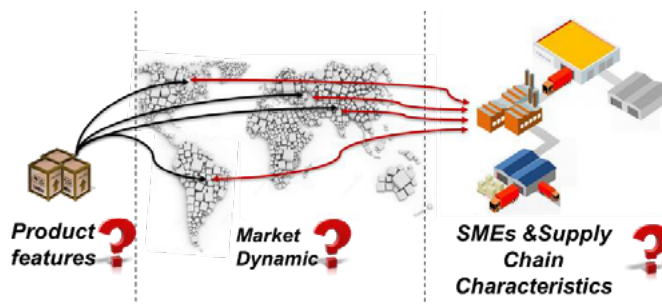


Roadmap for the Internalization of SMEs

When an enterprise is considering internationalizing its products, it has to evaluate its condition and address the urgency in making strategic decisions, such as the product to be offered, market selection, production capacity, adaptability to new requirements, etc. These evaluation and decisions are crucial because the success or failure of the enterprise on international markets largely depends on them.

SMEs all over the world domain the world business stage, at least by number. Despite the fact that there is not a standard definition to describe this group of enterprises, it is widely recognized their substantial role in the economy health, in both high-income and low-income economies, worldwide. Hence, many governments and international groups have done efforts to promote the internationalization of these enterprises as a measure to make them more successful, and as a consequence, consolidate their contribution to the growth of their countries.

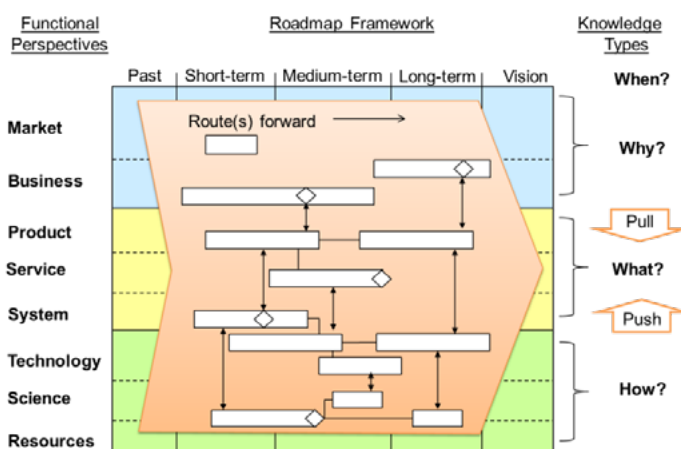


Internationalization of SMEs

In spite of all these efforts, SMEs lack a mechanism to support their planning and decision-making processes for internationalization when considering a flexible strategy to face the dynamic of transnational markets.

When an enterprise evaluates the possibility to internationalize its products, it has to include recognizing the most attractive, fast-growing international markets, as well as products features, uncertainty, competitive issues, etc. There is plenty of literature about techniques to assist an enterprise in overcoming each one of these obstacles; however few of these methods regard the SMEs' supply chain characteristics, especially flexibility and market dynamics. Moreover, SMEs require identifying which is their potential to be internationalized taking into consideration their skills, the supply chain characteristics, the product features and the market dynamics.

Therefore, SMEs require a mechanism to assist them in the decision-making process related to its internationalization and supply chain management.



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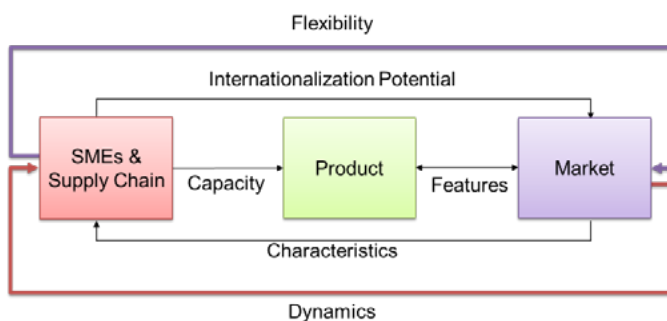
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Roadmapping

To fill up this lack, we will provide a decision-making pathway regarding SMEs' conditions and requirements to assist them when looking for a market abroad.

Through the process of roadmapping, companies are able to bring together diverse components of their business to analyze how different aspects of the internal and external environments will affect their product-portfolio decisions.

A roadmap, as a result of roadmapping, is a graphical representation that comprises a multilayered time-based chart, which enables to visualize the interaction of multiple forces like 'demand' and 'supply', and it is generally aimed at technology, markets or product development platforms. In essence, roadmaps are simple, adaptable 'strategic lenses' through which the evolution of complex systems can be viewed. As a map, a roadmap shows us the starting point from where we are departing, the point where we want to arrive, and the different routes and obstacles to get there.



Decision-making Roadmap

With all this in view, we propose the design of a roadmap to improve the decision-making process of SMEs which are willing to participate in other markets beyond their own home territories.

The design of the proposed roadmap will integrate three decision matrices to evaluate:

- SME' internationalization potential, regarding the SME and SME' supply chain characteristics.
- The features of the product to be offered according to the product demanded by the target market and the production capacity of the SME.
- The characteristics of the target market.

From literature review and case studies, we will define the aspects to evaluate into the matrices. Moreover, the model of the roadmap will take into account the flexibility of SMEs and their supply chain to address the dynamic of the target market.

The proposed model will be validated through cases of study from the selected SMEs sector. Once the model is validated, this roadmap might be used by SMEs to improve their decision-making experience and success when considering becoming international.

Further research might incorporate artificial intelligence or collaborative learning methods from SMEs and SMEs' clusters which have experience in internationalization processes to optimize the decision-making criterion to be considered.