Entrepreneurial Orientation and International Market Expansion Among Small and Medium-Sized Enterprises

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Received: 11 March 2024; Revised: 15 April 2024; Accepted: 10 May 2024; Published: 28 June 2024

Abstract

Small and medium enterprises (SMEs) contribute substantially to the creation of employment opportunities, innovations, regional development, and economic growth. Nevertheless, entry into international markets still poses challenges to SMEs due to the constraints of financial resources, inadequate experience in international business operations, cultural diversities, complex regulations, and stiff competition from multinational corporations. Entrepreneurial orientation (EO) offers a strategic perspective that allows SMEs to exploit international market opportunities, take proactive measures to respond to changing market conditions, create innovative products, and mitigate risks related to international ventures. The current study attempts to investigate the linkage between entrepreneurial orientation and internationalization of SMEs based on innovativeness, proactiveness, and risk taking as the key elements of entrepreneurial activities. The concept-based approach is used to construct a model of interaction between entrepreneurial orientation, organisational competencies, internationalisation strategies, and expansion results. The focus is made on the fact that entrepreneurial orientation does not necessarily ensure successful international performance; rather, such orientation is effective when it is supported by other resources and adjusted to the foreign market. The article provides several recommendations for SME owners and managers, development organisations and authorities. Those suggest that using the combination of entrepreneurship, market research, IT, partnerships, and gradual internationalisation strategy can facilitate the internationalisation process of SMEs.

Keywords: Entrepreneurial Orientation; Small and Medium-Sized Enterprises; International Market Expansion; Innovativeness; Proactiveness; Risk-Taking; International Entrepreneurship; Dynamic Capabilities; Global Competitiveness.

I. INTRODUCTION

For small and medium-size enterprises looking at increasing their revenues and becoming more competitive, expanding their market internationally has now become one of the important strategies (Silva et al., 2021). Due to globalisation, digital communication, e-commerce facilities, international logistics networks and technological business services, even small companies can serve customers abroad without having any extensive physical facilities overseas (Kolbe et al., 2022). However, serving in an international market is not simply about finding demand from abroad. It will have to know what the customer demands, deal with foreign rules and regulations, develop distribution channels and manage monetary and payment risks in addition to competing against companies that may be technologically and financially more capable than them (Fernandes et al., 2020; Butkouskaya et al., 2020).

Entrepreneurial orientation is another useful framework that helps comprehend the challenges of SMEs (Hervé et al., 2021; Susanto et al., 2023). This is the strategy of an organization to be innovative, proactive and risk-taking while seizing business opportunities (Melly et al., 2022; Muangmee et al., 2021). Innovativeness allows businesses to offer unique products, services and processes to their foreign customers. Proactivity motivates businesses to detect emerging demand, observe competitors and expand into potentially lucrative markets ahead of time. Risk-taking makes it possible to invest in markets with high level of uncertainty, build international collaborations and implement new distribution channels (Jean et al., 2024; Nakku et al., 2020). Nonetheless, it is important that these attributes should be balanced by organizational competencies. Innovative company will fail abroad if it does not have knowledge about the foreign market; at the same time, a proactive business might face significant losses if it expands into the market not having assessed the regulatory and consumer demands (Falahat et al., 2022). Finally, risk-taking is harmful for financial stability of the enterprise if it relies only on its working capital (AlShehhi et al., 2023).

The connection between entrepreneurial orientation and internationalisation is especially vital in the case of SMEs that work in emerging markets (Karami et al., 2023). In particular, such companies usually have specific products, flexible management, local knowledge, and quick responses to customer demands (Susanto et al., 2023). However, IT face the challenges of international financing, skilled employees, export information, and trustworthy foreign partners. The use of digital technology and institutional help can lower some of the challenges mentioned above; however, it depends on the efficient usage of such sources in companies' strategies. This article develops a theoretical model of the influence of entrepreneurial orientation on market growth in the international arena among SMEs. The paper examines the role of organisational learning, digital technology, networking, international market knowledge in this process while acknowledging the challenges that can limit the results of entrepreneurs' activities (Isichei et al., 2020).

