



Internationalization from Central and Eastern Europe: A systematic literature review

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ABSTRACT

Economic transition in Central and Eastern Europe (CEE) has led to a dramatic increase in CEE firms' participation in international markets. This applies to different types of firms – from large emerging market multinationals to small international new ventures. In this paper, we systematically review the research on CEE outward internationalization, which we define as internationalization of CEE-based firms in the form of exporting or FDI, and contribute to literature by providing a complete picture of the state of the art and outlining potential avenues for future research. We find that while the CEE region has been described as a fruitful ground for developing new and testing existing theories, it heavily loads on the latter. We suggest that greater reliance on theories and concepts from the field of entrepreneurship and a stronger focus on internationalization decision processes might further enrich our understanding of internationalization from CEE.

1. Introduction

Since the fall of the Iron Curtain, international business research focused on Central and Eastern Europe (CEE) has received considerable academic attention (Jaklič et al., 2020). Fifteen years ago, Meyer and Peng (2005) declared the region “a fascinating research laboratory”. Most CEE countries are now part of the European Union (EU), but for citizens, managers and policymakers in the CEE region, one big question remains unanswered: Will the region ever catch up with Western Europe and overcome the middle-income trap? Will the institutional framework fully develop to guarantee democratic principles, market economy standards, human rights and environmental sustainability? (Jaklič et al., 2020). In their recent editorial titled “International business with Central and Eastern Europe: From tyranny of history to revisited laboratories of learning”, Rašković et al. (2020) urge us to revisit the CEE region as a set of “learning laboratories” to provide new insights into the challenges and opportunities of the transition process, institutional development and the impact of economic, political and socio-cultural integration and disintegration. Moreover, the magnitude of transition named the “great transformation” of CEE (Kornai, 2008), its unique features and the specificity of individual countries challenging the uniformity of CEE as a region (Meyer and Peng, 2016), compels a continuous focus on CEE.

CEE-focused internationalization research reflects specific milestones in economic transition. At the beginning of the transition period (i.e., 1989-), research was focused mostly on foreign direct investment in the CEE region (e.g., Dikova and Van Witteloostuijn, 2007; Nakos and Brouthers, 2002; Uhlenbruck and Castro, 2000) and after year 2000, we see a proliferation of publications focused on the internationalization of firms originating from CEE (e.g., Manolova et al., 2010; Musteen et al., 2014a; Shinkle and Kriauciunas,

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2010). Specifically, researchers have investigated topics such as international entrepreneurship or emerging multinationals (EMNEs) in CEE (e.g., [Musteen and Datta, 2011](#); [Radlo, 2012](#); [Trapczyński et al., 2020](#); [Zapletalová, 2015](#)). We argue that a continuous focus on the internationalization strategies of firms from the region will provide desired new insights into the challenges and opportunities of the transition process. Taking stock of research on CEE firms' internationalization is a first and critical step.

There are several reviews that have sought to condense internationalization literature in the CEE context, including general reviews of CEE-related IB literature ([Jaklič et al., 2020](#)) and reviews focused on specific areas or topics, such as process-perspectives in CEE-related IB literature ([Meyer and Gelbuda, 2006](#)). Moreover, different types of reviews have been used, including expert reviews ([Meyer and Gelbuda, 2006](#)), bibliometric analysis ([Jaklič et al., 2020](#)) and a systematic review ([Caputo et al., 2016](#)). While these reviews provide interesting insights into the literature, they do not cover the most recent developments in the field. Indeed, a large number of papers with a focus on CEE outward internationalization have been published only within the last five years (see [Fig. 1](#), section three). However, the latest review of the literature ([Jaklič et al., 2020](#)) includes publications only up to 2016, not covering the most recent studies on the topic. Hence, in order to provide a complete picture of the state of art, we systematically review empirical and theoretical literature on CEE firms' (outward) internationalization between 1995 (first publication identified) and 2020. Outward internationalization is defined as internationalization of CEE-based firms in the form of exporting or FDI. Because exporting affords lower investment and little foreign market knowledge, it is often the first step in internationalization ([Johanson and Vahlne, 1977](#)) and particularly popular among SMEs ([Laufs and Schwens, 2014](#)). FDI, on the other hand, usually involves higher investment along with higher control and is thus more prevalent in later internationalization stages or among larger firms ([Anderson and Gatignon, 1986](#); [Hill et al., 1990](#)). By analyzing different internationalization modes, we make sure to cover the full spectrum of internationalization from CEE.

In this paper, we address the following research questions. What is the current state of the knowledge about internationalization of CEE firms and CEE international entrepreneurship? How has the internationalization of CEE firms been researched and what findings have been produced? What lessons can we learn from this body of knowledge? We answer those questions by offering a timely and necessary review of the literature, and thus provide a systematic and comprehensive overview of what we know.

We contribute to literature by bringing order, clarity, and systematization on the subject of (outward) internationalization of CEE firms. We do so by identifying three thematic research categories: antecedents, decisions and manifestations, and outcomes. The *antecedents* category considers a multitude of internationalization determinants at the firm level, managerial level and environmental level. The *decisions and manifestations* category investigates a wide range of internationalization decisions such as 1) commencement of internationalization, 2) speed of internationalization, 3) degree of internationalization, 4) entry mode and FDI decisions, 5) export product (mix) and market diversification and 6) internationalization patterns and processes. The *outcomes* category discusses research focused on performance (perceived and financial), shareholder value, productivity, innovation, growth, competitiveness and legitimacy, survival, learning outcomes and a country's position on the investment development path.

We focus on the theoretical foundations of the reviewed studies and the methods employed by previous scholars. The systematic analysis allows us to address the question if the CEE context – which has often been described as a fertile ground for new theory development – has actually succeeded in developing new theories or whether existing theories in fact do a good job explaining CEE

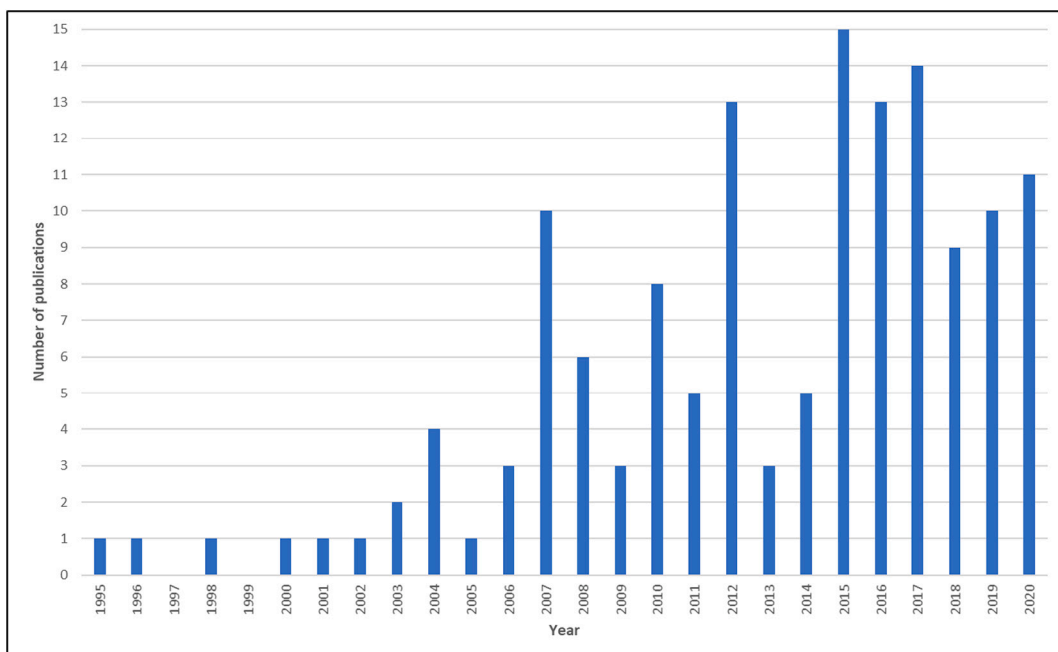


Fig. 1. Number of CEE outward internationalization papers per year.

firms' internationalization. We contribute to the advancement of the field by integrating our findings in a future research agenda, a key aspect in the quest for further insights into the topic of CEE internationalization.

