and understanding of the phenomena of export assistance from the domestic government towards SMEs. Where the authors further postulate the lack of studies aimed at understanding how government support influences SMEs' international business performance (ibid). This is further justifying the current inquiry for more and diverse research concerning allocating, describing, and evaluating how governments should apply and effectively utilize their support on internationalizing SMEs from the nation (Morais and Ferreira, 2020).

1.3 Research question

Based on the provided background and problem discussion the following research question has been formulated. Thereafter, the purpose of the study was constructed in the light of the overarching research question; that is to portray the research focus and further provide a clear research path to follow in order to fulfill the intended objectives of this study.

**RQ:** How could the Swedish governmental agencies better contribute to the development of the internationalization process of their SMEs at the regional level?

1.4 Purpose

The aim of this study is to first identify the approach that Kalmar based SMEs implement to internationalize. Secondly, this study aims to identify the current support initiatives implemented by the local governmental agencies toward the internationalization of these firms. Finally, this study aims to identify how the governmental agencies in Kalmar could potentially improve the internationalization support towards the local SMEs. Consequently, by fulfilling these aims this paper seeks to provide Swedish regions with a fruitful foundation of understanding in relation to how governmental agencies could improve their initiative toward fostering the internationalization process of Swedish SMEs.
1.5 Delimitation

This empirical study focuses on private Swedish SMEs from the Kalmar region that are already exporting internationally, therefore non-Swedish SMEs operating in the region are not considered and excluded from the study. In addition, Swedish SMEs from other regions are excluded. On the other hand, smaller firms such as sole proprietorship, and startups in the product development stage are also excluded. Finally, this study focuses on the internalization of firms from a wider perspective. Therefore, it does not differentiate between the consumer market and business market. Similarly, no differentiation based on the targeted host market and the industry segment of the studied firms is considered.
2. Literature review

The following chapter presents extant literature concerning the internationalization process of firms. Including, the incremental theory, network theory, and international entrepreneurship. In addition, it includes the current theoretical understanding in relation to the local institutional environment, that is with a focus on three particular pillars, namely the governmental agencies, governmental support, and governmental policies. The chapter ends with a conceptual framework that was utilized in this study as a lens for collecting and analyzing empirical data in accordance with the overarching research questions.

2.1 Internationalization theories

The field of international business could be characterized as a young and interdisciplinary field of research. Its origin could be traced to international trade, which belongs to economics (Jansson, 2020). In fact, business and management scholars began to construct major international business theories in the 1950s (Janson, 2020; Mtigwe, 2006). That is in an attempt to answer five major questions. Including “Where to do international business? Why? How? When? With whom?” (Jansson, 2020. p. 63). According to Mtigwe (2006) the field of international business has four waves of theoretical constructs. Including 1. Classical Theory (e.g., Theory of Absolute Advantage). 2. Early market imperfections theories (e.g., FDI Theory) 3. Latter day market Imperfections Theories (e.g., Eclectic theory) 4. Internationalization Theories (e.g., Incremental theory, Network theory, and International Entrepreneurship Theory). Moreover, it is argued that these theoretical frameworks have a certain level of cross-influence among them. For instance, most international business theories are to some extent related to international entrepreneurship (ibid). Which could be defined as the “discovery, enactment, evaluation, and exploitation of opportunities across national borders – to create goods and services” (Oviatt and McDougall, 2005a, p. 540).

However, classical international business theories such as the Eclectic theory follow the economic view, where they primarily focus on the cost and benefit sides of internationalization (Jansson, 2020). Consequently, they have a minimal association with the concept of entrepreneurship (Dunning, 1980; Mtigwe, 2006). That is in contrast to contemporary internationalization theories that have a higher association to entrepreneurship and possess a
behavioral view, since they consider aspects, such as learning, networking and entrepreneurial dispositions (Mtigwe, 2006; Oviatt and McDougall, 1994; Johansson and Vahlne, 2009; Madsen and Servais, 1997). According to Jansson (2020) the where, why, and how questions of internationalization could be answered by both the classical theories, as well as the contemporary internationalization theories (internationalization process theories). However, the latter is proposed to be more suitable for studying internationalization processes. That could be justified by the fact that newer theories are narrower in comparison to the older classical ones. The classical economics-based theories are also constructed based on findings of multinational firms from the post war period. Which could postulate less applicability on today's firms. Therefore, the newer internationalization theories provide an improved theoretical lens for analyzing the internationalization processes of firms operating in the current business environment (ibid).

2.1.1 Incremental theory

The incremental internationalization theory is derived from the economic classical view of internationalization. In addition, it borrows theoretical perspectives related to firm growth and experimental knowledge (Jansson, 2020). Moreover, according to Mtigwe (2006) behavioral process theories are derived from the incremental school of thoughts namely the establishment chain perspective (ibid). The incremental theory often refers to the Uppsala Model, presented by Johanson and Wiedersheim-Paul (1975) and Johanson and Vahlne (1977). The model is based on empirical evidence from Swedish MNCs with intention and initiative to enter the international market (Johanson and Wiedersheim-Paul, 1975; Johanson and Vahlne, 1977). According to Coviello and McAuley (1999) the Uppsala model is considered as the most conventional and utilized theory for describing international processes of firms. In fact, the Uppsala model has been considered in the international business field as the foundation for international process studies (Schweizer and Vahlne, 2022). It is also considered to have had an impact and contribution to the wider management research field (ibid). Based on Andersen (1993) the Uppsala model could be referred to as the “U-model”. The Uppsala model frames the internationalization of firms as the “gradual acquisition, integration, and use of knowledge about foreign markets and operations, and on its successively increasing commitment to foreign markets” (Johanson and Vahlne, 1977, p. 23). The Uppsala model advocates firms to
internationalize following more restrictive stepwise procedure, where the commitment to the foreign market is increased sequentially in parallel with the level of aggregated internationalization knowledge collected and utilized by the firm (Johanson and Vahlne, 1977; Johanson and Wiedersheim-Paul, 1975). The knowledge generated is often seen as an indirect consequence of increased experience in conducting international business in foreign markets (Jansson, 2020). In correlation, the time aspect and duration of the foreign experiences and operations impacts the experiential knowledge and the level of knowledge accumulated by the firm (Sharma and Blomstermo, 2003). In other words, the increased commitment and time the firm assigns towards their international endeavors affects the level of internationalization knowledge that firms are able to attain and capitalize from the overall learning process (Jansson, 2020). Björkman and Forsgren (2000) further compliments these findings by arguing that a firm's international efforts often are ruled out with the main motivation of both attaining and developing experiential knowledge. This since more developed experiential knowledge by the firm could both guide the firm as well as decrease the uncertainties in operating within a new market (Hilmersson and Jansson 2012).

The sequential nature of the Uppsala model concerns various facets of internationalization. The first one concerns the scope and characteristics of international investments. Whereby the model recommends firms to begin their internationalization process by initially expanding to a neighboring country(s). This to later enable further expansion and internationalization to more physically distant countries. The latter expansion of firms is however carried out post the accumulation of substantial knowledge from the initial internationalization to the neighboring countries. That is because knowledge plays an enabling role for boosting the firms’ confidence toward the international market, while simultaneously reducing the uncertainty level embedded in the internationalization process. The second facet centers around the scale of firms’ commitment to the international market. At the initial stage of internationalization, firms that are following the Uppsala model begin their international activities by solely exporting their products/services abroad, thereafter they often gradually escalate their commitment through initiating sales subsidiaries and production activities internationally. The final facet concerns knowledge and learning. To illustrate, firms are encouraged to proactively accumulate internationalization knowledge prior to their engagement in the international market. Specifically, this is relevant for firms that are entering the international market for the first time,
as well as firms who are already international but aim to expand their internationalization activities to markets with larger distance at the psychic and physical level (Johanson and Vahlne, 1977; Johanson and Wiedersheim-Paul, 1975).

In recent years, the Uppsala model of internationalization has been revised by its original authors. That is by expanding its main characteristics to include the network aspect of internationalization behaviors (Johanson and Vahlne, 2009). Similarly, in an attempt to modernize the Uppsala model of internationalization and improve its relevance for analyzing SMEs that operate in the modern business environment, Coviello, Kano, and Liesch (2017) revise the original model and portray the relevance of the Uppsala internationalization theory to smaller more modern firms. Furthermore, the authors advocate researchers to consider that modern firms are concerned with business exchange rather than production. In addition, the role of digitalization has a significant impact on the internationalization process of these firms. Finally, researchers should particularly consider the proactive role of individuals, networks, and entrepreneurial endeavors as core drivers for the internationalization of these smaller firms (ibid).

2.1.2 Network theory

According to Yamin and Kurt (2018) international business literature has been increasingly emphasizing the important role of network connections in relation to the internationalization process. Relationships are a significant element when operating in the international market. Therefore, studying networks is essential for understanding the internationalization process (Madsen and Servais, 1997). For instance, as mentioned in the theory section above, the Uppsala model of internationalization has recently been reviewed and updated to include the networking element, where firms are argued to be included in a dynamic network web together with various co-dependent actors (Johanson and Vahlne, 2009; Wach, 2021). Johanson and Mattsson (1987) perceive internationalization from a networking perspective. Whereby the authors postulate that internationalization is an outcome of constructing relationships between individuals and organizations that reside in a web of networks. Correlatively, Blankenburg (1995) defines the internationalization process as “the result of the interactions between the actors of the firm and the network” (p.379). Moreover, it is postulated that international
networks allow firms to create and facilitate relationships from which firms can take advantage of knowledge exchange (e.g., latest innovation) and knowledge acquisition (Vissak, Francioni and Freeman, 2020; Parrilli, 2019). In terms of knowledge exchange Johanson and Vahlne (1990) express that firms within international networks are frequently conducting interactive communication where market-knowledge is shared between the network actors creating mutual beneficial synergistic effect. When doing international business, the levels of uncertainty and risks are also argued to be reduced through the help of the firms established networks (Vissak et al., 2020; Fath et al., 2021).

In the international business process, networks are shown to allow firms to speed up their process and reduce their cost (Mtigwe, 2006). Furthermore, it helps them to better allocate partners, resources, and business opportunities in the host market (Chetty and Holm, 2000; Chetty and Campbell-Hunt 2003; Zhou, Wu, and Luo, 2007; Chandra, Styles and Wilkinson, 2012). Correlatively, Johanson and Vahlne (2003; 2009) and Vahlne and Bhatti (2019) argue that networks aid firms to create an improved understanding concerning the needs, resources, and strategies of various business actors within a web of networks. In a correlative manner, Torkkeli et al. (2019) postulates that firms with both understanding and knowledge in regard to international networking have the possibility to move beyond the process of only exporting to foreign single markets. This knowledge, allow them to reach holistic internationalization competences concerning executing long term international business strategies, that lead to enhanced internationalization in terms of both, scale, scope, and revenue (ibid).

The majority of international business activities are associated with networking and building relationships. Networks within the internationalization process are often composed by various actors. Examples of these actors are customers, competitors, suppliers, agents, institutions, and government officials (Johanson and Vahlne, 1990; Chetty and Campbell-Hunt 2003). Zain and Ng (2006) explain internationalization networks as a relationship between the internal individuals of the firm and any other entity that could potentially facilitate the internationalization of SMEs. That could even include informal relationships with friends and family members (ibid). Often firms rely on relationships in their internationalization procedures (Johanson and Mattsson, 1987). The potential relationships in the host market could be allocated and further analyzed using strategic tools such as the network map (Jansson, 2020). The network map is constructed
based on three axes representing the dimensions of firms’ international relationships. These dimensions are vertical, horizontal, and diagonal. The firm’s supplier, distributor, and customer cluster on the vertical dimension. While the competitors are situated on the horizontal dimension. Finally, actors such as governmental organizations, financing institutions, and consultants are located on the diagonal dimension (ibid). Firms are advocated to foster the relationships with these actors respectively (Welch and Welch, 1996).

When interacting with various actors in the international market, firms are recommended to follow a value-added mindset which centers around building strong and strategically oriented relationships. That is to secure a competitive advantage and attractive network position in the host market (Blankenburg, 1995; Chetty and Holm, 2000). To illustrate, on the vertical level distributors have advanced understanding about the customers and their needs. Therefore, they are deemed to be customer experts. Consequently, having strong relationships with distributors could help the firm to aggregate constructive customer-specific knowledge. Similarly, on the diagonal level, building relationships with consultants allow firms to allocate potential business opportunities through well informed networking practices, which is justified by the fact that consultants in the host market are perceived as network experts (Jansson, 2020). All these examples highlight the invaluable role of networks and relationships in international business activities. Therefore, scholars advise firms to avoid a cost-sensitive mindset when initiating relationships with these partners (Blankenburg, 1995; Chetty and Holm, 2000). Because, in the long-term firms will most likely benefit from these strongly established relationships due to the higher switching cost incorporated within them which leads to decreased exits of partners (Vissak et al., 2020).

According to Axelsson and Johanson (1992) firms could establish understanding about international business networks by simply entering them and proactively learning how they function. In other words, it is a time-consuming process that relies on trial and error, as well as making mistakes. Moreover, it is necessary for firms to allocate adequate resources for networking and be attentive to the time factors, to create strong relationships and further act upon opportunities as they present themselves (ibid). Afterall, internationalization could be seen as a representation of a “network extension” whereby firms capitalize on foreign partners to better position themselves in the international market (Mtigwe, 2006). Axelsson and Johanson
1992) illustrate that this could be achieved following three incremental steps, including 1. International extension, 2. Penetration and 3. International integration. The initial step concerns allocating and further establishing new linkages to the international markets. The second step involves employing resources toward the development of the currently established relationships in foreign host markets. The final step focuses on coordinating these relationships derived from different international networks (ibid). In relation to network extension in internationalization, Torkkeli et al. (2019) argues that it is more important for the firm to consider and control the network level rather than the specific individual connection. Meaning that the way the firm approaches and manages their networks should be holistic and consider the network more as a whole. Which is proposed to play a crucial role for successful international expansion (ibid).

As much as it is important to understand the valuable benefits generated by networks, it is as vital to know that networks are dynamic and could potentially break or even create problems for the companies within them. However, networking experience and previously established relationships help firms to continuously allocate new contacts and even re-entering international markets when needed (Vissak et al., 2020).

2.1.3 International entrepreneurship theory

In recent years the acceleration in digital technological development is argued to have paved the way for firms all over the world to access untapped opportunities in the international market (Oviatt and McDougall, 2005b; McDougall and Oviatt 2003; Jansson, 2020). Creating a wave of international entrepreneurship (Oviatt and McDougall, 2005b). That contradicts the conventional process of internationalization (Fang et al., 2017; Rennie, 1993). Due to the fact that these firms tend to become international from inception (Madsen and Servais, 1997; Oviatt and McDougall, 1994) or within a maximum of three years from initial business establishment (Knight and Liesch, 2016). Rather than following the incremental stepwise internationalization strategy (e.g., Uppsala model) which focuses on learning and psychic and physical distance (Madsen and Servais, 1997; Andersson, Forsgren and Holm, 2002). These entrepreneurial firms are deemed to be “born” to the international market (Knight and Cavusgil, 1996). Therefore, in 1993 Michael Rennie gave them the name “Born Globals” (Ferguson. Henrekson, and Johannesson, 2021). Oviatt and McDougall (1994) define them as “business organization that, from inception, seeks to derive significant competitive advantage from the use of resources and
the sale of outputs in multiple countries” (p. 49). In addition, other scholars have assigned different terms to the same phenomena, for example McAuley, (1999) utilizes “Instant Exporters” to describe the rapid internationalization. While Oviatt and McDougall (1994) uses the definitions “Global Start-ups” and “International New ventures”. Madsen and Servais (1997) employ the term “High Technology Start-ups”. However, despite the variety of their names, these firms all share similar behavior that represent the core essence of international entrepreneurship (Andersson and Wictor, 2003).

Consequently, international business researchers started to focus on entrepreneurial behaviors and capabilities when studying the “born global” way of internationalizing (Cavusgil and Knight, 2015; Coviello, 2015). Which is more relevant to the current business environment (Fang et al., 2017). For example, the study by Weerawardena et al. (2007) argues that entrepreneurial firms hold various capabilities which enable them to execute an accelerated internationalization. In this sense accelerated internationalization is measured in terms of 1. Speed (the quickness of conducting the first international business activity), 2. Extent (the amount of the total revenue derived from the international markets) and 3. Scoop (number of markets entered through export). Moreover, the respective entrepreneurial capabilities are initiated by the entrepreneurial profile of the owners and management team. It expands to include learning capabilities in terms of both market and internal processes, advanced networking, marketing skills, and extensive product knowledge. These capabilities are proposed to be the prevalent drivers of the accelerating internationalization of born global firms (ibid). In fact, following the networking notion of internationalization, researchers found that when it comes to international new ventures, building relationships is deemed to be a significant internationalization enabler, while the path of internationalization is shown to have less importance in relation to their success in international expansion (Coviello, 2006).

Studies on born global firms provide empirical evidence that the success in doing international business and achieving competitive advantage is a matter of having a customer focused mindset. On the other hand, resources and experiential knowledge are found to be insignificantly important in relation to internationalization (Fang et al., 2017). The same goes for having domestic bases in the targeted international market which is postulated to be less important (Rennie, 1993). In conclusion, born global firms are more likely to successfully be able to
compete in the international field of business. That could be justified by the fact that their global mindset enables them to capitalize on resources and business opportunities at a wider global spectrum (Oviatt and McDougall, 1994; Fang et al., 2017).

2.2 Institutional environment

In today's international business environment, the aspect of institutional environment when deliberating on the topic of governmental guidance and support have been highlighted by various scholars (e.g., Bruton, Ahlstrom, and Li, 2010; Oparaocha, 2015; Torkkeli, 2019). Firms that are targeting international expansions are argued to function under various institutional environments, like for example regulatory frameworks, cultures, and financial markets (Bruton, Ahlstrom, and Li, 2010). These institutional environments are often linked with governmental guidance. In line with this the governmental guidance is also highlighted to constitute the environment of the firms (ibid). Based on this, the firm's strategic decisions in terms of innovation and internationalization are postulated to be directly linked with the institutional environment which the firm is operating under (Oparaocha, 2015). In addition, Spencer, Murtha, and Lenway (2005) argues that the foreign market entry decision is rooted in the home country institutional guidance available as well as the overarching institutional environment. The same occurrence is further shown in later stages of the internationalization, where the home country institutional environment is shown to positively influence foreign market growth as well as survival. This is further shown to be adequate even in turbulent foreign markets (ibid). The institutional environment has shown to often interact with firm's internal resources. Furthermore, it is also concluded that the institutional environment and institutional guidance can be decisive factors in what resources firms are able to acquire from their external networks (Vatne, 1995). In line with this Kiss and Danis (2008) argues that the institutional context can have an effect on the way and extent SMEs choose to network in regard to their international expansion. In regard to this, conclusions have been drawn that the institutional environment is having a multidimensional effect on the extent to which SMEs are engaging themselves in international endeavors (Volchek, Henttonen and Edelmann, 2013).
2.2.1 Governmental agencies

Extant research postulates that various institutions are shown to facilitate the international endeavors of SMEs (Child and Hsieh, 2014; Gardó, García, and Descals, 2015). This through undertaking supportive positions which further aims to establish an encouraging atmosphere which fosters investing in foreign markets and further facilitates more successful business operations at both home and international markets (Gibb, 1993). These institutions are funded by the government and their primary objective is to boost SMEs growth at the national and regional levels. Therefore, their services are often free of charge (Martin and Scott, 2000; Audet and St-Jean, 2007). The governmental institutions often appear in the shape of governmental agencies (Zain and Ng, 2006). According to Oparaocha (2015) the term governmental agencies overarch state related organizations that offer various types of support for firms with internationalization aims. These types of support are shown to constitute different key roles in the internationalization of SMEs. Examples of these governmental agencies are for instance, centers for providing consultancy and advisory services, science parks and incubators, financing organizations, research and development institutes, and foundations for innovation and technological development (ibid).

