

Opening the Black Box of Trade Missions:

An Action Research Approach



Master Thesis

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Abstract

The aim of the present research is to contribute to the understanding in what way trade missions work most effectively. To be more precise this research tries to redefine the definition of trade missions by scrutinizing an entire trade mission organization from its first moment on. The research group organizes a trade mission to Turkey consisting of eight Dutch firms that voluntarily participate in the mission. The participants are chosen based on certain criteria and are fully committed to the project as they receive a guidance program to improve their capabilities prior to the trade mission trip.

Although there are examples of trade missions in former centuries and the globalization trend has underpinned their importance, research on trade missions is still scarce. The existing literature takes mostly a generalized approach when investigating trade missions and does not aim to find an answer to the question how to structure trade missions in the best way to achieve highest level of effectiveness. The contribution of this project is two-fold. First, this research project will enable the researchers to open the “black box” of trade mission since they will be the organizers of the mission and will be guiding and accompanying the participants throughout the entire project to obtain a deeper insight. This will allow the researchers to look into “black box” and establish relationships between causes and effects. Second, the participants will receive training and guidance on certain themes, which are expected to matter for a positive outcome. At the same time the feedbacks obtained throughout the entire project will enable the researchers to determine which themes influence the outcome and how a future trade mission should be organized taking in consideration the proposed themes.

The findings reveal that participants have shown some improvements in the proposed themes and these have been supportive for them during the trade mission in Turkey. As seen from the perspectives of resource based view and dynamic capabilities, the participants have extended their capabilities in conducting business internationally. Especially the theme of “intercultural communication” seems to have played an essential role. Another theme “team building/group experience” does not seem to affect the outcome for participants at all. The outcome and the experience gained during the project are essential for designing trade missions that yield highest effectiveness in future.

1. Introduction

In an effort to stimulate commerce, trade missions are becoming increasingly a more essential tool for governments to support their national small and medium sized enterprises (SME) in their efforts to internationalize and get access to foreign markets (Head and Ries, 2010; Durmusoglu et al., 2011). SMEs sometimes tend to be reluctant to commit themselves to international markets due to lack of knowledge and the perception of risk, which results from the inability to obtain necessary knowledge (Spence, 2001). The positive effect of export promotion programs on export success is a great concern for both public policy makers and company managers (Durmusoglu et al., 2011). Nevertheless trade missions as a popular export promotion service have not gained the academic attention it deserves. Available literature deals with trade mission mostly on a macro-level, thereby ignoring the single components of the entire trade mission. Head and Ries (2010) for instance, when discussing the effectiveness of trade missions investigate a number of Canadian trade missions over years and try to come to a generalized conclusion based on the outcomes of the Canadian trade missions. Spence (2003) is another example of research in which the effectiveness of U.K overseas trade mission is investigated upon the data gained from various overseas trade missions around the world. Spence tries to open the “black box” of trade mission by questioning the determinants of a positive outcome of a trade mission but the investigation is carried out on a sample of 190 companies from various industrial sectors around the United Kingdom. This prevents the switch from a macro-level to a micro-level in which the entire organization of a trade mission can be divided into logical and chronological stages and be studied cautiously. Several other quantitative researches have aimed to investigate the effectiveness of trade missions (Wilkinson and Brouthers, 2000, 2006; Genctürk & Kotabe, 2001; Francis & Collins-Dodd, 2004) but have neglected the micro-level components of a trade mission.

The purpose of the present research

This is exactly what the present research is aiming to do. It is aiming to redefine the definition of trade mission as an event consisting of three phases. The phases, in chronological order are the preparation phase, the trade mission itself and the follow-up sessions afterwards. The correct implementation of each of the three phases is expected to lead to a positive outcome for the participants. This study uses an action research approach. It takes one particular trade mission as its focus. This trade mission was

initiated and organized by the research group, which the author of this thesis was a member of. In other words the focus during the entire research will be on one single entire trade mission with its three phases and its eight participants, which have been selected cautiously for the trade mission to Turkey. Dividing the trade mission into three stages and investigating these micro-level components will enable us to understand how each stage is to be designed in order to guarantee high effectiveness at the end of the trade mission. By investigating each phase separately and closely based on an integrated theoretical framework, it is hoped that the “black box” of trade mission will be opened once and for all.

Based on what available literature is delivering, this research is aiming to fill the gap in understanding how trade missions work and how they can provide participants with better outcomes in guiding them through their internationalization process. As a result the following research question is emerging:

How do participant preparation, a match-making focused target country visit, and a follow up contribute to trade mission outcomes, especially the participants' international business competences?

2. Theoretical Framework

This chapter will provide the reader first with a literature review. The review will enable the reader to comprehend what a trade mission is and for what purpose they are being organized. After providing a general idea about trade missions, the concept of effectiveness of trade missions will be discussed based on existing literature. Hereby a number of perspectives will be introduced. These perspective help to establish a theoretical framework when investigating trade mission effectiveness. At the end of the chapter the research model will be presented.

2.1 Finding relevant literature

In the last two decades there has been a significant increase in the number of export promotion programs (EPPs) and in the budget governments have granted to such programs. However this trend has not been followed by a comparable increase in

research in this area (Freixanet, 2011). As the first step this chapter will perform a general review on the present literature concerning trade missions. It will enable us to find a definition and the purpose of trade missions as agreed in available literature. After this step the effectiveness of trade missions will be discussed. The question hereby is, if trade missions are effective in promoting internationalization of SMEs and if so, how and under which circumstances is it achieved? In the following step three perspectives will be introduced. These perspectives act as a guide for the researcher. They will enable to determine which aspects matter for a positive trade mission outcome. At the same time they will be used in creating an integrated theoretical framework.

2.2 Trade Missions

The concept of a trade mission sounds pretty straightforward. They usually involve a group visit, consisting of businesses and organizations of a particular country or region, to a target country or region with the aim to connect services that are offered to internationalizing firms, which look for new market opportunities abroad and that aim to acquire essential and relevant knowledge about these markets (Seringhaus, 1987). Trade missions offer firms to acquire experiential knowledge that is of high importance for a firm's (Wilkinson & Brouthers, 2006; Spence, 2006). The sections below will provide more information on trade missions and their purposes.

2.2.1 What are trade missions and what is their purpose?

To begin with, the first step will be about defining trade missions in accordance with the present literature. What are trade missions and what is their exact purpose? Economic globalization and increasing volume of trade imply not only new opportunities for companies. Nevertheless small and medium-sized companies are sometimes reluctant to commit themselves to foreign markets due to perception of high risk based on missing knowledge and information (Spence, M., 2003). International operations often entail higher risk than domestic ones and therefore restrain firms from commencing international operations (Ruzzier, M., et al., 2007, Spence, M., 2001). Understanding how barriers impede the exporting process of firms is of high importance in the attempt to realize why and how firms become involved in foreign markets (Wilkinson, T., & Brouthers, L., E., 2006). Once a firm enters a foreign market, a variety of risks in form of physical, social, political or economic can hinder the firm's progress towards

internationalization (Ruzzier et al., 2007). The perception of risks between entrepreneurs that export and those who do not export, differs significantly. Nevertheless both groups indicate that they perceive the risk of entering foreign markets to be bigger than supplying merely the domestic market (Ruzzier et al., 2007). Conducting business internationally is inherently risky due to the uncertainties that are linked to operations in foreign and unknown environments and the fact that such uncertainties may influence firm performance negatively (Oviatt et al., 2005, Miller 1993, Mitin et al, 2015). Unlike their multinational rivals (MNC) SMEs frequently lack essential internal resources, know how, and information about foreign markets (Wilkinson & Brouthers, 2006). Policy makers have become aware of the potential of SMEs as well. European governments began focusing their attention on the creation of policy measures that encourage the internationalization process of SMEs. The policies aim creation of new SMEs and international trade from the outset on the one side and encouragement of export capable but inexperienced exporters on the other (Wright et al., 2006). The globalization trend brings along new challenges, which the companies need to face. In this context many firms, especially small and medium sized enterprises (SMEs) do not exploit the full potential of foreign markets due to a lack of motivation, skills, capabilities or financial resources (Freixanet, 2011). Many SMEs lack the resources to cope with the global challenges to internationalize. Also many firms may not have the inclination to export and focus merely on their domestic market. Most non-exporting firms are reluctant to commit their limited resources to enter other markets (Wright et al., 2007). Empirical findings reveal a similar pattern across the members of the European Union. On average 18% of European SMEs are found to be exporters (European Commission, 2008). The means through which international business activities is promoted is more or less similar across all countries. The so-called export promotion programs (EPPs) aim to foster exports and increase incoming foreign direct investments. Hereby the literature points to trade shows and trade missions as the two most effective means of supporting SMEs and promoting exports (Wilkinson and Brouthers, 2000). Among the EPPs offered, those most popular among firms are, which provide experiential knowledge about foreign countries (Spence, 2006). Trade missions belong to such programs, aiming to encourage SMEs to enter foreign markets. Export promotion programs have been created through public and private initiatives to overcome these obstacles (Freixanet, 2011). Experiential activities in form of trade shows and missions have been found to increase firm performance because they allow managers to obtain information about markets and the process of exporting (Wilkinson & Brouthers, 2006). Wilkinson et al. (2009) observed a positive association between

small firms participation in state sponsored trade shows and higher level of export performance and long-term export growth. The researchers conclude that trade shows have an immediate payoff for small business, while trade missions result in long-term benefits for the firms. Although to date there has been only limited empirical evidence of the effectiveness of export promotion programs, these programs are provided by governments to support especially SMEs to overcome real or perceived obstacles in exporting (Francis & Collins-Dodd, 2004). When firms decide to enter foreign markets they are depended on information, knowledge and expertise, which are essential to identify prospective customers and potentials in the foreign market. Trade missions in this regard may be of high value for the learning purpose about foreign market opportunities that companies aim to exploit. A lack of reliable market information and experience in establishing foreign contacts may lead to difficulties in identifying prospective customers (Seringhaus, 1987). As in the case of multinational corporates (MNCs), the ability of SMEs to achieve success in international markets is depended on the resources they bring to bear on potential export opportunities. Wilkinson and Brouthers (2006) claim that American SMEs frequently lack essential internal resources, know how and information about foreign markets. As a consequence exporting becomes a high-risk venture for the SMEs and leads the firms to avoid uncertainties in international markets (Wilkinson and Brouthers, 2006). SMEs can overcome these limitations about foreign markets by joining services such as export promotion programs and establishing a network either in their home countries or in the targeted host country (Wilkinson and Brouthers, 2006, Francis, 2004). Shortly, trade missions have the purpose to stimulate trade and support domestic countries to expand their business worldwide. Moreover trade mission are considered to be most appropriate for non- and new exporters. Trade missions function as tutorials that provide firms with learning experiences and allow them to obtain knowledge and information about the exporting process (Seringhaus, 1987). Trade missions facilitate and enable potential exporters to learn and develop themselves in certain aspects. Seringhaus and Rosson (1989 as seen in Wilkinson) summarize these areas and claim that trade missions' purpose is to allow potential exporters to learn:

- How business is conducted overseas
- What services and products are available
- The receptivity of potential buyers
- The extent of the commitment and resources necessary to sell in markets
- The answers to questions about foreign markets and the process of exporting

Seringhaus and Rosson (1989) conclude in their research that next to sales, trade missions were also more effective in introducing new products, maintaining a market presence, meeting customers and agents and making business contacts (Wilkinson & Brouthers, 2000). Trade missions encourage SMEs to enter or expand into foreign markets since participants obtain first-hand experience with the culture and business life of foreign countries in which they perceive market potentials (Spence, 2003). The present literature has one common message. Trade missions facilitate firms the entry to a new market by enabling the management to obtain knowledge and information about the foreign market. This enables the managers to develop certain skills to adapt to the present conditions in the foreign country and increases the chances of doing business successfully.