2. Methodology

In this paper, we use a systematic literature review methodology (see [Tranfield et al., 2003](#)). While developed in medical sciences, this methodology has also gained popularity in international business and management (with recent examples being e.g., [Donnelly and Manolova, 2020](#) or [Ipsmiller et al., 2019](#)). Conducting a systematic literature review includes the following stages: 1) planning the review, 2) conducting the review and 3) reporting and dissemination ([Tranfield et al., 2003](#)). In the following, we present our procedure for article identification and selection.

We used the EBSCO and Proquest databases in order to identify papers focusing on CEE outward internationalization. We searched for the keyword “internationalization” as well as the combination “internationalization AND CEE” in the abstract, title and keywords of included literature. Following OECD's definition of Central and Eastern Europe ([OECD, 2020](#)), we considered papers with a focus on the following countries for this review: Albania, Bulgaria, Croatia, the Czech Republic, Hungary, Poland, Romania, the Slovak Republic, Slovenia, and the three Baltic States: Estonia, Latvia and Lithuania. On top of this keyword-based search, we also examined all reference lists as well as Google Scholar citations of the identified literature in order to find additional papers on the topic ([Wohlin, 2014](#)). With the aim of ensuring high quality of the review, we considered only journals that were included in the ABS list ([Chartered Association of Business Schools, 2018](#)). Based on these criteria, our search yielded 141 papers related to CEE outward internationalization published between 1995 and July 2020 (end of data collection).

The data we extracted included all information about authors, document title, year, abstracts, theoretical frameworks, methodology hypotheses, variables, findings. The data was subsequently saved as Excel files for analysis. The analysis included an understanding of the respective research and main themes, trends and patterns using this broader set of data. This was followed by an examination of every paper in detail, gearing towards answering the research questions posed earlier: What is the current state of the knowledge about internationalization of CEE firms and CEE international entrepreneurship? How has the internationalization of CEE firms been researched and what findings have been produced? What lessons can we learn from this body of knowledge?

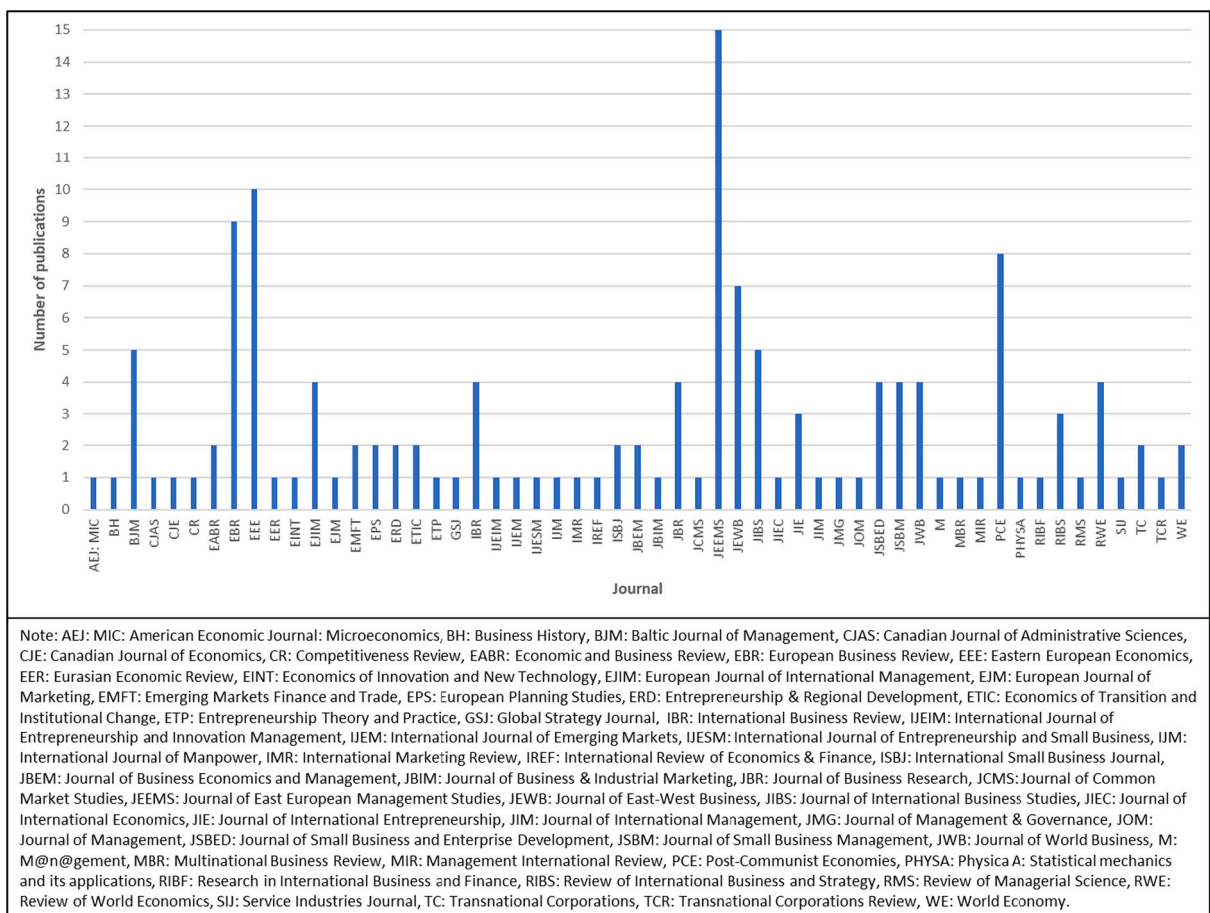


Fig. 2. Number of CEE outward internationalization papers per journal.

3. Taking stock

Before we turn to a more detailed, topical discussion, we start by giving a descriptive-statistical overview of the literature included. Fig. 1 shows the evolution of the number of CEE outward internationalization papers over time, highlighting that the number of publications on the topic has risen steadily, with a preliminary peak in 2015. Moreover, it illustrates that more than half of all publications came out within the last five years, supporting the need for a topical review. Fig. 2 gives an overview of the distribution of the respective papers in different journals. Overall, fifty-five journals have published papers on CEE outward internationalization. The largest number of publications can be found in the *Journal of Eastern European Management Studies* (15), followed by *Eastern European Economics* (10) and *European Business Review* (9). Papers related to CEE outward internationalization have been published in journals of the highest ranking according to ABS (4*) (e.g., *JIBS* – 6 papers). However, almost half of all papers covered in this review were published in 1-star journals (1-star: 45% of all papers, 2-star: 28%, 3-star: 18%, 4-star: 4%, and 4*: 4%).

Of the 141 papers covered in this review, 129 are empirical and 12 are non-empirical (i.e., conceptual papers, reviews, commentaries etc.). Quantitative papers constitute the majority of all papers (93), followed by qualitative papers (24) and papers using mixed methods (12). Fig. 3 informs about the origin of the empirical samples (n.b. the numbers presented in Fig. 3 add up to a higher number than the total number of empirical articles (129); this is because in some empirical articles, multi-country samples are used). The largest number of papers focus on Poland (61 studies), followed by Slovenia (32) and Hungary (29), whereas Albania (3 studies), Croatia and Latvia (9 studies each) have received the least academic attention so far.

Based on the empirical articles we identified, we developed a model of antecedents, decisions & manifestations and outcomes of CEE outward internationalization that will guide our discussion of the literature (see Figs. 1 and 4). Most papers covered in our review treat several aspects of the antecedents-decisions & manifestations-outcomes chain (see Supplementary material). Following logical order, we start by giving an overview of antecedents of CEE outward internationalization.