Similarly, government funded business trade associations are argued to have a supportive role in SMEs internationalization. These entities could be business professional associations, industry associations, legal associations, company associations, federations, and chambers of commerce (Bennet, 1998). These presented associations are providing various services in terms of information and knowledge sharing; conventions; education and training; informative reports (ibid). Where the essence of the provided services is argued to enhance the SME’s knowledge capacity, sharpen their focus in terms of internationalization objectives and activities, helping them leap barriers related to the identification and exploitation of international business opportunities (e.g., sociocultural hindrance and resource shortages) (Szyliowicz and Galvin, 2010). In addition, these business trade associations should establish network ties at the local and international level and promote a collaborative environment between the participants within its network (Costa et al., 2017; Torkkeli et al., 2019). This to further create a two-way stream of shared knowledge and information, facilitating extended sharing of knowledge in regard to
international business practices (Costa et al., 2017). Consequently, business associations could be considered as “network administrative organizations” (Provan and Kenis, 2008).

From the SME perspective, the motivation for taking part in these associations is derived by the SMEs’ need to develop and expand, finding solutions to core problems, and most importantly learning how to construct business models that allow the allocation of new business partners. These motivations are particularly linked to the firm internationalization ambitions (Walters, 1996; Traxler and Huemer, 2007). Moreover, these associations are perceived by SMEs as an accessible low-cost source of information, primarily in regard to export laws and processes, trade barriers and market knowledge. Therefore, the term “information brokers” represent how SMEs often perceive government business associations (Walters, 1996; Riddle and Gillespie, 2003). In addition to that, Costa et al. (2017) also highlights that governmental business associations often are perceived as export promotion organizations. Where they could be seen as an extension of the governmental export incentives aiming in promoting foreign export and international expansion (Wilkinson and Brouthers, 2006). Consequently, these business associations are argued to positively influence foreign trade in terms of a more beneficial competitive position for involving actors (Freixanet, 2012). Although, it is prevailing that the support from both business association and governmental programs are not fully utilized by firms. This due to the lack of awareness from many SMEs which consequently leads to a low employment of their support (Costa et al., 2017).

International business research emphasizes that government institutions have a crucial role in SME internationalization. Where it is argued that the support and network generated from governmental associations is showing a positive relationship to allowing SMEs to overcome the complications with limited resources when going international. This further decreases the risk level with such operations as well as facilitating a more sustainable international business strategy (Costa et al., 2017). On the contrary, extant researchers have found that companies have a diverse view concerning the actual value of the support provided by governmental business association. For example, in the case of chambers of commerce it is argued that the firsthand market specific information initiated by chambers of commerce is generally not utilized nor adopted by firms, because the perceived value of the information is considered to be low (Leonidou and Theodosiou, 2004; Leonidou and Katsikeas, 1997). Instead, it is shown
that firms are more compliant to personal contact for gathering information related to their internationalization endeavors (Leonidou and Katsikeas, 1997).

2.2.2 Governmental support

In comparison to larger firms, SMEs are shown to have a significantly higher dependency on external networks and governmental support when initiating and further internationalizing to foreign markets. This dependency is often postulated to be caused by SMEs limited resources (Hessels and Terjesen, 2010; Costa, Soares, and Sousa, 2016; Gashi, Hashi, and Pugh, 2013). Furthermore, it is also argued that SMEs show difficulties when going international, due to both external and internal barriers (Leonidou, 2004). From a governmental perspective, the government often takes an active role in supporting international entrepreneurship of SMEs. This is due to the fact that the internationalization of the home country firms have shown positive influence on the overall economic stability as well as the competitiveness of the country in the international field (Oparaocha, 2015). Moreover, it is argued that initiatives in terms of government support for SMEs internationalization are a critical inducement for actual occurrence (Coudounaris, 2018). In line with this, international business literature argues that governmental financial support has an important role in SMEs internationalization. This mainly in the form of grants and loans (Catanzaro, Messeghem, and Sammut, 2019). These governmental financial supports are shown to have a positive impact toward SMEs internal resources and capabilities (Bannò, Piscitello, and Varum, 2014), reduce their costs (Crick and Czinkota 1995), and boost their internationalization process performance (Lages and Montgomery, 2005). In addition, it is proposed that financial support at the later stages of internationalization is evident to determine the extent of SMEs internationalization (Catanzaro et al., 2019). Therefore, current research has shown to advocate adopting an institutional network rationale when studying internationalization (Kaur and Sandhu, 2013; Jansson, 2020). Institutional networks refer to the links between the firm and governmentally funded institutions (Oparaocha, 2015). Following this perspective scholars could gain an improved holistic understanding toward the drivers of SME internationalization (Kaur and Sandhu, 2013).
2.2.3 Governmental policies

Within governmental support for SME internationalization the aspect of policies has been highlighted by international business literature. In relation to that, Hauptman et al. (2011) argues that when supporting the internationalization of SMEs, government institutions should implement policies which follow a customer-friendly approach. In addition, these policies should reorganize and center around the entrepreneurial competencies at the individual level, rather than following a firm's characteristics perspective (ibid). Seringhaus and Botschen (1991) address four main perspectives which are often taken in consideration by institutional policymakers, while constructing profound export promotion policies. The first perspective consolidates around promoting and building both understanding and interest towards the opportunities within exporting to new markets. The second element centers around the planning phase of export activities, where the policies should aim at facilitating the firms in question. The third aspect concentrates on the acquisition of the accurate knowledge and expertise essential for being able to both conduct a new market entry and further successfully settle within the market. The fourth and last element focuses on the foreign business support, mainly through sharing programs where support is facilitated through both cost centered support as well as services (ibid).

In regard to SME internationalization support generated from adopted governmental policies, Hauptman et al. (2011) postulated that policy support could be in the form of five different support types. Where the first and most common support towards SME internationalization is information. Which often is offered to internationalizing SMEs through information services or information platforms constructed by institutions. The second type of support is through policies involved within the process of promotion. Where the main incentive is to help strengthen the foreign market position of the exporting SME. The third type of policy support measure involves the financial aspect of internationalization. Financial policy support takes the form of insurance, grants, tax ease and credits. All directly related to overcoming barriers and risks related to international trade. The fourth support category relates to inward investment support, which focuses on facilitating the development and establishment of the firms in both the home and foreign market. This through both financial support and foreign direct investment
information. The fifth institutional policy support type is *counseling*, which consolidates around individual support in various areas of the internationalization process (ibid).

2.3 Conceptual framework

In accordance with the foregoing international process theories and extant literature concerning the government role in the internationalization process of SMEs. This paper constructed a conceptual framework for analyzing the internationalization of Swedish SMEs in the Kalmar Region, as well as the governmental endeavors that aim to foster their internationalization. The conceptual framework is described in *Figure 1*. The core of the framework depicts a configuration between the well-established internationalization processes and governmental support. The former includes the gradual way of internationalization (Uppsala model) (Johanson and Vahlne, 1977), relationship-based internationalization (Network theory) (Johanson and Mattsson, 1987; Axelsson and Johanson, 1992; Jansson, 2020), and the accelerated entrepreneurial approach to internationalization (Born global) (Oviatt and McDougall, 1994; Madesen and Servais, 1997; Weerawardena et al., 2007). The latter comprises the overarching home-based institutional environment which constitutes encouraging ground for internationalization activities of SMEs (Oparaocha, 2015; Torkkeli, 2019). The role of governmental agencies involved in the internationalization of SMEs (e.g., Business associations) (Costa et al., 2017). The support endeavors offered to SMEs (Coudounaris, 2018; Oparaocha, 2015). Government internationalization policies that aim to promote and support internationalization of SMEs (Seringhaus and Botschen, 1991; Hauptman et al., 2011). The configuration further highlights the interconnectivity between internationalization and home country governmental involvement. The conceptual framework serves our interest in understanding the whole process of Swedish SMEs internationalization. That is in terms of the characteristics of their internationalization. Similarly, the model provides an analytical lens to foresee the governmental agencies roles towards internationalization and their respective endeavors.
Figure 1: Configuration of SMEs internationalization and home-based governmental support
3. Methodology

The following chapters present and motivate the methodological choices that have been taken in order to complete this study and further answer the overarching research questions. It portrays the research perspective, approach, methods, and design. Similarly, it highlights the research process and the implemented methods of analysis. Finally, the chapter provides the author's considerations concerning the aspects of validity, reliability, and research ethics.

3.1 Research perspective

According to Bell, Bryman, and Harley (2019) there are a variety of philosophical assumptions in business research. These assumptions consolidate around three main dimensions, namely ontology, epistemology, and methodology (ibid). In addition, it is emphasized that all research enquiries should be based on these three dimensions (Antwi, and Hamza, 2015; Guba and Lincoln, 1994). Ontology and epistemology both are Greek words that concern theories (Delanty, and Strydom., 2003). Ontology concerns how researchers define truth and interpret social reality (Antwi, and Hamza, 2015). For instance, objectivist ontology assumes that reality exists objectively in the social world, in a way that is external to us. On the contrary, constructionist ontology argues that reality is an outcome of human activities, and its meaning is influenced by the interpretation of the observers (Bell et al., 2019). Epistemology represents the process of acquiring knowledge and understanding regarding reality (Antwi, and Hamza, 2015). To illustrate, positivist epistemology is a position that follows an objectivist ontological reasoning. Whereby researchers observe external phenomena in its natural environment, or they collect data using surveys following standard measurement rules that are derived from the natural sciences. On the other hand, interpretivist epistemology follows a constructionist ontological reasoning, and it aims to understand the behavioral aspect of humans and their institutions. That is by answering how and why phenomenon occur in social reality (Bell et al., 2019). This study followed a constructivist interpretivist perspective, due to the fact that the research question requires the investigation of social behavior of people and organizations. Finally, methodological considerations represent the methods implemented by researchers to carry on the study and investigate the phenomenon at hand (Antwi, and Hamza, 2015). The implemented methods for conducting this study are explained and justified in the following paragraphs.
3.2 Research approach

When doing research, scholars implement a variety of approaches that are to some extent interrelated in nature. In fact, these approaches complement each other and aim to build and test theoretical constructs (Mason, 1996; Piekkari and Welch, 2012). Theory building in relation to the research process requires an inductive approach, whereby scholars begin their research by collecting data from the social reality and further constructing research questions that exceed the prevailing knowledge in the extant literature (Locke, 2007). Consequently, the research process could advance knowledge (Harriman, 2010) and enable the creation of new theories (Eisenhardt, Graebner and Sonenshein, 2016). Moreover, following an inductive reasoning the research generally starts with the particular and gradually moves towards the more general. In other words, scholars often initiate empirical observation on particular phenomena of interest, this to further create concepts and theoretical frameworks (Locke, 2007). On the contrary, theory testing does not start with empirical observation. Scholars initiate the research process by constructing a robust theoretical base, and further utilizing it to deduce alternative testable hypotheses. Therefore, it is argued that theory testing follows deductive reasoning (Woiceshyn and Daellenbach, 2018). Deductive research approach entails scholars to start with the general and gradually move towards the more particular (Locke, 2007). Whereby, the formulated hypotheses are tested for viability using empirical evidence. Consequently, this leads to specific theoretical revisions (Locke, 2007; Janiszewski and van Osselaer, 2022). As an alternative to the commonly employed inductive and deductive research approaches, the abductive approach has started to emerge in extant literature (Sörensen and Olsson, 2007; Janiszewski and van Osselaer, 2022). According to Kelly and Codiero (2020) the abductive research approach is pragmatic in nature, with the essence of inseparability of collected data and the theoretical base. Abductive reasoning aims to produce original theory through the use of constant refinement and recursive data collection. Researchers have the ability to implement dialectical shuttling, meaning go back and forth between theory and data collection. This approach allows for conjecture and constant hypothesis revision (Timmermans and Tavory, 2012; Behfar and Okhuysen, 2018; Atkinson, Coffey, and Delamont, 2003; Schwartz-Shea and Yanow, 2013). In addition, the abductive research approach enables to augment the extant theories by the empirical observations of the specific research (Dubois and Gadde, 2002).
Among the three prevailing research approaches, the inductive approach was found to be the most suitable and applicable methodological alternative in this research project. To illustrate, the research process was initiated by identifying an interesting phenomenon which existed in social reality. Consequently, the empirical aspect of this research was considered as the base. Further, extant theories were utilized for analyzing the identified social phenomena, generating novel theoretical contributions. In other words, similarly to Owusu, and Habiyakare (2011) this research project constructed a conceptual framework that is grounded on extant theories. While the generated empirical evidence provided contribution to existing theories. Moreover, this study disregarded the deductive approach since the extant theories were utilized as a lens for analyzing the phenomena at hand with intent to generate new knowledge. This rather than being used for creating hypotheses and further testing and revising extant theoretical contributions.

3.3 Research method

Qualitative and quantitative are two distinct research methods used in business research. The former is characterized by its focus toward words and attaining understanding concerning their underlying meaning (Bell et al., 2019). Furthermore, qualitative research helps researchers to understand the behavior of individuals and organizations. Allowing them to generate a rich description of real-life social occurrences. Therefore, it is argued that qualitative research is a robust method for exercising theory building (Doz, 2011). Which often implement an inductive reasoning (Bell et al., 2019; Piekkari and Welch, 2012). Following the qualitative method, researchers often collect their data using observation and various types of interviews (Bell et al., 2019) as well as different types of secondary data (Piekkari and Welch, 2012). On the other hand, the quantitative method concerns analyzing numeric information (e.g., numbers and statistics) that are obtained through various types of data collection, often done through close-ended surveys (Saunders, Lewis, and Thornhill, 2019). Quantitative research follows deductive reasoning, whereby researchers collect their numerical data in the light of the pre-formulated hypotheses. The collected data is further utilized to test the hypotheses leading to accurate theoretical refinement (Bryman et al., 2019).

This research followed a qualitative research method. This methodological choice was justified because of the fact that qualitative research is postulated to be a specifically relevant research
method for answering descriptive research questions (Doz, 2011). This was shown to correlate with the adopted research question for this study. Furthermore, this study aimed to understand the deeper meaning behind communicated words rather than analyzing numeric values and statistics. Therefore, the quantitative method was shown to be an irrelevant methodological choice for carrying out this study. The methodological choice of qualitative reasoning was further justified by the fact that the international business environment is considered complex and rich, requiring the proper and adequate method for facilitating an in-depth description of social phenomenon (Doz, 2011). In addition, qualitative research is deemed to be a constructive method for studying international business. That is in terms of process, networks, and strategies (Meyer and Gelbuda, 2006). This is due to its ability to enhance the theoretical understanding of these practices through contextually connecting them together along with the business environment (Eisenhardt, 1989; Miles and Huberman, 1994). Furthermore, qualitative research is postulated to be a constructive method for expanding knowledge in the field of international business (Cerar, Nell, and Reiche, 2021; Aguinis and Solarino, 2019). This was shown to be relevant to the objectives of this study, which aimed to understand the internationalization of SMEs in the Swedish regional context, and the role of government endeavors to foster their operational, tactical, and strategic actions toward the international markets.

3.4 Research design

Research design is a strategic tool that is utilized by researchers to assure the coherence and logic of their study. It further allows them to integrate the various components of their research project. Consequently, the research design could assure that the addressing of the research problem is executed effectively and in a cohesive manner (De Vaus, 2001). Research design is derived primarily from the aim and objectives of the research project, particularly the research question. Moreover, research design is seen as a methodological tool that provides accurate structure and guidelines that aid researchers when carrying on the process of their study (Bell et al., 2019). The chosen research design settles the framework for how the researchers are going to collect the data and further analyze it to be able to address the specific research objectives appropriately (De Vaus, 2001).
In social sciences survey research and case studies are among the most prevailing research designs. The former is often utilized when conducting exploratory studies that aims to answer research questions that are formalized using the word what (Yin, 2009). Survey based research often follows a quantitative approach (Bell et al., 2019). On the contrary the case study research design is the preferred design when doing explanatory studies that has research questions starting with the word how (Yin, 2009). According to Eisenhardt and Graebner (2007) case study is shown to be a widely used design in business research. That includes qualitative international business research (Fletcher and Plakoyiannaki, 2011). Furthermore, it is argued that case studies are used for studying contemporary phenomena. Although, it does not require researchers to implement control of behavioral events (Yin, 2009). Explanatory case studies are often associated with qualitative research. That is justified by the fact that qualitative research and its data collection methods (e.g., observation and semi-structured interview) allows researchers to obtain intensive and detailed examination of a case at hand (Bell et al., 2019). In addition, the widespread adaptation of qualitative case studies in international business research is motivated by its ability to deeply account for contextual insights. These insights include environment attributes, resource constraints and cultural characteristics (Fletcher and Plakoyiannaki, 2011). Case studies could be constructed based on social units (e.g., individual, group, organization, social interactions); temporal units (e.g., events); geographical units (e.g., countries); artifacts (technological objects) (Yin, 2009; Fletcher and Plakoyiannaki, 2011). Nevertheless, it concerns a bounded entity that is characterized by a distinctive purpose and functioning elements (Yin, 2009). According to Fletcher and Plakoyiannaki (2011) researchers could utilize one or more social entities as representative subjects for conducting case studies. Similarly, Yin (2009) postulates that the case study can undertake either single or multiple cases, constituting two different research designs. However, both the single and multiple case study design includes a holistic unit of analysis. Although, they differ in the included number of cases selected for the specific study, whereby the single case study is centered around one bounded case, while the multiple case study includes more than one case (ibid).

In this research project we adopted case study design and in particular the multiple case study design. The methodological choice was guided by our research question which is descriptive in nature and requires the explanations of the studied social phenomena, which in our study is done through using multiple bounded cases. The utilization of multiple case study design was
chosen based on the fact that the adoption of multiple cases is argued to generate a more robust outcome (Yin, 2009). In addition, following the recommendations of Baxter and Jack, (2008) and Eisenhardt and Graebner (2007) we used multiple case study designs to ensure that our findings and theoretical contribution are more reliable and convincing. This was generated as a consequence of having multiple empirical evidence combined with wider exploration of the research question as well as deeper theoretical evolution (Eisenhardt and Graebner, 2007). Lastly, the multiple case study design was adopted for this study since it is shown to be applicable for research projects that aims generate an improved understanding of neglected phenomena (Birkinshaw, Brannen and Tung, 2011; Welch, Piekkari and Plakoyiannaki, 2011)

3.5 Research process

3.5.1 Sampling

When conducting a case study, the process of sampling is deemed to have an intrinsic value for theory building. In fact, it is argued that sampling is not merely a matter of methodological choices. However, it is about deciding what is to be studied (Fletcher and Plakoyiannaki, 2011). According to Yin (2009) identifying the appropriate unit of analysis is a straightforward task that is determined by the formulated research question. Following this argument, this study was conducted in relation to multiple units of analysis that are bounded with social, temporal, and geographical characteristics. To illustrate, the samples constituted two main groups of social entities that operate within the Kalmar Region and are relevant to international business. First: Governmental organization, Second: international SMEs. Moreover, concerning the sample size, there is no consensus among business researchers regarding the accurate number of cases for conducting case studies. However, researchers are advocated to include cases that are adequate in width (number of cases) and depth (amount of generated data from each case). That is for establishing rich empirical evidence which allows for theoretical saturation and improved generalizability (Piekkari and Welch, 2012; Yin, 2009; Bell et al., 2019). In this study the sample size constituted of nine organizations representing the previously mentioned unit of analysis, table 1 depicts the included organizations in this multiple case study. Furthermore, in line with the recommendation of Bell et al. (2019) our sample selection followed purposive sampling techniques (non-probability sampling) whereby the sample selection was completed following strategic endeavors rather than on a random basis. To illustrate, the samples were
chosen in the light of the research question. Although, that is while keeping in mind that each single sample differs from the rest in terms of key peculiarities in relation to the posed research question. That is to ensure diversity and variation regarding the input and output derived from each included case (Fletcher and Plakoyiannaki, 2011; Bell et al., 2019). When allocating the organizations, a snowballing sampling technique was executed. For instance, we started the allocation process by establishing contact with individuals and organizations that are relevant to the topic of this research project. Thereafter, we utilized these initial contacts to get in touch with other relevant actors that could potentially participate in our study (Bell et al., 2019).