Statement of the Problem

While international markets open up numerous possibilities for SMEs, most smaller companies face problems when trying to utilise their domestic capabilities internationally. The obstacles that usually have include constraints in financial capabilities, lack of export experience, insufficient knowledge about foreign legislation, poor international distribution channels, and the problems of adaptation of their goods to other environments. All these factors may increase the cost of internationalisation and render the process of entering foreign markets more risky than domestic expansion. The main difficulty consists in the fact that entrepreneurial orientation is considered as a kind of organizational trait, but not enough attention is paid to the necessary conditions of utilizing it in international business successfully. Innovative spirit, proactivity, and risk-taking may prompt a company to look for international opportunities, but all these qualities alone will not guarantee its success. Thus, a firm may develop a novel product but fail to take into account the requirements of international certification. Another company may expand to foreign markets actively, but not foresee high freight costs, delayed payments, or stiff competition in the foreign market. A third one may aggressively develop its overseas business but not keep enough cash reserves.

Another issue is the heterogeneity of SMEs themselves. Firms differ by size, industry, ownership, management experience, technological capability, and availability of external assistance. As a result, one and the same strategy of entrepreneurship will lead to different results in different companies. For example, an innovative SME might achieve international growth via the Internet, while a manufacturing company would require the help of distributors and export agents and would need to obtain certifications and supply contracts. In other words, a unified theory of international growth might fail to account for significant dissimilarities in the resources that firms have and what need to enter the market. The importance of technology needs to be mentioned as well. Technologies such as online marketplaces, customer analysis, digital marketing, and virtual communication might diminish geographic limitations, although technology by itself does not ensure international competitiveness. A firm should have the ability and organizational discipline to utilize technologies.

This research problem thus lies in the lack of combination of entrepreneurship orientation with the environment and organization factors that determine the international market entry of SMEs. This research will develop a theoretical framework explaining how the different aspects of entrepreneurship can contribute to international development via organizational abilities, market entry strategy and learning. It also shows under what circumstances entrepreneurship activities might not lead to sustainable success. In doing so, this paper aims to provide a more comprehensive foundation for understanding international development as a coherent strategic process.

Research Aims

The first major goal of this research is to conceptualize the effects of entrepreneurial orientation on international market development among SMEs. The paper views entrepreneurial orientation as a multidimensional strategic attribute and investigates the ways the different dimensions of the orientation work in conjunction with organizational resources and market factors to make an impact on internationalization strategies. The paper does not take for granted that entrepreneurial conduct will be conducive to better results but identifies the ways through which entrepreneurship may affect foreign market entry, development, and sustainability. The first goal is to investigate the effects of innovativeness on international market development. Specifically, the innovative approaches of the firm can include product adaptation, service differentiation, process innovation, and digital innovation that can be employed by the SMEs to address the demands of foreign consumers. Innovation can give the small company the opportunity to compete through specialized value offering and not through sheer size.

The second objective is to assess the role that proactiveness plays in the recognition of international business opportunities. This requires looking into how market and competitive research, customer interaction, and the early recognition of international market demand can affect market selection and timing of entry. Furthermore, the significance of distinguishing between real business opportunities and temporary market fads or assumptions should be addressed. The third objective is to assess the impact of risk taking in international entrepreneurship. The objective is to look into how SMEs can make foreign market investments without losing financial control and the right amount of risk taking.

Objective four is to discuss the impact of organisational capabilities on the connection between entrepreneurial orientation and internationalisation of a business. Some of the organisational capabilities taken into consideration include managerial competency, technological competency, market understanding, employee competency, financial preparation, organisational learning and international networking. These organisational capabilities might facilitate the conversion of entrepreneurial orientation of a small business into actual business operations. Objective five is to find out what the main barriers to internationalisation are and how it can be overcome by small businesses through market entry strategies, partnerships and gradual resource commitment.

The ultimate objective is the creation of a combined conceptual model and formulation of practical recommendations for managers of small and medium enterprises, business service organizations, and policymakers. The concept is meant to serve as a basis for future research on entrepreneurial orientation and international performance using metrics such as export intensity, geographical spread, development of foreign customer base, market diversification, and sustainability of international activities. These objectives ensure that internationalization becomes a strategy in which entrepreneurship, organizational competence, and market conditions become equally important factors in international success.