Based on these assumptions above Head and Ries (2010) have investigated Canadian trade missions and their impact on the trade and have found a different outcome than those mentioned until now. The research findings presented that Canadian trade missions do not cause any significant increase in trade. Accordingly trade mission have small or even negative effect as Michael Hart, trade expert from Carleton University argues. "Trade missions and similar programs, while popular with ministers, have virtually no enduring impact on trade and investment patterns. Under the sceptical perspective, many of the announced deals do not actually come to fruition and most of the fulfilled agreements would have occurred anyway" (Head and Ries, 2010). Findings as such suggest the opposite of what has been introduced until now and cause a controversial discussion among proponents and opponents of trade missions.

The section above has introduced some essential work done on trade missions and has provided us with information about their potential influence on SMEs aiming to internationalize. Additionally two confronting views on trade mission effectiveness have been presented.

The available literature commonly agrees that international operations entail high risk and barriers to firms that are willing to internationalize. SMEs usually lack the resources that promote the process of internationalization. These resources are tangible and intangible in their nature. Intangible resources are the essential ones and are not purchasable. The possession of these resources enables superior performance in foreign markets. A well-organized trade mission aims to contribute to the development of intangible resources and prepares firms to cope with the rules of international markets.

In other words trade mission are guiding tools that have the overarching aim to support and prepare firms that are willing to open themselves to foreign markets.

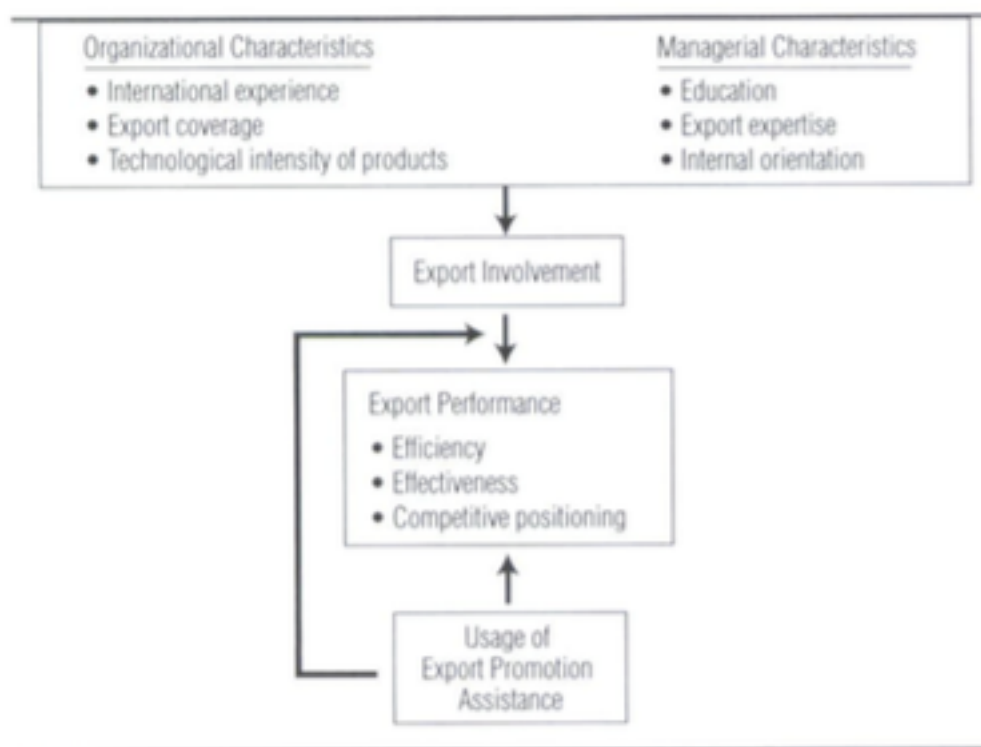
The scanning through available research on trade missions conducted over decades reveals something that is relevant for this research and emphasizes the contribution of this study. So far studies that have put trade missions as their unit of analysis have mainly focused on these organizations on the macro-level. In other words the focus was on whether trade mission organizations have contributed to higher export volumes or to bilateral or multilateral trade between countries for instance. One study conducted by Seringhaus and Botschen (1991) investigates the export promotion programs in Canada and Austria and evaluates them in a cross-national context. The study conducted by Head and Ries (2010) is another example of a study in which researchers focus on a number of Canadian trade missions to several countries and on the general outcomes of these trade missions. Spence (2003) conducted a study wherein he distanced himself from the macro-level and questioned the relationship between certain company characteristics and trade mission outcomes and export performance of firms. But in his study Spence investigated a number of British overseas trade missions and the findings presented the cumulative outcomes and performance. Other studies try to establish a relationship between government sponsored export promotion programs and state export volumes (Wilkinson & Brouthers, 2000). Several more examples can be given that focus on the government-designed EPPs and export performance on macro-level (Durmusoglu et al., 2011, Genctürk & Kotabe, 2001). The present study differs in that matter from previous studies. Until now micro-level components of single trade missions were not investigated.

2.2.2 Effectiveness of trade missions

Earlier studies of export promotion programs have delivered various results on the effectiveness of export promotion programs (EPPs). Some previous research such as the one conducted by Cavusgil & Naor (1987) has established a positive relationship between EPPs and firm performance. Especially trade shows and trade mission seem to lead to higher level of firm performance due to the fact that enable firm managers to get access to information about export markets rapidly and establish relationships (Dennis & Depelteau as seen in Wilkinson & Brouthers, 2006). But conversely, another analysis of 21 empirical studies about EPPs revealed that no definitive answer could be given to the question whether EPPs lead to higher firm performance and higher export volume (Seringhaus, 1987). In another extensive study Genctürk & Kotabe (2001) have

investigated 162 firms to find a definitive answer to the role of export assistance programs. The researchers claimed that prior studies had not addressed the performance implications of EPPs in an explicit way at the firm level and aimed to gain a deeper insight into the extent to which companies make use of EPPs and to what extent the usage of EPPs leads to higher performance in exports. The results reveal that EPPs are neither a magic cure nor a complete waste of resources. On the one side, the arguments about the inability of EPPs to increase export sales cannot be supported due to the simple fact that EPP is not a sufficient factor in improving the effectiveness of exporting firms. It can be said that firm effectiveness entails various numbers of interrelated determinants and any of these available determinants contributes to the performance outcome. Figure 1 below presents the conceptual model of export performance as proposed by Gençtürk and Kotabe (2001).

Figure 1: Conceptual model of export performance



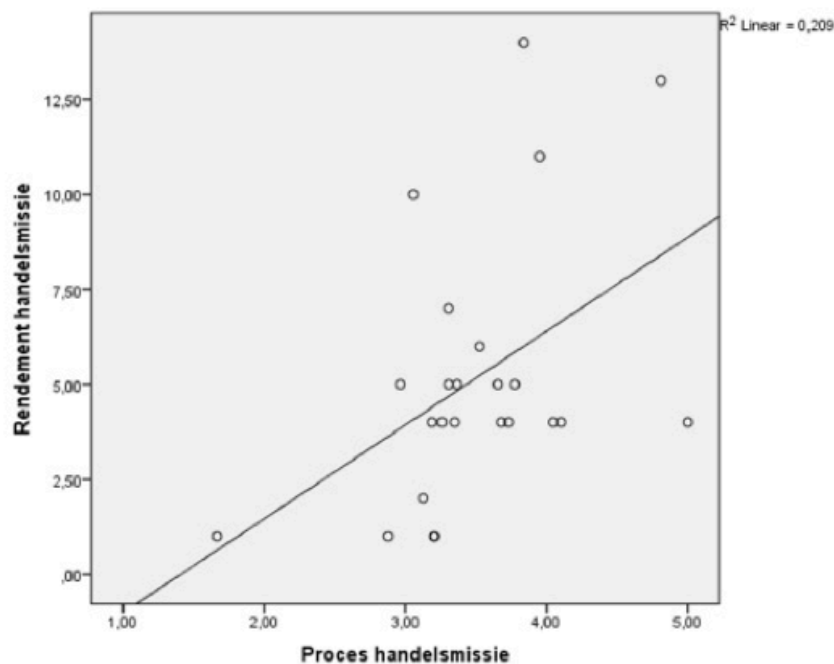
According to Gençtürk and Kotabe (2001) the highly publicized reluctance to make use of government EPPs, especially by SMEs, may be merely attributed to the widespread perception that these programs don't contribute to export sales growth. Furthermore the direct contribution of EPPs to a firm's competitive position and the indirect contribution to firm profitability constitute an argument in favour of such programs,

suggesting that they provide an essential platform for firms to succeed in export sales (Genctürk & Kotabe, 2001).

The success and effectiveness of trade missions is difficult to measure. This is mainly due to the use of different criteria since there is no common agreement when a trade mission can be considered as a success (De Lange, 2014). That leads automatically to the question how future trade mission organizations should look like and according to which criteria they should be designed in order to achieve highest level of effectiveness. The Centre for International Business of Windesheim (De Lange, 2014) has conducted a research in which an answer was looked for the question of how exactly trade missions as an export promotion tool should be designed and developed in future. The results of the study revealed the following. A large portion of the respondents stated that there should be more consultation with the industry when organizing trade missions since there is a growing tendency towards sectoral based trade mission. At the same time majority of respondents (85%) expected that more attention should be paid to both, the preparation and follow-up sessions. The respondent share also the common view that trade missions will remain as essential in the future but a better alignment with the business is becoming increasingly important. Trade missions will have to be made more sectoral and customized to be more effective (De Lange, 2014).

Moreover, a recent study (te Velde, M. et al., 2015) conducted among Dutch companies that took part in a trade mission organization in the last three years revealed that there is a relationship between the value put in a trade mission and the outcome for the company. The findings indicated that there is a positive correlation between the enthusiasm the companies showed for the preparation, the organization of the trade mission itself and the follow-up sessions on the one side, and the return on a trade mission on the other. In other words a higher valuation of the three phases of the trade mission seems to lead to higher returns for the participants at the end. Based on this finding it can be assumed that the quality of each phase will lead to an even better return on a trade mission. The figure below depicts the found relationship.

Figure 2: Correlation between valuation and return on trade mission



Source: Relationship trade missions process and trade mission outcomes (te Velde, M., et al., 2015)

So far the literature has not dealt extensively with the organization of a trade mission itself. The role of a well-prepared trade mission and its potential contribution to effectiveness has been ignored largely. We assume that the role of each of the three stages of the trade mission is essential for a positive outcome. Nevertheless available studies have not contributed much to shed light on the role of the three stages. The preparation phase, the structure of the trade mission and the follow-up sessions deserve special attention if we want to discuss about effectiveness of trade missions.

Hence the aim of the present research is to determine in what way trade missions can be organized most effectively so that firms making use of them profit from them extensively during their internationalization process. Hereby special emphasis is put on the role of appropriate preparation of the participating firms. The entire organization of a trade mission is divided into three stages. This paragraph aims to introduce existing literature on the role of these three stages. These three stages consist first of all of the preparation phase that takes place previous to the trade mission. Spence (2003) emphasizes the importance of a good preparation and states that the amount of effort participating firms put into the preparation of the trade mission increases their chance of success. The other two stages are about the structure or the content of the organized

trade mission itself and the follow-up sessions, which aim to keep the established relationships vivid to enable successful business outcomes. Follow-up activities are essential in order to increase market potential. Hence keeping good business relationships with foreign partners and treat them equally to domestic partners is highly important (Spence, 2003). In other words the effectiveness of the entire trade mission is assumed to be dependent on the correct implementation of these three stages.

2.3 Trade Missions and Competitive Advantage in foreign markets

A well-organized trade mission in the form of the proposed structure in the present research, including the three stages of preparation, organization and follow-up sessions, is expected to lead to higher success rate when conducting international trade. But what exactly does a higher success rate mean? What factors do ensure this success rate or what changes do need to take place within the firms to achieve success? In other words, what should trade missions in the proposed form try to accomplish within the participating firms, what is the aim to be achieved? Perspectives introduced below deal with firm performance and will facilitate to answer this question.