First: Representation for Governmental organizations

<table>
<thead>
<tr>
<th>Organization Name</th>
<th>Interviewee</th>
<th>Position</th>
<th>Interview (Method)</th>
<th>Interview (Date/Time)</th>
<th>Interview (Duration)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kalmar county council (KCC)</td>
<td>Mr. Mattias Nylander</td>
<td>Innovation policy coordinator</td>
<td>Online (Zoom)</td>
<td>23/03/2022 (10.00 AM)</td>
<td>48:03 Min</td>
</tr>
<tr>
<td>Kalmar county council (KCC)</td>
<td>Mr. Thomas Tiger</td>
<td>Business support administrator</td>
<td>Online (Zoom)</td>
<td>25/03/2022 (02.00 PM)</td>
<td>59:11 Min</td>
</tr>
<tr>
<td>Linnaeus University</td>
<td>Dr. Ann-Charlotte Larsson</td>
<td>Deputy vice chancellor</td>
<td>Online (Zoom)</td>
<td>11/04/2022 (02.00 PM)</td>
<td>45:17 Min</td>
</tr>
<tr>
<td>Almi AB</td>
<td>Ms. Sofie Isehav</td>
<td>Business advisor</td>
<td>Online (Zoom)</td>
<td>17/03/2022 (09.00 AM)</td>
<td>52:51 Min</td>
</tr>
<tr>
<td>Kalmar Science Park AB</td>
<td>Mr. Linus Lindquist</td>
<td>Coordinator / Incubator management</td>
<td>Online (Zoom)</td>
<td>24/03/2022 (01.00 PM)</td>
<td>68:10 Min</td>
</tr>
</tbody>
</table>

Second: Representation for Kalmar based International SMEs

<table>
<thead>
<tr>
<th>Organization Name</th>
<th>Interviewee</th>
<th>Position</th>
<th>Interview (Method)</th>
<th>Interview (Date/Time)</th>
<th>Interview (Duration)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Svenska Regnkläds AB (Farmerrain)</td>
<td>Mr. Jonas Carlsson</td>
<td>Founder / Owner</td>
<td>Online (Zoom)</td>
<td>15/03/2022 (09.00 AM)</td>
<td>41:53 Min</td>
</tr>
<tr>
<td></td>
<td>Ms. Carola Carlsson</td>
<td>Founder / Owner</td>
<td>Online (Zoom)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lackeby Products AB</td>
<td>Mr. Daniel Johansson</td>
<td>Area sales manager</td>
<td>Online (Zoom)</td>
<td>15/03/2022 (10.00 AM)</td>
<td>40:11 Min</td>
</tr>
<tr>
<td></td>
<td>Mr. Daniel Lindström</td>
<td>Marketing/Sales manager</td>
<td>Online (Zoom)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Johannas Choklad AB</td>
<td>Mr. Kristoffer Elmqvist</td>
<td>Founder / Owner</td>
<td>Online (Zoom)</td>
<td>14/03/2022 (09.00 AM)</td>
<td>52:57 Min</td>
</tr>
<tr>
<td>Minerals By Nordic AB</td>
<td>Ms. Nina Fornander</td>
<td>Founder / Owner</td>
<td>Online (Zoom)</td>
<td>16/03/2022 (02.00 PM)</td>
<td>44:08 Min</td>
</tr>
<tr>
<td>Essence AB</td>
<td>Mr. Andy Reid</td>
<td>Owner</td>
<td>Online (Zoom)</td>
<td>23/03/2022 (03:00 PM)</td>
<td>51:34 Min</td>
</tr>
</tbody>
</table>

Total amount of interviews 10

Table 1: Organizations included in the multiple case study

3.5.2 Data collection

In qualitative research there are a variety of methods that researchers could utilize to collect their data. However, conducting interviews is the most implemented method (Bell et al., 2019; Rowley et al., 2012). When conducting qualitative research, researchers do interviews for the sake of obtaining rich insights and understanding concerning people’s behaviors that are
attached to certain events (Rowley et al., 2012). Interviews could be simply portrayed as a conversation between individuals (interviewer and an interviewee) and it is categorized as either structured or semi-structured (Bell et al., 2019). This categorization is determined by the extent of the interviewer's control toward the interviewee during the conversation (Rowley et al., 2012). Following structured interviews, researchers often have a predetermined set of close ended questions that are asked to the participants in a systematic and orderly manner. On the contrary, Semi-structured interviews are more flexible in nature. When researchers carry out semi-structured interviews, they are not required to follow predetermined actions. But rather, they ask their questions appropriately in line with the conversation flow (Rowley et al., 2012). Moreover, Semi-structured interviews primarily comprise a set of open questions. However, it might also include a limited number of closed ended questions. In addition, it allows researchers to execute follow up questions. That is to extract further insights from the interviews (Bell et al., 2019; Rowley et al., 2012). In other words, semi-structured interviews provide a better opportunity for researchers to obtain an improved perception concerning the information provided by the interviews (Carson et al. 2001). Therefore, in this study, semi structured interviews were the main method for collecting primary data. Although, in order to enrich the empirical evidence of this study, secondary data was incorporated. That is by using relevant online sources, statistics, and reports (Saunders et al. 2019).

3.6 Operationalization

The operationalization process depicted in table 2 visually links the conceptual framework and its included theories with the constructed data collection instrument used in this study, namely, the interview guide (see appendix 1). The table presents the main utilized theories and their respective theoretical sub-con structs. It further highlights how each theoretical concept acted as a base for the formation of each question included in the interview guide. That is to clarify the scientific link between extant literature and the empirical evidence that has been aggregated through conducting this study. To illustrate, internationalization theories and their respective assumptions allowed for the establishment of constructive questions enabling analyzing the characteristic of the internationalization process of the local SMEs in the Kalmar region. Similarly, theories concerning the institutional environment were implemented as a theoretical lens to collect primary data and further analyze the aspect of governmental agencies, support and policies in relation to internationalization within the Kalmar region.
### Operationalization of the Interviews

<table>
<thead>
<tr>
<th>Theories</th>
<th>Theoretical sub-constructs</th>
<th>Questions (Governmental organizations)</th>
<th>Questions (International SMEs)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Incremental Theory</strong>&lt;br&gt;Johnsson and Vahlne (1977)&lt;br&gt;Johnsson and Wiedersheim-Paul (1975)&lt;br&gt;Johnsson and Vahlne (2009)&lt;br&gt;Hilmasrson and Janssion (2012)&lt;br&gt;Coviello et al. (2017)</td>
<td>1.1 Gradual Internationalization&lt;br&gt;1.2 Knowledge and learning&lt;br&gt;1.3 Commitment&lt;br&gt;1.4 Psychic and Physical distance</td>
<td><em>(A1 - A2 - A3)</em></td>
<td><strong>(B2)</strong>&lt;br&gt;1.1 (B3)&lt;br&gt;1.2 (B4, B5, B6, B7)&lt;br&gt;1.3 (B23)&lt;br&gt;1.4 (B3, B8)</td>
</tr>
</tbody>
</table>

*General questions concerning the internationalization of Kalmar Based SMEs<br>** General internationalization process questions

Table 2: Operationalization of the Interviews
3.7 Method of analysis

Based on the characteristics and nature of the qualitative data, a more thorough data analysis is often adopted. This as the direct consequence of that qualitative data is both postulated to be deeper and richer in nature (Yin, 2009). In line with this, Bell et al. (2019) highlights the fact that qualitative data collected through the qualitative data collection methods such as semi-structured interviews often are considered to be unstructured. Although, by the utilization of a more thorough and deeper data analysis process the authors have the possibility to extract the true meaning behind the possessed data (Yin, 2009). One of the more adopted data analyses is the ‘grounded theory’ method. When adopting and utilizing the grounded theory method the authors aim to decrease the distance between the constructed theoretical framework and the data collected for the research in question. This is done by unfolding theories which are postulated to be grounded from the empirical evidence (Bell et al., 2019). In business research another highly adopted data analysis method is the ‘thematic’ data analysis (ibid). The thematic data analysis method concerns trying to find and evolve the patterns across the various data collected. By this the authors are allowed to gain a deeper understanding of the commonalities of meaning and experiences within the empirical evidence. Even if many commonalities and overlapping occurrences within the collected data set is current, the attention from the authors should only be attained towards those patterns leading to facilitate the authors in answering their research questions (Braun and Clarke, 2012). The adopted method of data analysis for this study was thematic data analysis, that is due to its flexible and accessible nature (Braun and Clarke, 2012). The data analysis process included coding practice, whereby the authors scripted and coded the collected primary and secondary qualitative data in order to attain recognition of the prevailing themes (Saunders et al., 2016). Additionally, the thematic data analysis method enabled this study in line with Ghauri (2004) to find differences between the included empirical cases. Which gave the possibility and freedom to establish patterns within the collected qualitative data set. This further contributed to building the constructive discussions that led to answering the overarching research questions.

3.8 Quality of research

According to Bell et al. (2019) qualitative research is often criticized as being subjective, lacking transparency, difficult to replicate, and further hard to generalize. Therefore, in
international business research, there are three dimensions that are deemed to be highly important for qualitative researchers. These dimensions concern achieving valid, reliable, and generalizable studies (Sinkovics, Penz, and Ghauri, 2008; Piekkari and Welch, 2012). Similarly, Yin (2009) postulates that research quality could be assured through validity and reliability. Mainly these dimensions have been utilized for quantitative studies, although proven to be relevant for qualitative studies as well (Marschan-Piekkar and Welch 2004; Onwuegbuzie and Leech, 2007). The aspects of validity and reliability will be further elaborated in the following sections.

3.8.1 Validity

Validity is deemed to have a decisive property for determining the level of research acceptance among the scientific community (Morse et al., 2002). The term validity is referred to as a measure that represents the truthfulness of the conducted study. It concerns the assurance that researchers are accurately measuring what they intend to measure. Consequently, their success in achieving the objectives of their studies (Golafshani, 2003). Moreover, Yin (2009) postulates that validity should be considered as a research quality indicator for measuring the relevance of the data collection as well as the data interpretation, in relation to both the generated results and studied real life cases (ibid). Validity is shown to be different in nature based on the research method adopted for the research in question. In other words, it is argued that validity in qualitative and quantitative studies are taking different shapes (Hayashi, Abib, and, Hoppen, 2019). This is further strengthened by Winter (2000), emphasizing that validity is not a simple unified consideration. According to Hayashi et al. (2019) quantitative research validity measures are specific and centered around simple numerical testing and analysis. On the other hand, in qualitative research the aspect of validity can not be measured using tangible indicators at a given point of time. Instead, it could be characterized as a more holistic process that expands across the study and concerns all of its activities. Therefore, there is no single measure that could potentially determine the validity of qualitative study (ibid).

Qualitative researchers are advocated to implement a processual validity strategy, following five steps interconnected validity insurance process (Hayashi et al., 2019). This research followed the proposed stages to ensure validity. To illustrate, first: we constructed a clear
research approach, design, methods and delimitation of the study; second: we provided clear explanations concerning the selection and arrangement of collected data; third: we presented the chosen procedure of both codifying and analyzing the derived data; fourth: the analysis done was based on several real life cases generating a complete understanding of the phenomenon; fifth: the result for the empirical insights was compared and analyzed through the light of extant theories (Hayashi et al., 2019). By following these five steps process we ensured that validity was regulated and guaranteed throughout the study.

According to Dellinger and Leech (2007) qualitative research has a wide perception of validity, encompassing 17 different types of validity terms. In this study we followed the five validity elements presented by Maxwell (1992) cited in Hayashi et al. (2019). These five validity elements are namely, descriptive validity, interpretive validity, theoretical validity, generalization validity and valuation validity. To illustrate throughout the research process, we avoided reporting distorted information and facts ensuring descriptive validity. Similarly, we assured objectivity when collecting and analyzing data ensuring interpretive validity. Moreover, we incorporated theoretical concepts and argumentation appropriately, enabling us to establish theoretical validity. In addition, we capitalized on several relevant empirical cases to enhance the generalization validity. Finally, we demonstrated an adequate level of self-critique to enhance the resulting knowledge and understanding, leading to valuation validity.

3.8.2 Reliability

In order for the qualitative research to be reliable, other researchers should be able achieve similar results whenever attempting to reproduce the exact same study. That is by following its implemented methodologies. Moreover, the overarching results of the study should be consistent over time and constitute a proper representation of the total population that represents the selected samples (Golafshani, 2003; Hayashi, Abib, and Hoppen, 2019; Yin, 2009). In addition, reliability in qualitative research is postulated to be difficult to ensure (Bell et al., 2019). This as a consequence of human behavior and social phenomenon is not static measures (Merriam, 1998). One way of overcoming this barrier is through establishing reliability based on an auditing approach. The auditing approach has the benefits of enabling reliable transparency through fully recording and presenting the process of establishing the research
(Bell et al., 2019). Following the recommendations of Yin, (2009) the authors executed an explicit documentation for the implemented procedures and methodological endeavors in the methodological chapter of this study. Moreover, the interviews and empirical data collection was fully documented and transcribed which arguably increased the reliability of the content. As a consequence of the endeavors towards reaching reliability in our research, this multiple case study could be deemed reliable. In addition, this study followed the methodological insights by Boafo, Owusu and Guiderdoni-Jourdain (2022) this study implemented triangulation strategy by incorporating the use of secondary data, which further enhanced the credibility, reliability, and validity of the findings produced by the study.

3.9 Ethics

Diener and Crandall (1978) and Bell et al (2019) express the importance of addressing and considering the research ethics while conducting qualitative studies. In line with this Bryman and Bell (2005) expresses four particular ethical considerations which research are advocated to follow during their qualitative research work. First, the authors should not invade the privacy of the interviewed parties. Second, the research should inform the participating parties in regard to the actual study to minimize the risk of deception. Third, the research should avoid harm of involved parties, this both in terms of physical and emotional harm. Lastly, the researcher is responsible for fully guaranteeing that the participants are informed regarding the consent and structure of the interview. Throughout this study the ethical consideration was followed ensuring adequate standards in every aspect of the study. Meaning that, the ethics was deliberated in the aspect of the contact with the empirical cases and ensuring that the participants were fully informed, while ruling out the interview process and further managing the collected data. In addition, the research project followed the guidelines provided by the Linnaeus university in relation to the general data protection regulation. Meaning that all the personal data incorporated in this project follows data protection ordinance. By this the act of collecting, processing, and storing personal data have been done primarily for the sake of fulfilling the objectives of this study. In addition, all the respective personal data are handled through a secure manner and only stored periodically during the research project (GDPR, 2022).
3.10 Authors’ contributions

During the research project, both authors were respectively active, and they contributed equally. To illustrate, the author planned and further executed each step of the research project through continuous online meetings. The online meetings and their associated tasks were facilitated through live Zoom meetings and shared google drive. When it comes to the writing process, the text was written by both authors jointly. In addition, the authors implemented a writing strategy called “ruthless rewriting”. This strategy was proposed by Grant and Pollock (2011) and it implies that both authors project low pity and great level of trust, as they continuously improve each other's text until they achieve a consensus concerning the overall quality of the text. Even though all the parts were written jointly, the ruthless rewriting strategy allowed each author to individually take the time and improve various parts of the script selectively. When it comes to conducting the interviews, both authors were active. However, not all interviews were moderated by the same author, but rather this task was shared equally by both.
4. Empirical findings

The following chapter presents the empirical data collected for this study. The data presentation follows a case wise approach, amounting to 9 different cases. Kalmar County Council, Almi, Linnaeus University, and Kalmar Science Park are representative cases for the key governmental organizations that work with the aspect of internationalization in the Kalmar region. In parallel to that, Johannas Choklad, Farmerrain, Lackeby Products, Minerals by Nordic, and Essence are the cases that represent Kalmar based international SMEs. At the beginning of each case, a concise introduction was provided respectively, thereafter, following the conceptual framework, a descriptive presentation of the collected data was provided.

4.1 Governmental organizations

4.1.1 Kalmar County Council (KCC)

KCC is a governmental organization responsible for the development activities at the regional level. Its responsibility spans over 12 municipalities including Kalmar and consolidate around a vast range of functions, such as health care, community planning and infrastructure, financing and grants, education, innovation, and business development (Region Kalmar Län, 2020c). For this study, when it comes to KCC, the primary data was collected from two relevant representatives working for KCC. Particularly, the Innovation policy coordinator (Mr. Mattias Nylander) and the Business support administrator (Mr. Thomas Tiger).

4.1.1.1 The role of KCC

The Kalmar region is dominated by low tech small manufacturing firms, who are often subcontractors to larger firms and have a rather low level of automation and digitalization. Most of these companies are second and third generation family-owned businesses. The companies who have started modernizing their businesses are often capitalizing on external consultancy services to merely improve the level of their manufacturing productivity, neglecting other important aspects of business development, such as internationalization (Nylander, 2022). However, companies who have succeeded in doing international business are the ones that sought help from various key local governmental associations, concerning networking for the sake of finding both customers and distributors (Tiger, 2022). On the other hand, it is visible
that some Kalmar SMEs simply followed their customers to the international market. For example, smaller firms from the region who were supplying products and services to Ericsson. Similarly, other companies had an organic internationalization process, which is initiated by looking at what their competitors are doing, and further imitating their approach. Finally, there are companies that had taken active endeavors toward the international markets, where they invested time and resources to attend international trade shows, which helped them to start exporting (Nylander, 2022).

When talking about internationalization, Kalmar based SMEs are subjected to various challenges. The level of education of the majority of company owners and managers is significantly low. Often these firms are established a long time ago and run by skilled entrepreneurs who have great knowledge within manufacturing and have entrepreneurial spirit but are typically not academically educated. This often creates language barriers when initiating export activities. Furthermore, it is hard for local Kalmar based SMEs to adapt to new markets since they are often used to following blueprints from their established larger customers. In addition, the manufacturing companies usually do not have a sales organization and the founder is usually in charge, which makes the process of going and establishing themselves abroad more difficult (Nylander, 2022).

From governmental endeavors point of view, historically, KCC used to be more active in international markets. Including, for example, the Baltic region and Southeast Asia. For 8 years, KCC together with Linnaeus university and Kronoberg county council, had a representative office in China. The objective of the project was to lower the thresholds for SMEs to become more active in the Chinese market. For example, through active export to China, sourcing in China and finding venture capital in China. Three people were working with the project full time, and they had a lot of activities. One example of these activities was that they had a booth at the largest wood business fair in China. Here 20-25 companies from Småland participated which led to export success for many of these companies. Although, the program was canceled due to political changes in Sweden and the worsen general relationship between Sweden and China. In terms of the project in the Baltic Sea region they established relationships to expand the export from the Småland region, this through having matchmaking events with actors in Finland, Estonia, Latvia, Poland, and some in Germany. Similarly, to the Chinese project this
was also depleted due to bureaucratic changes, therefore today KCC does not have these operative tasks anymore. Instead, these types of business development activities are handled through Almi. KCC has instead consolidated around becoming an intermediate and active funder (Nylander, 2022).