II. REVIEW OF RELATED STUDIES

Entrepreneurial Orientation as a Strategic Driver of International Expansion

Entrepreneurial Orientation is a strategic notion applied to describe the process of identifying and exploiting organizational opportunities through innovative, proactive and risk-taking activities. Entrepreneurial orientation within SMEs is particularly important, since strategic decisions are made by the owners of the business or upper management that allows for fast implementation. The success of this process, however, is contingent on good managerial judgement, sufficient resource availability and responsiveness to market dynamics. Innovativeness stands for a desire and capability of introducing new ideas, experimenting, developing new products and enhancing the processes of doing business. For SMEs penetrating the international market, innovation can provide a competitive advantage in terms of specialized products, customized services, improved quality or efficiency of delivery. Particularly, innovations are essential if the customers abroad differ from those domestically in terms of language, design needs, technology, packaging, etc. Innovation, therefore, can also mean internal change, including automation of ordering process, better inventory management, or coordination of international sales through digital technology platforms.

However, the innovation process has to correspond to the needs of the international market. Technologically superior goods could be unsuccessful because the customer may lack an understanding of its value or the organization would not be able to obtain local certifications. Thus, international innovation has to combine experiments with feedback from customers, the validation of the market and realistic assessment. An SME can lower the degree of uncertainty by testing their product on a small number of foreign customers before making large investments. Proactiveness implies being prepared to anticipate an opportunity and act even if there is no competition or market environment to do that. For SMEs in international business, proactiveness involves the monitoring of foreign markets, the examination of new customer segments,

participation in trade networks, and building contacts with the possible customers. An early involvement can help to gain customers, understand the distribution channel and gather knowledge regarding the market. However, sometimes entering a market at an early stage can harm an organization.

Risk taking entails the willingness to accept calculated risks as an avenue for capturing value through ventures. Internationalization often demands that a firm invest in market research, adaptation of products, export licensing, marketing, distribution, and after-sales services. Such investments may be quite heavy for an SME that lacks substantial resources. Proper risk-taking should entail a structured approach that includes stage-wise investment, scenario planning, diverse customer relationships, and periodic assessment of financial risk exposure. The acceptance of risk must be differentiated from reckless speculation.

The three dimensions can complement each other. Innovativeness creates differentiation, proactiveness assists in choosing the right opportunity, and intelligent risk taking allows firms to invest in viable markets. The sum of their value may prove greater if augmented with learning and organizational flexibility. Thus, for example, an SME may discover the need for a specific product, develop that product for the selected market, and start from a small export deal before committing more investments. An entrepreneurial orientation should not be seen as a surefire way to succeed internationally. Over experimentation will lead to high costs, and overaggressive growth to overextension. The nature of the link is likely to vary depending on such factors as industry specifics, market uncertainty, available funding, management experience, and complementary skills.

Organisational Capabilities, Market Barriers and International Growth

The capabilities of an organization play a critical role in the success of SMEs' transformation from entrepreneurial intent into international business ventures. The capabilities that organizations must have to succeed in international business operations include information collection and interpretation, development of products for the foreign market, coordination of employees, management of finances, effective technology usage, and relationship development with external parties. Although an SME can perceive an international opportunity, without these necessary capabilities the organization will not be able to take advantage of such opportunities. Market knowledge is one of the key capabilities for SMEs since different foreign markets have their own particularities concerning customer expectations, competitive environment, distribution channels, business practices, and regulations. Market knowledge allows an organization to assess the demand for a product, identify potential customers, calculate costs, and choose an entry mode.

Digitization is now becoming a factor of international development. E-commerce services, digital marketing, customer relationship management tools, online payment systems, and data analytics may facilitate international client acquisition through digital channels and without significant investments in physical facilities. Digital channels may also assist in communication with foreign customers and collecting data on their preferences and behaviors. Yet firms need to address issues like cybersecurity, data protection laws, platform costs, international payment limitations, and problems related to cross-border deliveries of goods. Digital accessibility offers advantages, but its successful utilization requires relevant skills and operational reliability.

Networking and cooperation may assist SMEs to overcome resource limitations. The list of organizations that may be able to help with internationalization efforts may include export agents, distributors, logistics companies, suppliers, industry associations, and international business networks. Cooperation and networking may be especially helpful for SMEs that have no prior experience in foreign markets. Yet SMEs should carefully evaluate potential partners regarding their reputation, obligations, data exchange policies, and dependence from them.