2.3.1 Resource-based view of the firm

In this research we will among others draw upon the *resource-based view* (RBV) to bring up a theoretical linkage between the problems and obstacles SMEs face in international environment and their ability to cope with those problems by developing resources. The resource-based view of the firm has traditionally focused on resources as the key to superior firm performance. The RBV theorizes that if accumulation of resources exhibits the attributes of being 1) valuable; 2) rare; 3) inimitable; and 4) non-substitutable, the resources enable the firm to gain and sustain competitive advantage in comparison to the competitors. Resources differentiate in their nature as being tangible and intangible resources. Tangible assets consist of physical assets such as buildings, machines or machinery to mention a few. Intangible assets on the other side have no physical presence and are still owned by the company and are considered as the main source of sustainable competitive advantage. Brand reputation, intellectual property, knowledge are all intangible assets, which firms cannot purchase from the market (Barney, 1991). In an earlier research McDougall et al. (1994) contented that sustainable competitive advantage of international ventures depended on having access to unique resources

thereby giving special attention to “knowledge” as the most essential resource (Peiris et al, 2012). As summarized by Wilkinson and Brouthers (2006) prior research suggest that firm resources have a direct and indirect impact on firm performance. A study of 287 export ventures conducted by Morgan, Kaleka & Katsikeas (2004) reveals that firm resources and capabilities have an essential impact on the competitive advantage of exporting firms. Another study that confirms the relationship between firm resources and export performance is conducted by Bloodgood et al. (2009) and shows that firms owning suitable resources for international activities are more likely to engage in exporting (Wilkinson & Brouthers, 2006).

2.3.2 Dynamic capabilities

Dynamic capabilities cannot be ignored while talking about the resource-based view. It is argued that dynamic capabilities can be seen as an extension of the resource-based view while they govern the rate of change of a firm’s VRIN resources (Kuuluvainen, 2011). Griffith and Harvey (2001) describe dynamic capabilities as the creation of difficult to imitate combinations of resources that can provide a firm with a competitive advantage in international markets. Cillo et al. (2007) define dynamic capabilities as processes based on knowledge in terms of knowledge creation, knowledge integration and knowledge reconfiguration. The dynamic capabilities perspective tries to comprehend firms’ growth and survival. It emphasizes that value creation does not merely come from possession of critical resources but also from their correct use. Hence the process of value creation is dependent on the possession of the critical resources but also on their correct combination and deployment (Kuuluvainen, 2011). This fact makes the dynamic capabilities perspective inseparable from the resource-based view.

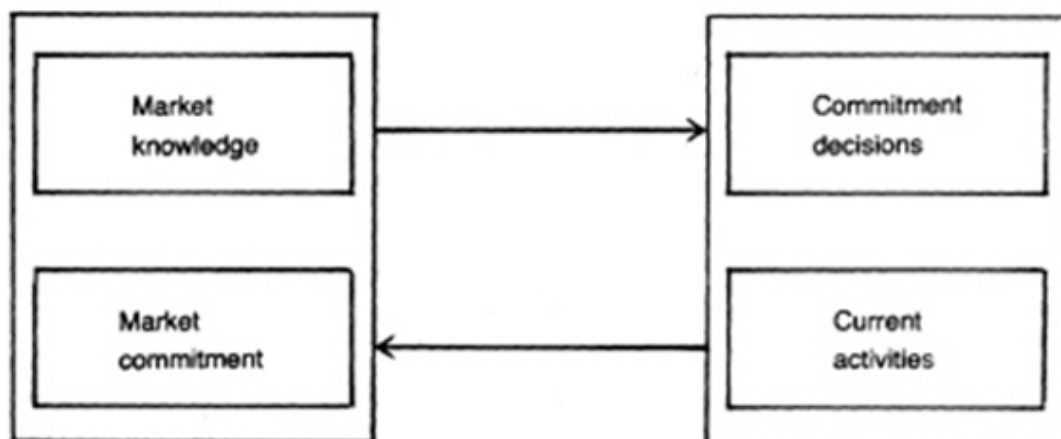
2.3.3 Internationalization process

Already in the 70’s research has dealt with the internationalization process of firms. Johanson and Vahline (1977) have developed the so-called model of internationalization process, which focuses on the firm’s internationalization process and thereby with special attention on the development of firms’ gradual acquisition, integration and use of knowledge about foreign markets and foreign operations. Shortly, the model assumes that internationalization cannot be achieved if lack of *knowledge* is present within the firm. The lack of such knowledge is an obstacle to international operations and can only be acquired by experience through operations abroad. Furthermore the researchers see internationalization not as the result of optimum allocation of firm resources to different markets but rather as a consequence of a process of incremental adjustments

that were made by the management according to changing conditions and the environment (Johanson & Vahline, 1997). The challenge thereby is the to cope with the lack of knowledge or the difficulty to obtain *market knowledge* in international operations that are present due to differences between countries with regard to language or culture for instance. This condition can be a serious obstacle for firms in their internationalization process and in obtaining market knowledge. Limited market knowledge means that the firm has no access to information about the markets and the operations in those markets (Johanson & Vahline, 1997).

The model of internationalization process as seen below is a dynamic model in which the outcome of one decision or outcome of an event constitutes the input of the next. In other words, gaining *market knowledge* successively increases *market commitment*. Those are assumed to affect commitment decisions and the way current activities are performed and those in turn change market knowledge and market commitment. The initial point is market knowledge, which is also a focus point when observing through the lenses of dynamic capability perspective and the resource based view.

Figure 2: Model of internationalization process



Source: Johanson & Vahline, 1997.

Johanson and Vahline (1997) distinguish between two types of knowledge when talking about international markets. The first type is called *objective knowledge* and it can be taught. The critical type of knowledge is the so-called *experiential knowledge*, which can be learned only by personal experience and cannot be acquired so easily as objective knowledge. According to Zuchella et al. (2007) as mentioned in Kuuluvainen (2011) prior experience of the entrepreneur or managers support the idea that experiential

knowledge is an essential factor in explaining international growth, which displays a clear linkage between dynamic capabilities and international growth. The model of internationalization process is emphasizing exactly the role of experiential knowledge. Possessing this kind of knowledge increases firm's abilities to perceive opportunities abroad (Kuuluvainen, 2011).

2.3.4 Cross-cultural competence

Something the perspectives above do not put necessary emphasis on is the cultural aspect. Effective operation in the globalized world requires that entrepreneurs to develop and possess new sets of skills and competencies. Many international business failures can be explained by the lack of cross-cultural competence of the business practitioners (Johnson et al, 2006).

Cross-cultural studies explored the challenges that foreign cultural environments poses to human behaviour and professional performance. In order to cope with such a challenge it is of high importance to develop a cross-cultural competence (CC). CC is can be defined as the appropriateness and effectiveness of one's behaviour in a foreign cultural environment. Thereby effective communication and psychological adaption to the environment are the major consequences of the application of CC (Muzychenko, 2008). The literature provides mainly two themes concerning the failures. First, it is about the expatriate failure and secondly a broader inability by the managers to appreciate the cultural challenges of conducting business in foreign markets. This kind of underestimation leads to poor choice of local partners, to the poor understanding of the local economic and political and sociocultural environment (Johnson et al, 2006). The present literature suggests that in order to be culturally competent following criteria should be fulfilled.

- Having knowledge with the beliefs and values of the foreign culture
- Display sensitivity to the affective processes of the culture
- Perform specially sanctioned behaviour
- Maintain active and social relations within the cultural group

This section has dealt with the question about effectiveness and success of trade missions. In order to determine whether a trade mission can be considered as effective or not, one needs to know first what aspects to focus on during the trade mission organization. For this some perspectives such as the resource based view or dynamic capabilities have been chosen. In absence of any perspective the researchers would not be able to limit the scope of their observations and any incident during the entire organization would have been taken into consideration and analysed in the present

research. That would increase the workload unnecessarily and the research would be flooded with irrelevant data. Hence the perspectives or lenses introduced above play an important role as for the scope of the data gathering process.

The coming section will build upon those perspectives and provide a research model. The International Business Competence (IBC) and International Entrepreneurship Culture (IEC), which will be introduced next section, incorporate capabilities highly essential for conducting international business when observed through the lenses introduced in this section.

2.4 Research Model

In order not to lose the overview it is to readers advantage to provide a summary before constructing the theoretical framework. So far literature has been helpful to determine what trade mission exactly are and moreover it delivered us some evidence about the importance of trade missions for SMEs that aim to internationalize and penetrate into new foreign markets. Some advantages that trade missions provide for entrepreneurs have been listed. In the second step literature has been presented that have established a linkage between export promotion programs in form of trade missions and firm performance in terms of international sales. It has been shown that one of the determinants of export performance is the usage of export promotion assistance as proposed by the model of export performance developed by Genc Turk & Kotabe (2001). After defining what trade missions are and providing some empirical evidence about their effectiveness the next step has been to shift the focus to the participants of trade mission. Thereby the resource-based view and dynamic capabilities perspective, which are related concepts (Kuuluvainen, 2011), have been chosen as lenses to observe through and to construct a theoretical framework in explaining in what they the proposed form of trade mission contributes to an increase of firm performance in the internationalization process. The next step will provide us with the theoretical framework based on these concepts.

2.4.1 International Business Competence (IBC)

The trend of internationalization of SMEs is remarkable due to the fact that those own typically limited financial and tangible resources as compared to large multinational enterprises. Based on this simple fact the internationalization process is a more

challenging one for SMEs. Knight and Kim (2009) have investigated internationalization process of SMEs and the factors that have supported them in their superior performance during this process. The findings revealed that a collection of intangible capabilities have contributed immensely in conducting business in international markets. The accumulation of these capabilities has been conceptualized by Knight and Kim (2009) as the “*International Business Competence*” (IBC) and is an overarching intangible firm resource that enables superior performance in foreign markets. The IBC model is consisting of four dimensions and that are significant to achieve for SMEs a high international performance (Knight & Kim, 2009).

Figure 3: International Business Competence its four dimensions



The ability of SMEs to succeed in international markets is largely dependent on the international capabilities and competences of the firm (Knight & Cavusgil, 2004). Firms increase their ability to develop particular organizational *capabilities*, consisting of critical *competences*. The RBV helps to explain how knowledge and resultant organizational competences, and thus capabilities, are developed within firms, Intangible resources such as knowledge, skills, strategies and procedures that are unique enhance the competitive advantage of the firm. In international business, knowledge and competences as firm resources provide the firms sustainable advantage that facilitate the entry into foreign markets (Knight and Kim 2009). The case studies

conducted by Knight and Kim (2009) have revealed that particular types of competences seem to be more critical concerning the internationalization process. According to the researchers, the great majority of interviewed managers have spoken about the importance of *international orientation*, *international marketing skills*, *international innovativeness* and about *international market orientation*. These four factors construct at the same time the four dimensions of the international business competence model. The citation below by the developers of IBC may give the most accurate description of the model (Knight & Kim, 2009).

“IBC is conceptualized as a multidimensional concept that reflects the extent to which the SME adopts a bundle of international competences to carry out international business activities in foreign markets in an effective way. IBC emphasizes the SME’s possession of intangible, cultural orientations as well as processes that account for international business success. It reflects competences in multiple areas, including learning about international environments and adapting the entire organization to new environments through interactions with foreign markets”

The dimensions of IBC (Knight & Kim, 2009) can be conceptualized as in the following section:

- **International orientation:** Internationally oriented firms are characterized by vision and proactive organizational culture for developing resources in order to achieve company goals in foreign markets; it implies active exploration of new business opportunities.
- **International marketing skills:** It refers to a firm’s ability to create value to customers in foreign markets. It is achieved through effective segmentation, targeting and international marketing activities. Differentiation from competitors is aimed. Superior marketing skills underpin firms to operate more effectively in international competitive environments.
- **International innovativeness:** It is defined as the capacity to develop and introduce new processes, products, services or even new ideas to foreign markets. Innovation has two major sources. The first source is the internal R&D that is linked to firm’s own knowledge and the second source is market intelligence, which includes the innovations of competitors in the present market. The role of market intelligence is essential for introducing innovations into foreign markets.

