

A bibliometric review of the barriers hindering or delaying the internationalization process: State of the art and future directions

Introduction

In an increasingly global world, the internationalization process plays an essential role in the firms' growth (Welch & Luostarinen, 1988), with the external market dynamics encompassing a strong challenge in daily operations (Kahiya, 2017). According to Prashantham (2008), internationalization reduces market risks, turning the knowledge acquisition process more efficient. Although these advantages, companies face several barriers when trying to enter in foreign markets (Prashantham, 2008), which hinder or delay the internationalization process (Katsikeas & Morgan, 1994).

Previous studies have identified several factors determining the firm's internationalization. For example, firm structure, strategy, entrepreneurial and market orientations, human resource capabilities, social network, trust and environmental exigencies have all been shown to play a key role in international expansion (Chaston & Sadler-Smith, 2012; Mendy & Rahman, 2019). Research reveals that these attributes help to decrease the challenges in the firms' internationalization process (Knight, 2001). However, there are many entrepreneurial firms that are still reluctant to sell their output in foreign markets due to smallness and resource constraints (Chandra et al., 2020).

The state-of-the-art literature does feature high-quality research on internationalization (Eduardsen & Marinova, 2020) and, for example, about small and medium-sized enterprises (SMEs) internationalization (Morais & Ferreira, 2020) or family business internationalization (Debellis et al., 2021). Moreover, the diversity of literature generates the need for the systematization of this field's main contributions and discoveries. There is a deficit in the literature studying the internationalization of companies that clarifies main barriers, failures with processes in the re-internationalization, and stimuli that lead to new approaches of re-internationalization (Martins et al., 2021).

Hence, this study aims to systematize and analyze the literature detailing research on the barriers/obstacles to the company internationalization over the last three decades (1991-2019), setting out a systematic review based on the bibliometric mapping techniques of 210 articles collected from the *Web of Science*, building a framework in the Interface for Multidimensional Analysis of Texts and Questionnaires (*Iramuteq* software) that provides an informative map enabling the classification of three clusters.

Methodology

To conduct this research, we chose to use the *Web of Science* database as the most influential and commonly used online archive in other bibliometric studies (Tranfield et al., 2003). We limited our search to the time period between 1991 and 2019, using the following keywords: "barrier*" or "obstacle*" and

"international*" and "firm*" or "enterpris*". Table 1 presents the stages of the article selection process, in which only periodical articles were included as they are considered documents with validated knowledge (Podsakoff et al., 2005). Other documents (e.g., books, chapters, and conferences) were excluded because of their variability in the reviewing process and more restricted availability (Jones et al., 2011). To process the data, we used *Web of Science* platform analytics option and the *Iramuteq* software, which produces bibliometric maps that use mapping techniques with a strong visual component (van Eck & Waltman, 2010).

Stage	Description	Results
Stage 1: Database	Web of Science	-
Stage 2: Keywords	("barrier*" or "obstacle*") and ("international*") and ("firm*" or "enterpris*") (topic)	1,763
Stage 3: Year of publication	1991-2019	316
Stage 4: Type of document	Selection of only articles, excluding all other documents	230
Stage 5: Articles exclusion	Exclusion of twenty articles that did not address company barriers/obstacles to internationalization	210

Table 1. Article Selection Process

Results

Characterization of the studies (1991-2019)

Figure 1 presents the annual trends of publications in the company barriers/obstacles to internationalization, revealing that the number of publications became more consistent from 2008 onwards, with a peak in 2019 of 26 publications. In general, research on the barriers hindering or delaying the internationalization process remains a recent issue. The volume of publications has grown significantly in the past ten years (2010-2019) – 139 articles were published representing 66 per cent of the total publications for the timeframe between 1991 and 2019 –, which reflects a strong, ongoing interest among academics.

Furthermore, the h-index of the database under analysis is 31, which means that there are 31 articles that have, at least, 31 citations, allowing to identify the publications that are more relevant on this research field (Gundolf & Filser, 2013). When an article is frequently cited, it means that conveys significantly scientific knowledge, and probably it is used as a basis for the development of other investigations (Acedo & Casillas, 2005).