Both financial capability and human capability are critical. International business can require extra working capital due to longer cash flows, transportation costs, insurance, certificates, and adaptation of the product. It is also important that employees have the necessary knowledge about the procedures of exports, communications, use of information systems, and foreign market. It is possible for the SME to resolve such problems with the help of special training, phased investments, external professional services, and management of cash flows. The external environment will affect these capabilities. It might include exchange rate fluctuations, trade barriers, infrastructure problems, political risks, and shifts in the customer's demands. It cannot be completely controlled by each firm; hence, it is important to be flexible and to learn continuously.

Also important is the selection of market entry strategies. Direct exporting would enable a firm to have more contact and control but would also need more expertise. Exporting via distributors would lessen certain burdens but create dependency on intermediaries. Online sales would aid in reaching customers but may entail tough competition and complicated logistics. Thus, SMEs need to consider their strengths, nature of products, market aims, and risk appetite when entering markets. The theoretical argument formulated above is that entrepreneurship orientation and organisational capabilities must be studied hand in hand. The former drives the enterprise towards opportunity seeking activities while the latter allows execution. External barriers determine the resource base and speed of expansion. Thus, international expansion is better understood through the interplay of entrepreneurial activities, capabilities, market entry strategy and external environment.

III. METHODOLOGICAL APPROACH AND THEORETICAL FRAMEWORK

The current study uses a theoretical research design, based on literature analysis, to describe how entrepreneurial orientation influences international business market growth in small and medium sized enterprises (SMEs). The study constructs a theoretical model based on existing theories about entrepreneurial behavior, organizational capabilities, internationalization and strategic adaptation. In this case, no primary data gathered from surveys, interviews or experiments is used. For this reason, the model describes theoretically sound relationships instead of empirically tested causes and effects. The study focuses on four key elements, including entrepreneurial orientation, supportive organizational capabilities, strategies for entering international markets, and the results of internationalization. Entrepreneurial orientation refers to innovativeness, proactiveness and risk-taking. The supporting capabilities include international market knowledge, digital readiness, managerial capabilities, financial capabilities, learning abilities, and strategic network capabilities. Strategies for market entry are ways of approaching foreign clients.

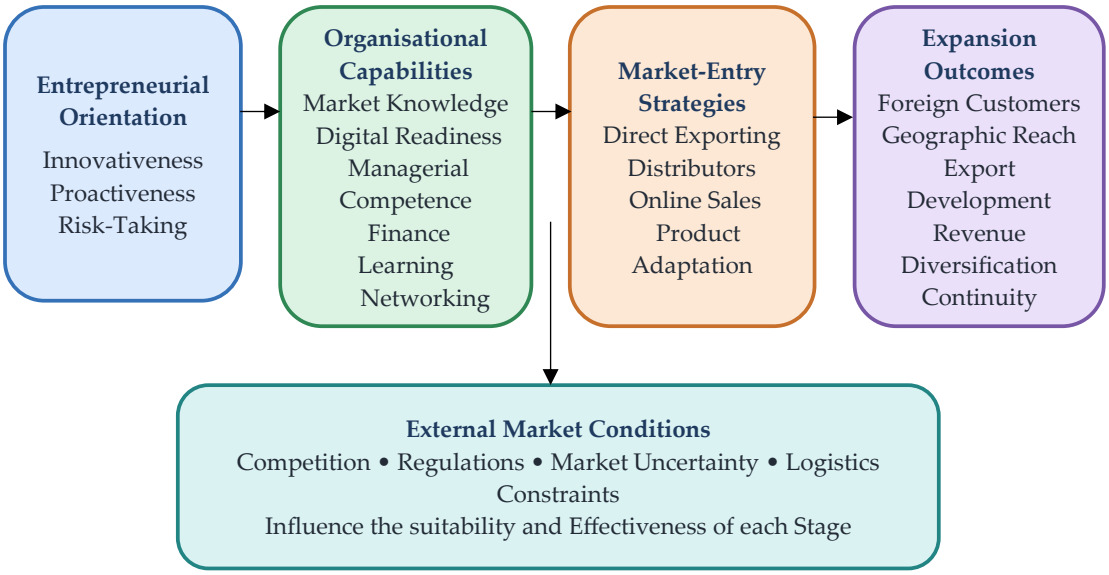


Figure 1: Conceptual Framework Linking Entrepreneurial Orientation to International Market Expansion

Description of figure 1: The model shows how an entrepreneurial orientation could support international growth through organisational capabilities and market entry strategies. Market conditions play a role in determining whether each step will be appropriate and effective.