3.1. Antecedents

The antecedents discussed can broadly be grouped into internal (firm-level and individual-level) and external (home and host country-level) antecedents. Starting with internal (firm-level) antecedents, some papers discuss the influence of *firm size and firm age* on internationalization. Firm size has been found to have a positive effect on the export ratio (Gajewski and Tchorek, 2017) as well as the extent of internationalization (Mockaitis et al., 2006; Ruzzier and Ruzzier, 2015), and a diminishing positive effect on export growth (Mockaitis et al., 2006). Linked to firm size, many articles point towards the importance of *financial resources* (or the lack thereof) and their effect on internationalization (e.g., Cunningham et al., 2012; Manolova et al., 2014). Regarding firm age, there is evidence that it affects firms' degree of internationalization (Mockaitis et al., 2006; Ruzzier and Ruzzier, 2015).

Different types of *capabilities* constitute another category of firm-level antecedents to internationalization. Kowalik et al. (2020) demonstrate, using case study evidence, that specialized marketing capabilities stimulate early expansion of international new ventures. Panibratov and Klishevich (2020), in another qualitative study, point to the importance of dynamic capabilities in the internationalization process. Ruzzier and Ruzzier (2015) find that procedures, firm routines, and capabilities are positively associated with the degree of internationalization. Kowalik et al. (2017) compare international new ventures (INV) and gradually internationalized

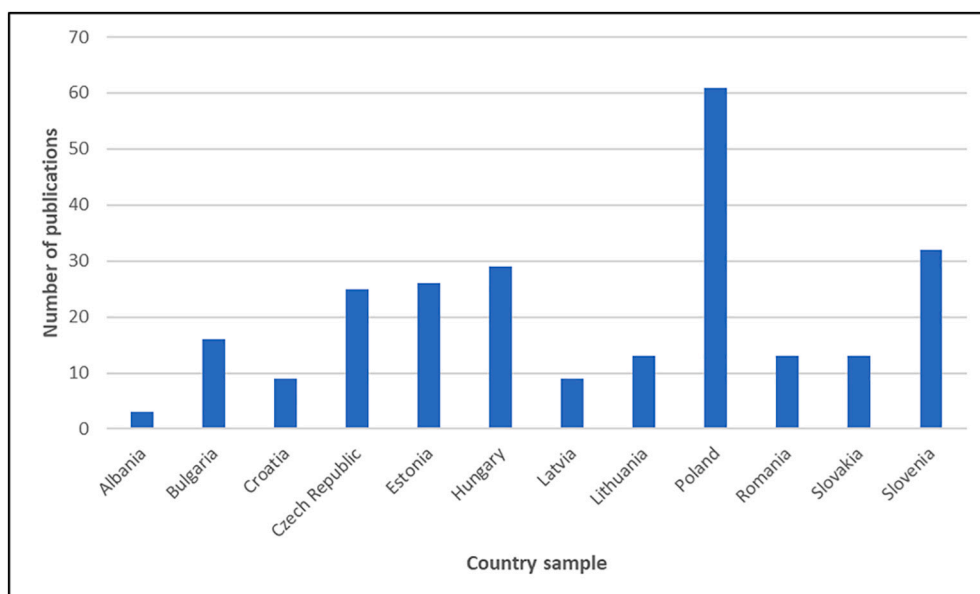


Fig. 3. Empirical CEE outward internationalization papers – Country samples.

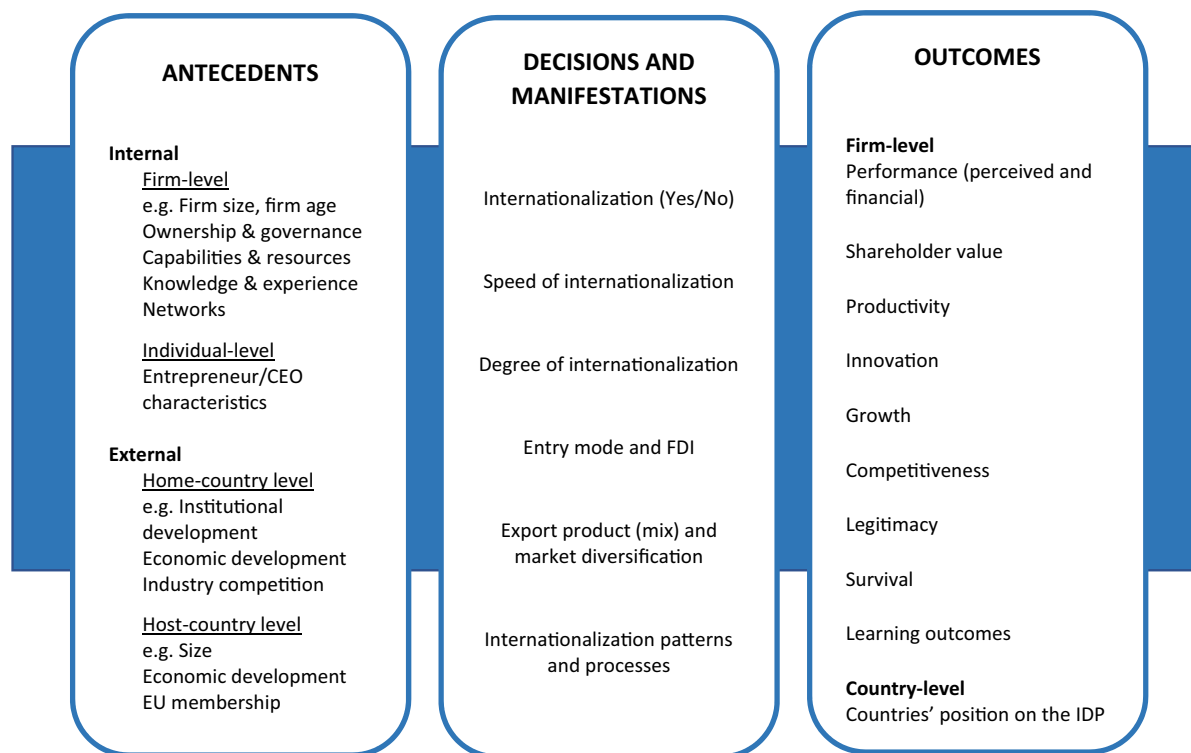


Fig. 4. CEE outward internationalization – Antecedents, Decisions & manifestations and Outcomes.

SMEs and find that INVs show higher entrepreneurial orientation than gradually internationalized SMEs and that proactiveness and innovativeness are positively associated with INV performance. [Trapczyński and Gorynia \(2017\)](#) furthermore show that parent firm capabilities positively affect foreign affiliate performance.

Several papers specifically focus on the importance of *technological and innovation resources and capabilities* for internationalization. [Lamotte and Colovic \(2015\)](#) find that access to information and communications technology (ICT) infrastructure is associated with early internationalization. [Pergelova et al. \(2019\)](#) show that the use of digital technologies has a positive effect on firms' export ratio and that this effect is mediated by international market intelligence and moderated by CEO gender. In regards to firms' productivity and efficiency, [Rehman \(2017\)](#) finds that a firm's productivity is positively related to export sales, [Görg et al. \(2012\)](#) show that productivity is associated with longer export product survival and [Pušnik \(2010\)](#) finds that more technical and cost-efficient firms are more likely to become exporters than their less efficient counterparts in a given industry. With reference to innovation, there is evidence that more innovative firms show higher export orientation ([Gajewski and Tchorek, 2017](#); [Halpern and Murakózy, 2012](#)) and more likely engage in FDI ([Jaklič, 2007](#)). Furthermore, [Musteen and Datta \(2011\)](#) find that emphasis on technological innovation is also linked with higher performance in international markets and that foreign market knowledge mediates this relationship.