In Sweden, each region has a regional development strategy. This to establish what the region is going to put effort in and assign money towards. This becomes a framework to follow. In the Kalmar regional development strategy, the internationalization of Kalmar SMEs is an important part, and the regional administration understands that they are responsible to take part in these efforts. The actors who are involved in the strategy of the Kalmar region are KCC, Almi, and Business Sweden. Through the unified strategy, the communication and cooperation between the local governmental actors have become better. For instance, KCC and Almi have together conducted brainstorming on the issue of the internationalization of the local SMEs, where they have established the outline of a strategic plan called Regional Export Samverkan (RES). The plan is SME specific and has four focus points. First: facilitating business activities, including consultancy services, networking events, funding, seminars, and other business development related meetings. Second: identifying the specialized strength of the SMEs in the Kalmar region. Third: large companies are not allowed to be supported by the project. However, larger companies have experience and competence which could improve the region. Therefore, the KCC and Almi are looking into ways to reach and uncover this potential and are planning on building a network with these corporations for the benefits of Kalmar SMEs. Fourth: the attitude aspect, ⅓ of the not yet international SMEs in the region believe that they have the potential to go international with their product and services. Although, 95% of these companies are not willing to internationalize within the next coming 3 years. This situation is not sustainable and there is something wrong. In fact, the business support administrator of KCC believes that SMEs might have the wrong attitude towards this issue. This since there is enough money to get and there is a great potential for networking and getting hold of business partners. The region and the governmental actors offer help for almost everything. But the companies need to change their attitude. Therefore, changing the attitude of SMEs toward doing international business is an important part of the strategic plan. The project is currently ongoing, and its strategic objectives have not been yet successfully established. Although, it is worth noting that there has been stagnation due to various challenges. Above all, the project was not successful
since there are only two people working on the project. In addition, these two project managers both left on sick leave (Tiger, 2022).

In practice, Kalmar SMEs often seek help concerning how to get started with the internationalization journey. This includes which market is the one to target; how to reach customers in the targeted markets; which trade fairs to participate in, and most importantly, funding and expansion grants. In response to that KCC offers consultancy checks and grants. This funding solution focuses on SMEs and more particularly smaller firms. The funding provides a couple of 100 thousand SEK through quick and easy applications which often takes around 1-2 weeks to process. However, as a policy, the SME must pay half of the investment themselves and the KCC covers the other half (Nylander, 2022). Through these consultancy checks KCC aims to induce SME to get help externally, which potentially lead to improving the firm's ability to internationalize. For instance, firms can use the consultancy money to buy international development services from Business Sweden (Tiger, 2022). Moreover, when it comes to providing consultancy and networking services, KCC has no active role. However, they are facilitating these services through their RES network, where they capitalize on the strengths and resources of their partners, including both Almi and Business Sweden (Tiger, 2022). The services provided by Almi are free of charge, while in the case of Business Sweden, the organization has a limited number of consultants who offer efficient and free export programs locally. However, Business Sweden charges an expensive rate for international consultancy projects (Nylander, 2022).

Almi, Business Sweden and KCC often work together to offer a larger value to the internationalization of SMEs. However, there are other local government organizations which are less active in this mission. For example, companies could get some knowledge from the chamber of commerce in Kalmar, but that is not very substantial (Nylander, 2022). Similarly, the university has a lot of international collaboration. However, being close to the business sector is a third task of the university since the university gets money to get involved with teaching students and conduct scientific research and not to be involved with business. Therefore, it is difficult to get the university to involve themselves in specific business ambitions for internationalization, this due to the system. There might be people at the university who see that they have the potential to support regional development. But they are
not able to deliver, because they are locked in by the system. Furthermore, academics are measured by making reports, researching, and educating students. The possibility for university organization and competent people in the university to help specific companies and take on the task are hindered. The university people do not have the tools to support the internationalization of SMEs and it is not a part of their mission. Perhaps, the university has the competence and knowledge but not the tools or possibilities. Moreover, the university people live in the academic world and are not used to talking with companies, which creates communication problems (Tiger, 2022). In relation to that, the innovation policy coordinator states that: “as a practitioner, if you are not used to working with academic people it makes the process harder and that could even have a negative impact” (Nylander, 2022). In the Kalmar region, a lot of SMEs believe that academic people and researchers are scary people, and that attitude needs to change (Nylander, 2022).

4.1.1.2 Governmental support improvements

According to the business support administrator, governmental organizations in Kalmar, including KCC need to escalate their efforts in trying to change SMEs attitude toward internationalization. By the same token, these local governmental organizations should clarify to SMEs that both funding and business networks are readily available for them. The solution to the issues postulated by the business support administrator could be to hire a communicator facilitating constructive communication with the local business environment and disseminate available information and success stories of the already internationalized SMEs from the region. This could reduce the prevailing fear of doing international business. A related issue and improvement possibility highlighted by the business support advisor is the awareness issue, where the SMEs need to know how the governmental actors in the region could facilitate internationalization. KCC have started to investigate this issue and have established a website called verksamt.se as a common source of information contradicting the ‘various platform strategy’ used before. Moreover, KCC has taken some initial promotion efforts on Instagram and on their own webpage but believes that more could be done (Tiger, 2022).

Moreover, the cooperation through RES is a promising way of taking on the issues of improving the exporting issues and further counteracting the attitude issue. Although, the corporation
needs to be improved and must be constant in order to avoid “double jobs” where regional actors are doing the same things (Tiger, 2022). This is due to the risk of money and time wasted. Furthermore, another possible issue which the business support advisor highlights is having services and consultancy which is free at Almi and cost money at Business Sweden. This should be looked into to improve the settlement of what each actor is responsible for and further making it easier for the SMEs (Tiger, 2022).

The innovation policy coordinator emphasizes that Almi and Business Sweden have quite complete offerings to the SMEs in Kalmar region but believes that they should become better in adapting their offerings and resources to the company's resources and knowledge. This since it is easy to say “go abroad” but the story of getting them to do it is more difficult. In relation to Business Sweden, the innovation policy coordinator, highlights that Business Sweden is often considered more suitable for larger firms and believes that the organization could be better organized to suit SMEs. Like for example the Finnish way of working with governmentally funded consultancy has been shown to suit SMEs better than the Swedish approach. Moreover, Business Sweden has a lot of good things for SMEs but has a scarcity of resources and offerings free of charge suitable for smaller businesses. This is something which the innovation policy coordinator believes could be improved to facilitate the internationalization of the SMEs in Kalmar region (Nylander, 2022).

The innovation policy coordinator further argues regarding improvement possibilities in relation to the corporation with the university. And believes that internationalization will come more by itself if the companies become more connected to the scientific community and the other way around with more applied science. This academic connection is highlighted to be important. In every kind of activity or project related to business, KCC is aiming to have someone from the academic world and the local university involved (Nylander, 2022). Moreover, the business support administrator argues that the university is an important actor in the region and believes that planning for internationalization could be more benefited from an increased involvement of the university. Furthermore, the university is probably underused, and other governmental actors could potentially use the university to a larger degree than what they do today. This to take part of the knowledge regarding internationalization which the university holds. In addition, the attitude problem could potentially be counteracted with the help from the
university. Lastly, the records show that regions that have access to greater academic knowledge are often shown to be more attractive destinations for foreign direct investment which makes a closer collaboration attractive (Tiger, 2022).

According to the innovation policy coordinator, there is a need to get people from the scientific world out to meet business owners and industry workers to change their current view about the university. Furthermore, to show that people from the scientific world are not from Mars and there is a lot of shared interest between the business world and academia. In addition, SMEs often have a shorter time frame that could span around 6 months planning phase and not like the university which often takes much longer time to get things done. Therefore, both the university and the companies need to be more flexible concerning the time schedule and see where they can meet. There is a need to build a common agenda with the business community and the university, within smart specialization. Common platform for the development of the food industry is a well working example. This platform has created great communication and has connected the business community with academia. Therefore, the innovation policy coordinator suggests a similar platform for internationalization, where the governmental actors, university and business community could meet (Nylander, 2022).

Many local companies have a negative view of the public and governmental organizations, which they believe are inefficient, slow, and bureaucratic. There are a lot of SMEs in the region, and the currently available resources are not enough to handle these companies. For example, when it comes to the funding applications, there are only two people in the KCC in charge of all the applications. Therefore, there is a serious need for more human resources dedicated to working on developing the export related activities. Some companies have highlighted some criticisms of Almi, where they often address the issues that Almi has senior consultants who do not have the right level of experience in doing business. That might be to some extent true. However, Almi has become much better in the later years with well-established advisors (Nylander, 2022).
4.1.2 Almi

Almi is a state-owned company that operates nationally and has subsidiaries in 16 Swedish regions, including the Kalmar region. The company consists of two main functions, namely Almi Företagspartner and Almi invest. The former aims to provide business development services in terms of consultancy, education, and networking. While the latter focuses conducting joint venture activities, as well as providing financial support in terms of loans (Isehav, 2022; Almi Företagspartner AB, 2022b). Moreover, the business developer of Almi highlights that Almi in Kalmar has a robust international business network, whereby they collaborate with 6000 European counterparts through the organization, European enterprise network. That is to allocate customers, distributors, suppliers, and business partners for Swedish SMEs in the Kalmar region. However, Almi is only one of the core governmental organizations that foster the business development in the Kalmar region. Example other actors are KCC, Linnaeus University, Chamber of commerce, Business Sweden, and Kalmar Science Park. They all have a joint goal that consolidates around helping SMEs to achieve growth, become sustainable, and provide employment (Isehav, 2022). In this study, the business advisor (Ms. Sofie Isehav) was the main representative of Almi in the Kalmar region.

4.1.2.1 The role of Almi

The business environment in the Kalmar region consists of more than 5000 SMEs. Most of these companies are small sub-suppliers that operate in various industries. According to Almi, some of these companies have interest in developing their business activities towards international markets. While others have no ambition for achieving business growth. Therefore, they are not motivated to enter foreign markets. In line with that, when discussing in terms of the internationalization challenges for Kalmar based SMEs the business developer states that: “the companies are their own challenge, lacking drive and ambition is what keeps them away from doing international markets” (Isehav, 2022)

When supporting the SMEs in the Kalmar region Almi implements a systematic approach. That aims to reach and adequately provide appropriate support for each company. To illustrate, the business developer has a list of all the SMEs that operate in the region. The process starts by contacting the companies, asking them about their business operation, and further scheduling
individual meetings with firms that are interested in developing their businesses by collaborating with Almi. Similarly, during the meeting, the business developer implements a standardized procedure that reflects Almi’s policies. For instance, the developer begins the meeting by asking a lot of questions about the company, this is in order to be able to conduct an overarching assessment about the company's strategic orientation, and its operational performance. That is in relation to the company and its owners. However, the focus is often on the personal characteristics of the company owner and his or her team. That is especially relevant when investing in companies and providing financial resources. In fact, the business developer emphasized that: “the company itself is just an empty shell, our primary unit of analysis is done on the team behind the business”. The aggregated information is often analyzed using scientific theoretical frameworks, which helps Almi to appropriately understand the case at hand. Moreover, based on the company assessment, Almi decided how the business developers should invest their time and available resources. In relation to the assessment process, the business developer at Almi states that: “Almi is a state-owned company, which means that we are financed by the taxpayers. Therefore, we do an extensive company assessment, to avoid throwing tax money down the drain” (Isehav, 2022).

During the years, Almi in Kalmar has conducted thousands of company assessments. Based on this experience, the business developer highlighted several common characteristics in relation to examined companies. First, the majority of firms that seek governmental support from Almi, often do it for the sake of finding international customers and distributors, or to attain funding. Second, drive and ambition are the main differentiator between companies who are successful in their internationalization and the companies who are not. For instance, successful companies often have proactive owners who are continuously active and make the most of the help provided by Almi. On the contrary, some companies have passive and unmotivated owners. Regarding this, the business developer states that:

“We have companies that do nothing, we meet them today and give them everything they need. Then after three years we check on them again and we find out that they are still in the same place. They are what I call “lazy cats”, that sit there and do nothing, wishing that a bird will fly into their mouth. Nothing can help these companies to succeed, unless it is by pure luck, like winning the lottery.” (Isehav, 2022)
According to the business developer, following Almi’s policies their work is to provide information, education, and informed consultancy in line with the company situation. However, the business developers are not allowed to do the work for them. For instance, when it comes to distributors, Almi allocates relevant international contact information for the companies in Kalmar. Although, it is the owners’ responsibility to contact these international distributors, analyze them and deal with the contract related issues. Similarly, the developers do not create international business models for the companies. Nevertheless, they merely provide them with tools and relevant materials that could potentially guide them in creating their business models. Moreover, the business developer highlights that most of the services provided are free of charge. Although, in some cases the companies must pay a relatively small fee to be part of business networks, or to have more personalized consultancy services (Isehav, 2022).

4.1.2.2 Governmental support improvements

According to Almi, SMEs in the Kalmar region have a diverse view concerning governmental support available for them. For example, sometimes the business developers at Almi have to present their educational and professional background to the companies. That is to convince them that they are credible sources of support. To put it in the developer words: “when I meet older entrepreneurs, I often have to start the meeting by mentioning that I have been studying in the university for five and half years and have two master’s degrees followed by significant business development experience” (Isehav, 2022). Similarly, concerning other governmental organizations, the majority of the regional SMEs are not aware of the various support which they can get from the governmental actors in the Kalmar region. For example, in the case of Linnaeus University, the business sector in the region does not perceive or are aware that the university could be an actual source of support. Another example is Business Sweden which according to the business developer at Almi is perceived by SMEs as an expensive source of support. However, companies do not understand that paying Business Sweden for allocating international customers is not expensive, in comparison to the result and the positive financial outcome of the initial investment. However, the business developer argues that the internationalization initiative provided by the government in the Kalmar region could be improved. The most important step is to create awareness about the provided services in these
organizations. In the case of Almi, the organization creates awareness by contacting Kalmar companies via phone and email, promoting their services via social media, publishing newsletters and official reports. Almi relies heavily on word of mouth and customer success stories. Despite that, according to the business developer, there is a lack of awareness and misunderstanding concerning what Almi and other respective governmental actors do and offer to SMEs in the region (Isehav, 2022).

4.1.3 Linnaeus University

Linnaeus University is an international government institution located in the southern part of Sweden and operates in both the Kronoberg and Kalmar region. The university offers a multidisciplinary learning environment that covers five main fields, including business and economics, computer science and information technology, design and humanities, health and natural science, social and behavioral science, and technology and engineering. When it comes to education, the university offers more than 150 degree programs, and over 1300 freestanding courses. Besides that, Linnaeus facilitates the production of high quality and internationally recognized scientific research initiatives. This through local and international collaboration in order to achieve a sustainable social development (Linnaeus University, 2022). In the case of Linnaeus University, the dean of the business school (Dr. Susanne Ackum) and the university deputy vice chancellor (Prof. Ann-Charlotte Larsson) were the main source of primary data.

4.1.3.1 The role of Linnaeus University

Supporting societal development is one of the core objectives of Linnaeus university. This objective is incorporated in the university vision as the “Linnaeus spirit” and it unfolds at various levels. Starting with the promotion of academic development. Meaning that the university actively strives towards the development and dissemination of scientific knowledge. Taking the responsibility to foster people's growth by aiding individuals to obtain specialized competencies which could actively contribute to the creation of a better future. Finally, going beyond academic tradition by putting knowledge in motion through active collaborations with various societal actors to achieve joint knowledge creation for societal development. In relation to that, the university offers external actors three possibilities for constructive collaboration projects. Whereby, companies and other organizations could interact with students, researchers,
and the administrative teams of the university. The former two include internship programs and problem-specific research projects. While the latter appears in the shape of international collaboration to achieve competitive intelligence in the forms of knowledge and resource sharing (Linnaeus University, 2022).

As an illustrative example of collaboration projects facilitated by Linnaeus University, the school of business and economics have established a knowledge platform called “Global Mind – Business competitiveness in changing landscapes”. This organization specializes in international business strategy. It offers international business programs and conducts research projects concerning the internationalization of firms. Moreover, the platform has a close collaboration with the local businesses in Kalmar, where students apply their obtained academic knowledge by participating in real life business activities conducted by the local firms. Simultaneously, the platform conducts research projects in collaboration with the various actors in the local business environment (Linnaeus University, 2022).

According to the dean of the business school, the university works with three main areas which are research, teaching, and providing an opportunity for life-long learning. Furthermore, she believes that by educating students at the frontier of research knowledge, the local business environment will be positively influenced, and this is the way the school works and should work. In relation to that the dean states: “we stick to the universities main roles, which is doing research and teaching students”. The dean continues by emphasizing that the business school provides the local surrounding with knowledge. This is done through various endeavors from the university. When it comes to communicating research outcomes, the university has a strategy that aims towards disseminating the latest research findings in a way which is easily comprehended by the local society. The other primary way of providing knowledge is through educating students, who will eventually apply their advanced knowledge in the local companies helping them to achieve a sustainable competitive advantage. In other words, the university helps the business sector through retraining, upskilling, and reskilling of the local labor force. This process is also facilitated by the university through initiating labor market days, where local companies come to the university and meet students. The business school also participates in various workshops and regularly meets the business council from the municipality to discuss possible collaboration opportunities that could potentially lead to the development of the
business sector in the Kalmar region. Similarly, the university has collaboration with other local governmental organizations like Almi and KCC. In addition, the business school has an Alumni network that is often used to promote the university and link local business with current students. This further facilitates internships and other services offered from the university (Ackum, 2022).

By the same token, the university deputy vice chancellor highlights that collaboration is key. Local collaborations are often facilitated by the external relations team of the university mainly through targeting and collaborating with the business coordinators of the municipalities. Through working with the business coordinator assigned by the municipality, the university is able to understand what the local firms need. This further helps the university to set up relevant workshops, guest lectures, and company visits. This is a continuous process and often better done in the engineering department. In the engineering faculty the students have extensive collaboration with the local firms and the majority of the student these projects are done in collaboration with these firms. Similarly, in the faculty of engineering, the university assigned a number of advisors to meet local companies and provide them with lectures, seminars and workshops. In addition, the deputy vice chancellor highlights that the university owns three companies. Namely, Linnaeus University Development AB, Linnaeus Competence AB, and Linnaeus Venture AB. Through these companies, the university can offer customized support to the local business sector. This support consolidates around providing consultancy, professional education and fundings. To illustrate, through these three companies the university is able to own 5% of the local business development firm called Kalmar Science Park and further provide 100 000 up to 200 000 SEK of low interest funding solutions to local firms. Moreover, in relation to Kalmar Science Park, the university utilizes this organization as a platform that links local companies with students to facilitate knowledge sharing and exchange (Larsson, 2022).

4.1.3.2 Governmental support improvements

The university is interested in improving the level of interaction with the business environment in Kalmar. By this the university could be better at reaching out to the regional businesses in order to facilitate research ideas, thesis projects, and find potential internship possibilities for
the students. Moreover, the university could boost its contribution to the business environment by establishing closer contact with the other local governmental organizations (Ackum, 2022). In relation to the latter both the dean of the business school and the university deputy vice chancellor emphasize that they do not have regular involvement with their regional counterparts at the operational level. For instance, when being asked about attending the monthly operational meetings that are arranged by Almi, Kalmar Science Park, and KCC they both stated that: "no one invited us" (Ackum, 2022; Larsson, 2022). However, they argue that they would be interested in joining these meetings themselves or assigning representatives from the university to contribute respectively (Ackum, 2022; Larsson, 2022).

Although, it's worth noting that the university often faces various challenges when dealing with the business sector. First, there are communication barriers that hinder constructive collaboration between the university and local businesses. For instance, academics and practitioners speak different technical languages, which makes both sides uncomfortable when communicating with each other. This is because sometimes businesspeople do not have adequate educational background to understand academic terms. Similarly, researchers are not always comfortable to go to the field and discuss business related issues with practitioners (Larsson, 2022). Other constraints from the university side are the money and time factors. In relation to that the dean of the business school states: "there are only 24 hours in a day and a certain bag of money" (Ackum, 2022). Moreover, universities and companies often have time frame gaps, where companies want to get things done immediately, while researchers need to do research for several years in order to generate relevant scientific knowledge (Larsson, 2022).

When it comes to collaborating with the local business sector, it is stated that: "there is a lot of room for improvement, and the sky is the limit" (Larsson, 2022). Although, the school should not become a cheap consultancy firm since this is not the role of the university. However, the university considers collaboration with others as a core to facilitate better opportunities for their students and improve the world. It is worth noting that sometimes local companies seek support from other governmental actors in the region instead of the university. That is since they are not aware that the university is a source of information and help (Larsson, 2022). Based on this, the dean argues that the communication and external relations department at the university could do a much better job in representing the university and its role in the region (Ackum,
Similarly, the university could be better in talking about what is being done internally and further be better at inviting companies to gain an improved understanding about its existence. The university has started its journey to mitigate this issue by initiating a project called ‘Linnaeus' live’. Where, local actors including companies are invited every Thursday to the university. This to improve the local collaboration and exchange insights (Larsson, 2022).