Cluster analysis

For the cluster analysis, each article represents an initial context unit (UCI), while each term corresponds to an elementary context unit (ECU). According to the statistics provided by *Iramuteq*, the corpus of the articles consisted of

210 UCIs that have produced 876 ECUs, with 4,137 different words with an average frequency of occurrence per segment of 35.38%.

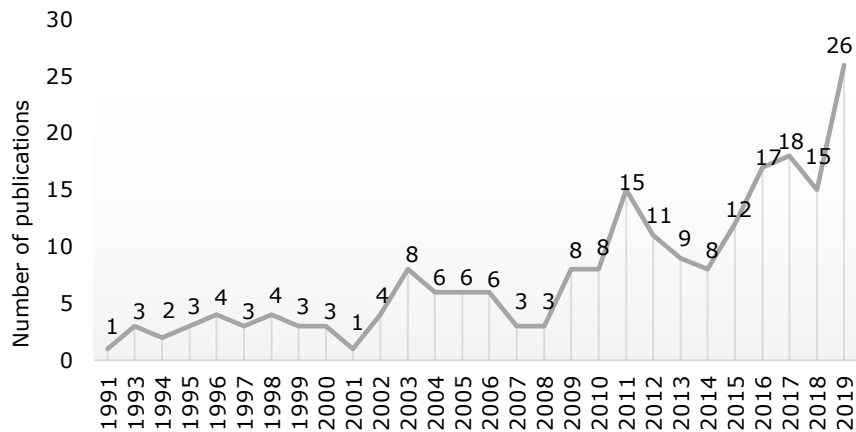


Figure 1. Number of publications (data collected in the *Web of Science*)

When conducting the Descending Hierarchical Classification (DHC), 85.73% of ECUs remained in the analysis. After reducing the words to their roots, 3,153 stemming's were obtained resulting in 751 ECUs, 2,848 analyzable words/active forms, and 305 supplementary forms. From the DHC, three clusters have emerged: cluster 1 with 18 text segments (TS's, 39.1%), cluster 2 with 19 TS's (38.9%), and cluster 3 with 19 TS's (22.0%) (Figure 2). It is worth noting that, the words used in DHC were those which revealed statistical significance based on the chi-square test (p-values below to the significance level of 0.001).

In order to present the results in a more structured way, the red cluster (cluster 1) refers to the business strategies for internationalization (39.1%); the green cluster (cluster 2) encompasses the international market behavior and investment rules (38.9%); and the blue cluster (cluster 3) comprises the SMEs orientation to internationalization (22.0%).