Foreign experience is another antecedent. [Trapczyński \(2018\)](#) shows that prior FDI experience is positively associated with performance and that this effect is moderated by the direction of institutional distance. [Ciešlik et al. \(2015\)](#) report that the relationship between export experience and performance is inverted S-shaped.

A number of papers also focus on *ownership or governance-related characteristics* as antecedents for internationalization. There is ample support for the positive effect of foreign investors' control over ownership or managerial decisions on internationalization (e.g., [Filatotchev et al., 2008](#); [Hagemeyer and Tyrowicz, 2012](#); [Hooley et al., 1996](#); [Nazarczuk et al., 2020](#)). However, [Rojec et al. \(2004\)](#), who investigated the effect of foreign ownership on firms' export intensity, find that the difference in export intensity is not only due to foreign ownership per se, but also to structural differences between domestic and foreign-owned firms. In contrast to foreign ownership, state ownership is found to be negatively associated with export intensity ([Hobdari et al., 2011](#)). Regarding the link between ownership and management, [Gajewski and Tchorek \(2017\)](#) show that firms run by the owner have a higher export orientation. Similarly, [Hobdari et al. \(2011\)](#) find that firms owned by insiders (employees and management) show higher export intensity. With respect to managerial strategic independence, [Filatotchev et al. \(2007\)](#) find that larger independence leads to higher export orientation, which in turn positively influences financial performance. Finally, [Lukason and Vissak \(2020\)](#) investigate different aspects of corporate governance and how they affect exporting.

In a specific category of antecedents, falling between firm-level and individual-level, a considerable number of papers investigate how *networks* benefit internationalization. Networks are important because they facilitate the acquisition of *foreign market knowledge*, which is also an essential antecedent for internationalization (e.g., [Basle et al., 2018](#); [Wadhwa et al., 2017](#); [Zidonis, 2007](#)), and

help to identify and evaluate international opportunities (Nowiński and Rialp, 2016; Stoian et al., 2016). Studies covered in this review focus on different types of networks (e.g., personal, inter-firm, financial networks, formal/informal), network characteristics (e.g., diversity, intensity etc.) and their impact on the degree of internationalization (e.g., Jankowska and Götz, 2017; Manolova et al., 2010, 2014), internationalization speed (e.g., Lamotte and Colovic, 2015; Musteen et al., 2010, 2014b; Vissak, 2007), and internationalization performance (e.g., Musteen et al., 2014a; Nyuur et al., 2018; Srivastava and Tyll, 2020). Overall, there is evidence that networks (though not all forms) facilitate internationalization and lead to increased performance, but the effect is moderated by, for example, firm size and firm age (Manolova et al., 2010, 2014), technological intensity or environmental hostility in the home market (Musteen et al., 2014b). Moreover, Srivastava and Tyll (2020) showed that firms in different industries require different network configurations in order to succeed internationally. With reference to the importance of networks for internationalization over time, a recent qualitative study on internationally active Polish firms (Dymitrowski et al., 2019) found that external informal relationships are not only relevant at the beginning of internationalization, but also at later points in a firm's development.

Turning to individual-level antecedents, several papers focus on the importance of *entrepreneur/CEO-level antecedents*. Starting with experience, Gittins et al. (2015), using case study evidence on return-migrant entrepreneurs in Hungary, show that *previously acquired skills* and *international experience* positively influence internationalization. The positive effect of prior foreign experience on internationalization speed is also supported by several other papers (e.g., Masso et al., 2015; Ruzzier et al., 2007; Sekliuckiene, 2017). Considering entrepreneurs' education, Lamotte and Colovic (2015) find that high *education* levels for the entrepreneur or other employees in a firm are positively related to the probability of early internationalization, while Lafuente et al. (2015) show that the completion of managerial studies by the entrepreneur increases the likelihood of export entry. Pergelova et al. (2018) examine the effect of *gender* on entry mode and find that female-led SMEs (in contrast to male-led SMEs) prefer exporting over FDI and that this effect is moderated by industry, age and location. Regarding *entrepreneurs' attitudes, orientations and capabilities*, Wasowska (2019) finds that entrepreneurs' positive orientation positively affects new venture internationalization propensity. Marinova and Marinov (2017), studying family firms' internationalization, highlight that an international mindset and internationalization thrust are associated with early internationalization. Likewise, in another qualitative study, Sekliuckiene (2017) finds that a global orientation fosters early internationalization. Entrepreneurs' global mindset and export market orientation are furthermore found to positively influence performance (Miocevic and Crnjak-Karanovic, 2011). A factor that has been found to be negatively related to the degree of internationalization is an entrepreneur's perception of the risk of operating in foreign markets (Ruzzier et al., 2007).

Based on the idea that institutions are the rules of the game in a society (North, 1990) and hence shape (corporate) action, the *institutional development* in the home or host country or the *distance* between these two is another important external antecedent for internationalization and internationalization performance addressed by a number of articles discussed in our review. Ciszewska-Mlinaric et al. (2018), for instance, study how institutional conditions at firms' birth affect internationalization. They find that firms founded after the communist regime are more likely to internationalize faster, show a higher export ratio and are more likely to enter developed markets. With regard to the performance implications of institutional distance, Trąpczyński and Gorynia (2017) show that foreign affiliate performance is negatively related to institutional distance and Shinkle and Kriauciunas (2010) find that a country's institutional development moderates the relationship between firm size/firm age and export growth. Furthermore, recent studies suggest that the direction of distance matters (Chikhouni et al., 2017; Hernández and Nieto, 2015). Trąpczyński and Banalieva (2016) suggest that institutional distance is determined by the location of the foreign subsidiary, i.e., in a more advanced or a less developed market than the parent firm's home country. The former location constitutes a positive direction of the host-home institutional distance while the latter shows a negative host-home institutional distance. While the magnitude of institutional distance may be the same in both cases, Trąpczyński and Banalieva (2016) find that more negative institutional distance increases foreign affiliate performance, while more positive institutional distance decreases it. This effect is moderated by (dissimilar) experience from prior host entries. Moreover, Trąpczyński et al. (2020) suggest and find that the negative effect of formal and informal institutional distance on ownership level decisions in foreign subsidiaries is stronger when the relative quality of formal/informal institutions is lower than in the home country and weaker when the opposite is the case.

Linked to institutional development, some papers focus on the home market's *economic development, economic or political changes* and their effect on internationalization. King et al. (1995), for instance, on the example of several cases, discuss how political and economic changes have affected so-called "socialist multinationals". Gilbert and Muchová (2018) as well as Toming (2007) investigate how accession to the EU influenced internationalization/export competitiveness. Several studies focus on economic development/economic growth as an antecedent for foreign direct investment (e.g., Boudier-Bensebaa, 2008; Ciesielska and Kołtuniak, 2017; Gorynia et al., 2019a). Lamotte and Colovic (2015) discuss various home country environmental factors and their effect on early internationalization, with industry competition and EU membership having a positive effect and insecurity having a negative effect on it.

Several papers also focus on *host-country characteristics* as antecedents for internationalization. Nowiński and Rialp (2013), using qualitative evidence, find that foreign market arbitrage opportunities lead to early internationalization. Host-country characteristics (e.g., market size/growth, purchasing power, country risk etc.) are particularly relevant when it comes to FDI decisions (Jaklič and Svetličič, 2001). Jindra et al. (2015), for instance, study how a host country's technological capability affects FDI location choices and Klimek (2011) investigates how host-economy size, host-economy economic development, and host-economy EU membership affect the decision between greenfield investments and acquisitions.