- **International market orientation:** There are three components of market orientation – customer orientation, competitor orientation and interfunctional coordination. Hence it refers generally to the extent to which the firms' international business activities are oriented towards the customers and competitors in the foreign market in the sense of obtaining intelligence about them and to what extent these activities are coordinated across departments in the company.

2.4.2 International Entrepreneurship Culture

Consistent with the IBC, Dimitratos et al. (2012) have proposed an operationalization of international entrepreneurship. The authors have developed a scale of the international entrepreneurship culture based on six dimensions (IEC). The assumption is that if a firm has strong IEC, it is more likely for the firm to engage in international business and seeking opportunities abroad (Dimitratos et al., 2012). The four of the six dimensions, which are relevant and similar in their content to the four dimensions of IBC, are explained below.

1. **International market orientation:** Attitude and behaviour of a firm to create value for its foreign customers. Consisting of three elements, namely international customer orientation, interfunctional coordination and international competitor orientation. Ability to identify and exploit market opportunities. Strong international market orientation eases internationalization.
2. **International learning orientation:** Propensity of a firm to actively obtain and use intelligence on foreign markets. Firm lacking learning skills may not be aware of market opportunities in a foreign market.
3. **International innovation propensity:** Tendency of a firm to support new and creative ideas, products or processes designed to service foreign markets.
4. **International networking orientation:** Ability or willingness of firms to obtain resources from external environment through alliance creation and social embeddedness.

2.5 Towards an integrated framework

The next step will provide an integrated framework and integrate the obtained literature towards a research model. The resulting framework will be related to the four themes of the proposed trade mission format, which is assumed to increase the effectiveness of the trade mission and hence the overall success rate of participating firms. It is of advantage to recall the four themes of the proposed format of the present research. An enhancement in these four areas is expected to have positive influence on the trade mission outcome. The four themes were *international readiness, innovation orientation, intercultural communication and group experience*. The relevant dimensions of the IBC and IEC can be categorized under the proposed themes of the new format. The concepts of IBC and IEC assume an increase in effectiveness and superior performance in foreign markets and explain the success by obtaining VRIN resources and dynamic capabilities. The concepts of IBC and IEC are related to the themes of the proposed format in their content and nature as suggested below.

Internationalization readiness

- International marketing skills (IBC)
- International market orientation (IBC, IEC)
- International networking orientation (IEC)

Innovation Orientation

- International Innovativeness (IBC)
- International learning orientation (IEC)
- International innovation propensity (IEC)

Intercultural communication

- Cross-cultural competence

Group experience/ Team Building

3. Methodology

The following chapter will describe the methodology that is going to be applied in this research. First the concepts will be introduced. Following this step the research design will be introduced that will facilitate to find the most precise answer to the present research question. In order to detect and assess any difference or distinction after executing the research plan, a well-developed operationalization is of high importance. Basically the operationalization will enable to determine changes in the skills of the participating firms in the Istanbul trade mission. Additionally another paragraph will summarize on which basis and how the cases for this study have been selected since case selection is a major aspect of this research. The last and third section will report about the plan of how researchers have planned to obtain the data from the selected cases.

This research uses action research, as it is a method to generate solutions to practical problems that affects the participants negatively while conducting international business. The practitioners are engaged with the research and the subsequent developments after the trade mission to Turkey. The action research provides support to the participants that strive to enhance their capabilities to succeed in conducting business internationally. A detailed definition of action research and its application method in the present research will be provided in the following sections.

3.1 Conceptualization

The following section focuses on the conceptualization of these four themes. Introduction of the themes will facilitate to comprehend their contents.

3.1.1. Internationalization readiness

Internationalization readiness is a concept according to Tan et al. (2007) that describes a firm's potential transition from a purely domestic firm into an international firm. The concept shortly represents a firm's readiness to undertake export activities in foreign markets. It describes a firm's preparedness and propensity to commence internationalisation. Especially important for the present research is the proposal by Tan et al. (2007) that pre-internationalization phase of a firm includes an information

input through stimuli factors that induces motivation and action within the firm, which have to potential to initiate the firm's first export decision.

3.1.2. Innovation orientation

Siguaw, Simpson and Enz (2006) define innovation orientation as in the following paragraph.

“A multidimensional knowledge structure composed of a learning philosophy, strategic direction, and transfunctional beliefs that, in turn, guide and direct all organizational strategies and actions, including those embedded in the formal and informal systems, behaviours, competencies, and processes of the firm to promote innovative thinking and facilitate successful development, evolution, and execution of innovation.”

3.1.3. Intercultural communication

In a globalized world as we live in today, business managers interact regularly with partners from other cultures all around the world. Since meetings are prevalent to all businesses, it is of an advantage to comprehend the way meetings are conducted in cross-cultural settings to increase organizational effectiveness (Kemp & Williams, 2013). In order to be effective in various cultures, participants must show interest to other cultures and be sensitive enough to perceive cultural differences. Moreover they must be willing to change or adapt their own behaviour as a sign of respect towards the other culture (Bhawuk & Brislin, 2000).

3.1.4. Group Experience / Team Building

Team building can be considered as a process, which involves diagnosis of team dynamics and creation of plans and processes to improve team performance (Dyer, 2015). Research on team building can be found in various areas such as in medical rehabilitation facilities (Halstead et al., 1986), sports teams (Hardy & Crace, 1997), in education (Maeroff, 1993) or even in virtual environment (Holton, 2001). The central notion of team building is that encouraging participation in a group will be more effective in planning and implementing change as compared to imposed changes outside the group (Salas et al., 1999). The ability to work collaboratively is seen as a core competency, however it is trust that matters for the collaborative dynamic of a learning organization (Holton, 2001). Personal conversations, story telling, sharing of experiences are forms of discourse that can lead to the establishment of an environment, which entails support, encouragement and sharing of feelings, which again can enhance trust within the group (Holton, 2001). Collaborative learning requires

certain amount of personal familiarity, intimacy and trust as the basis for an effective organizational team building (Holton, 2001). In order to function effectively, members of a team must be flexible and must have trust in other team members and be supportive of each member of the group during the process towards reaching a common objective (Quick, 1992). Effective teamwork can be said to be the main determinant between success and failure and the basic objective of a team is taking advantage of all present abilities, backgrounds and interests of its members (Hardy & Crace, 1997). Not any group can be considered as a team, a team must interact interdependently with each other in order achieve a common goal and members of a team must have specific and shared responsibilities (Hardy & Crace, 1997).

3.2 Research Design and Operationalization

In order to find an appropriate answer to the research question about the role of a good preparation, organization and of a well-planned follow-up stage on the effectiveness of the trade mission, an in-depth understanding of the present case is necessary. Shortly the entire research is planned in the following way: Ten participants are planned to be taken to the trade mission to Turkey. Eight is the minimum participant number and there are some criteria that need to be fulfilled. The firms need to be active within the domain of high-tech and health/life sciences. Furthermore at least five entrepreneurs need to be from the state of Overijssel due to the fact that this research is being sponsored by the local government of Overijssel. The unit of analysis in this study is a single trade mission to Turkey with its eight Dutch participants. The trade mission is divided into three stages consisting of the preparation phase, the trade mission itself and the follow-up sessions. Each stage will be investigated separately. The switch from macro-level to micro-level is expected to shed light on the question how to structure a trade mission organization in a way that leads to highest possible effectiveness for the participating firms. There will be intake procedures to eliminate non-appropriate candidates. Those who are responsible for the intake procedure own accumulated experience over decades and are expected to make the right decision concerning the candidates. After the selection process the participants will be visited in their headquarters and analysed along the four themes, which constitute this format of trade mission. The qualitative data obtained during these company visits will be used to estimate firms' situation concerning the four themes at the beginning of the trade mission. Further quantitative data will be obtained through an online questionnaire. This questionnaire prepared by the academic researchers will be based on the present

academic literature concerning the themes of internationalization readiness, intercultural readiness and innovation orientation. An e-learning company that supports SME's in their internationalization will translate the questionnaire in a way to make it comprehensible for the business participants in order to avoid misunderstandings and keep reliability high. The same company will then be responsible to publish the result in the form of quantitative data by giving scores for each participant based on the answers they have received from the questionnaire. This is essential since the qualitative data gained through company visits will be backed by the quantitative data. It is another measure for enhancing reliability. During the trade mission in Istanbul two accompanying researchers will split up to get a broader overview and a close monitoring of the occurrences and incidents. They will take note of their observations and spontaneous discussions, which again will be used as an input to generate qualitative data. Further data is planned to be obtained after the arrival in the Netherlands. The participants will need to answer open questions concerning the trade mission organization and phone interviews will be conducted concerning the four themes of the trade mission. Qualitative data gained through these processes will be then used at the end to detect if there has been any effect of the preparation sessions. The data obtained by two researchers will be accumulated in a common pool and scrutinized whether they correspond to any of the themes of the trade mission. Hereby attention is needed not to misinterpret qualitative data, which might cause problems in validity. Hence a proof reading by the other researcher will take place in order to avoid misinterpretation of present qualitative data. The feedback gained will be also advantageous to increase the effectiveness of further trade missions. More detailed reference concerning data collection will be given later in each corresponding section.

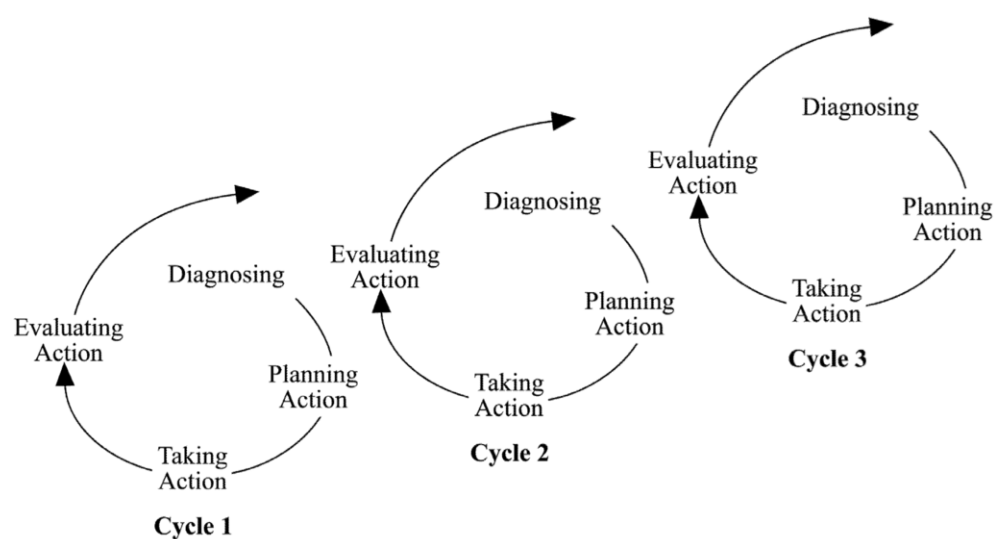
The essence of the present research lies in the fact that the “black box” of trade mission that has been either neglected or not investigated at micro-level as it can be seen by the available literature, will be open up. For this purpose a mission trade in Istanbul is organized for three days by the research team. Before the trade mission in Istanbul a preparation phase in the Netherlands will take place. After the trade mission follow-up sessions are planned. The entire organization of trade mission will be redefined as an event consisting of these three phases. The participants of the trade mission consist of eight Dutch SMEs and eight Turkish companies that have the potential of being business partners. The descriptive and exploratory research requires a qualitative research design that facilitates the study of a single case or phenomenon and yields a deeper understanding. Action research design has been chosen as the research method, due to

the fact that it merges research and praxis and hence enables to produce highly relevant research findings (Baskerville & Wood-Harper, p.1). Furthermore the key assumption of the action researcher is that complex social settings, such as a trade mission in the present case, cannot and should not be reduced for study (Baskerville, p.5). A holistic approach is rather advocated to understand the whole entity.