4.1.4 Kalmar Science Park

Kalmar Science Park is a business development organization, owned and financed by the Swedish government. The company head office is located in Kalmar City. However, their services are offered to all companies located within the Kalmar region, that is across 12 municipalities. Kalmar Science Park offers companies training programs, provides business consultancy, facilitates financing, and creates networking opportunities. Moreover, the company has specialized competencies in regard to both digitalization and e-commerce. The overarching goal of Kalmar Science Park is to support local businesses to become sustainable global companies (Kalmar Science Park, 2022). The general coordinator and active management member of the Kalmar Science Park incubator program (Mr. Linus Lindquist) was the primary source of information generated from Kalmar Science Park.

4.1.4.1 The role of Kalmar Science Park

In the Kalmar region there are companies from all types of verticals. The region includes innovative future manufacturing companies, and some e-commerce firms. However, there is a significant potential in Kalmar for developing internationally competitive firms across all the current industries. The contacts and networking opportunities provided by Kalmar Science Park allowed a lot of companies in Kalmar to become international, especially the one who run e-commerce businesses. These companies internationalized easily due to the convenience of the logistical aspect. The role of Kalmar Science Park in the region is to stimulate entrepreneurship and allocate firms which have the potential to grow. Then execute business development activities which stimulate their growth and benefit both the companies and the Kalmar region. Moreover, one of the most important tasks of Kalmar Science Park is to connect the firms to both resources and opportunities, so they can become competitive at the international level. Within Kalmar Science Park, there is a business incubator program. Whereby newly established
companies could join and get ready for the upcoming steps in their business development journey, including internationalization. The incubator allows the participating companies to benefit from aspects such as knowledge sharing environments, allocating networks and business partners, securing access to specialized consultancy services, and having the opportunity to allocate financing solutions (Lindquist, 2022).

When a company joins the incubator program, they participate in monthly meetings with an assigned business developer. In addition, they attend 10 educational courses provided by external partners which focuses on business laws, sustainability, board management, business economy, intellectual property, sales, pitch, marketing, human resources, value-based pricing, etc. They also have the possibility to meet with specialized business consultants for approximately 10 hours per month. Kalmar Science Park as an organization does not help companies with creating marketing strategy, but through the external business advisors, companies could get holistic help to various business areas. In some cases, the advisors give hands-on help with business strategy and structure, but the SMEs need to do the work. In other words, the business advisors act more like a strategic coach, rather than an operational part of the companies’ teams. Similarly, when it comes to providing financial help, Kalmar Science Park does not provide funding or loans. However, it facilitates the establishment of connections between the companies and investors, banks, and other organizations that provide financial solutions. In relation to networking, Kalmar Science Park helps firms to get hold of the right knowledge and information they need. International networks are often facilitated through the collaboration between the incubator community in Sweden. For instance, other science parks in Sweden have jointly established contact with the Canadian market. This facilitates the opportunity for Kalmar based firms to enter the North American market (Lindquist, 2022).

The incubator program in Kalmar is not for everyone, the older well-established firms who aim to expand internationally have potential to gain help, but mainly these services are related to facilitating the right contacts and network. Kalmar Science Park is designed particularly for new firms that have scalable business ideas with the potential to reach international markets. When partnering with these startups, the firm pays a symbolic amount of money to gain access to the services and facilities provided by Kalmar Science Park. In relation to that the coordinator states:
“Firms can not say that Kalmar Science Park is expensive, the payment is merely a carrot we place in front of the companies to stimulate their action, since we came to the conclusion that firms are more likely to be motivated to do more if there is cost involved” (Lindquist, 2022).

In addition to Kalmar Science Park, the key governmental organizations in the Kalmar region which work on developing the internationalization in the region are according to the coordinator KCC, Almi, Business Sweden, and Chamber of commerce. Among these actors Kalmar Science Park promotes its services through communicators. The organization also tries to use company cases and stories in order to inspire other local SMEs to contact the organization and ask for support. They also use promotion campaigns where they try to tell their story from the company's perspective. They often aim to get initial meetings where they can initiate relationship building with local firms to better give the companies what they need. The campaigns are done through, sending digital newsletters and invitations for open seminars. When Kalmar Science Park meets with local companies, they focus of the potential of the person behind the company and not only the business idea. Therefore, they are always trying to find great people (Lindquist, 2022).

When it comes to internationalization, the main thing that companies often ask for is money and they focus a lot on the financial aspect which could make internationalization happen. They also seek people to help them with initial contacts and further help in establishing business networks abroad. Similarly, they ask for business advisors to help them understand how to go international and how business works in those specific targeted markets. Kalmar Science Park tries to assist in these areas, and in addition process inquiries related to juridical issues, since it is shown to be difficult for SMEs to read and understand juridical documents in the international context. There is also high demand for help concerning translating their online websites and other business-related information. Finally, companies often struggle with payment related issues, and demand help related to constructing payment solutions for various international markets (Lindquist, 2022).
4.1.4.2 Governmental support improvements

The operation of Kalmar Science Park could be improved by establishing relationships with other science parks around the world. This could potentially help the local SMEs in Kalmar to get better connectivity to partners in the international market. Moreover, to improve the overall governmental endeavors toward internationalization in the Kalmar region, there should not be a competition regarding the support provided by various governmental actors. Instead, it is important to have a unified organization that could aggregate all the effort in one place. As for today, it is hard for the companies to understand all the actors and what these actors offers. For instance, if a company contacts and gets help from Kalmar Science Park, the help offered by another governmental agency should not be focused on the same areas covered by Kalmar Science Park. In line with this there is a current need to improve connection and information flow between the various local governmental actors in Kalmar. That is to define the role of each actor in the mission to support the internationalization of local SMEs. Moreover, the type and source of the available support should be organized; it is a necessity to establish one single platform for which governmental agencies in Kalmar can jointly plan and facilitate the support activities from the region. Today there is no shared system, but only a monthly meeting that includes Kalmar Science Park, KCC, and Almi. Having a platform and single joint organization could be beneficial from an SME perspective, since companies will be able to get constructive information and help from one place. In addition, the coordinator explains that the university collaboration could be improved, through having the university included in the single platform and further contributing with their knowledge and competencies to foster internationalization for SMEs in the region. Finally, to improve the level of internationalization in the Kalmar region, local SMEs need to understand that being successful in Sweden does not mean that the firm will be successful abroad, since every country has its opportunities and obstacles. In addition, there is a need to learn about culture and how to do business in various countries. They also should understand the importance of partnerships and international business laws (Lindquist, 2022).
4.2 Kalmar based international SMEs

4.2.1 Johannas Choklad AB

According to the founder (Mr. Kristoffer Elmqvist), Johannas Choklad AB is a Kalmar based company established in the year 2011. The company specializes in supplying and manufacturing chocolate related products. Including, cacao beans, raw chocolate products, and pralines. The company operates in the consumer markets, as well as the business market. They import cocoa beans from various countries such as Venezuela, Congo, Indonesia, and Peru (Elmqvist, 2022; Kakaobönor, 2022). Thereafter, they are both selling raw cacao beans as well as processed beans in terms of either “cacao nibs” or finalized chocolate products. Mainly the sales are mediated through their online platforms, although some are also generated through their local coffee shop in Kalmar city (Elmqvist, 2022). According to the owner, the company started after noticing the lack of companies that have a “bean to bar” approach when producing chocolate products. Therefore, the company took the initiative to fulfill this gap in the Swedish marketplace. Whereby they started to import cacao beans to produce chocolate products from scratch. Similarly, based on the owner's own experience of importing beans, he noticed that it is not possible or sustainable to procure cacao beans in accurate quantities and at an affordable price. This is due to the high taxation, tariffs, and supplier restrictions. The high taxation and tariffs on importing cacao beans increased their overall import cost up to 100%. On the other hand, supplier restriction in terms of order quantity did not allow customers to place orders as per their requirement. For instance, customers were only able to order cacao beans in two distinctive quantities, either 2 kilos samples or 50 kilos pals. In response to these restrictions, Johannas Choklad AB started to import large quantities of various types of cacao beans to create a platform where customers could make orders as per their required quantity, at a competitive price range. Investing in large and diverse stocks of cacao beans allows the company to offer the customers beans in more accurate and flexible quantities. In addition, the company takes on 50% of the tariffs and taxation costs with its customers locally and internationally. Therefore, they can sustain competitive rates (Elmqvist, 2022).
4.2.1.1 Internationalization process

In terms of international business activities, the owner emphasizes that: “everything went so fast” (Elmqvist, 2022). Today the company is involved in both import and export endeavors. The import activities were initiated from the date that the company was established. The company initially started to import raw chocolate from Germany and cacao beans from South America. Thereafter they have expanded their international import activities to more countries in South America, Africa, and Asia. This has been done through the help of a larger importer located in Amsterdam with a large network and close relationships with local suppliers in various markets. However, the company is interested in purchasing raw material primarily from local farmers. Therefore, they are more interested in individual relationships rather than establishing a beneficial position in international business networks. The company has taken this position due to the fact that farmers within the cacao industry are often underpaid for their invaluable contributions. Where larger corporations and middleman brokers generally take the larger percentage of generated revenues across the supply chain. From an import perspective, all the international activities executed by Johanas Choklad AB were conducted without any strategic guidance from external entities. The company was able to allocate business partners and small cacao farms all over the world on their own. In line with this, according to the owner, their strategy consolidated around learning by doing and facing the international market barriers and opportunities on their own (Elmqvist, 2022).

On the other hand, when it comes to exporting internationally, Johanas Choklad AB began its export activities after 7 to 8 years from the date of establishment. The journey of exporting started when the founder noticed the problems with importing cacao beans. Both in terms of the complication of getting hold of the correct quantities from larger distributors as well as the enormous cost entailed with directly importing from the producing markets. The founder initiated purchasing larger volumes and reselling cacao beans to customers in the European Union and the United Kingdom. Furthermore, the company receives inquiries from markets in Asia and the United States, however, they do not supply to these markets due to the complications in logistics and high shipping cost. The international sales account for most of the generated revenue. All international sales are derived from their online platforms therefore
the owner is currently working on launching online websites in different languages, including Italian, France, and Spanish (Elmqvist, 2022).

To facilitate the internationalization process of Johannas Choklad AB, the company relied on a particular set of enablers. First, the owner has academic qualifications and extensive professional experience in the area of information technology. Consequently, he was able to build the technological infrastructure that helped the company establish its international presence and further facilitate its import and exports activities. Second, the owner has an entrepreneurial mindset that is global in nature. In other words, the owner highlights that he is interested in allocating resources and business opportunities all over the world. For instance, the owner states that: "I am always trying to adapt the company to the international market and looking for international opportunities that the company could capitalize on". In fact, most of his business partners are international, and the majority of the company's revenue is derived from the international market. Third, the owner appreciates innovation and continuous development; because of his personal characteristic, he quotes that: “I get bored very easily, and I need something new to do all the time, therefore I am always looking for new ways to develop our business operation and our offerings”. Similarly, to the import endeavors the export activities were designed and executed solely by the owner, without any interference or strategic guidance from any external actors. The founder further postulates that he did not consider nor recognize the need for getting involved in any local or international networks, instead the owner states: “I do not have any network, and everything has been done by me alone” (Elmqvist, 2022).

4.2.1.2 Governmental support

In relation to the internationalization of Johannas Choklad AB the government interference is shown to be scarce. According to the owner, the company did not gain any support from the governmental associations in the Kalmar region during the initial internationalization journey. In fact, when asking the owner if the company received any internationalization related guidance in terms of either support, information or resources from the government or region, the owner's answer was simply: “I got nothing”.
A brief contact with the governmentally owned Almi has been established. Where the company has been reaching out for support as well as been contacted by Almi themselves. Although, the owner has actively decided to not take help from them. This is due to various reasons, where the most prevailing one is that the owner perceives that the support offered from Almi contradicts the owners and the company's attitude and standpoints. Almi was offering to facilitate Johannas Choklad with contacts, middlemen and trade organizations. Although, the support offered from Almi would according to the owner lead to that Johannas Choklad AB would move further away from the collaboration and close relationship with the producers. Moreover, it would lead to as the owner says: “the wrong people will get hold of the money” (Elmqvist, 2022). Since the support from Almi was not correlating with the company's belief, Johannas Choklad AB actively declined the support from Almi (Elmqvist, 2022).

Furthermore, the owner has been trying to get hold of governmental support later in the company's internationalization process. Although, the belief of the owner is that the process of actually getting the support is complex, long and not very constructive. For instance, according to the owner, the company had the opportunity to apply for consultancy funding from KCC. Although, this type of funding has strict policies, whereby firms could hire consultants to only gain general insights and not to get help for mitigating their actual problems. In other words, the owners view it that the company could hire consultants to tell them how they could find help, rather than to obtain operational solutions for their current problems. Moreover, besides the fact that this type of consultancy is not helpful, its associated cost is high. That is since the funding provided by KCC does not cover the consultancy cost fully, therefore the company still needs to pay a lot of money to the consultant. In relation to that the owner of Johannas Choklad AB states that: “Why will I pay consultants to tell me what I already know or give me advice on how to get advice?” (Elmqvist, 2022).

On the ontherhand, the owner believes that there should be better policies concerning governmental support, that is terms of application flexibility, the extent of the provided support, and the type of support that the company could get. To explain the static and complex nature of current governmental support, the owner explains that when he tried to apply for ‘international effort’ fundings for his new product segment, his application was rejected, due to the fact that the company was already doing international sales through other products. Similarly, according
to the owner the company was not able to get marketing support that could contribute to its development in the international market. Consequently, the owner had to work on its internationalization process on his own, using his own limited knowledge and financial resources, which makes the internationalization of Johannes Choklad AB a slower and more challenging process (Elmqvist, 2022).

4.2.2 Farmerrain AB

According to the founders (Mr. Jonas Carlsson and Ms. Carola Carlsson), in the year 1992 the Farmerrain company was established in Emmaboda municipality in Kalmar County. In the initial stage of establishment, the company business consolidated around manufacturing and supplying high quality rain working wear. Thereafter, in recent years they expanded their business in various ways. To illustrate, first: they expanded their product line and customer segments. That is to include fashion rain wear for conventional everyday use targeting a broader customer segment. Second: they developed their distribution channel by establishing an online web shop, as their main channel for generating revenue. Third: they improved their way of working by including robust sustainable measures in relation to production. Today, Farmerrain AB perceives themselves as an e-commerce company with a unique and sustainable product line (Carlsson and Carlsson, 2022; Farmerrain2022).

4.2.2.1 Internationalization process

Concerning the internationalization process of Farmerrain AB, the company started to offer their product internationally from inception, although was not taking any active decision in selling to the international market. Instead, the company did sales to various markets within Europe like for example Germany and the UK, based on that the customer themselves found the company's initial website through platforms such as google and further connected and placed orders via phone, or email. This initial internationalization is according to the owner purely organic with no strategic efforts from the company themselves. However, in the last three years the company implemented a proactive development process toward the international market. They launched an international online store in two different languages, including English and German. Consequently, Farmerrain AB started to generate more consistent and regular revenue from the international market. Where the owners emphasized that: “having an
online store with different languages created a drastic change in our international sales” (Carlsson, 2022). This is in contradiction to its earlier international business transactions which was characterized by sporadic international sales. In fact, according to the owners, 70% of the current revenue is derived from international markets. The biggest markets for Farmerrain are Germany, UK, Holland, Denmark, Finland and Norway. In addition, the company is making minor organic sales in the United States although, without any active endeavors from the company towards this market (Carlsson and Carlsson, 2022).

The internationalization activities of Farmerrain AB are additionally facilitated by their online marketing activities in various international markets. For instance, the company collaborates with foreign social media influencers in Germany and the United Kingdom to promote their products via Instagram, and other online communication channels. When asking the owners about their plans for the future, they mentioned that: “we have a global mindset, our business does not consider geographical borders, and we want to expand more internationally” (Carlsson, 2022). However, the owners emphasize that they are facing difficulties when doing business in multiple countries. To illustrate, country specific payment solutions are deemed to be one of the most challenging international business barriers for Farmerrain AB. That is since the owners lack the technical ability for handling payment related issues concerning differences in payment currencies, as well as taxation systems (Carlsson and Carlsson, 2022).

Finally, the role of networking and building relationships with both local and international partners have shown to be a key driver for the internationalization process of Farmerrain AB. At the local level, the company has actively taken advantage of the availability of business knowledge mediated through their local networks, this through participating in constructive events, seminars and lectures regarding business development held by governmental associations and actors. Additionally, the company was able to enhance its international endeavors through collaborating with international business students from the school of business and economics at Linnaeus university. On the other hand, at the international level, the company has had a collaborative mindset, through which they generated information and knowledge derived mainly from their international customers. This is argued to have facilitated the company's international journey (Carlsson and Carlsson, 2022).
4.2.2.2 Governmental support

When asking Farmerrain AB about the role of governmental association in relation to their internationalization journey. The owners emphasized that the role of governmental institutions is essential for their international business development. First, the company was able to allocate financial resources from various governmental organizations, including Kalmar Science Park, and Almi. These financial resources consist of both grants, as well as loans, and contributed to the international development of the company in terms of speed and extent. Second, the company was able to gain knowledge and business understanding through attending the previously mentioned events, but also, by taking part in business and innovation education courses at Kalmar Science Park incubator program and Linnaeus university (Carlsson and Carlsson, 2022).

However, the owners highlighted that governmental business development in the Kalmar region has certain deficiencies. For example, the company perceives that government support is decentralized, and spreaded across various governmental institutions, which make it hard for the company to allocate the right contact person for applying and getting the required help. In fact, the owners state that: “establishing the initial contact with governmental association in the Kalmar region is relatively impossible”. Furthermore, the owners argue that getting accurate governmental help necessitates the company to: “get under all of the umbrellas”. In relation to that, as a recommendation, the company suggests that the local governmental agencies should designate a joint contact personnel, who are primarily responsible for communicating with the companies and processing their enquiries. Additionally, the company encountered certain events that highlighted current deficiencies in the expertise of these governmental business development agencies. For example, none of the available agencies in Kalmar region, including Business Sweden was able to provide Farmerrain constructive insights for mitigating their ongoing difficulties concerning the issue of international payments and taxation (Carlsson and Carlsson, 2022).

4.2.3 Lackeby Products AB

Lackeby Products AB is a Kalmar based industrial company established in 1935. In the earlier years, the company started by offering plumbing installation solutions. Thereafter, they shifted
their business focus toward specializing in water filtering systems. Today they design and manufacture industrial systems that could be implemented by various industries to mechanically and biologically recycle water (Lackeby Products AB, 2022). In the case of Lackeby, the marketing and sales manager (Mr. Daniel Lindström) and the area sales manager (Mr. Daniel Johansson) were the source of primary data collected from Lackeby AB.

4.2.3.1 Internationalization process

The internationalization process of Lackeby started in the early 2000. The initial export activities were focused on the European markets and the United States. Thereafter the company expanded its international operation gradually. Today, international sales constitute most of the company's revenue, whereby 75-80% of the total sales are executed internationally. By this Lackeby is relying heavily on their international exports. Lackeby offers its products all over the world, including Europe, South, North and Central America, Oceania, Africa, Asia, and the Middle East. The company has around 25 active representatives in these parts of the world. These representatives are responsible for distributing Lackeby solutions internationally. In addition, the sales and marketing team in Sweden handle direct international customer enquiries. However, according to the management team, foreign sales representatives have a major role in the international business activities of Lackeby since they allow the company to establish beneficial contacts with the local markets abroad. Moreover, the company capitalizes on these representatives to mitigate language barrier and cultural differences (Lindström and Johansson, 2022).