Table 1: Main Constructs and their Proposed Indicators

Construct	Key dimensions	Possible indicators
Entrepreneurial orientation	Innovativeness, proactiveness, risk-taking	New-product initiatives, opportunity identification, calculated investment
Organisational capabilities	Market knowledge, skills, digital readiness	Market research, employee training, digital sales systems
Internationalisation strategy	Entry mode, market selection, adaptation	Export channels, target-market selection, product localisation
International expansion	Market reach, customer growth, export activity	Foreign-customer numbers, export share, new markets entered
Environmental conditions	Competition, regulations, uncertainty	Compliance requirements, market volatility, logistics constraints

The model proposes that entrepreneurial orientation triggers the search for opportunities, although in no case does it guarantee the result. Organisational capabilities assist in turning intentions into actions, whereas market entry strategies are the means of accessing foreign markets.

Table 1 shows the important constructs, dimensions and suggested indicators for analysing the linkage between entrepreneurial orientation and internationalisation of business. The table brings to attention the significance of organisational capabilities and internationalisation strategies for market entry and growth, where environment factors like competition, regulations and uncertainty may play a role in the process of international expansion. These indicators serve

as a basis for conceptual analysis of the way entrepreneurial SMEs recognize opportunities, build capabilities and expand into international markets.

The constructs can be operationalized in subsequent empirical studies using survey questions, business documents, measures of exports, or longitudinal case studies. These need to determine the time frame of their observation and differentiate planned activities on the international stage from actual events. The indicators that were suggested above are not results but tools for measuring.



Figure 2: Strategic Process for SME International Expansion

The figure 2 process starts from entrepreneurial orientation and opportunity identification. SMEs conduct an analysis of the market situation, fill capability gaps, make decisions about the entry strategy, and examine international operations. It is up to performance monitoring to decide what actions the business needs to take next.

Proposed Research Propositions

- P1: Innovativeness is positively linked with the ability of SMEs to design differentiated international products/services.
- P2: Proactiveness is positively linked with international opportunity identification and international entry preparedness.
- P3: Risk taking is positively related to international growth, as long as risk management is done appropriately.
- P4: Organizational capabilities enhance the link between entrepreneurial orientation and international growth.

- P5: Digital readiness and strategic networking could help SMEs enter foreign markets, especially when SMEs lack resources.

The above propositions form a foundation for future empirical studies to explore. The validity, impact, and relevance of the propositions are to be investigated further.

IV. ENTREPRENEURIAL ORIENTATION IN INTERNATIONAL BUSINESS EXPANSION

Entrepreneurial orientation may affect international expansion through its role in helping small firms identify opportunities, allocate resources, differentiate their products and deal with uncertainty. Nonetheless, its impact should be assessed in terms of a mixture of strategic actions, organisational preparedness and results in international business. The following three viewpoints are developed in this section: the individual characteristics of entrepreneurial orientation, the skills necessary to pursue international strategies and measures for assessing expansion.

Contribution of Entrepreneurial Orientation to International Growth

Innovative nature contributes to international expansion through facilitating unique offerings among SMEs for foreign consumers. An example of this is that a small-scale manufacturing firm could adapt its product specifications to fit foreign technical specifications whereas a service company could have a multilingual customer service. Innovation should be premised on a thorough understanding of the market. Innovating without validating the customer need might not necessarily generate any demand.

Proactiveness ensures that opportunities are seized and proper market entry is made in time. SMEs can observe the demands of foreign customers, changes in industry trends, activities of competitors, and changes in channels of distribution. Thereafter, it can target markets where there is a definite advantage for their products or capabilities. Proactive behavior entails careful selection instead of entering many markets at once. Market size, anticipated demand, regulatory considerations, shipping charges, and level of competition may be considered when deciding which markets to target with limited resources. Taking risks enables an SME to venture into foreign markets, make new contacts, and explore other modes of selling. However, international risks must be carefully managed by gradual commitment. For instance, a business may begin with exporting a small quantity, analyze the reactions of customers, and move ahead only if the need and payments are reliable.