3.2.1 Defining Action Research

Action research has been established as a research paradigm to be applied in various fields such as educational, managerial or organizational development. It aims to solve problems that are deeply embedded in organizations through teamwork by following a cyclical process. The process consists of (1) *strategic planning*, (2) *action*, which is the implementation of the plan, (3) *observation* and finally a (4) *critical reflection* on the obtained findings (Zuber-Skerritt, 1996). Action research is a systematic approach to investigation, which facilitates researchers to find effective solutions to problems that are confronted during daily life (Stringer, 2013). The type of learning created by action research represents enhanced understanding of a complex phenomenon or problem since the researcher obtains information about a particular situation or environment (Myers & Avison, 2002). Experimental or quantitative research aim to find generalizable explanations related to a small number of variables, whereas action research scrutinizes complex dynamics in any social context. The continuous cycles are designed to detect effective and efficient solutions to problems experienced in specific situations (Stringer, 2013).

Figure 4: Action research cycles



In order to understand action research it is helpful to investigate its historical evolution and the incentive behind the development of such a research method. Action research has a complex history; it is an approach to research that has emerged over time from a broad range of fields. Action research perspectives can be detected in various works from earlier times (Brydon-Miller et al., 2003). The action research appeared first in Collier (1945), when programs were developed to improve relations between ethnic groups living in the USA. However it was Lewin (1946) who came up with a research method that set an objective to help practitioners beside knowledge creation (Avella & Alforo, 2014). Accordingly he emphasized “no action without research, no research without action”. Adam Curle (1949) another proponent of action research stated that action research aims more than merely discovering facts, it has a higher purpose and can help modifying certain conditions that are considered as unsatisfactory by society (Avella & Alforo, 2014). Exactly this double objective makes action research interesting. On the one side action research as any other research must make significant contribution to the academic literature whereas on the other side it must help to identify present problems and enable improvements in any given social context (Avella & Alforo, 2014). Having this double objective implies that practitioners must be involved in the research group from the very first moment of the project. In other words it means that the researcher seeks to solve the present problems not “for” the practitioners but “with” them (Avella & Alforo, 2014). There is the common notion among the action researchers that it is not enough to try to explain things, but one should also try to change them but changing system often involves variables that cannot be controlled by traditional research methods (Coghlan & Brannick, 2014). This insight led to the development of the basic tenet of action research, “the powerful notion that human system could only be understood and changed if one involved the members of the system in the inquiry process itself” (Coghlan & Brannick, 2014).

Based on the arguments and findings above, this research identifies action research as a methodology, which can play an important role in enhancing the trade mission participants’ skills in the four proposed themes and optimize the content of trade missions for optimal outcomes. The close collaboration with the participants will enable the researchers to have a deep insight into the “black box” of trade mission. The feedbacks received in form of interviews, questionnaires or spontaneous discussions during the trade mission are essential in the sense that they offer better understanding of what is essential and what needs to be improved for designing effective trade missions. The findings will contribute to the present academic literature on trade

missions and at the same time participants will be guided throughout the entire project from the very beginning until the follow-up sessions and will be provided with the possibility to enhance their capabilities in conducting business internationally.

In its origins, the essence of action research is a simple two-stage process. The first stage, the so-called *diagnostic stage* covers a collaborative analysis of the present situation by the researcher on the one side and by the participating subjects on the other. Hereby theories are formulated concerning the matter in hand. The *therapeutic stage*, which constitutes the second stage, involves collaborative change experiments. It is the stage in which changes are implemented and the effects of those changes are studied (Baskerville & Wood-Harper, 1996).

However, in order to achieve rigor in scientific research, an additional structure is applied on action research. The so-called *Client-System Infrastructure* as seen in the figure above, is the specification and agreement that constitutes the environment for the social research and requires additionally the establishment of the action research cycle that consists of five phases. Once this research cycle is established it can continue independent of the fact whether action was successful or not, to develop further insight about the organization and contest the validity of relevant theoretical assumptions (Baskerville & Wood-Harper, 1996). The five phases within the *Client-System Infrastructure* can be summarized shortly as:

- *Diagnosing* is the identification of the existing problems within the organization. Diagnosing involves desire for change and self-interpretation of the complex organizational problem. It is important that the development of certain theoretical assumptions is not done by simplification but rather in a holistic approach.
- *Action Planning* involves the collaboration of researchers and practitioners. This phase specifies the actions that aim to improve the problems diagnosed in the first phase. The planned actions that aim improvements are founded by a theoretical framework.
- *Action Taking* is shortly the implementation of the planned action from the second phase. The researchers intervene into to client organization and try to cause certain changes in the undesired situation within the organization.

- *Evaluation* is the next phase after the actions are conducted. In the evaluation phase the researchers have to determine whether the theoretical effects of the action were realized and whether these effects have helped to tackle the present problems within the organization. In case the change led to success, the researcher has to evaluate whether the action taken was the sole cause of the observed success. When failure is observed some framework for the next iteration of the action research cycle should be established, which means that the hypothesis may need some adjustments.
- *Specifying Learning* constitutes the last phase of the cycle and is a continuing process. Hereby the experience and knowledge obtained from the action research can lead to restructuring of organizational norms to induce knowledge obtained from action research. In case the change was unsuccessful, the additional knowledge gained from the research may be used as a foundation for further action research interventions. And finally independent of the fact whether the change based on the theoretical framework was successful or not, it can still provide important knowledge to the scientific community for possible future research.

Researchers who wish to apply action research might need to face certain problems. However these problems might occur during any kind of research method applied in social sciences rather than being problems peculiar to action research. Some considerable examples are given below (Myers & Avison, 2002).

1. The possible lack of impartiality of the researcher may lead to the rejection of the action research method by a number of researchers
2. Some of the present action research available to scientific community lack rigour, which makes it difficult to assess the work, especially for research degrees and for publication in academic journals. Here the importance of the cyclical infrastructure appears. As Myers & Avison (2002) claim “rigorous action research clings tenaciously to its disciplined constructs of cyclical theoretical infrastructure, data collection and evaluation”.
3. Action research is context-bound, and not context-free and based on this fact it is difficult to determine the cause of a certain effect that could have different

causes like environment, researcher or methodology. Action research produces narrow, limited learning in its context because each situation is unique and cannot be repeated, which again is the nature of idiographic research methods. However it still has an underlying theory that is being tested and either falsified or approved. Action research is considered as a fine theory discovery method.

These issues need additional attention, however as mentioned above these problems are actually general problems of social science research. Action research share these problems with other present research methods.

3.2.2 Application of Action Research

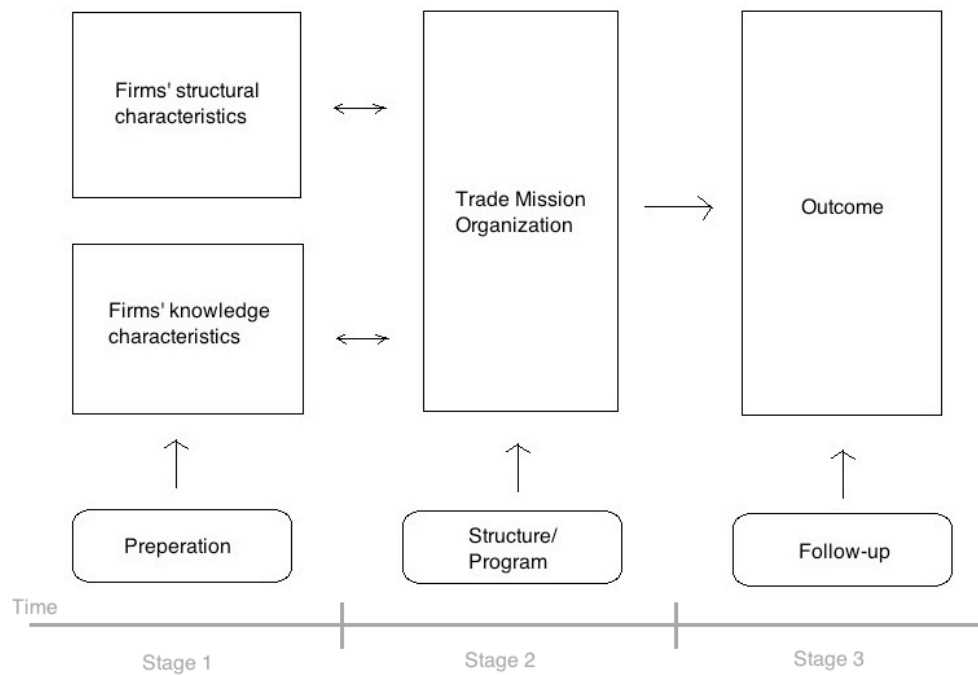
The type of obtaining knowledge from action research represents enhanced understanding of a complex social and organizational phenomenon. It is based on the proposition that “causal inferences about the behaviour of human beings are more likely to be valid and enactable when the human beings in question participate in building and testing them” (Argyris and Schön, 1991). Hence, in action research the researcher is actively involved and the knowledge obtained can be directly applied. Furthermore action research is a process linking *theory* and *practice*, which enables the researchers in the present study to compare the available research findings with the reality.

In order to find an answer to the above-mentioned research question about the role of an appropriate preparation of the participants on trade mission effectiveness, action research has been selected as the research method based on the advantages as summarized in the previous paragraphs. The main idea of the present research is to introduce eight Dutch small and medium enterprises (SMEs) to in total 40 corresponding Turkish SMEs during a trade mission in Istanbul.

To facilitate the structure and the content of the research project for the reader, the entire project will be divided into three stages along a timeline. This step has at least two advantages. On the one side it will illustrate the three stages, which take place in different places at different times and on the other it will be helpful to scrutinize each step by putting the magnifying glass on each stage separately. By dividing the research into three stages, a more precise screening is achieved and the loss of small details in each stage is expected to be minimized as much as possible. And of course dividing the project into three stages reproduces the actual flow and process of the entire mission that consist of the preparation, the organization of the trade mission itself and the

follow-up stages. Figure 5 below pictures the research design along a timeline divided into the three stages and the proposed relationship between those stages. Based on this assumption the present study will put special focus on the role of the *preparation*, the *structure* of the organization and on the *follow-up* stage in order to determine their effects on the trade mission outcome.

Figure 5: Trade mission organization and the research design



3.2.3 Acquisition and intake procedure

Invitations have been sent out to a number of Dutch SMEs among which eight have been chosen in the final stage according to their firm properties based on *structural* and *knowledge* characteristics. Hereby *structural characteristics* describe aspects like *firm size*, *core business activity* like manufacturing or services and *turnover*. During the first intake meeting Lars Groot (former consultant in international trade for the Chamber of Commerce in Zwolle) and Harun Tepe (owner of Tradegate consulting company) will ask participants what they want to achieve in Turkey and where their companies are specialized in and in which industries they see business opportunities. Based on the company profiles and wishes each of these eight Dutch enterprises will be introduced to five Turkish companies as a potential business partner.

As we move along the timeline, the reader will begin with the screening of the first stage, *the preparation*. The three organizational and chronological stages will be accompanied

by the five theoretical stages of the *Client-System Infrastructure* within the action research.

Stage 1: the preparation

Prior to the trade mission in Istanbul three preparation sessions will take place, each one with a different aim. During the first preparation session each participating company will be visited individually. The purpose of those individual visits is to elaborate and discuss the four themes in the new trade mission format. After the visits each company will be asked to participate in a questionnaire concerning the themes in the new format. The questionnaires are about *international readiness*, *intercultural communication* and *innovation orientation* and can be viewed in the appendix. These aspects denote the firms' *knowledge characteristics*, which is described by Spence, M. (2001) as "the awareness of a firm's internal capabilities, competencies and resources help in spotting appropriate opportunities that will maximize its international potential." In this manner the first *diagnosing phase* and the second *action-planning phase* of the action research will be initialized. It is of advantage to mention once more that diagnosing involves desire for change and self-interpretation of the organizational problem (Baskerville & Wood-Harper, 1996). The remaining two sessions are planned to be group meetings. During the first group session the participating firms will be trained and provided with necessary knowledge on the four themes. The second and last group session before the visit to Istanbul will provide the firms with information regarding Turkey in general and the Turkish business market. These group sessions reflect the *action-planning phase*, which involves the collaboration of researchers and specifies the actions that are supposed to improve the diagnosed problems (Baskerville & Wood-Harper, 1996).