Networking and building international relationships is the primary international business strategy implemented by Lackeby. As an example, when the company was initiating to do business in the Baltic region back in 2010, they used their local contacts to successfully find partners, distributors, and customer enquiries. Thereafter, they used their established relationships in the Baltic region as a springboard to expand further to the Russian, Ukrainian and Belarusian markets. According to Lackeby, the company offers rather simple and straightforward products that are user friendly and easy to install without external expertise. Additionally, from a logistic point of view the product is easy to handle, pack and transport, which facilitate international export. Furthermore, the demand for advanced water filtering
solutions is desired internationally. These factors are shown to foster and enable the internationalization process of Lackeby. However, the networking element is deemed to be the main driving force for their accelerating international business activities. Lackeby postulates that they have found the right people to collaborate and work with to attain a successful position in their main markets: “You could have a very good product, but if you don’t have the right person in the targeted countries then it does not help” (Lindström, 2022). Furthermore, Lackeby is most successful in countries where they have the highest level of robust relationships (Lindström and Johansson, 2022).

In many cases, when the international expansion of Lackeby is far from the home market in terms of physical distance. The company is increasingly relying on their network to facilitate international endeavors in the targeted host market. Like for example in the case of South America, they took help from their already established network and relationships with Mexican business individuals. This to facilitate and initiate their business expansion towards some markets in South America (Lindström and Johansson, 2022).

4.2.3.2 Governmental support

According to Lackby Products AB, at the later stages of internationalization the company had various interactions with governmental associations in the Kalmar region. However, these interactions were shown to differ in terms of approach, procedures, and outcome. For example, in the case of Almi, the management team at Lackeby was approached by Almi. The business developer at Almi contacted the company to have a meeting with them and see how they could support their business development process in general, but also in relation to international business activities. Almi was able to allocate and further present an extensive number of potential international partners. This service was relatively convenient and free of charge. On the contrary, the company had unfruitful collaboration with the governmental business developer, Business Sweden. In this case Lackeby traveled together with Business Sweden and a few other Swedish companies within the Baltic region, Russia, Belarus, and Ukraine. This to participate in international exhibitions and conduct various networking activities. According to the management team, the collaboration with Business Sweden came with a high price tag. In addition, the investment did not fulfill the needs of the company. In relation to that the
marketing and sales manager stated that: “looking in the back mirror, I do not think the investment has paid off” (Lindström, 2022). Although, to some extent Lackeby was able to gain minor intangible benefits, such as having the possibility to gain a better brand exposure in these respective markets, where the trade shows took place (Lindström and Johansson, 2022).

Historically, Lackeby has been handling their internationalization activities on their own. However, today the company utilizes governmental support to enter international markets where they do not have any actual presence. Based on Lackeby’s experience, government representatives have shown great engagement and true willingness for helping the company. The engagement and attitude from the governmental actors have motivated the management team at Lackeby to invest time and resources to collaborate with these associations. Moreover, the inherently positive view on governmental support is strengthened by the fact that Lackeby often gets hold of the support which they require in a convenient and cost-effective manner. To illustrate, Lackeby was able to smoothly get financial support from the KCC, when investing in IT systems and robotic manufacturing equipment. The provided financial resources helped the company to develop its business. Consequently, they achieved a more competitive position in the international market. The management team at Lackeby emphasizes that: “when we get ourselves involved with governmental support, we always have a long-term perspective concerning the end goal” (Lindström, 2022). This strategy helped the company continuously achieve a constructive outcome. Overall, Lackeby is satisfied with the international business development support provided in the Kalmar region. Consequently, the managers were not able to provide recommendations to improve the performance of these agencies (Lindström and Johansson, 2022).

4.2.4 Minerals by Nordic

According to the founder (Ms. Nina Fornander), in the year 2014 Minerals by Nordic was established in the Kalmar region, particularly, the municipality of Oskarshamn. The company is specialized in developing, manufacturing, and supplying horse related products. Including supplements such as vitamins, minerals, performance enhancers and medications. In addition, the company offers a wide variety of horse-riding equipment that could be utilized by horse owners. Furthermore, the company has a dedicated focus on sustainability, they implement
sustainable practice in relation to product development and packaging. For instance, their products do not include genetically modified organisms, and the packaging is made of recyclable material. The company offers its product lines through online and offline channels. To illustrate, the company has its own online web-shop and it has online collaborations with distributors (Minerals by Nordic AB, 2022; Fornander, 2022).

4.2.4.1 Internationalization process

The owners of the company have prior knowledge in the field of horse nutrition and business management. However, they had no experience in doing international business. Minerals By Nordic’s internationalization journey started through the strategic step of launching their international online store in English, which further offers some distribution specific information in Finish, Norwegian, and Danish. Besides that, the company capitalized on social media to enter the international market. That is by collaborating with Instagram influencers from various European countries. These collaborations allowed Minerals by Nordic to create and increase their international brand awareness, which consequently accelerated their internationalization process. Today one third of the company's revenue is derived from the international market, while 18% of the sales is generated through social media marketing campaigns using foreign influencers. Additionally, the company relies on organic international sales growth, generated by customers’ word of mouth (Fornander, 2022).

However, the owner proposes that doing international sales is a rather challenging task. These challenges consolidate arounds, rules and regulations, customer demands, logistics, and payment solutions. In relation to that, the owners state that: “we face many difficulties in doing international business; besides lacking the required experience, the industry we are selling within implies rules and regulations that are complex and differs from country to country” (Fornander, 2022). Therefore, to mitigate some of these challenges the company has established distribution agreements with partners in Finland, Norway and Denmark. For example, in the case of the Norwegian market, the company utilized distributors to overcome the intensive regulation and legal procedures associated with offering horse supplement and nutrition (Fornander, 2022).
The company's plan for the near future is to expand further in Germany, where they are currently trying to find a suitable international business strategy that could potentially facilitate the company in overcoming Germany specific market barriers and gain competitive position within this large market. The barriers within the German market are above all in terms of regulation, price, taxation, and logistics. Therefore, Minerals by Nordic is currently in need of external support to understand how to market and sell their products in Germany at a larger scale and in a more convenient manner. Similarly, to their previously executed strategy within the Nordic region, they aim to find distributors who can support their business operations in Germany (Fornander, 2022).

According to the owner, Minerals by Nordic follow a gradual and slow internationalization approach, that is to avoid risk taking as much as possible. On the one hand they avoid financial risk by not taking loans from external parties, instead they financed their business using their own money, and they continuously reinvested the generated revenue in the company. On the other hand, they do not do business in markets that they believe are saturated with risk and uncertainty. For example, the company often receives orders from the United States, although, they actively decide to reject these orders. That is due to their complete lack of understanding toward the American regulations on horse supplements (Fornander, 2022).

During the Covid-19 pandemic, the company witnessed a decrease in international sales. On the contrary, their local sales in Sweden were shown to be improved. Despite that, the owners emphasized that they have a global mindset, and their goal is to be successful internationally, both inside and outside Europe. Moreover, the owner concluded that: “we are learning by doing and that there are a lot of things to be done, this also contributes to the fact that our business is developing slowly in the international market” (Fornander, 2022).

4.2.4.2 Governmental Support

According to the owner, from inception, the company had a close collaboration with the governmental agencies in the Kalmar region. For example, Almi had an important role in their business development and the internationalization process. Almi offered the company consultancy and educational courses. Moreover, in the beginning of the process, the owner had
a proactive approach towards investigating the available opportunity for getting help from the governmental agencies. Thereafter, she acted upon the allocated opportunities. For instance, she continuously participated in business related seminars, lectures, workshops, and networking events. These events were often initiated by Almi and Business Sweden. In relation to Business Sweden the events primarily focused on laws and regulations regarding internationalization and conducting export activities. Moreover, the owner emphasized that she learned a lot during these events and had the opportunity to gain constructive insight from the experience of the presenters and other attendees. In addition, according to the owner, the company had the opportunity to enroll in a mentorship program facilitated by the local government. This program helped the management team to spend time with other business professionals in the region and learn about doing business. Finally, the company allocated and applied for available support in terms of consultancy and fundings. For example, the company got help from government consultants concerning information technology, digitalization, and other business development tasks. Moreover, they successfully obtained governmental funding from KCC for hiring external consultants to help them read and interpret international contracts (Fornander, 2022).

However, the owner emphasizes that sometimes the courses and lectures did not reflect the hard reality of doing international business, concerning that the owner states: “if we knew at the beginning that doing international business is as challenging and complex as it is, we would not have started the company” (Fornander, 2022). Moreover, she continues that the provided services were not always free of charge, and the application process is shown to be long and complex in nature. To illustrate, when the owners were planning to buy a used manufacturing machine from Denmark, they applied for financial support from KCC. Although, the application took a lot of time and effort. Consequently, the used machine was sold, and they had to order a new and a much more expensive machine using their own financial resources. Regarding the funding applications, the owners explain that the funding policies and its process are inflexible. Getting support requires extensive knowledge in conducting presentations, preparing documents, and doing long term business calculations. During the process of allocating governmental funding, the company had to present a holistic picture of where the money was going to be allocated during a five-year duration. Furthermore, they would have to forecast the outcome of the investment. Although, that was a difficult task, since they are operating internationally with high levels of uncertainty and changing conditions. Similarly, the
founder postulates a negative view of the process of getting hold of governmental funding. She criticizes the fact that the current policies do not allow companies to send more than one application. Meaning that the policies are ignorant to the fact that the business is continually developing, and future applications might have an improved situation around them. This static and inflexible nature of the governmental funding policies is something that the owner proposes improvements towards (Fornander, 2022).

4.2.5 Essemce AB

According to the current owner (Mr. Andy Reid), Essemce AB is a Swedish company that was established in the 1940s. The company is based in the Kalmar region, more specifically Emmaboda municipality (Essemce AB, 2022; Reid, 2022). The company is well known in the glass manufacturing industry worldwide. It is specialized in designing, manufacturing, and supplying glass making equipment to factories, studios, and schools. However, over the years the company went through large financial crises, and business challenges. Therefore, in the year 2017 the initial founders of the company sold it to the current owner, who is a British citizen. During that time, the company was in a bad shape, in terms of both business structure and revenue. It had more than 600 hundred customers, although only a few of them were profitable. In addition, most of these customers were in Sweden. Consequently, the new owner implemented a new business strategy that focused on terminating non profitable customers, implementing innovation and sustainability, and targeting international markets (Reid, 2022).

4.2.5.1 Internationalization process

According to the owner, Essemce has historically been involved in international activities. In relation to the owner state: “when I bought the company, I got all its earlier recorders. In these files, I found old handwritten letters from customers in Europe” (Reid, 2022). Although, the extent of these export activities has through time been rather low. The owner emphasizes that when he acquired the company the level of sales to the international market was only 30%, more specifically 20% from Scandinavia and 10% from other European markets. On the contrary, after implementing the new business strategies, the company became truly international. Whereby international sales rate accelerated to 80-90%. These sales are
conducted in Asia (e.g., China), Europe (e.g., Italy, United Kingdom, Germany), and the United States (Reid, 2022).

The recent internationalization evolution of Essemce was initiated by various interrelated factors. For example, according to the owner, the glass industry is facing radical changes, whereby there is a current need for sustainable production and consumption. In addition, the increasing energy prices put pressure on the industry to find innovative solutions to reduce manufacturing costs. Based on that, the company invested in developing innovative and sustainable products in response to the current needs of the industry internationally. For example, the owner argues that glass manufacturers in China are shown to have a huge interest in sustainable industrial equipment. Therefore, the company's sales in China are continuously growing. Moreover, the owner highlights that before entering the glass manufacturing business, he was working internationally in Belgium, Germany, and the United Kingdom. This gave him the required skills for doing international business and further allowed him to scale up the companies export activities more easily. Similarly, the owner argues that he has a global business network. Although, these established relationships were not postulated to be helpful since they were irrelevant to the glass manufacturing industry. On the other hand, the company utilized its archived documents to systematically allocate already established company relationships (Reid, 2022).

4.2.5.2 Governmental support

The government associations in the Kalmar region had a significant role in relation to the internationalization journey of Essemce. The first contact between the company and the government business associations was initiated by Almi. Where the company was contacted by a business developer who aimed to understand the business needs of the company and further provide the available support accordingly. Consequently, Essemce was able to get help from Almi. This support consolidated around business consultancy, allocating financial resources, and gaining access to international networks. Moreover, the owner highlights that the consultancy services were both constructive and affordable. Similarly, the company was successful in getting loans from Almi. These loans helped the company in producing their innovation related products which positively impacted the company's internationalization
activities. However, when it came to providing international contacts, Almi was not able to facilitate the creation of fruitful international relationships for Essemce. To illustrate, according to the owner, Almi tried to link the company with international suppliers and customers. That was by facilitating the exchange of contact information between Essemce and other European companies. However, this initiative was not helpful, since the networking process was strictly controlled by Almi and its European counterparts, which restricted Essemce from presenting itself accurately in the international markets. In addition to the collaboration with Almi, the company had various engagements with KCC. Whereby the company was able to finance its innovation related projects through this governmental organization. For example, KCC helped the company cover 50% of the costs related to buying consultancy services for developing its businesses (Reid, 2022).

Overall, the owner believes that the company has had nice experiences when collaborating with the local government business support systems. That in terms of service level, application processing and associated costs. That is especially relevant in comparison to other countries such as the United Kingdom. However, the owner argues that, in Kalmar there are a lot of governmental organizations that offer a variety of services for companies, and it is difficult to allocate them and understand what could be gained from them. Therefore, as a recommendation, he proposes that in Kalmar there should be a unified guide that portrays a stepwise business development process and further shows how each governmental organization in Kalmar could help respectively. In relation to that he emphasizes that collaborating with various governmental organizations created a synergistic effect. However, Essemce learned about that only after starting their process. Therefore, the owner proposes that the local governmental agencies in Kalmar should make it easier for companies to learn about these actors and how they complement each other (Reid, 2022).
5. Analysis

The following chapter provides a discussion where the aggregated empirical evidence was analyzed using the constructive conceptual framework. The chapter is initiated by analyzing the aspect of the internationalization process in the Kalmar region followed by a discussion in relation to the role of governmental agencies.

5.1 Internationalization process

When it comes to initiating the internationalization process, both Johannas choklad and Essemce initiated their international business activities by capitalizing on their international entrepreneurship behaviors and capabilities correlating with Cavusgil and Knight (2015) and Coviello (2015). Meaning that the owners were able to allocate and further act upon opportunities within the international context. For Johannas choklad that was evident in the owner’s ability to allocate a need for revitalizing the way of ordering cacao beans in the international market. While in the case of Essemce, the owner had the ability to discover the market demand for sustainable and efficient glass manufacturing equipment. These entrepreneurial capabilities of the owners allowed both companies to initiate their internationalization activities and further reach the international market. This supports the finding of Weerawardena et al. (2007), who postulates the entrepreneurial characteristics of the owner/managers could potentially impact the internationalization of the firm. On the contrary, in line with the arguments provided by Oviatt and McDougall (2005b) McDougall and Oviatt (2003), and Jansson (2020), both Farmerrain and Minerals by Nordic initiated their internationalization through the capitalization of digital technology. That is merely by having an online presence on the internet. This step allowed both companies to establish online presence worldwide and further have the possibility to generate instant international sales respectively. Finally, when it comes to Lackeby, the company initiated their internationalization process by initially targeting customers in nearby neighboring markets in Europe, and further expanding to other geographical locations around the world through a customer centric approach which to some extent goes in line with Fang et al. (2017).

Concerning the process of internationalization there are three prevailing approaches that are evident in extant international business literature, namely gradual approach (Johanson and
Vahlne, 1977; Johanson and Wiedersheim-Paul, 1975), network approach (Johanson and Mattsson, 1987; Axelsson and Johanson, 1992; Jansson, 2020), and the accelerated entrepreneurial approach to internationalization (Oviatt and McDougall, 1994; Madesen and Servais, 1997). According to the findings of this study, it could be argued that the implementation of these three distinctive internationalization approaches is in fact evident in the internationalization process of Kalmar based SMEs. However, none of the included companies is shown to be committed nor have an internationalization process which correlates fully to one of the prevailing approaches. Analytically, it could be postulated that SMEs from the Kalmar region undertake an internationalization process that have a unique set of characteristics derived from two or more of the inherently identified ways of internationalization. In the case of Johanna's choklad, the company was shown to not internationalize from inception but rather made their first international sale after seven years from initiation. Therefore, based on the argument provided by Madsen and Servais (1997), Knight and Liesch (2016), and Oviatt and McDougall (1994) it could be postulated that Johanna's choklad is not a born global firm. However, when examining the characteristics of the company’s internationalization process it is evident that the use of digital technology and the global orientation allowed the firm to instantly reach the international market. This instant internationalization that neglects the aspect of psychic and physical distance contradicts the careful and gradual internationalization approach postulated by the Uppsala model (Johanson and Vahlne, 1977; Johanson and Wiedersheim-Paul, 1975). Furthermore, the findings shows that the company did not consider nor recognize the need for getting involved in any local or international networks which makes their internationalization journey irrelevant to the network approach accentuated by Johanson and Mattsson (1987), Axelsson and Johanson, (1992), and Jansson (2020). Even though, the owner believe that the networking aspect was not a part of his internationalization strategy, it could be analytically perceived through the network map by Jansson (2020) that the company has vertical relationship with suppliers who acted as a source of resources, knowledge and opportunities, which actively facilitated the internationalization of Johanna's choklad (Jansson, 2020; Johanson and Vahlne 2003, 2009; Vahlne and Bhatti, 2019; Chetty and Holm, 2000; Chetty and Campbell-Hunt 2003). Yet, based on the arguments above it could be seen that Johanna's choklad is not fully aligning their internationalization approach to any of the mainstream internationalization approaches. However, the characteristics of the firm's internationalization process are mostly correlative with the accelerated entrepreneurial
approach (Fang et al., 2017; Weerawardena et al., 2007; Oviatt and McDougall, 2005b), that is in combination with the networking approach of internationalization (Johanson and Mattsson, 1987; Torkelli et al., 2019). Similarly, to Johanna’s Choklad, Essemce is proven to be another example for a born global firm which did not internationalize to a larger extent from inception. The company was established in the 1940s and during the years minor and fragmented international sales have been executed in the European market. Thereafter, when the new owner bought the company in 2017 it was converted into a born global firm. That is justified by the fact that the company became an international supplier to customers all over the world and the majority of its current revenue is derived from the international market (Weerawardena et al., 2007; Fang et al., 2017). This instant internationalization was facilitated by utilizing their already established vertical relationships with customers (Jansson, 2020). In addition, the diagonal relationship with local governmental agencies allocates the required knowledge and resources to develop their innovative product offerings which further positively facilitated their position in the international market (Vissak, Francioni and Freeman, 2020; Parrilli, 2019; Mtigwe, 2006; Coviello, 2006). Moreover, the owner's prior international experience enabled the rapid internationalization of Essemce correlating with Weerawardena et al. (2007) but on contrary contradicting the findings of Fang et al. (2017) who postulates that experiential knowledge is insignificantly important in relation to internationalization. When it comes to Farmerrain and Minerals by Nordic both companies went international from inception which makes both born global firms. However, when examining these companies separately following the measures provided by Weerawardena et al. (2007) that consolidates around the aspect of scope, scale, and extent, it could be argued that Minerals by Nordic does not fulfill the extent element, due to the fact that only one third of the company’s revenue is derived from the international market. Additionally, even though Minerals by Nordic was born into the international market, their ongoing international expansion process undertakes a more cautious, slow, and gradual approach, which consolidates around slow and steady steps with the main intention of avoiding risk. This approach correlates more with the recommendations of the Uppsala model (Johanson and Vahlne, 1977; Johanson and Wiedersheim-Paul, 1975). During the internationalization process both Farmerrain and Minerals by Nordic relied heavily on networking. Analytically, in the case of Farmerrain both local and international relationships were utilized as means for knowledge acquisition and exchange (Vissak, Francioni, and Freeman, 2020; Parrilli, 2019), allocating partners, resources, and business opportunities
(Chetty and Holm, 2000; Chetty and Campbell-Hunt 2003; Zhou, Wu and Luo, 2007; Chandra, Styles and Wilkinson, 2012). Following the network map by Jansson (2020) it could be seen that the majority of the relationships of Farmerrain reside on the diagonal dimension whereby the company established relationships with local governmental agencies including Kalmar Science Park, Almi, Linnaeus university and Business Sweden. In addition to that, on the vertical level the company established relationships with intermediaries in the shape of international social media influencers and already established international customers. Similarly, Minerals by Nordic utilize vertical relationships with online social media influencers. However, it could be seen that when it comes to the diagonal dimension the company has less relationships with governmental agencies. Furthermore, in contrast to Farrmerain, Minerals by Nordic initiated vertical relationships with distributors who helped the company to understand and further target customers in the international market (Jansson, 2020). In the case of Lackeby, the internationalization approach is shown to be correlating with the careful and gradually incremental way of internationalizing, proposed by the Uppsala model (Johanson and Vahlne, 1977; Johanson and Wiedersheim-Paul, 1975). However, following the gradual international commitment scale provided by the Uppsala model, it could be argued that Lackeby has a rather low level of commitment to the international market. That is due to the fact they are merely involved in export activities combined with a minor presence in the international market through sales representatives. In addition, the findings highlight that the company does not have physical presence in the international market through sales offices and manufacturing. Yet, even though Lackeby through the lens of the Uppsala model could be perceived as a less committed international firm, the extent of its international export represented the majority of its revenue. Lackeby’s successful internationalization could instead be justified by the findings by Weerawardena et al. (2007) who argue that firms could achieve an accelerated internationalization in terms of scope, scale, and extent through unconventional means such as marketing competencies, learning capabilities, innovative products, and networking. In the case of Lackeby all these facets are shown to be evident enablers for their internationalization process, especially networking. This makes Lackeby a representative for the modernized version of the Uppsala Model presented by Johanson and Vahlne (2009) and Coviello, Kano, and Liesch (2017) that incorporates the networking dimension to the incremental internationalization theory. Moreover, Lackeby’s networking endeavors are evident in their attempt to establish international relationships and further coordinate and capitalize on these
configured relationships to enter new geographical markets. Which correlates with the proposed subsequential international networking strategy that consolidates around extension, penetration and integration presented by Axelsson and Johanson (1992). Analytically it is prevailing that networking experience and previously established relationships helped Lackeby to continuously allocate new international contacts and successfully maneuver various markets to better position themselves internationally (Vissak et al., 2020; Mtigwe, 2006).