The ability of the fundamental dimensions of entrepreneurship, which include innovativeness, proactiveness and risk-taking, to facilitate internationalisation is captured by table 2. The strengths as well as the weaknesses of each dimension, which include differentiation, early market entry and opportunity for income generation respectively, are noted. Additionally, some of the management strategies that may be used in this regard are provided.

Table 2: Relationship Between Entrepreneurial Orientation and International Expansion

Dimension	International application	Potential benefit	Main risk	Recommended management approach
Innovativeness	Product adaptation and service development	Differentiation and customer relevance	High development costs	Validate demand before scaling
Proactiveness	Early opportunity identification	Timely market entry	Premature expansion	Conduct structured market screening
Risk-taking	Investment in new markets and channels	Access to new revenue opportunities	Financial exposure	Use staged investments and risk limits
Combined orientation	Coordinated international strategy	Better alignment of opportunity and action	Excessive strategic ambition	Review performance and organisational capacity

However, the joint impact of these dimensions will largely be influenced by organisational preparedness. SMEs having the right skills, finance and information will be able to use entrepreneurial drive for successful international operation. Businesses lacking the capacity, on the other hand, will need to lay down a foundation before venturing internationally.

Organisational Capabilities, Market-Entry Choices and Performance Measurement

Organisational capabilities affect how entrepreneurial orientation is turned into practice. Market knowledge will enable SMEs to know what their clients expect and the competition. Digital readiness will support online customer acquisition and international communication. Financial capability will enable the business to handle the costs incurred when doing exports and delayed payments. Strategic networks will give the business access to local knowledge and distribution. These capabilities should be seen as complementary and not interchangeable. Choice of entry mode will also depend on the firm's goals and capabilities. Direct exporting will work if the SME has enough knowledge to handle its international customers. Distributor-led exporting will enable the business to have access to local networks but less control over its customers. Digital sales will present a relatively easy way to start for the SME despite the challenges involved.

Performance must be assessed through various parameters and not through one single financial parameter. Export sales may indicate commercial success, but do not indicate whether the business is making profits. Countries that have been reached can be an indicator of the geographical spread, but expanding to many countries when there is no demand from customers creates undue complication. There are other indicators such as customer loyalty and profitability.

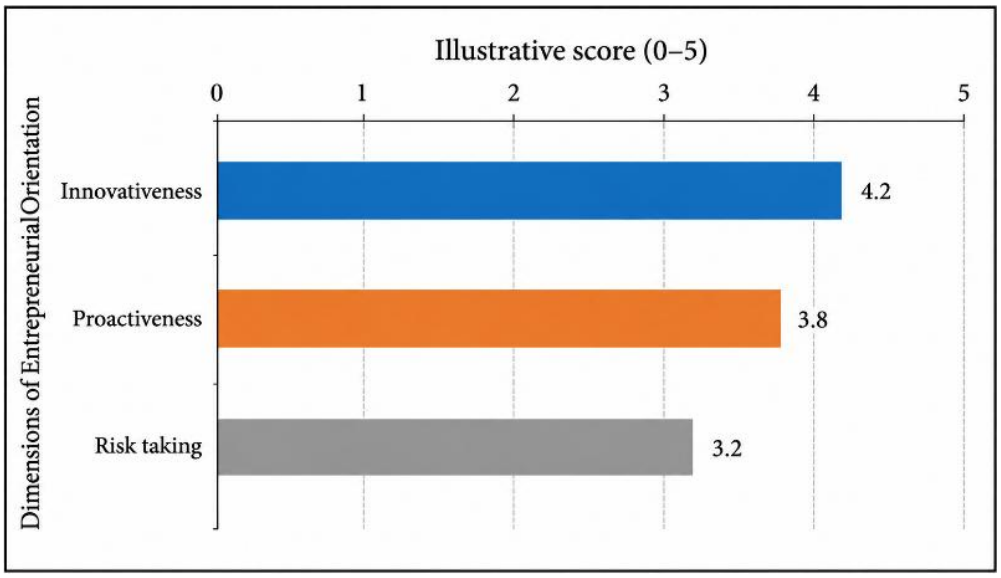


Figure 3: Illustrative Comparison of Entrepreneurial Orientation Dimensions

The figure 3 presents a comparative analysis of the scores achieved by the three components of entrepreneurial orientation on a scale of 0 to 5. Innovativeness attains the highest score of 4.2, followed by proactiveness, which scores 3.8, and risk-taking, which scores 3.2. From the example scores provided, innovation and proactiveness are strong aspects; however, risk-taking needs more focus. Therefore, the SMEs must stimulate innovation and proactiveness, as well as employ sound investment approaches to mitigate the associated risks during foreign expansion.