Stage 2: organizing the trade mission

Moreover it is proposed that next to the firm knowledge characteristics, the trade mission's structure/organization, as prepared by the service provider, is an essential determinant of the outcome of a trade mission. The planned trade mission is the "action" itself and will last over three days during which the eight Dutch SMEs will be introduced to five potential Turkish business partners. In the action research literature this phase is identified as the "action taking", which is the third phase out of five and is described as the implementation stage of the planned action. In the present case the Dutch SMEs, which will be gone through the preparation phase by the time they will arrive in Istanbul, can implement the gained experience during the trade mission in Istanbul.

During the evenings in Istanbul meetings are planned in order to discuss the developments and gain valuable information and data from the participants.

Stage 3: the follow-up

After the trade mission in Istanbul follow-up sessions are planned. These sessions aim to support the participants in the establishment of actual partnerships with the companies they got in contact in Turkey. The first follow-up session will be an individual one and participants will receive a questionnaire by e-mail and have the chance to give a constructive feedback on the organization. It will be followed by the second session, which will be a group meeting consisting of all participants of the trade mission. During those sessions some revisits, phone calls or e-mails will be stimulated to keep the contacts alive. During the third and last session of the follow-up phase, the participating firms will be assessed again on the themes of the new format. For that purpose, the participants will be interviewed on the phone. The results gained prior the trade mission and after the trade mission will be then be compared in order to asses whether the participating firms have developed their skills on the themes such as internationalization readiness, intercultural communication and innovation orientation. This is at the same time the fourth phase in the *Client-System Infrastructure*. In the *evaluation* phase the researchers will try to determine whether the applied theories were realized in reality and whether their effects have contributed anything in the improvement of the present problems.

3.3 Case Selection

In an action research project some preparatory steps need to be taken in order to increase the project's success rate. Quality of theoretical background, lack of motivation from the client side or an inappropriate case selection may cause problems during the advanced stages of the research and need to be taken care of from the beginning phase of the project (Kock Jr, McQueen and Scott, 1995). Selecting firms to participate involves some investigation to assess the availability of organizations and determine their suitability for the study. It must be underlined that an action research of high quality requires proximity and intimacy between the researcher group and the participating organizations. Before initiating the research some information should be collected about the potentially participating organizations through interviews, internal reports or documents (Kock Jr, McQueen and Scott, 1995). This approach has been also followed in the present research project. Invitation e-mails have been sent through which SMEs could register themselves for the Istanbul trade mission. In order to increase attention

and attract sufficient participants, repetition mails and additional phone calls have been deployed. After a pre-selection phase each of the qualified SMEs has been invited to be representative for an intake meeting. The purpose of the intake meeting was to determine SMEs' specialization, in which industries they see business opportunities and their goals in the Turkish market. On the basis of the gained information from the intake meeting a match-making company looked for targeted opportunities for the Dutch SMEs in the Turkish market. An individual business-to-business program has been developed in which each Dutch SME has been introduced to 5 Turkish companies.

3.4 Data collection

Action research is certainly empirical, although the obtained data may be very unstructured (Myers & Avison, 2002). Action researchers need to plan methodical data collection methods, which is highly critical for reliability. A range of reliable data collection techniques are audiotaped observations, interviews or participant-written cases (Myers & Avison, 2002). Action research entails discussion with subjects on the spot. Moreover Naur (1983) suggests using diaries as a method to obtain data. Hence researchers may collect data by keeping diaries. In the present research data will be collected from all participants during all three stages. By participants, it is not meant only representatives of firms but also anyone who has contributed to this research. It includes the organizer of the trade mission who is at the same time the researcher and anyone who has been hired by him and has contributed to the realization of the trade mission. Since one deals with a descriptive and qualitative study, one chosen method of obtaining data is through questionnaires, which the firms will fill in as in the first and third stage of the research. Moreover group discussions and observations made during these discussions are expected to contribute to obtain some additional data. Compared to a survey interviewing, a qualitative interview is based on a set of topics that are discussed rather in depth (Babbie, 2007), which is an essential point in the present research due to the fact that this action research aims to create a deeper understanding of the phenomenon.

In order to keep reliability of the present research high, the organizer and researcher of the Istanbul trade mission will proofread the present work and correct if false information or observation is detected. It is essential because certain observations might have been perceived wrongly by one researcher or misunderstandings of certain situations might have taken place during the trade mission. In order to avoid such a situation researchers planned to exchange their views and observations and a final proofread will take place.

Below a table is provided that helps to gain an overview of the three stages, their contents, what these three phases aim and what kind of data through which method has been collected during each phase.

Table 1: Phases summarized

| | Content of the phase | Aim of the phase | Data collection methods |
|----------------|--|---|--|
| Phase 1 | <p>Session 1: Individual company visit</p> <p>Session 2: Group learning experience</p> <p>Session 3: Information meeting</p> | <p>Elaborating the four themes of the new trade mission</p> <p>Providing companies with knowledge on four themes</p> <p>Providing participants with information on Turkey</p> | <p>Companies' situation regarding the four themes of the new trade mission</p> <ol style="list-style-type: none"> 1. Int. readiness 2. Innovation orientation 3. Intercult.communication 4. Group experience <p>Data collection method:</p> <p>Company visits and reports (qualitative data)</p> <p>Online business scans. (quantitative data)</p> |
| Phase 2 | <p>Trade mission to Turkey</p> <ul style="list-style-type: none"> • Business meetings • Group activities | <p>Meeting of Turkish and Dutch business partners</p> <p>Group activities</p> | <p>Observations during business meetings and activities. (qualitative)</p> <p>Notes taken during discussions (qualitative)</p> <p>Interviews (qualitative)</p> |
| Phase 3 | <p>1st follow-up meeting</p> <p>Phone call interviews</p> | <p>Sharing latest developments concerning business deals after the trade mission during the meeting</p> <p>Asking participants trade mission related questions and their opinion on this new format</p> | <p>Online questionnaire shortly after the trade mission (qualitative)</p> <p>Notes taken during the follow-up meeting (qualitative)</p> <p>Phone interviews (qualitative)</p> |

3.5 Data Analysis

The data will be analysed in the following way. The data that has been collected in any form from all three phases and from the very first day of the entire organization will be scanned and examined carefully. The examination in the first step aims to determine the status of the participating firms prior to the initiation of the entire trade mission organization. Secondly, since data in any form has been collected prior to the entire organization and during its three phases of the trade mission, any kind of change in the participants' qualities that leads to higher performance or effectiveness will be facilitated to detect. Hence analysing data that is available to the researchers in various forms is perhaps the most crucial part of the present research. Relevant data is available in form of answers to open and closed questions, from business scans, from personal interviews during all three stages, from group discussions or sessions, e-mail traffic and phone messages among the participants or merely from personal observations of the researchers during the entire organization. Obtained data will be collected and exchanged among researchers to avoid uncertainties and ambiguities and the data will be examined and interpreted along the four themes that are underpinned by literature and empirical research. As already mentioned, existing theories construct the frame and enable us to focus our attention while observing participants on essential issues that might influence the trade mission outcome.

4. Findings

This chapter's aim is to reproduce the observations and analyse the data in form of qualitative and quantitative that were obtained by the researchers during the three phases of the trade mission. The procedure is simple and easy to follow. The obtained observations and data will be presented in chronological order for each single step by following the present timeline of the entire mission. The Client-Infrastructure-system with its five theoretical stages has been a valuable support in designing the research. The entire structure of the present research is in accordance with the five theoretical stages that is offered by the client-infrastructure-system. Hence it is no wonder that the three phases of the trade mission coincide with the five theoretical stages of the client-infrastructure-system. The client-infrastructure-system is guiding the entire research from its initiation until the very last step and is providing a very essential role in obtaining results.

4.1 Acquisition and Intake Procedure

The trade mission started off in September 2014 when the first meeting with the project team took place in Windesheim. The team consisted of the organizer who is the main researcher of this project at the same time. He composed a project team consisting of five persons, including himself. The role division was the following:

Lars Groot from the Chamber of commerce, an internationalisation expert with 26 years of expertise in supporting companies, and Harun Tepe, the owner of Tradegate, which is a consulting company supporting firms who wish to enter or expand their business in Turkey. The first decision the project team had to take was about the date of the trade mission. December 2014 was commonly agreed, however due to criteria that at least eight companies had to participate, which was not the case in December yet, the trade mission had to be postponed to February 2015. It was also decided to select firms within the domain of high-tech and health/life sciences, however applying a broad definition of these types of industry.

After having found a date for the trade mission the next issue was to attract appropriate firms for the acquisition of the trade mission. The project team has used following channels for the acquisition:

- The university website and then via social media. Interested firms could register for an intake
- The network of the Chamber of Commerce-expert
- The network of the match-maker
- 'Cold acquisition'

The trade mission was presented to potential participants as an extensive guiding program. It was not merely a trade mission but it was a trade mission PLUS with an intensive preparation and follow-up program, which participants could have benefited from in case Turkey was an attractive market for them.

In order to spread the invitation several channels have been used. The communication department of Windesheim has been asked to distribute the invitation via its own network. Lars Groot from the Chamber of commerce has used his own personal network to attract firms and an announcement was put on the website of Windesheim where

interested firms could register themselves for the trade mission. Against the expectations of the project team, finding sufficient number of participants was not as easy as expected but slowly the number of interested firms was increasing by time.

The project team invited companies from high-tech industries and life sciences, as it was a condition set by the government of Overijssel. The minimum number of participating firms needed to be eight and at least five of them needed to be from the province of Overijssel as the local government sponsored the project. Lars Groot from the Chamber of commerce made the first contact with participants on the phone and once he saw some potential in the firm, a representative was invited for an intake interview.

For the intake two rooms were booked at Windesheim. In the first room, Harun Tepe and Lars Groot were having a discussion with the participants and posed them questions about the status of their company and what exactly they want to achieve in Turkey and what products they want to offer. Lars Groot is specialised in organising trade missions for companies and has been working for the Chamber of commerce for 26 years.

When Lars Groot was asked on which criteria he has decided to take or leave companies, he answered that it was based on the firm representative's strength and weakness, the validity of his story. In his own words he said, "Apart from writing the contracts my biggest contribution to the project has been to understand what a company says it wants to do and what a company actually could eventually do". Hence the firm representative needed to convince him why his company and not another should take the seat to Istanbul. He gave an example of a solar panel producer who considered himself as a market leader and thought of having good chances in Turkey. But at the end of the discussion the firm representatives concluded himself, that the Turkish market for solar panels is already developed and it would be difficult for him to enter the market. Years of experience allow Lars Groot to see if there is "air in the story" as he describes with his own words. As in the case of the solar panel producer it did not him long time until he rejected the company based the fact that they were too late to enter the Turkish market. In the same interview Lars Groot claimed that in trade missions it is not all about generating turnover "I have always maintained the opinion that it is for some companies very useful just to get a picture of the market, which does not necessarily express itself in new turnover. Ideally speaking it would but the Istanbul trade mission participants got a picture of the market, I would say that is already profit

for them". It is essential to have someone as experienced as Lars Groot in the project team. On the one hand his experience over years allows him to analyse firms closely and determine whether they can make use of the trade mission and on the other hand he is able to see the ineffectiveness present in trade missions in their current form. He clearly stated "I think a lot of trade missions are being pursued without being organized thoroughly and I do not see that changing any time soon".

Based on the information Lars Groot and Harun Tepe received, firms have been assessed whether the company was appropriate for the trade mission to Istanbul. The potential candidates were then sent to the second room where two other project members were sitting. Their purpose was to inform the candidates about the preparation stage and the sessions in order to commit the participants to the trade mission trajectory since firms would not expect such an extensive trade mission program.