3.2. Decisions & manifestations

Internationalization involves many different decisions and activities, which may broadly fall into increasing, decreasing and re-

creasing involvement in foreign markets (Dominguez and Mayrhofer, 2017). We consider firms' actions related to internationalization "manifestations" of internationalization. Most of the CEE outward internationalization literature we found – although there are also some notable exceptions (e.g., Lafuente et al., 2018; Vissak et al., 2018) – focus on the following internationalization decisions and manifestations: 1) commencement of internationalization, 2) speed of internationalization, 3) degree of internationalization, 4) entry mode and FDI decisions, 5) export product (mix) and market diversification and 6) internationalization patterns and processes.

Starting with *commencement of internationalization*, Pergelova et al. (2019) find that the propensity of a firm to internationalize is higher when digital technology tools are used, but this relationship is mediated by international market intelligence and moderated by gender. Regarding corporate governance aspects, Lukason and Vissak (2020) show that the likelihood of being an exporter is positively affected by longer board tenure and larger boards and negatively affected by women on the board, older managers, more board memberships and more stock owned by managers. Furthermore, certain entrepreneur/CEO-characteristics are also important. Internationalization is positively affected by an entrepreneur's positive orientation (Wasowska, 2019), the completion of managerial studies as well as the presence of an entrepreneurial team (Lafuente et al., 2015). There is furthermore evidence that an entrepreneur's networks and international experience are positively linked to internationalization (Gittins et al., 2015) or export entry to a specific region (Masso et al., 2015).

Often rooted in the literatures on international new ventures (Oviatt and McDougall, 1994) (INVs) or born global firms (Knight and Cavusgil, 1996), several papers discuss what makes firms internationalize from inception. Accordingly, there is evidence that speed of internationalization is higher when firms are founded after the end of communist regime (Ciszewska-Mlinaric et al., 2018), when they are equipped with dynamic capabilities (Cunningham et al., 2012), specialized marketing capabilities (Kowalik et al., 2020), unique resources (Vissak, 2007), when their managers have a global orientation/international mindset (Marinova and Marinov, 2017; Sekliuckiene, 2017; Vissak, 2007) or foreign experience (Sekliuckiene, 2017). Lamotte and Colovic (2015) furthermore find that the likelihood for *early internationalization* is lower when there is insecurity in the home country and higher when firms have access to ICT infrastructure, their home country is an EU member state, domestic industry competition is high, entrepreneurs have high education levels and they are involved in networks. The importance of networks in early internationalization has also been highlighted in other studies (Cunningham et al., 2012; Musteen et al., 2010, 2014b; Vissak, 2007). Finally, Nowiński and Rialp (2013) find that arbitrage opportunities in foreign markets due to higher purchasing power of consumers boost early internationalization.

Turning to determinants of the *degree of internationalization*, a firm's export intensity is found to be positively associated with the extent of managerial independence (Filatotchev et al., 2007), insiders' (employee and management) control of the firm (Hobdari et al., 2011) and foreign control over ownership or management (e.g., Filatotchev et al., 2008; Hagemeyer and Tyrowicz, 2012; Hooley et al., 1996; Rojec et al., 2004), but negatively related with state control (Hobdari et al., 2011). Firms' export intensity is furthermore positively linked with greater entrepreneurs' personal and financial networks (Manolova et al., 2010), when firms were founded after the end of the communist regime (Ciszewska-Mlinaric et al., 2018) and when firms show higher technical and cost efficiency (Pušnik, 2010), productivity (Rehman, 2017) or when they are more innovative (Halpern and Murakózy, 2012). Some papers also use a different operationalization for the degree of internationalization. Mockaitis et al. (2006) operationalize the degree of internationalization by the number and types of entry modes in all foreign markets and find that it is positively related to firm age and firm size. Ruzzier and Ruzzier (2015) measure the degree of internationalization as a composite of 1) percent of international sales, 2) percent of products/services sold abroad, and 3) percent of time employees dedicated to international activities. They find that firm size at entry as well as firm resources are positively related with the degree of internationalization, while firm age (at first market entry) is negatively related with the degree of internationalization. Ruzzier et al. (2007) use a different composite measure of the degree of internationalization. They find that the chief entrepreneur's foreign experience is positively linked with the degree of internationalization, while their perception of the risk of operating in international markets is negatively related with the degree of internationalization.

While *entry mode* research constitutes an important field in IB literature (Brouthers and Hennart, 2007; Morschett et al., 2010), it is less dominant in CEE outward internationalization-related research. Only a small number of studies focus specifically on this decision. Pergelova et al. (2018), for instance, find that SMEs are more likely to choose exporting over FDI when they are led by women, but that this relationship is weakened when SMEs are in the manufacturing industry or located in cities and strengthened by firm age. Regarding foreign affiliate ownership-level decisions, Trapczyński et al. (2020) show that the negative effect of formal and informal institutional distance on ownership level decisions in foreign subsidiaries is moderated by the direction of distance. Klimek (2011) investigates the choice between greenfield investments and acquisitions and finds that greenfield investments are more likely to be chosen when the investment is made early after inception as well as when the firm is bigger in terms of employees and less likely to be chosen when the firm is bigger in terms of sales. He also suggests, but does not find support, that host-country factors (size, development, EU membership) are significant determinants of establishment choice.

A large number of studies investigate CEE countries' outward FDI, or *OFDI* (with respect to volume, location, industry composition, largest investors, etc.), the motivation behind these as well as FDI outcomes (e.g., Ferencikova and Ferencikova, 2012; Gorynia et al., 2008; Götz and Jankowska, 2018, 2019; Jaklič and Svetličič, 2003; Jaworek et al., 2019; Radlo, 2012). With regard to FDI motives, Dunning (1993) suggested a taxonomy of motives, including market-seeking, strategic asset-seeking, efficiency-seeking and resource-seeking motives. There is ample evidence that market-seeking is the most important motive for OFDI from CEE, although other motives are also present (e.g., Jaklič and Svetličič, 2001; Radlo and Sass, 2012; Svetličič et al., 2007; Zemplerová, 2012). Jindra et al. (2015), for instance, study to which extent OFDI from CEE countries to other EU countries is motivated by knowledge-seeking and find that location probability within EU15 countries is positively related with a country's knowledge-related assets, but not when considering the whole choice set of EU27 countries. Some papers furthermore build links between FDI motives and establishment choice. Gorynia et al. (2015), for instance, propose that market- and efficiency-seeking motives will be associated with greenfield investment, while

strategic asset motives will more likely lead to acquisitions.

Some studies focus on different **export strategies** in terms of **product (mix) and market diversification**. Dikova et al. (2016) study product as well as geographic diversification and find that both focused and diversified export strategies, as well as a simultaneous product and geographic diversification strategy are positively related to firms' performance, yet with decreasing returns. Geographic diversification and its effect on export performance is also analyzed by Cieřlik et al. (2012). Several papers also focus on the type of export product or the export product mix. Benkovskis et al. (2020) and Varblane and Bormann (2019), for instance, study how the type and complexity of export product affects productivity, while Masso and Vahter (2014) analyze how the firm's export product mix affects export growth and productivity. Damijan et al. (2013) investigate why firms engage in pass-on-trade, i.e. the simultaneous import and export of identical products.

Several studies also seek to identify and describe **internationalization patterns**. Vissak and Masso (2015), for instance, develop a typology of export patterns based on Estonian data and find evidence for substantial dynamics and nonlinearity. Lukason and Vissak (2019) investigate internationalization patterns and relate them with failure risk patterns and Stare (2002) focuses on internationalization patterns in the service industry. A number of studies – probably unsurprisingly particular qualitative ones – focus on **process-related aspects** in internationalization, often with the objective of testing if existing theories can explain emerging market firm internationalization. Ferencikova and Hluskova (2015), for instance, investigate internationalization in the Slovak IT sector and find that existing theories (Uppsala model, RBV, INV theory) do a good job explaining internationalization of firms in this industry. Furthermore, Buzády (2010) studies the case of a Hungarian firm, from being a state-owned enterprise to becoming a privately owned regional MNC. Sass (2012) investigates internationalization processes of innovative SMEs in the medical precision instruments industry and Jankowska and Główká (2016) study cluster firm internationalization. On a more general level, Ciszewska-Mlinaric et al. (2016) study the use of two different decision-making logics, causation and effectuation, in the internationalization process using a single case study of a Polish INV. They find that decision-making in the venture-creation phase was effectual, switched to mostly causal logic in the pre-internationalization phase and then, in the post-internationalization phase, both causal and effectual decision-making logics were applied.