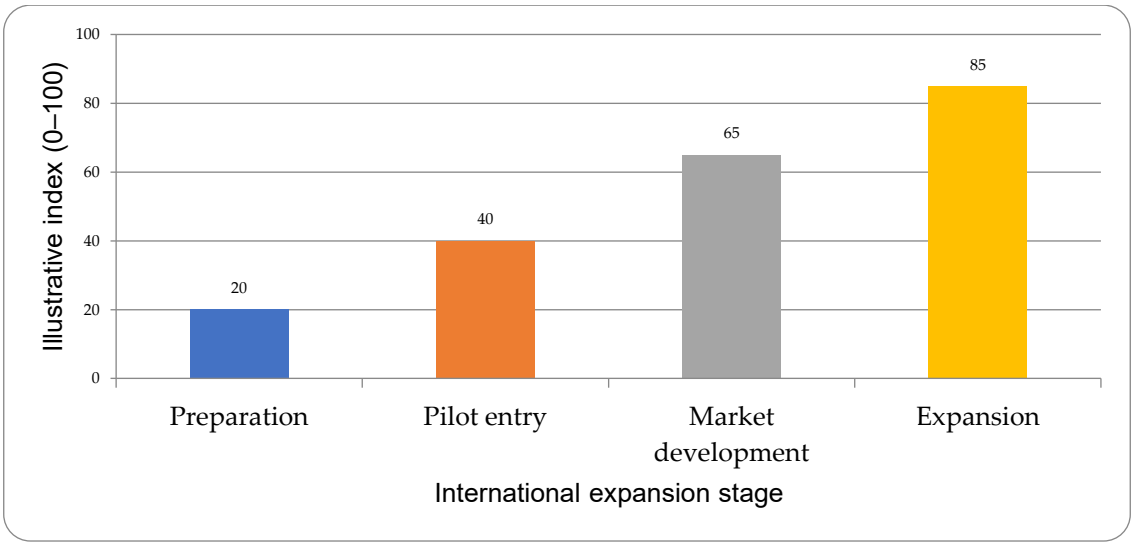


Figure 4: Illustrative International Market Expansion Stages

The figure 4 shows the steps involved in international growth, illustrated using an index on a scale of 0 to 100. Preparation involves a score of 20, while pilot entry is scored at 40, market development at 65, and expansion at 85. As move along the index, there is an increase in the scores as the organization proceeds through various stages starting with the preparation of the market until international operations begin. This shows the need for systematic planning and market development before venturing into international business.

Analytical Implications

The three graphs and the conceptual framework reflect complementary dimensions of international expansion. Entrepreneurial orientation is a characteristic of how the company perceives opportunities; the expansion stages reflect the potential sequence of international development; and organizational capability reflects the necessary resources for such development. All three together imply that sustainable internationalization must be achieved through consistent links between aspirations, preparation, implementation, and performance measurement. All of these relationships need to be tested empirically to make any conclusion about the effect size and causality. Scientists could gather the information about SMEs from various sectors such as manufacturing, service, technology, etc., and compare their entrepreneurial orientation scores with their level of exports, increase in foreign customers and continuity in markets.

V. MANAGERIAL AND STRATEGIC IMPLICATIONS

For SME managers, it is recommended that international expansion be approached as a systematic process and not as an immediate reaction to the existence of business opportunities in other countries. First, it needs to be determined whether the enterprise possesses a product or service that is needed in a particular foreign market. Market research will help determine customer tastes, competing products, legal obligations, logistics costs, and possible distributors. This will enable managers to concentrate on markets that fit their strengths and budgets. Second, the three components of entrepreneurial orientation need to be enhanced through specific managerial actions. Innovativeness may be increased through product trials, customer suggestions, process innovation, and experimentation. Proactiveness can be improved through systematic market watching and opportunity analysis. Risk-taking should be facilitated by setting investment boundaries, forecasting cash flows, contingency planning, and criteria for continuation or abandonment of the international project.