By the end of December, 10 firms were "in" and had signed the contract with the project team. Each participant was promised to have three to six potential matches. The project team would organize the business meetings in Turkey and would also offer further support after the trade mission in form of follow-up sessions. Once the firms signed and approved the contract they committed themselves to the trade mission. Dropping off afterwards would bring consequences as in form of financial reimbursement.

At the end of the intake phase one firm did not believe that the planned trade mission would be successful and dropped out voluntarily and another company was scared to travel to Turkey due to the terrorist attack that took place during the planning phase of the mission. Hence the number of participating firms dropped to eight, which was the minimum number of participants according to the present criteria.

4.1.1 Analysis

The intake procedure has been crucial since it was the starting point of the entire project. If participants were not chosen appropriately that would have endangered the effectiveness of the project. Hence professional assistance was needed not to leave everything to luck. Lars Groot and Harun Tepe were hired as experts and have contributed immensely. Their experience played an important role in choosing participants and finding them right matches in Turkey. Also it was important that the participants learn about the content of the guidance program to commit them to the entire trajectory and make them aware of the extensive content of the program.

4.2 First Phase of the Trade Mission

The first phase, which is at the same time the preparation phase consisted of three sessions. The first session was individual and consisted of company visits in order to increase participants' commitment for the project and gain additional information to prepare company reports based on the visits. The other two sessions of the preparation phase were group sessions aiming to prepare the company representative for the trade mission to Istanbul.

The first phase of the trade mission consisted of participant preparation. The following elements were included in this phase:

- Company visit by project team members: The aim was to show the commitment of the project team and obtain further information about participating firms and their situation concerning the four themes.
- Online scans: The participants had to fill a questionnaire. The given answers were used to estimate the firms' standing concerning international business readiness, intercultural readiness and international innovativeness. The results are quantified for a better illustration.
- Plenary session with all participants and the match maker/business developer: The main goal was to introduce Turkey as a country and inform about its economy.
- Plenary session with all participants: Shortly before the trip to Istanbul all participants gathered during an evening. During the meeting they received tutorial on improving presentation skills and have been made aware of cultural differences in Turkey.
- Long list of potential firms: Participants have received a list of potential partners in Turkey. They were asked to visit their websites and select preferred partners.
- Short listing and scheduling of appointments by Kemal for the participating firms

The first two phases of the *Client-System Infrastructure* have been applied during the preparation sessions of the trade mission. The first phase, the *diagnosing phase* aims to identify present problems and involves desire for change as already explained. The researcher team has identified potential problems first by visiting the companies and preparing company reports based on conducted interviews with company representatives. Moreover participants have filled questionnaires later on, which were designed to diagnose firms' position concerning their international business readiness, intercultural readiness and their level of innovativeness. Participating firms desired a change; they wanted to penetrate the Turkish market and took part in the project to make use of the guidance program to enhance their capabilities and hence increase chance of success in the Turkish market. The second phase of the *Client-System Infrastructure*, the *action planning* was also applied during the preparation phase. *Action planning* specifies the actions that have the purpose to improve diagnosed problems. After companies went through the interview and the scans they have been prepared for the trade mission to Turkey. The participants have received valuable information on Turkey as a country and on its economy at first. In the next group session two experts on Turkey have given a presentation on Turkish business culture and have prepared the participants on how to behave towards the Turkish business partner. Moreover firm representative have received a tutorial on how to improve their presentation skills. Detailed information about these sessions is available in the next section.

4.2.1 First session

After contracts had been signed with the participating firms, individual company visits were scheduled as the first session. The main organizer and two other project members were in charge of the company visits. The main aim of these visits was to be present physically in the company headquarters to show the commitment and the interest the organizers had in the participating companies. The researchers also introduced the four themes to the representatives, which the firms will receive training on. Furthermore one of the project team members used these company visits to create reports about the participating firms based the on discussions the organizers had with the company representatives and the perceptions they have gained during these visits. This reports helped later on in evaluating the companies' situation concerning their level in internationalization, innovation and cross-cultural communication.

A list of companies that have been visited can be found below. Furthermore company reports that have been prepared after the visits are summarized below as well. They

give general information about the companies and their situation concerning the themes of internationalization, innovation and cross-cultural communication. Two companies Euro Reference B.V and MKB have not been visited thus company reports about these two are missing.

| Infowatt |
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| |
| General: Since its foundation in 1977 Infowatt has been a reliable, knowledge-intensive developer and supplier of customized or standard solutions for integrated process management. Durability, environmental sustainability and energy saving is an integral part of their solutions. Infowatt monitors and controls remote processes with the aim to make the right information available at the right place and at the right time. Infowatt provides innovative solutions in the water, energy, oil and gas markets. As for the Turkish market, Infowatt shows interest in regulators and large clients active in energy conservation. |
| |
| Internationalisation: Infowatt has been internationally active in many countries such as Bangladesh, United Kingdom, Germany, Turkey, India or France. The Dutch market has limited size and does not offer enough opportunities hence the company aims expand their international business. |
| |
| Innovation: Infowatt is particularly strong in niche markets and tailor-made projects. Infowatt mainly focuses on knowledge and technology transfer. The company is composed by innovative technologies and is constantly innovating. |
| |
| Cross-cultural communication: Experience in Bangladesh where the process was long and took a lot of time and effort. Pleasing everyone is certainly a challenge. The company representative sees opening up to other people and cultures as very essential to sustain a relationship. |

| Inter Manage |
|---|
| |
| General: The company offers courses and training that are custom made. The courses focus mainly on strategic leadership, general management, innovation managements, quality management and talent management. Furthermore the |

owner of Inter Manage is an innovator, which is an additional driving force behind the company.

Internationalisation: As for the internationalisation it can be seen from the company visit reports that the owner of Inter Manage has been active in some internationalization processes during his career in a number of institutions.

Innovation: The company puts special emphasis on the Middle East. The owner states that lot of companies are afraid of the region and hence miss opportunities. According to the company owner he is making use of the lack of competition and is exporting a lot of knowledge and innovation to the region. As for the Turkish market he is interesting in developing prefab emergency housing units that are quickly built and can be used during disasters or at refugee camps.

Cross-cultural communication: The company owner has been to Turkey eight times hence he sees himself as a real expert in culture. He has organized several conferences on diversity and knows Turkish culture very well and speaks Turkish fluently. He reveals some features about the Turkish business culture. Accordingly, Turks want to make everything themselves, there is lack of collaboration. The patience to develop is low, Turks are rather merchants who want to buy and sell and make profit as fast as possible.

Luna Group

General: Established in 1996, the Luna Group is specialized in adhesives, bonding materials and in surface treatment technology. The knowledge in the field of adhesives and surface technology is increasing rapidly. The biggest innovation is a technology that enables to produce linerless labels, which helps to cut waste and production costs. The company is focused on solving adhesion problems for customers. The group strives to enable all kinds of material connection in a sustainable manner by using adhesive and surface technology. As for Turkey, the firm aims to find an agent in the printing industry, suppliers of linerless dispensers or printers for food packers for instance.

Internationalisation: Although the firm has been active internationally, the main focus has been the Dutch market so far. However internationalization is playing an increasingly important role since the market in the Netherlands is relatively small. For international market the linerless machine is of great importance.

Cross-cultural communication: The company has realized in the past that international experience and language skills are important in international business. For instance the company made a deal with a Belarusian company but had difficulties in initiating the project due to language barrier and unusual red tape, which was difficult to deal with for the Dutch company.

Innovation: Luna Group is a truly innovative company. R&D is key factor in company's success. Proactive work with clients ease to find solutions to individual problems and supports innovation. There is constantly place for innovation and quality enhancement and efficiency. Certain countries are more ready for new technology; some markets accept new technology easier than others. The linerless is a sustainable product with less packaging material, more meters per roll and lower transport costs due to decreased weight.

Garden Trade

General: The company is an importer and wholesaler of high quality electrical and gas fired terrace heaters, ceramics outdoor fireplaces and modern steel fireplaces. The company delivers for clients such as garden centers, department store or hardware stores throughout Europe, Russia and Australia.

Internationalization: The main market is Europe but purchasing is done outside Europe. Approximately 50% of the revenue is generated from exports. The company supplies major chains like Metro, OBI, Bauhaus who have branches in Turkey but do not offer Garden Trade products in Turkey.

Innovation: The company owns patents on specific products. Efficiency is very important. Due to its smaller size the company can act more quickly and respond to trends in the industry. According to the company representative it is essential “

to keep the eyes open” to detect opportunities. The focus shouldn’t be on existing products but rather on what can be done and how innovativeness can be increased.

Cross-cultural management: The company representative speaks four languages very well and aims to employ someone who is able to speak further languages in order to support the exports. The company pays high attention on culture and cultural differences as the company considers those as highly important in sales.

Olympia Holland

General: The company is active for more than 50 years in the development and manufacturing of products made by steel, stainless steel and non-ferrous materials. It is offering mainly frames and shelves that are needed in food or construction industry. Olympia strives to improve its position in the national and international markets by improving expertise, innovation and quality.

Internationalization: The company can be considered as an international one since nearly 90% of the company turnover is generated from exports. Europe is the main market but clients from countries such as Australia, Algeria, Israel or Russia are no exception. The company wants to know if it can supply the Turkish market with its products.

Innovation: Continuous innovation is necessary for the company. There is no standardization of products in the industry. The company does not produce for their stock but according to specific wishes of the customer. This requires adaptability and innovation.

Cross-cultural innovation: Due to the fact that the company is internationally active the company representative has extensive experience in doing business with other cultures. Respect for each other is the basis of a healthy communication according to the representative. There shouldn’t be any problems in this area, a good preparation should be done before getting in touch with foreign cultures.

| Van Graaf |
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| |
| General: The company is a specialist in sustainable and high quality UV disinfection systems. The company designs and produces both standard and customized solutions. The system can be applied in a wide range of areas such as wastewater treatment, swimming pools, food industry, offshore industry etc. |
| |
| Internationalization: Export is certainly important for the company. On average 60% of revenue is coming from exports. Europe is the main market. For the Turkish market, the company is looking for an agent or distributor as a partner. |
| |
| Innovation: It can be considered as a highly innovative company. It has its own R&D department to test what effect UV light has on water and how certain chemicals react. The innovation is based on scientific research. |
| |
| Cross-cultural management: The company representative puts high value on getting the Turkish culture to know. He thinks that cultures influence the way people perceive this product and technology |

4.2.2 First Group Session

During the second session the core issue was Turkey as a business destination. It was organized as a group meeting where participants received information about Turkey and the Turkish economy. By then the companies had already filled the online scans, which were designed to measure the participants' international business readiness, innovation orientation and their intercultural readiness. The organizing team prepared the online questionnaires based on the available literature and rephrased the questions in a way to make it easier for the participants to comprehend and avoid confusions in this way, which might have caused validity problems otherwise. The participants filled the questionnaires and their firms' status concerning the three themes has been quantified with the help of the questionnaires. The results of the scans are illustrated below. Unfortunately not all participants were able to fill the questionnaires, hence only those who filled the questionnaires are illustrated below. Also worth to mention that one company decided to drop out after the first session. According to the official

statement of the company representative the management did not believe in the program and questioned the content of the trade mission. Hence they decided to quit the project based on their personal perception of the program.

An e-learning company that produces solutions for business owners and supports businesses to grow was charged to perform a scan to measure the level of internationalization, innovativeness and intercultural communication skills of the participating firms. Together with the company reports that were prepared after the company visits, these scans allowed a more precise estimation of the firms' conditions concerning these three themes. Unfortunately two participating firms did not fill the questionnaires and one firm, which filled it, dropped out the project voluntarily. Hence there are only six valid scan results instead of eight.