3.3. Outcomes

The outcomes of internationalization endeavors constitute an important topic in CEE outward internationalization literature. Outcome variables investigated include the firm-level variables performance (perceived and financial), shareholder value, productivity, innovation, growth, competitiveness and legitimacy, survival, learning outcomes, as well as countries' position on the investment development path as a country-level variable.

Several papers investigate internationalization performance as **perceived performance** or satisfaction with performance. Srivastava and Tyll (2020) find that internationalization performance is dependent on firms' networking behavior. If firms deviate from an industry's ideal networking behavior, their internationalization performance will be affected negatively. With reference to networks, Musteen et al. (2010) show that the performance of the first international venture is negatively associated with the proportion of personal ties in the international network of CEOs and positively associated with the geographical diversity of CEOs' international ties. Other factors that are associated with higher perceived internationalization performance include CEOs' foreign market knowledge (Musteen et al., 2014a), entrepreneurs' global mindset and export market orientation (Miocevic and Crnjak-Karanovic, 2011) as well as technological innovation (Musteen and Datta, 2011). With regard to perceived foreign affiliate performance, Trapczyński and Banalieva (2016) find that while more negative institutional distance increases foreign affiliate performance, more positive institutional distance decreases it and that this effect is moderated by (dissimilar) experience from prior host entries. Furthermore, Trapczyński and Gorynia (2017) show that foreign affiliate performance is positively linked with parent firm capabilities and negatively linked with institutional distance and that the ownership level weakens the relationship between firm capabilities and foreign affiliate performance. Finally, Trapczyński (2018) finds that affiliate performance is positively related to the possession of overall FDI experience and negatively related to the possession of similar country experience and that institutional distance moderates the relationship between foreign experience (FDI and similar-country) and affiliate performance.

With reference to cross-border acquisitions, Nowiński (2017) reports that they are associated with an increase in **shareholder value** (cumulative abnormal returns) and that the results will be better if the target market is another emerging market than if it is an advanced economy. Turning to **financial performance**, Klimek (2014) furthermore finds that while CBAs are linked with an increase in sales and profit figures (in absolute terms), they are at the same time associated with a deterioration of financial ratios (ROA and ROE).

A large number of papers are concerned with the **productivity** effects of international operations. Benkovskis et al. (2020) study how the type of export product affects productivity. They find that productivity gains are larger when the export products are intermediate goods and services instead of final goods, when they are knowledge-intensive services rather than infrastructure-based services, and when exporters are re-exporters instead of other goods exporters. Varblane and Bormann (2019) show that exporters with higher product complexity also have higher productivity levels and Masso and Vahter (2014) find that if large firms concentrate on core competence products, their productivity increases, while this effect does not exist for small firms. Dikova et al. (2016) find that both focused and diversified export strategies as well as a simultaneous product and geographic diversification strategy are positively related with productivity, yet with decreasing returns. Using micro data on Slovenian manufacturing firms, De Loecker (2007, 2013) finds that exporting leads to higher productivity, which supports the theory of "learning-by-exporting" that suggests that efficiency can be improved by accumulating knowledge and expertise abroad. Damijan and Kostevc (2006), on the other hand, find no conclusive evidence for "learning-by-exporting"; showing that productivity gains dissolve shortly after export entry. Hagemeyer and Kolasa (2011) study the performance effects of FDI and exporting and find that both are associated with increased productivity. In contrast,

Damijan et al. (2009), who also investigate the effect of international openness (foreign ownership and exporting) on firm performance (productivity growth), do not find uniformly beneficial effects across export channels or markets. In another study, Damijan et al. (2010) seek to explain the causal relationship between exporting and innovation. They find that exporting increases the likelihood of becoming a process innovator and brings about productivity improvements. Rehman (2017) investigates the relationship between productivity, innovation and exporting (with the aim of identifying potential reverse causality) and finds that a firm's productivity significantly improves a firm's export performance, but that exporting also positively affects a firm's *innovation* output and productivity. Nyuur et al. (2018) investigate the determinants ex post internationalization strategic adaptiveness and innovation. They suggest that that domestic network density and centrality have a direct effect on these two variables and that network informality moderates these relationships, but only find evidence for the moderating effect of network informality.

A considerable number of articles discuss aspects related to *growth*. Malo and Norus (2009), based on qualitative findings, show that an alliance-based internationalization strategy in combination with a low-cost, high quality product strategy can stimulate SME growth. Furthermore, Masso et al. (2008) find that outward FDI is positively related to home-country employment growth, while Svetličič et al. (2007) show that the positive effect only holds for small firms and not large firms. Lafuente et al. (2018) find that also exporting can positively influence employment growth. The determinants of export growth are the focus of a considerable number of studies. Shinkle and Kriauciunas (2010) find that firm size is curvilinearly related to firms' export growth, having a U-shaped form in institutionally less-developed countries and an inverted U-shape in more developed countries. Moreover, firm age shows a U-shaped relationship with export growth in countries that are institutionally less developed. Ciešlik et al. (2015) find that the relationship between export experience and export sales growth is inverted s-shaped. They also suggest an s-shaped relationship between an increase in the number of export countries and export performance, but only find support for the front part of the relationship. Ciešlik et al. (2012), using cluster analysis, identify different patterns of geographic diversification and how they are linked with export growth. Vissak et al. (2018) study exporter types and their relationship with export growth/decline. They identify three types of exporters, but do not find evidence that these types differ significantly in terms of growth/decline patterns. Gilbert and Muchová (2018) study how accession to the EU affected the export share growth of CEE economies and find that their export share (viz. export competitiveness) has risen. Toming (2007) investigates the effect of EU accession on the export competitiveness of a particular industry, i.e. food processing, and finds that in general, export volumes have increased, but only the milk processing industry has achieved a shift towards value-added consumer products.

Some papers furthermore investigate firms' *competitiveness* in international markets based on subjective estimates of success factors. Smallbone et al. (1998), for instance, studying internationalization in the food and clothing industries, report that managers consider price distinctiveness as the most important competitive advantage in foreign markets. In another study (Danik and Kowalik, 2015), high product quality and flexible pricing were found to be the most important competitive advantages, whereas Svetličič et al. (2007) report that technological know-how is considered as the most important competitive advantage. Sliwinski and Sliwinska (2016) furthermore find that managers see high quality and innovative products as the most important factors for foreign market growth. Regarding success factors for INV internationalization, Jarosiński and Mierzejewska (2017) find that the willingness to succeed, having a proper product, good knowledge of the industry and a clear vision of the firm are considered to be most important. Somewhat linked to firms' competitiveness in foreign markets, Castellano and Ivanova (2017) study qualitatively how firms from CEE can overcome their liability of origin and obtain *legitimacy* in foreign markets.

A number of papers also discuss *survival* in the context of internationalization (e.g., export product survival, firm survival). Görg et al. (2012) study export product survival and find that higher firm productivity as well as larger scale of exports of a product are associated with a smaller likelihood of export products being dropped. Bojnec and Xavier (2004) investigate entry and exit in Slovenian manufacturing (i.e. if a firm is active/ceases activity in a certain industry) and show that exporting firms are significantly less likely to exit an industry than purely domestic firms. Finally, not all papers find that internationalization leads to positive outcomes. Lyles et al. (2004), for instance, studying Hungarian ventures, suggest and find that larger involvement in foreign markets is detrimental to firm survival.