Digital maturity is another factor that must be considered. SMEs need to use digital technology based on their business requirements rather than just going in for technology because of its availability. Online sales platforms, CRM technology, analytics, and multi-language communication can aid in market development provided the employees have been trained and the operations process is efficient. Partnerships might also lower barriers to market entry. Export advisory services, distribution agencies, logistics firms, industry associations, and business facilitation organizations can help businesses gain information and specialist knowledge. Managers must ensure defined roles and assess partnerships cautiously.

There are many ways to promote internationalization through export training, market intelligence, certification services, digital skills development, and financing that can be provided by policymakers and organizations involved in business development. It is critical for such initiatives to pay particular attention to small companies without an export division.

Lastly, it is vital to periodically analyze the company's international results by measuring multiple key performance indicators, including income, profitability, reorder rates, customer retention, geographic footprint, and payment reliability. This way, a company would be able to improve its strategy before serious financial problems occur.

VI. DISCUSSION

This shows that entrepreneurship orientation can play an important role as the basis of international market expansion for SMEs, but the usefulness of entrepreneurship orientation will depend on the efficiency with which the entrepreneurship behavior is facilitated by organizational skills. Innovativeness will enable firms to have unique products, proactiveness will facilitate identification of opportunities, and calculated risk taking will enable investment in uncertain markets.

One of the key implications of this study is that entrepreneurial orientation should not be considered independently from organisational readiness. Although SMEs will be aware of lucrative business opportunities abroad, it may lack the necessary funds, information technology, management skills or distribution networks to take advantage of them. Thus, organisational capability becomes an important link between entrepreneurial intentions and international business operations. Informational advantages and strategic networking can be helpful for reducing uncertainties, whereas financial planning and staged investment can assist in overcoming them. The analysis under consideration also stresses the importance of choosing the right internationalisation route. Direct exports, distributor agreements, and online sales involve different mixes of control, investment, and complexity of operation. The best route depends on a firm's products, capabilities, international experience, and market specifics. Performance evaluation is essential as successful entry does not automatically mean profitability and customer loyalty. What can be highlighted about the proposed framework is that it provides a structured view by linking entrepreneurial orientation with organisational capabilities, market entry strategies, and growth outcomes. Nevertheless, the study is conceptual and lacks any statistically significant connections or cause-and-effect relationships. The presented graphs are just illustrations and are not empirical results. Further research needs to be conducted by testing the proposed connections using primary data from various SMEs within different industries and locations. It can look into how digital readiness, market knowledge, and networking affect the connection between entrepreneurial orientation and international performance.

VII. CONCLUSION

In addition to expanding into foreign markets, there are numerous other advantages that small and medium enterprises (SMEs) can gain from international business, including revenue diversification, accessing new customers, building competitive capability, and less dependency on domestic market demands. On the other hand, expansion into foreign markets presents a variety of problems related to finance, regulation, culture, and other factors that should be considered strategically. This paper considers the relationship between entrepreneurial orientation and internationalisation through three perspectives including innovativeness, proactiveness, and calculated risk-taking. The theoretical model created by this paper claims that entrepreneurial orientation has an impact on internationalisation via organization capabilities and market entry strategy. Such factors as market knowledge, digital capabilities, management capabilities, financial prudence, organisational learning, and strategic network can assist SMEs in turning entrepreneurial orientation into international practice. The main conclusion that emerges is that simply being an entrepreneur will not guarantee international success on its own.

To succeed in this realm, SMEs must marry opportunity-oriented behaviour with systematic market assessment, adequate resource management, innovation that serves customers and performance assessment. Starting with the right choice of markets, assessing demand through small investments and increasing activities after careful evaluation of outcomes can help firms overcome uncertainties associated with growth. On the side of managers, the suggested approach gives a way to match international goals with capabilities. On the side of policymakers and business facilitators, the model stresses the importance of export education, digital skills building, market intelligence and easy access to internationalization assistance. The future empirical studies should validate the assumed relationships through measurement of entrepreneurial orientation and international performance indicators. These studies might show whether the developed model holds true universally for various industries, companies' size and different countries. Sustainable internationalization of SMEs should be viewed as a continuous process of entrepreneurial activity, organizational learning and strategy adjustment.

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