From the government perspective, the primary local agencies working with internationalization have a relatively unified view concerning how SMEs in the Kalmar region internationalize. However, the prevailing views do not fully reflect the complex internationalization processes implemented by the five SMEs included in this study. KCC perceives that the successful internationalization of the local SMEs is often achieved through collaborating with the local governmental agencies, attending trade shows, imitating competitors or when a sub-contracting local SME follows its larger MNCs customers to the international market. Similarly, to KCC both Almi and Kalmar Science Park believes that the local network is the enabler which allows the SMEs to have access to information, business partners and financial resources. Based on these assumptions it could be argued that the governmental agencies understanding toward the internationalization goes in line with the networking way of internationalization (Vissak, Francioni and Freeman, 2020; Parrilli, 2019; Chetty and Holm, 2000; Chetty and Campbell-Hunt 2003; Zhou, Wu, and Luo, 2007; Chandra, Styles and Wilkinson, 2012). In addition, Kalmar Science Park, recognizes the use of digital technology in terms of online stores as a commonly utilized tool for internationalization implemented by the SMEs in the Kalmar region. Based on that it could be argued that Kalmar Science Park considers digitalization as an initiation and enabler for the internationalization process (Madsen and Servais, 1997; Oviatt and McDougall, 2005b; Jansson, 2020). Moreover, Almi perceives the characteristics of the company owner as the decisive factor for the initiation and execution of the internationalization process correlating with the findings of Weerawardena et al. (2007). Finally, Linneaus university was not able to provide insights regarding the local business environment and the internationalization process of its respective SMEs.
5.2 The role of governmental agencies

5.2.1 Institutional environment

Extant international business literature shows that the institutional environment has a direct link to the internationalization of firms (Oparaocha, 2015). Whereby the local government support could positively influence the internationalization of firms and its respective processes (Child and Hsieh, 2014; Gardó, García, and Descals, 2015). Based on the aggregated empirical evidence it could be argued that governmental agencies in the Kalmar region constitute an institutional environment which aim to support the internationalization of SMEs. In addition, the empirical data shows that the majority of the included SMEs from Kalmar region utilized the available support. Although, the level of utilization as well as its respective impact is shown to be inconsistently significant, which supports the multidimensional impact of the institutional environment proposed by Volchek, Henttonen and Edelmann (2013).

The local institutional environment is where the root of the SMEs internationalization process resides (Spencer, Murtha, and Lenway, 2005). In the Kalmar region this notion is evident due to the facts provided by KCC, Almi and Kalmar Science Park, that most companies seek help from the local governmental agencies to understand how to initiate their internationalization process and further allocate the required networks and resources for accomplishing this task. Consequently, based on the arguments provided by Vatne (1995) the local institutional environment in Kalmar is shown to interact with the SMEs internal resources and further determine the firm's ability to allocate adequate resources for internationalization.

When examining the institutional environment in the Kalmar region, based on the findings it could be stated that KCC, Almi, Kalmar Science Park, Business Sweden, Chamber of commerce, Linnaeus university are the main governmental agencies involved in supporting internationalization in the region. The prevailing spectrum of agencies goes in line with the theoretical understanding of Oparaocha (2015). The common goal between these governmental agencies is to achieve sustainable development of the Kalmar region through amelioration of the international position correlating with the positive influence of home country internationalization postulated by Oparaocha (2015). Besides that, each organization has its
5.2.2 Governmental agencies

Both Almi, Kalmar Science Park and Business Sweden are involved in providing companies with business consultancy, education, and networking opportunities. The basic offerings of these organizations are often free of charge, although all of them charge companies for access to more substantial services, which to some extent contradicts the commonly held belief that governmental support that aims to facilitate growth of local SMEs is often free of charge (Martin and Scott, 2000; Audet and St-Jean, 2007). Furthermore, both Almi and Kalmar Science Park support SMEs with funding related issues. The former is shown to be an active funder, which offers funding solutions directly to the company. While in the case of the latter, the organization acts as a facilitator that links SMEs with potential partners that could potentially provide companies with financial resources to facilitate their international growth. When analyzing the provided services by Almi and Kalmar Science Park it could be argued that these organizations are accessible and low cost “information brokers” (Walters, 1996; Riddle and Gillespie, 2003), as well as “network administrative organizations” (Provan and Kenis, 2008). This since both organizations are actively involved in facilitating local business activities that allow companies to engage in knowledge sharing as well as building constructive relationships both locally and internationally in line with the conceptualization of Costa et al. (2017). In addition, this is relatively true in the case of Business Sweden, however the accessibility and low-cost facet is not evident. This could be postulated due to the fact that Business Sweden does not have a strong presence in the Kalmar anymore. Furthermore, they are shown to have a lack of resources to handle local inquiries generated by the Kalmar based SMEs. When it comes to the aspect of cost, Business Sweden is perceived to be an expensive source for internationalization specific services, including networking which contradicts the low-cost perception postulated by Walters (1996) and Riddle and Gillespie (2003). On the contrary to the previously mentioned governmental agencies KCC does not provide hands-on services concerning networking, consultancy, and business development. Yet, they act as an intermediary where they are able to forward SMEs inquiries to other local governmental agencies that have the required skills and capabilities to process them respectively. This role
could be seen as a consequence of the established RES initiative, where KCC and Almi aim to improve the internationalization of the regional SMEs through an enhanced level of collaboration between the various governmentally funded support organizations. This collaborative environment correlates with the literature from Costa et al. (2017) and Torkkeli et al. (2019), where network ties and local collaborative environment should be established in order to facilitate knowledge exchange for enhanced international business practices. However, in terms of the actual support provided by KCC, the organization’s role primarily centers around providing financial support to the local SMEs to initiate or grow their international business activities. Linnaeus university has no active participation in the current regional efforts towards the internationalization of the local SMEs. On the one hand Linnaeus university is not part of the RES initiative established by KCC and Almi. On the other hand, the university does not provide direct support to local SMEs. However, they have indirect interaction with the local business environment. These indirect interactions are executed through student internships, research projects, and minor funding and business support activities facilitated primarily through Kalmar Science Park. Linnaeus university has an insignificant role in relation to supporting the local governmental agencies and SMEs in the region, this is justified by the arguments that the university’s primary role in the region is to teach students and conduct scientific research. However, KCC, Almi and Kalmar Science Park all believe that Linnaeus university has untapped potential in the form of international business knowledge that could be beneficially utilized by the local SMEs and implemented to improve internationalization support provided by the region. Analytically it could be argued that Linnaeus university as a research institute is not actively contributing to the local institutional environment that is trying to facilitate internationalization processes of the local SMEs. This is in contrast with Oparaocha (2015), who constitute the belief that research institutes are considered to have a key role within the institutional environment, when supporting local SMEs with internationalization. Lastly, based on the findings derived from both the Kalmar based international SMEs and active governmental agencies supporting these firms, the Chamber of commerce is perceived as a disregarded source of support in the Kalmar region. This further supports the findings of Leonidou and Theodosiou (2004) and Leonidou and Katsikeas (1997), that support offered by the chamber of commerce is not utilized nor adopted by firms, because the perceived value of the information is considered to be low. In fact, KCC argues that the Chamber of commerce
has a low level of participation in the regional efforts to boost internationalization of SMEs. Moreover, the organization is not shown to be actively involved in the RES project.

5.2.3 Governmental support

According to the governmental agencies in Kalmar, when it comes to internationalization, SMEs inquiries often consolidate around allocating financial resources, international customers and distributors, and business advisory. Following the arguments by Walters (1996) and Traxler and Huemer (2007) it could be perceived that these inquiries are in fact realistic and further justified by the actual nature of SME internationalization, which is saturated by a need for solutions, learning, partners, and business model development. This aligns with the conceptualization by Costa, Soares, and Sousa (2016), Hessels and Terjesen (2010) and Gashi, Hashi, and Pugh (2013) postulating that SMEs have high dependency on the government as a source of resources and support. That is to combat their inherited internal and external barriers which hinders their internationalization process (Leonidou, 2004). Based on the empirical findings it could be seen that there is a consensus among the local governmental agencies, that the currently available support represents a complete offering that corresponds to the SMEs needs in relation to internationalization. That is in terms of networking support, education and consultancy services, and financial support.

5.2.3.1 Network support

From the SMEs perspective Essemce, Johanna's choclad and Lackeby are the companies that have shown to have received support endeavors from Almi in relation to international relationship establishment. However, only Lackeby was proven to benefit from this type of networking support provided by Almi, which centers around merely providing censored lists of potential international business partners. While both Essemce and Johanna's choclad perceive that the support did not facilitate the establishment of beneficial relationships with customers and distributors. Moreover, Lackeby was the only firm to receive paid networking support from Business Sweden although this support did not generate the expected return of investment. Farmerrain and Minerals by Nordic, do not perceive the international networking support from the region to facilitate their internationalization process. Based on the general view of the SMEs and their experience when interacting with the international networking support provided by
Almi, it could be argued that the support is not proven to help the local SMEs overcome the challenge of allocating and building international relationships. In addition, the SMEs did not recognize any international networking support from other governmental agencies including KCC and Kalmar Science Park. The insufficient international networking services from the governmental agencies in Kalmar contradicts the arguments by Costa et al. (2017), generally stating that international networking services provided by local governmental agencies positively impact the internationalization process of the local SMEs by enabling their inherited international networking deficiencies, caused by their limited resources. Furthermore, in the Kalmar region the international networking initiatives supplemented by the local governmental agencies did not prove to be able to support the SMEs in identifying and exploiting international business opportunities in terms of partners and networks. This contrasts the literature from Szyliowicz and Galvin (2010), who argues that the essence of governmentally funded internationalization support, is to help SMEs in overcoming internationalization barriers and further exploiting business opportunities internationally. On the other hand, it is evident that the governmental agencies in Kalmar are providing sufficient networking services that allow for knowledge sharing and building business partnerships at the local level. Kalmar Science Park, Almi and KCC continuously facilitate business networking events. Similarly, Linnaeus university interacts with the local business environment through the initiation of labor days as well as weekly live events at the campus in Kalmar. These ongoing events are found by Minerals by Nordic and Farmerrain to be constructive for knowledge sharing and enhancing their business development process validating the findings of Bennet (1998). Furthermore, both companies have active collaboration with Almi which contributes to their local networking abilities and knowledge development. On the contrary, the remaining companies do not propose any involvement in these local networking events. Still Lackeby and Essemce, are proven to actively participating in local networks with various governmental agencies, which could postulate that these firms still attain a sufficient local network enabling knowledge acquisition. However, in the case of Johannas choklad the owner clearly disregards any type of involvement with local networks though events or collaborations. Evident from both the governmental agencies local networking practices and the active involvement from the majority of analyzed SMEs, it could be accentuated that the governmental agencies are successful in facilitating network ties and collaborative environment for the SMEs at the local level (Costa et al., 2017; Torkkeli et al., 2019).
5.2.3.2 Education and consultancy services

Concerning the use of the governmentally provided services both Farmerrain and Minerals by Nordic took advantage of available educational courses and consultancy services. Minerals by Nordic relied on Almi as a primary source of knowledge and advisory, in addition the company selectively attended a few lectures by Business Sweden. In the case of Farmerrain, the incubator program at Kalmar Science Park was the main source of education and consultancy. Attendance in seminars and collaboration with business students from Linnaeus university was also evident to be a source for internationalization knowledge acquisition. When it comes to the available educational courses and seminars provided by the governmental agencies, both companies are shown to have a rather positive view. However, through examining the two companies, deficiency in both consultancy services and courses could be postulated. Whereby, Farmerrain proposed that the consultancy services and the attended events did not help the company mitigate some of their ongoing difficulties in relation to international business. In line with this, Minerals by Nordic highlights that the courses did not reflect the reality of doing international business. In comparison to the previously two mentioned firms, Lackeby and Essemce only utilized the consultancy services provided by Almi which generated positive outcomes. On the contrary, Lackeby was not able to benefit from the consultancy services from Business Sweden. Finally, Johannas choklad was contacted and further offered business development services by Almi. However, the owner decided to decline these offerings. Moreover, Johannas choklad did not participate in any educational courses provided by various governmental agencies in the Kalmar region. Based on the analyzed SMEs it could be argued that the provided consultancy and educational support in the Kalmar region is perceived differently by the included SMEs. This confirms the findings by Leonidou and Theodosiou (2004) and Leonidou and Katsikeas (1997), who state that the actual value of the support provided by government business agencies is often perceived divergently by firms. In addition, through the provided consultancy and educational program it could be argued that the governmental agencies are successful in enhancing SMEs knowledge in relation to internationalization in line with Szyliowicz and Galvin (2010). In addition, the findings by Leonidou and Katsikeas (1997) are proven to be accurate in the case of the SMEs in the Kalmar region, whereby the majority of the companies are shown to be more inclined in participating in personal consultancy services rather than taking part in less personal educational programs and services.
5.2.3.3 Financial support

In relation to the aspect of resources in terms of financial support, the prevailing methods of governmental financial support highlighted by Catanzaro et al. (2019) are shown to be available in the Kalmar region. KCC, Almi and Kalmar Science Park are the primary governmental agencies facilitating financial support in relation to internationalization of the local SMEs. Analytically, the findings from this study support the arguments by Bannò et al. (2014) and Crick and Czinkota (1995), and Lages and Montgomery (2005), in terms of that governmental financial support towards SMEs, enable SMEs to capitalize on the international market through enhanced resources and capabilities, reduction of inherited cost, and process performance. However, this study proposes that the various SMEs utilize the financial support in different ways. Where Lackeby and Essemce use the financial support from governmental agencies to execute product related innovation projects at a reduced cost, which analytically could be seen to have positive impact towards their capitalization on the international market. On the other hand, Farmerrain and Minerals by Nordic employ the financial grant derived from the financial support of governmental agencies to acquire internationalization specific knowledge through business consultancy. However, in addition to acquiring and utilizing governmental grants, Farmerrain benefited from the governmental loans to finance their internationalization activities. In line with Lages and Montgomery (2005), the governmental funding attained by Farmerrain and Minerals by Nordic was merely utilized in order to facilitate the internationalization process. Although, in contrast to Catanzaro et al. (2019) this study did not find direct relationship between governmental financial support and the extent of SMEs internationalization, but rather that the financial support generated through governmental agencies indicate a positive indirect influence on the internationalization extent of the local SMEs.

5.2.4 Governmental policies

Following the recommendation by extant international business literature, Seringhaus and Botschen (1991) argues that when designing internationalization support policies for local SMEs, policy makers are advocated to first promote internationalization and the available governmental support adequately to increase SMEs awareness and interest towards going international. In contrast, the findings of this study shows that the governmental agencies in the
Kalmar region lack the ability to promote and communicate the available internationalization support offered by each respective organization. Analytically, this deficiency in promoting government support could potentially be an explanation for the fact that SMEs in the Kalmar region are shown to have an attitude characterized by low level of interest and engagement towards internationalization as well as collaborating with the local governmental agencies in relation to the issue. Second, it is argued that governmental agencies should implement supporting policies that follow a customer-friendly approach that focus primarily on the entrepreneurial competences of the owner rather than the characteristic of the firm (Hauptman et al., 2011). Both Almi and Kalmar Science Park are shown to follow these recommendations when designing and delivering their support to the local SMEs. Consequently, this study found that the SMEs were motivated to involve themselves with the provided services to benefit their internationalization process. This was in fact evident for the majority of the firms. On the contrary, based on the evidence aggregated from the SMEs it could be postulated that the currently implemented policies by KCC are proven to be less customer friendly. In addition, these policies consolidate around the firm's characteristics and disregard the capabilities of the people behind the firm's recommendations. This approach and policy structure contradicts the recommendations of Hauptman et al. (2011). From an outcome perspective both Johannes choklad and Minerals by Nordic experienced static and complex processes when applying for funding from KCC, this had a negative impact for both companies. Minerals by Nordic lost an opportunity in relation to acquiring allocated resources to enhance their international operations. While in the case of Johannes choklad the owner became discouraged to collaborate and attain support from governmental agencies. Third, Seringhaus and Botschen (1991) advocate policy makers to ensure that the provided support is accurate and relevant for the need of internationalizing SMEs. In the Kalmar region implemented policies for support does not fully consider the “relevance aspect” when facilitating the internationalization of SMEs. Both Kalmar Science Park and Almi do not provide hands-on support in relation to constructing international business strategies for SMEs. Their support does not expand beyond providing educational courses and consultancy services that are general in nature. Similarly, the international networking services provided by Almi are not proven to be company specific. This was evident in the case of Johannes choklad and Essemce, where the provided international contacts was described by the companies to be arbitrary and overly controlled by Almi and their counterparts in the European markets which makes it irrelevant for their internationalization
endeavors of the SMEs. Fourth, policies that aim to promote cost sharing activities are highly recommended by Seringhaus and Botschen (1991). In line with this, the Kalmar region cost sharing activities are shown to be the primary focus of KCC. This since the organization’s main support is to consolidate around providing grants which covers 50% of the consultancy investment executed by the company. The initiative is proven to be relevant for the local SMEs however the application policies discussed above and the availability of free governmental services available in the region makes the cost sharing initiative by KCC perceived as redundant. Finally, even though Linnaeus university is perceived by the governmental agencies as an important source of support for developing the internationalization of SMEs in the Kalmar region. Their minor contribution toward SMEs internationalization and the governmental agencies involved in this process contradicts the previously highlighted policies recommended by Seringhaus and Botschen (1991) and Hauptman et al. (2011).