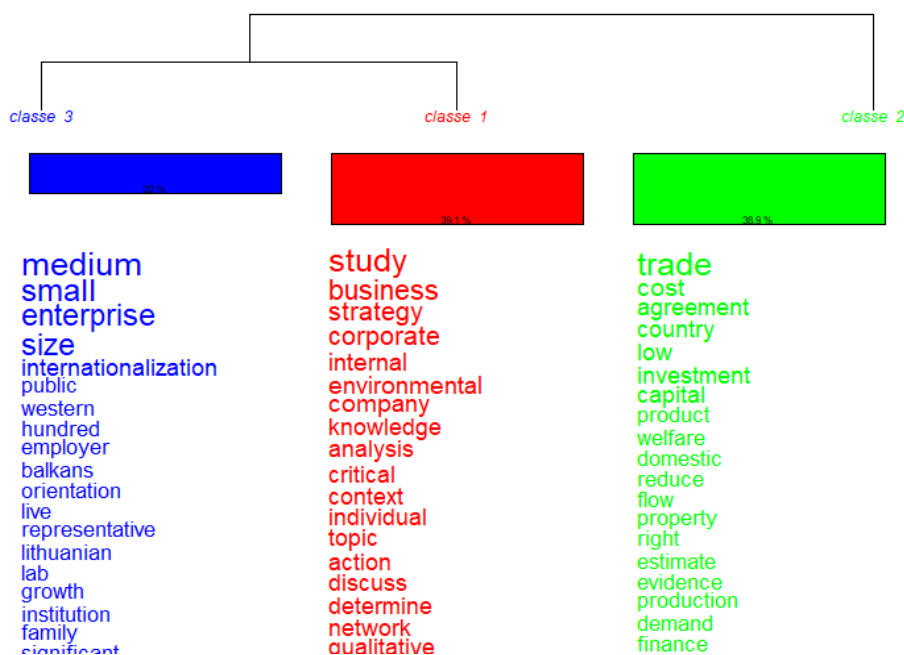


Figure 2. DHC dendrogram

Conclusion and Implications

This research aimed to perform a systematic literature review (SLR) to identify the main research trends in the company barriers/obstacles to internationalization. The SLR methodology has proven a useful tool for advancing the results returned from descriptive literature reviews with its contributions, including synthesizing key literature findings, identifying gaps, and establishing a basis for future research. The SLR applied in this study involved a total of 210 articles from the period 1991 to 2019. Based on the bibliometric analysis, it was possible to group the literature into three clusters. These clusters reveal that they are narrowly related, showing complementarity.

The first cluster (business strategies for internationalization) shows how firms can implement and nurture good international business practices to anticipate opportunities for sustainable growth and increase their competitiveness by resorting to international expansion, whether by diversifying their target markets, intensifying their presence in them and/or gaining the trust of new customers (e.g., Ibeh & Wheeler, 2005). The main barriers to internationalization identified in this cluster relate to technological constraints, limited international opportunities, demographical features (i.e., differences in the customers preferences), limited business networks, and the prevalence of a domestic market orientation. This cluster, therefore, suggests the need for future research in the following topics:

- To evaluate the issues and strategic costs directly related to internationalization efforts.
- To analyze the role of institutional environments in firm's foreign expansion.
- To study how business networks with local producers can help to overcome resource constraints in the internationalization process.

On the other hand, the second cluster (international market behavior and investment rules) reveals how firms perceive international opportunities based on the external market dynamics and investment rules (e.g., Blume & Easley, 2006). This leads to increases and decreases in international activities that depend essentially on external factors over time. The international market behavior and investment rules determine whether the firms feel encouraged to follow a path of internationalization within a perspective of increased sales, increased customer portfolios, prospects of improving results/profits, new opportunities in new markets, and product expansion to generate competitive advantages for their firms. Within this research stream, the following obstacles to internationalization were identified: product quality, government policies, cultural differences, language, access to infrastructures, and lack of strong resources to internationalization. Hence, this cluster rises the following avenues for future studies:

- To examine in which way knowledge transfer mechanisms, through intra-firm migration, can influence the internationalization process.
- To explore how the host-country government can support firms' internationalization.

- To reflect how Innovation State Space Models (ISSM) might develop an adequate infrastructure to internationalize and manage the relevant information for foreign expansion.

Moreover, the third cluster (SMEs orientation to internationalization) reveals that SMEs face specific challenges of internationalization. In order to deal with such challenges, it is vital for SMEs to be proactive and respond to the barriers that come with the internationalization process, by designing appropriate measures, as the firm's transit from domestic to international business. (e.g., Chelliah et al., 2010). Some of the barriers that were identified in this cluster relate to financial resources constraints, limited information about international markets, low market share, lack of prior international experience, and the absence of innovations. Thus, this cluster presents some directions for future research on this field:

- To use stronger indices of SMEs financial performance, including archival data and several types of performance measures, to understand how internationalization efforts determine their future health.
- To explore how the certification of SMEs international strategies can help them to overcome the specific internationalization barriers that they face.

This study contributes to theory development by allowing to understand the scope of future studies in this subject area and potential gaps. It also helped to explain the relevant barriers that hinder or delay the internationalization process, based on three different thematic areas. As practical implications, it is expected that this study may contribute to establish some policies, such as, the rise of foreign networking and/or cooperation partnerships, design entrepreneurial ecosystems for internationalization, and greater involvement of relevant stakeholders in the development of international strategies.

Finally, our review reveals some limitations. The findings and conclusions result from the database constituting the review – *Web of Science* – and require only interpreting in that context. Future studies can use other databases (e.g., EBSCO, Google *Scholar*, and Scopus) to increase the scope of this analysis and obtain further insights. Although this literature review may not be fully comprehensive, it provides new insights that complement the knowledge generated by previous studies and help stimulate future research of benefit to the scientific community.

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