Some papers also focus on *learning* as an outcome of internationalization. Wąsowska et al. (2016) identify two different types of learning as an outcome of internationalization, i.e., virtuous and vicious, the first one being characterized by intensive learning and resource accumulation, while the second one results in limited learning and resource dispersion. Essential for achieving virtuous learning, according to the authors, are a complementarity of resources and low velocity of internationalization. Giszewska-Mlinarić et al. (2020) investigate learning modes in a rapidly internationalizing Polish venture and find that the type of learning mode varies depending on the development stage of the firm (from pre-internationalization to mature internationalization phase).

Finally, one particular variable that has been studied extensively in the literature is a *country's position on the investment development path* (e.g., Boudier-Bensebaa, 2008; Ferencikova and Ferencikova, 2012; Gorynia et al., 2008; Kuzel, 2017). The investment development path, introduced by Dunning (1981) and later adapted by Dunning and Narula (1996), suggests that there is a dynamic relationship between a country's level of development and its international investment position (net outward investment – NOI). While inconsistency exists regarding the current position of CEE countries on the IDP – with evidence of countries being in stage two or stage three, there is broad consensus that transition from stage one to stage two occurred in the 1990s (Gorynia et al., 2019a). Some studies tried to integrate new aspects into the IDP model. Gorynia et al. (2019b), for instance, incorporate geographic patterns of inward-FDI and outward-FDI into the IDP model and Gorynia et al. (2019a) study the effect of institutional reforms on CEE countries' position on the IDP. They find that CEE EU-member states are currently located between stages 2 and 3 of their IDP and that institutional reforms speed up the process (at least for some of the countries under investigation). Finally, there are also studies questioning Dunning's IDP theory. Ciesielska and Koituniak (2017) investigate the causal direction between OFDI growth and home country's economic growth. They found that OFDI growth constantly preceded home country's economic growth, thus showing evidence against

Dunning's IDP theory.

4. Looking ahead

CEE outward internationalization has received increased research attention in the past several years. Our review revealed many sub-topics (subfields) of studies, ranging from international entrepreneurship and internationalization performance to strategies (and resources) used to internationalize. Despite evident similarities in the investigated phenomena with studies focused on non-CEE context, in the reviewed CEE studies we see a heterogeneity of concepts and constructs (variables and measures). This research fragmentation may distract from the possibility to find interconnections and synergies that different sub-topics and studies may bring to the general discussion. Our systematic and comprehensive analysis of the phenomenon of internationalization of CEE firms aimed at discovering such interconnections and at depicting all the different ways CEE outward internationalization has been studied (e.g., in terms of theoretical underpinnings, measurement of constructs, levels of analysis, etc.). On the basis of this systematic mapping of the literature, we arrived at several opportunities for future research.

4.1. Focus on extending theory and developing hypotheses

From the outset, we raised the question whether CEE is truly a laboratory for new theory development or merely an opportunity for theory application. In our review, we see a clear indication of the latter. We saw applications of both classic internationalization models such as the stage (Uppsala) model (Johanson and Vahlne, 1977) arguing that firms pursue internationalization in a slow and incremental fashion, but also models of rapid internationalization—or born globals (Oviatt and McDougall, 1994), suggesting that many firms start their international activities from an early stage of life. We also saw the application of the OLI framework (Dunning, 1981), neo institutional theory (North, 1990), resource-based view (Penrose, 1959), agency perspective (Jensen and Meckling, 1976), organizational learning (Levitt and March, 1988), dynamic capabilities perspective (Tece et al., 1997), social network theory (Burt, 1992), social capital theory (Nahapiet and Ghoshal, 1998), resource dependency (Pfeffer and Salancik, 1979), upper echelons theory (Hambrick and Mason, 1984), effectuation theory (Sarasvathy, 2001), and the LLL (linkage, leverage, learning) framework (Mathews, 2006). In contrast, research on emerging market (EM) multinationals from other parts of the world (e.g., China, India, Brazil) has indicated a clearer need for new theory development and resulted in new theoretical approaches to studying internationalization of EM firms such as spring-board theory (Luo and Tung, 2007) and the LLL model of internationalization (Mathews, 2006). These new theories capture unique characteristics of EM multinationals but seem to be applied only scarcely in studies of CEE firms. Based on these observations, we can deduce that there is less of a need for a new theory development but more of a need for theory adjustment or theory extension to better match the idiosyncrasies of the CEE region. Perhaps a multi-theoretical approach (i.e., Child et al., 2003) to studying internationalization phenomena in- and from the region would provide a greater opportunity for capturing its unique features and reflect contextual idiosyncrasies.

An important angle for studying CEE firms and their internationalization paths is related to the geographical location of the firms and their respective contextual factors. There are a number of studies taking into consideration the antecedents and consequences of local (national) conditions in which CEE firms operate. For example, proximity, in terms of culture and geography has often been regarded as positive for the success of an internationalization strategy adopted by CEE firms (Musteen et al., 2010; Sass, 2012). This is probably related to the difficulty of CEE firms, mostly due to resource constraints, to span into more distant domains in terms of culture, legislations, consumer tastes etc. For example, CEE firms may face legitimacy, economic, and resource dependence challenges which they need to overcome to foster successful internationalization. Perhaps a traditional IB theory approach to studying this phenomenon has contributed to a partial understanding of the range of issues involved. One study by Ciszewska-Mlinaric et al. (2016) takes for example a more entrepreneurship-theory approach to examine at what internationalization stage firms use causation and/or effectuation to design strategy. More studies in the future should rely on theories and concepts from the field of entrepreneurship and perhaps pursue bolder modifications and extensions of traditional IB theories to better fit and capture CEE context.

Some specific features of the CEE region are worthy of investigation and future research attention. A special report by McKinsey titled “Digital Challengers in the next normal in Central and Eastern Europe” published in 2020 shows that during the first months of the COVID-19 lockdowns, the digital economy in CEE accelerated and captured 78% (€5.3 billion) of the increase seen in the whole of 2019 and the rate of growth from January to May 2020 was at 14.2%, a rate twice as high as the year-on-year change observed in 2017–2019 (Marciniak et al., 2020). The historic success of the CEE region was primarily driven by strong traditional sectors of the economy, exports, FDI, labor-cost advantages and European funding. However, increased digitalization will likely lead to productivity gains and further economic benefits, which is worthy of research attention. Researchers should address the question whether digitalization could be the long-awaited boost to further reduce the economic disparities in Europe and propel the success of CEE unicorns and rising stars.

On a more general level, the majority of articles in our review are focused more on economics and econometric models (data-oriented) and less on applying (or developing) IB theories. Future research should focus more on the latter as a reflection of the unique characteristics of CEE firms. For example, in a study of CEE firms, Schuh (2014) defines some as “local heroes”, which are well-managed companies that have a strong position in their respective markets at home and a considerable foreign presence, grow fast and are often among the technology/innovation leaders in their industries. Typical features of these “local heroes” are closeness to their customers, their medium size, membership in different business groups and a preference for low-cost (value-for-money) or hybrid strategies. As they typically imitate advanced firms' strategies but with local adaptations, we believe this provides a fertile ground for theory extension and adaptation. More attempts should also be taken to collect high-quality primary data since many studies are

focused on either secondary data or they use small or purposive samples. Future research should also focus on comparative assessments of international performance of firms originating from various national contexts to further exemplify the idiosyncratic characteristics of countries in the CEE region.