5.2.5 Governmental support improvements

Even though the governmental agencies in the Kalmar region are shown to provide support for SMEs internationalization, the findings of this study highlights that there are current deficiencies as well as improvement possibilities that could be taken into consideration by the governmental agencies in Kalmar. From the SMEs perspective the support provided by the governmental agencies are proven to be fragmented. In other words, both Essemce and Farmerrain address this issue by emphasizing the difficulties of understanding and allocating what support could be gained from the various governmental agencies. This deficiency was acknowledged by the governmental agencies, whereby Kalmar Science Park, KCC and Almi highlight that there is lack of awareness and understanding from the SMEs in regard to the support available which affects the level of utilization. This issue within the region reflects the finding of Costa et al. (2017), meaning that governmental support is often not fully utilized due to lack of awareness from SMEs. According to KCC the awareness from the regional SMEs could be improved by hiring a communicator to better connect with the SMEs and create awareness for the available support. In addition, Kalmar Science Park and KCC acknowledge that a low level of coordination between the governmental agencies, is causing a “double job effect” where various agencies offer the same type of services. On the one hand this leads to wasting government resources and on the other hand it makes it difficult for the local SMEs to
allocate the right governmental agencies for processing their inquiries. The lack of coordination contradicts the arguments from Torkkeli et al. (2019) postulating that governmental agencies are supposed to foster a collaborative environment by establishing local network ties and further linking its respective participants with each other. In response to these challenges, Essemce and Farmerrrain highlighted a need for a revitalization of the current support structure. Essemce, requires a need for a unified guide that portrays a stepwise business development process and further shows how the governmental organization in Kalmar complement each other and could help respectively. By the same token Farmerrain adds that it could be constructive if the governmental agencies in Kalmar could designate a joint contact personnel, who are primarily responsible for communicating with the companies and processing their enquiries. From the governmental agencies’ perspective, Kalmar Science Park addresses the need for establishing a unified platform by having a single organization where the available governmental support is coordinated, executed, and promoted. Moreover, in the aspect of Linnaeus university, it is evident that the SMEs do not perceive the university as a source of internationalization support. This could be explained through the lack of awareness from SMEs postulated by Costa et al. (2019) and the lack of adequate promotion stressed by Seringhaus and Botschen (1991). However, governmental agencies in Kalmar are shown to perceive the university as an important source of support for internationalization in the region. Therefore, they collectively advocate Linnaeus university to be more active in the institutional environment which aims to foster internationalization. This could be executed through joining and further supporting the ongoing implemented efforts. In relation to that and in line with the previously mentioned single organization proposal by Kalmar Science Park, the university should be an active participant in this unified organization to enhance their contribution towards regional development. Similarly, in order for the region to capitalize on the underutilized competence of the university, KCC states that the university should have a common agenda with the governmental agencies and the business sector in the Kalmar region. The common agenda could potentially counteract the inherently negative perception of the university prevailing among SMEs in the Kalmar region. From the university perspective, the findings of this study postulates that the university acknowledges these current collaboration deficiencies and further suggest that the level of collaboration with both governmental agencies and the business community could be improved by ameliorating the performance of the department handling external relations.
The empirical findings of this study further postulate the deficiency in human resources, evident in the case of the KCC, Almi and Business Sweden. In the case of KCC and Almi it was evident that there was a limited number of people working on the RES project as well as handling the funding application process. Consequently, this is shown to negatively affect the outcomes of the RES project and further contribute negatively to the flexibility of the funding procedures. This is shown through, Johannes choklad and Minerals by Nordic proposing a static and insufficient funding application process. In the case of Business Sweden, the limited number of consultants in combination with the large number of SMEs in Kalmar makes them an unreliable source of support. Based on this situation KCC advocates for allocating more human resources to improve the overall internationalization support in the region.
6. Conclusions

The following chapter start by corresponding to the main purpose of this paper which is answering the overarching research question. The concluding remarks are primarily derived from the earlier analyzed empirical findings. In addition, the chapter provides a presentation for the revised conceptual framework and theoretical implications. Thereafter, practical implications and policy, social and sustainability implications are presented. Finally, the chapter is concluded by highlighting the limitations of the research project and suggestions for further research.

6.1 Answer to the research question

The purpose of this study has been to first identify the approach that Kalmar based SMEs implement to internationalize. Secondly, this study aimed to identify the current support initiatives implemented by the local governmental agencies toward the internationalization of these firms. Third, this study aimed to identify how the governmental agencies in Kalmar could potentially improve the internationalization support towards the local SMEs. By fulfilling these aims this paper was able provide constructive answer to the following overarching research question:

How could Swedish governmental agencies better contribute to the development of the internationalization process of their SMEs at the regional level?

Based on the provided discussion it could be concluded that the SMEs from the Kalmar region undertake a diverse approach towards internationalization. The SMEs have succeeded in becoming international through undergoing different internationalization processes which have different characteristics in terms of how the companies started their initial internationalization activities and their respective process at later stages. This study demonstrates that Kalmar based SMEs are initiating their first steps towards internationalization through the owners' entrepreneurial capabilities, the use of digital technology, and targeting customers in the nearby markets. Thereafter, the internationalization process of Kalmar based SMEs is shown to differ in relation to the main internationalization approaches identified in extant international business literature. Although, it was evident that the internationalization processes of Kalmar based SMEs are characterized by a constellation of traits derived from the incremental theory, network
theory, and international entrepreneurship theory. Noticeably, the majority of SMEs were able to achieve an internationalization process in terms of extent and speed, by implementing global mindset, digital technology, entrepreneurial capabilities, networking capabilities, learning capabilities, innovation capabilities, marketing competencies, and prior international experience. Nevertheless, it could be concluded that the aspect of networking both on the local and international level, was shown to be a superior internationalization process enabler for Kalmar based SMEs. Even though the aspect of psychic and physical distance was diminished by the SMEs global mindset, the gradual and careful characteristics showed to remain evident in some of the SMEs internationalization processes. Although not to the extent that it could be generalized for the internationalization process of SMEs in the Kalmar region. From the governmental agency perspective, it could be concluded that these agencies in the Kalmar region have rather unified views concerning the internationalization process of the local SMEs. Although, these views are shown to not fully reflect the actual reality of the SMEs internationalization process and its associated traits identified in this study. Moreover, these views are proven to be vague in nature and merely center around the notion that successful internationalization is achieved through building local relationships and establishing close collaboration with local governmental agencies, or by simple measures including attending trade shows, imitating competitors, and following pre-established MNCs customers.

Furthermore, the identified support initiatives implemented by the local governmental agencies toward the internationalization of SMEs in the Kalmar region, could be classified into three distinctive categories, namely education and consultancy services, network support and financial support. It could be concluded that there is a consensus among the local governmental agencies, that the currently available support represents a complete offering that corresponds to the SMEs needs. The provided support in relation to education and consultancy was found to be relatively beneficial. Although proven to not fully reflect the actual international business environment and fail to solve some of the SMEs internationalization challenges. Additionally, it was noticeable that these services were not always free of charge. In fact, in some cases the associated cost made them expensive and irrelevant for SMEs. Moreover, it could be concluded that the governmental agencies are sufficient in facilitating constructive networking possibilities for local SMEs. However, this was merely evident in the local context, while proven to fail at the international level. Concerning the financial support, the SMEs were shown
to benefit from the provided loans from the governmental support agencies. On the contrary, the cost sharing solution in the form of consultancy checks are found to be irrelevant, due to the complex and static nature of the application process and the availability of free consultancy services in the region. The prevailed initiatives were unevenly executed primarily by KCC, Almi, Kalmar Science Park and Business Sweden. The result of this study found that these organizations interact with each other for the sake of creating a business environment that fosters local collaborations and knowledge exchange. Linnaeus university displayed a minor contribution through indirectly supporting governmental agencies and SMEs. Noticeably, the Chamber of commerce was shown to be a disregarded source of support, both by the SMEs and the governmental agencies.

Evidently, the governmental agencies in the Kalmar region could potentially improve the internationalization support towards the local SMEs, by recognizing a number of identified problems and further adjusting accordingly. These problems were primarily justified by the fact that the governmental agencies did not have an accurate understanding concerning the internationalization process and its traits undertaken by the local SMEs. This could potentially be an explanation to their false belief that the provided services correspond to the actual needs of the SMEs. Therefore, overall governmental internationalization support could be improved, when the local governmental agencies attain a deep-seated sense of understanding concerning the actual traits within the internationalization process of their SMEs. In addition, this study proposes that governmental agencies could increase the level of SMEs' interest towards internationalization as well as their willingness to engage with the available governmental support and its respective agencies through enhanced promotion. Similarly, this study found that promotion is needed to counteract the low level of governmental support awareness evident in the Kalmar region among SMEs. Moreover, this study advocates governmental agencies to implement customer-friendly support policies to successfully achieve the intended objectives of the provided support and increase its attractiveness. That is by creating customized offerings based on the entrepreneurial competencies of the owners/managers rather than the company characteristic. Moreover, provided support offerings should include hands-on activities that could potentially aid SMEs in overcoming the operational and strategic challenges faced when going international. Similarly, the governmental agencies are proposed to improve their networking related services, by ensuring that their services enable the SMEs to establish
constructive international relationships. In relation to the financial support this study recommends governmental agencies to improve the facet of cost sharing by adjusting the policies around consultancy funding applications. The policies could be improved by reducing the complexity and duration of the application process. Furthermore, this study found a need for unifying the governmental support initiatives provided in the Kalmar region. This could be executed through counteracting the current fragmented structure by establishing a single organization where the available governmental support is coordinated, executed, and promoted toward local SMEs. Moreover, the governmental agencies should allocate more human and financial resources. This to mitigate the current major deficiencies evident in operating the internationalization support strategies towards the development of local SMEs in the region. Lastly, the issues of the university’s underutilized knowledge and competences in the region evident in their minor and indirect contribution, could be mitigated by establishing a common agenda with the governmental agencies and the business sector in the Kalmar region.

6.2 Theoretical implications

Based on the derived conclusions, the main conceptual framework of this empirical study has been revised (see figure 2). The original model portrays the configuration between internationalization and home country governmental involvement. This conceptual framework served our interest in understanding the whole process of Swedish SMEs internationalization. That is in terms of the characteristics of their internationalization. Similarly, the model provided an analytical lens to foresee the governmental agencies roles towards internationalization and their respective endeavors. However, based on the concluding findings the conceptual framework could be updated to include “The identified prevailing traits” that were evident in the internationalization process of the included SMEs. Which were derived from the mainstream internationalization process theories. The identified traits allowed the authors to gain a better understanding concerning how local SMEs initiate and further execute their internationalization process respectively. Similarly, they provide an opportunity for the local governmental agencies to establish an accurate understanding of the internationalization process of local SMEs which could improve their ability to construct improved internationalization support. This sequence is illustrated through the “Feedback Loop arrow”. The model further updated to include the identified “Improved internationalization support” elements. These elements are shown to be directly linked to the institutional environment in the
Kalmar region and have the potential to positively contribute to the three main constants within the institutional environment, including governmental agencies, support, and policies. Finally, the identified prevailing internationalization process traits in combination with the uncovered improvement elements for governmental internationalization support, positively contributes to the configuration between the SMEs internationalization and the local institutional environment. This contributes to achieving a better understanding in regard to how Swedish governmental agencies could better contribute to the development of the internationalization process of their SMEs at the regional level.

This study contributes to the international business literature by providing empirical evidence from the Swedish context concerning the role of government toward the internationalization process of SMEs, that is particularly from a home market perspective. Furthermore, this study goes beyond the extant literature by incorporating the aspect of the governmental agencies (e.g., Oparaocha, 2015; Torkkeli, 2019), governmental internationalization support (e.g., Costa et al.,
2017), and governmental policies (Seringhaus and Botschen, 1991; Hauptman et al., 2011). In addition, this study further portrays the link between governmental endeavors towards internationalization and internationalization theories.

In relation to internationalization process, this study proposes that Swedish SMEs undertake an internationalization process that has a constellation of traits derived from two or more of the main internationalization process theories conceptualized in extant international business literature, namely gradual approach (Johanson and Vahlne, 1977; Johanson and Wiedersheim-Paul, 1975), network approach (Johanson and Mattsson, 1987; Axelsson and Johanson, 1992; Jansson, 2020), and the accelerated entrepreneurial approach to internationalization (Oviatt and McDougall, 1994; Madesen and Servais, 1997). This contributes and expands the understanding of how modern SMEs from developed economies initiate and further execute their internationalization process. Moreover, the findings of this study portrays that the identified internationalization traits could potentially be utilized as a guiding tool for establishing constructive governmental support for SMEs internationalization.

Finally, this study contributes to the findings of Jansson (2020), by arguing that SMEs do not only establish and utilize diagonal relationships with government in the host markets. Instead, based on the findings of this study it could be postulated that SMEs are inclined to have diagonal relationships with the government in the home market. These relationships are often established in order to attain knowledge and resources for supplementing their internationalization process and constructing competitive international business strategies. In addition, this study proposes a new type and modern type of network actor, in the form of social media influencers. This actor is shown to reside on the vertical dimension of the network map mediating the relationship between the firm and potential customers.

6.3 Practical implications

The conducted study gives clear and straight forward recommendations for how governmental agencies operating in the Swedish regions could contribute and foster internationalization of their local SMEs. Governmental agencies should understand the internationalization traits of their SMEs, to provide relevant support. Utilize promotion to enhance the level of awareness and further increase firms’ engagement. Provide customized solutions and hands-on support
activities. Facilitate constructive international networks. Reducing the complexity and duration of their funding application processes. Establish a single organization to unify, promote, coordinate, and execute the support efforts available in the region. Lastly, establish a common agenda with the university.

6.3 Policy, Social and Sustainability implication

The contributions derived from this study have the possibility to empower policy makers to improve the economic and social sustainability of the Swedish regions. That is by helping them to construct an improved business development strategy, to help SMEs achieve sustainable growth in both the home and international market. This research project contributes further by generating constructive guidelines for policy makers to follow in order to enhance sustainable international growth of SMEs. Furthermore, due to the fact that SMEs constitute the majority of all firms in Sweden and contribute the most to the social and economic well-being of the country, it could be argued that implications in relation to social and sustainable development are strongly evident through the outcomes of this research project.

6.4 Limitations

The limitations of this study consolidate around various aspects. The generated results may not be applicable to different contacts which limit the generalizability of the conducted study. Even though the findings of this study could be generalized to all the Swedish regions and their respective government agencies. That might not be held true to other strategic and operational governmental endeavors outside the Swedish border. For example, the governmental policies of Sweden may limit the result to merely be accurate for Swedish regional support development. By the same token, the internationalization traits postulated by this research are not necessarily relevant to other SMEs operating in other geographical locations including emerging markets. Furthermore, the qualitative nature of this research allowed for generating comprehensive understanding about government and local SMEs in relation to internationalization. However, the study is limited by the number of included cases. The time aspect is further considered a limitation for this study, as it constrained the authors from collecting more substantial empirical evidence. Finally, the predetermined boundaries for this study had been settled in correlation to
the available time frame. Consequently, the authors had to consider merely the Kalmar region as a point of focus, excluding the remaining Swedish regions.

6.5 Suggestions for further research

Based on the identified limitations this study proposes for future research to verify the findings of this study by replicating it through the usage of quantitative research methods. In addition, survey research could be utilized to include cases from all the Swedish regions. Moreover, qualitative research could be utilized to identify and describe how governmental agencies in Sweden could implement constructive promotion strategies to create awareness and increase the level of engagement with the local SMEs. Similarly, comparative studies concerning the role of the universities in relation to the internationalization of SMEs could be ruled out. This to identify strategies that could be implemented by the universities to utilize their knowledge and competencies to support the internationalization process of local SMEs. Finally, further research could identify and examine how governmental support could be implemented to improve the internationalization of SMEs from developing countries, that is in comparison to developed countries.
References


Interviews

Ackum, S. Dean at the school of business and economics. Linnaeus University. Interviewed by Viktor Björk and Alex Matrsson [Video Call]. 15 Apr. 2022.


Larsson, A. Deputy Vice Chancellor. Linnaeus University. Interviewed by Viktor Björk and Alex Matrsson [Video Call]. 14 Apr. 2022.


Lindström, D. and Johansson, D. Marketing and Sales Manager and Area Sales Manager. Lackeby Products AB. Interviewed by Viktor Björk and Alex Matrsson [Video Call]. 15 Mar. 2022.


Appendices

Appendix A

**Interview Guide (Governmental agencies):**

A1. What are the characteristics of the SMEs in the Kalmar region?
   - Products, Industries, Ambitions, etc

A2. What do you believe are the main success factors for SMEs being able to capitalize on the international market?

A3. What are the most common internationalization challenges for SMEs in the Kalmar region?

A4. What types of support are often requested from SMEs? Both in general and in terms of internationalization support.

A5. What support do you offer to small and medium sized enterprises?
   - Do you charge anything for this support?

A6. What are the key governmental institutions in the Kalmar region?
   - What are the strategic objectives of each institution?

A7. Do you offer the company information in regards to the international market
   - Do you offer training/education in doing business in various international markets

A8. Do you help SMEs with international business strategy?
   - In terms of marketing, sales, designing international business models.

A9. Do you facilitate the SME with networks in the international market?
   - Like for example: suppliers, customers, agents, distributors.

A10. To what extent can you help SMEs - Like for example what type of support is not included under your policies

A11. What are the main operational focuses of your internationalization support policies?

A12. How could government support towards SMEs be improved?

A13. What do you do to create awareness about your support?

A14. Do you believe that you have any shortages in your support and do you have any suggestions for improvements?

A15. Do you believe that SMEs can perceive the support differently?
Appendix B

Interview Guide (Kalmar based International SMEs):

B1. Could you please provide us with background information
- What type of business do you have?
- Number of employees?
- Revenue?
- Current international market?

B2. Could you explain your international journey?

B3. Did you go directly to the targeted market or did you go to strategically less distant markets? (Explain the choice)

B4. How did you learn about doing international business?

B5. Do you believe that you had the accurate level of knowledge when you went international?

B6. Did you acquire any external knowledge?

B7. Do you feel that you have “learnt by doing”? (Experiential knowledge)

B8. Did you face any challenges when doing business internationally (due to cultural and logistical differences)?

B9. What resources did you capitalize on when going international?

B10. Did you take advantage of business networks and relationships when initiating international business activities?

B11. What actors helped you in doing business internationally?
   - Customers, competitors, suppliers, agents, institutions, governments, banks, friends, family, others?
   - What was the role of these actors?

B12. Did network and relationship help in:
   - Knowledge exchange and acquisition?
   - Reducing business risk?
   - Speeding up the internationalization process?
   - Allocating useful partners?
   - Allocating resources?
   - Allocating business opportunities?
B13. When you are interacting within a network, do you have a value adding mindset?

B14. When you are interacting within a network, do you have a cost sensitive mindset?

B15. Do you invest in networking? Do you allocate resources for networking?

B16. Do you use any external support for networking?

B17. Do you have a strategy for international networking activities? (extension, penetration, integration)

B18. Do you prefer building relationships at the individual level or network level?

B19. Do you gain new contacts through your existing networks?

B20. When did you start doing international business? after how many years of operation?

B21. How much revenue are you generating from the international market? (in comparison to Sweden)

B22. Do you think the following areas helped you in internationalization
   - Entrepreneurship (owner/manager)
   - Learning (markets, process, marketing, product)
   - Customer focused mindset

B23. Are you physically present in the international markets

B24. Do you have a global mindset (in terms of allocating resources and opportunities)

B25. Did you get any governmental support when you internationalized?
   - Information
   - Resources
   - Networks - Contacts

B26. How do you perceive governmental support in the Kalmar region?

B27. Have you been in contact with any type of institutional association?

B28. What benefits have you perceived with the provided services from institutional actors?
   - Knowledge
   - Leap barriers
   - Network ties
   - Collaborative environment
   - Sharing of knowledge (two ways)

B29. What were your main motivations for taking part in associations?

B30. How would you like to improve the regional/governmental support to SMEs in the Kalmar region?