4.2. Focus on different levels of analysis and decision processes instead of outcomes

While there are some papers in our review that test how individual-level characteristics influence decision-making, we see potential for enriching knowledge on CEE firm internationalization by focusing more strongly on decision-making processes. This requires not only considering individual-level characteristics, but more generally taking a micro-foundational perspective that emphasizes individual actions and interactions (Barney and Felin, 2013; Foss and Pedersen, 2019) and links them to international strategic choices by CEE firms. We know that biases and heuristics affect managerial decision-making (Busenitz and Barney, 1997; Guercini and Milanesi, 2020) and that managers establish strategic reference points that serve as “benchmarks” for determining strategic action (Fiegenbaum et al., 1996). The CEE environment likely creates unique managerial biases and heuristics which could shape the formation of reference points, resulting in decisions taken differently than decisions taken in non-CEE context (e.g., Western European firms). These unique biases could also, for instance, affect how learning takes place in CEE firms, how easily opportunities are recognized, and how risk-taking attitude of firms affects their internationalization.

4.3. Focus on entry mode decisions and subsequent performance

Our review has shown that CEE outward internationalization research, with few exceptions, has largely neglected the entry mode decision. While there are different opinions about the need for more entry mode research (Hennart and Slangen, 2015; Shaver, 2013), studying this question might be worthwhile. After all, entry mode choice has been one of the most important strategic decisions of multinational enterprises (Zhao et al., 2017). What makes studying entry modes relevant is also the fact that for almost 30 years the relationship between entry mode and performance has attracted the attention of many IB scholars. Many explanations were offered as to how entry modes affect performance yet this fundamentally important question still remains unanswered. Some have suggested that entry modes offering higher ownership levels lead to good performance because of the higher degree of control (e.g., Li et al., 2009). Others have suggested the opposite arguing that joint ownership allows foreign investors to access local knowledge (e.g., Lu and Beamish, 2006) and ensure the mutual forbearance required in a stable relationship (e.g., Steensma and Lyles, 2000). What exactly puts CEE research in the unique position to add new insights to this discussion? For example, internationalizing CEE firms often face the so-called “liability of origin” (Bartlett and Ghoshal, 2000). Liabilities of origin are likely to add to the internationalization costs and thus affect both entry mode decisions and subsequent performance of CEE firms. How exactly would this relationship play out is still a conundrum because this particular issue has not been investigated in the context of outward CEE internationalization.

4.4. Focus on distance and directionality of distance

While a number of papers talk about institutional voids/paucity, institutional development, and institutional distance, only a few of them consider the direction of distance and how it impacts different outcomes. In a paper review of the literature focused on distance, Hutzschenreuter et al. (2016) conclude that distance continues to matter in IB because it is associated with substantial drawbacks, such as increase in costs of communication, coordination and integration, uncertainty and complications of intra-firm practices, competencies and capabilities, and very few benefits (e.g., potentially better decision-making). The authors further point to a specific distance-asymmetry phenomenon worthy of research attention. Specifically, managers accustomed to working in economically developed context may feel uncertain about their ability to deal with a context characterized by low economic development and relatively poor-quality institutions. Considering the persistence of economic disparity between CEE and Western Europe, future research should address the question whether the extent in socio-economic differences can be linked directly to the extent of asymmetry in perceived distances by CEE managers. Could it be that CEE managers are less sensitive to the effects of distance? Do they have any specific advantages when operating in economically more developed markets abroad? Is economic distance (e.g., Tsang and Yip, 2007) a bane or a boon to internationalizing firms from CEE? Given the limited empirical data on this issue, we see a potential for a contribution to this specific IB field of research.

4.5. Focus on inter-disciplinary research

For a number of years, there have been calls for more inter-disciplinary approach in IB research to improve knowledge flows between disciplines, beyond the mainstream academic disciplines (Chandra and Newburry, 1997). There is mounting evidence that burning IB questions cannot be addressed by employing traditional research methods and theories (Calma and Suder, 2020). As a result, non-business disciplines such as law, economics, and sociology and IB fields such as strategy, organizational behavior and human resources integrate with a focus on integrating data, tools, methods and various perspectives to address varieties of problems central to IB. We believe CEE research can benefit from such an approach particularly because the complexity of problems arising in post-transition economies cannot be addressed adequately in a mono-disciplinary fashion. We would like to see more practitioner-focused CEE research to increase the relevance of IB research to business practice by using rigorous methodology.

4.6. Focus on sustainability and climate change

It has already been suggested that IB research in general should focus more on the role of MNEs in the context of UN initiated Sustainable Development Goals (SDGs), as this remains an area not attracting sufficient research attention (Ghauri, 2018). Research on CSR reporting has reflected the pressure MNE leadership experiences with respect to engagement with social and environmental concerns (Fernandez-Feijoo et al., 2012; Gamerschlag et al., 2011). This research, however, remains focused on developed-market MNEs' communication of corporate social responsibility (CSR) initiatives. As research on CSR in emerging markets is predominantly focused on Chinese firms (e.g., Ma et al., 2016; Marquis and Qian, 2014; Miska et al., 2016; Lattemann et al., 2009), there is a clear need of CEE-focused research that addresses the level of engagement of CEE firms in CSR reporting. Future research should not only deal with firm-specific "practices and outcomes of business' relationships with people, organizations, institutions, communities, societies, and the earth, in terms of deliberate actions of businesses toward these stakeholders" (Wood, 2016: 1), but also investigate whether climate change has created strong political forces in the CEE region that can potentially shape the local regulatory environment. Moreover, the global pandemic due to Covid-19 exacerbates the challenges related to climate change and the sustainability agenda. Would CEE firms abandon strategies designed to alleviate climate damage and engage in social activities? Or is it perhaps possible that CEE governments "seize this opportunity to reboot the economy as a green economy" (Ghauri et al., 2021)? Admittedly, the role of CEE firms in the region's sustainable development is a critically important topic that should receive sufficient research attention in the future.

5. Conclusion and limitations

In this paper, we systematically reviewed the literature on CEE outward internationalization between 1995 and 2020. We presented the current state of knowledge about internationalization of CEE firms and CEE international entrepreneurship. To answer the question "How has the internationalization of CEE firms been researched and what findings have been produced?", we grouped extant research in three main categories, antecedents, decisions and manifestations, and outcomes, where we described the main research ideas, methods of analysis and conclusions. There are several lessons we learned from this body of knowledge.

First, there is a discrepancy in the country-representation in the reviewed studies, with studies focused on Poland, Slovenia, Hungary, Estonia and the Czech Republic dominating the discussion about factors influencing CEE outward internationalization. Second, there is clearly a preference for data-focused research, rather than a propensity towards theory development. This specific observation made us question a historically promoted opinion of CEE region as the ideal laboratory for new theory development. Unfortunately, we did not find support for this statement in the literature we reviewed and thus rather advise a theory-extension approach in the future. Third, we believe future CEE research can make important contributions to IB literature by adding unique insights into the discussion on the relationship between entry mode and performance, the role of (perceived) distance-asymmetry and micro-foundational perspectives in internationalization.

Certainly, our paper also suffers from a number of limitations that provide opportunities for future research. First, we used OECD's definition of CEE, which includes twelve countries. However, other institutions or researchers use broader definitions of the CEE region, which may also include countries such as Armenia, Azerbaijan, Belarus, Bosnia and Herzegovina, Georgia, Kosovo, Macedonia, Moldova, Montenegro, Serbia, Ukraine and Russia (e.g., EU, 2020; Jaklič et al., 2020). Future research could generate new insights by using a more inclusive definition of the region when reviewing the literature on the topic. Second, we focused on only peer-reviewed journal articles listed in the ranking provided by the Chartered Association of Business Schools (ABS). Consequently, to provide additional insights, future research could cover a broader set of literature than the literature we focused on this review (e.g., also include books or journals not ranked in the ABS list).

Despite some limitations, our review provides an important contribution to knowledge. By using a systematic method to review internationalization research from CEE, we help identify what has been researched, what is still not known and what could be interesting to investigate in the future. We furthermore highlight specific ways (research methods and foci) for future researchers to improve our knowledge on this IB topic.

Appendix A. Supplementary data

Supplementary data to this article can be found online at <https://doi.org/10.1016/j.intman.2021.100862>.

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