The table and the figure below show the obtained results from the scans concerning the participants' *international business readiness*. As already mentioned in the former chapters, the concept represents a firm's readiness to undertake export activities in international markets. It describes to what extent a company is prepared to commence international business. The scan that was prepared in collaboration of the researcher team and the e-learning company aimed to detect the firms' international business readiness along five dimensions. The result of each of these five dimensions provides the researchers with a total score that estimates each firm's situation.

The five dimensions consist of the following aspects. In the firms column (culture) the scan aims to detect whether the participant is able to deal with foreign cultures and cultural differences. The following column (the story) is about whether the representative can tell about his company and product convincingly in the English language and whether his presentation skills are good enough to keep the attention of foreign audience. The third column (the organization) is about the capabilities and the attitude of the firm towards conducting international activities. The fourth column (knowledge) is whether the firm owns the capability to obtain market knowledge and to increase awareness of varying conditions abroad. It includes problems that may occur due to differences in national laws and regulation, standards or simply during the production or transportation process. The last and fifth column (the network) is shortly about the extent of the company's international network. It is about whether the company has partners abroad or whether the company receives regularly information

from its international network such as from agents or distributors about new opportunities in international markets.

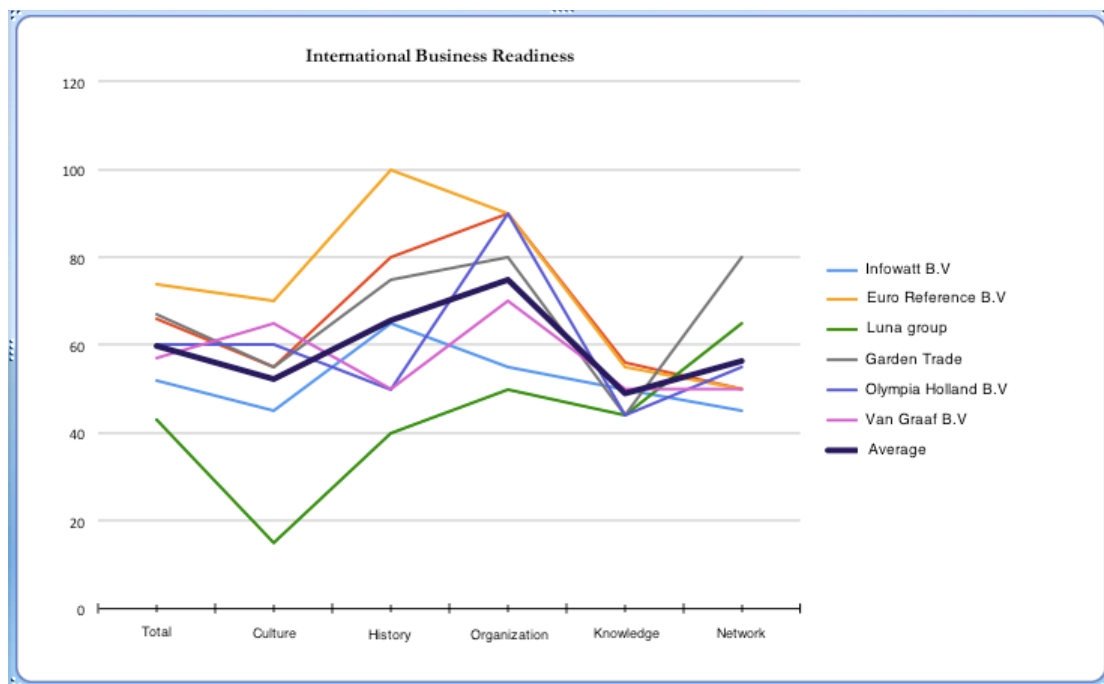
As it can be seen in the table below, the average score of all participants concerning international business readiness is approximately 60. Certain companies are above the average such as IRS with 74 points and others such as the Luna Group with 43 points. It is interesting to observe that all participants have more or less the same score concerning the knowledge column. From this result it can be concluded that all firms have difficulties in obtaining knowledge about competition and local market conditions and are limited to get access to national laws and regulations. Moreover the firms do not have a clear picture about to what extent local conditions concerning manufacturing, logistics and distribution vary from the present conditions in the Netherlands. It seems to be a common aspect that all participants share due to the fact that all participants scored poorly in this column. A detailed version of the questionnaires including all questions that the participants needed to answer can be found in the appendix.

Table 2: Participating companies and their international business readiness measured by online questionnaire

| | Total | Culture | History | Organization | Knowledge | Network |
|---------------------|--------------|--------------|--------------|--------------|-----------|--------------|
| Infowatt B.V | 52 | 45 | 65 | 55 | 50 | 45 |
| Euro Refecence B.V | 74 | 70 | 100 | 90 | 55 | 50 |
| Luna Group | 43 | 15 | 40 | 50 | 44 | 65 |
| Garden Trade | 67 | 55 | 75 | 80 | 44 | 80 |
| Olympia Holland B.V | 60 | 60 | 50 | 90 | 44 | 55 |
| Van Graaf B.V | 57 | 65 | 50 | 70 | 50 | 50 |
| | | | | | | |
| Average | 59,86 | 52,14 | 65,71 | 75 | 49 | 56,43 |

The graph below illustrates the same results as in the table above. It makes it clear to the reader by visualizing the obtained results.

Figure 6: International business readiness illustrated as graph



The next scan is measuring the intercultural readiness of participating firms. In other words it is detecting the firms' cultural IQ. If a company aims to do business abroad it is inevitable for the company to learn how to deal with cultural differences. The 25 questions in the cultural questionnaire are prepared to determine the cultural IQ of the firms. The intercultural readiness questionnaire consists also of five dimensions. The first column (interest) aims to measure to what extent the company representatives are interested in learning about new cultures. It is about if the company aims to pay attention on cultural differences, whether the company is aware of that cultural differences matter in conducting business. The next column (experience) tries to find out to how many countries the company representatives have been and in how many countries they have been conducting business. It is about determining whether the representatives have with people from various cultures. The third column (overview) can be said to measure the individual's readiness to receive cultural input. The questions in this column try to determine to what extent someone is ready to detect cultural differences, and once determined to what extent is this person ready to apply those differences when dealing with people from foreign cultures. Is the person simply willing to learn about other cultures? Column number four (approach and motivation) questions how far the participant's motivation goes. Does he spend additional time to speak to people from other cultures to find out about differences or does he read books

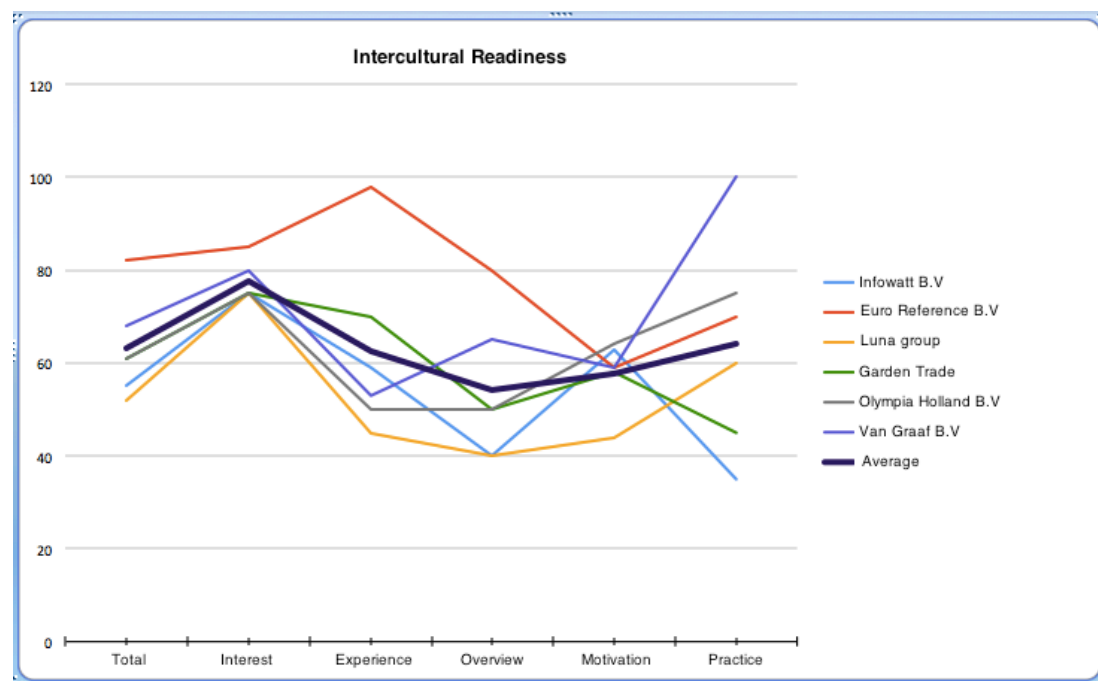
or conduct research or take part in courses before conducting business in a new country. In the last column (practical cases) real-life situations are given. The participant is supposed to chose the most appropriate answer for him among all available answers. Again here the accumulation of all columns leads to the total score for each firm. A detailed version of all 25 questions can be found in the appendix.

Table 3: Participant and their intercultural readiness measured by online questionnaire

| | Total | Interest | Experience | Overview | Motivation | Practice |
|---------------------|--------------|-------------|-------------|--------------|--------------|--------------|
| Infowatt B.V | 55 | 75 | 59 | 40 | 63 | 35 |
| Euro Refecence B.V | 82 | 85 | 98 | 80 | 59 | 70 |
| Luna Group | 52 | 75 | 45 | 40 | 44 | 60 |
| Garden Trade | 61 | 75 | 70 | 50 | 58 | 45 |
| Olympia Holland B.V | 61 | 75 | 50 | 50 | 64 | 75 |
| Van Graaf B.V | 68 | 80 | 53 | 65 | 59 | 100 |
| Average | 63,17 | 77,5 | 62,5 | 54,17 | 57,83 | 64,17 |

Again there is one commonality among all firm representatives. It is interesting to observe that all participants scored relatively high in “interest”. From this it can be concluded that all firms in the project are aware of the importance of cultural differences and that they matter for the business outcome. Participants are ready to invest resources to learn about new culture. As in the international business readiness questionnaire IRS scores highest again whereas the Luna Group has the lowest score.

Figure 7: Intercultural readiness illustrated as graph



4.2.3 Second Group Session

The second group session, which was the last preparation session at the same time, took place approximately one week prior to the departure to Istanbul. The present research questioned at the beginning of this paper the definition and the purpose of a trade mission. An answer has been given by making use of available literature. A government representative who took part in the second group session mentioned the importance of trade missions for the government from his point of view. According to this government official the Dutch state was following trade missions based on the sectors and the regions of the country. Special emphasis is put on emerging economies since those have a huge potential and conditions in these countries change faster than the Dutch policies on trade. He saw the role of the state as someone who creates opportunities for enterprises but leaves the way to succeed to the organizers of trade missions. In other words, the Dutch state creates conditions for firms to penetrate other markets but it is up to them how they do it or whether they succeed in doing so.

At that evening participating firm representatives gathered in a meeting room where further preparation for Turkey took place at that evening. An expert on presentations was invited, as the companies would have needed to do presentations during the meetings in Turkey. According to this expert, insufficient presentations lead to loss of money. His statistics claimed that 110 billion euros were lost in Europe per year due to poorly prepared presentations. Based on these facts, it seemed to be a great idea to improve the presentation skills of the participants and enhance their chances of success during the trade mission.

After the participants have received a tutorial on how to make their presentations more effectively, two experts on Turkish culture talked to the participants on how to deal with Turkish business partners. As in all cultures there are certain aspects in both cultures that differ from each other. These experts were essential in the sense that they pointed out the differences in both cultures to avoid misunderstandings that again might have influenced the outcome of a business meeting. During an interview with Lars Groot from Chamber of commerce, he mentioned the importance of culture for conducting business abroad as well. Lars Groot claimed, “you can prepare everything endlessly but at the end the company has to do the trick” and gave an example of a business meeting between a Swedish and a Dutch company representative. The business deal failed merely on the fact that the Swedish partner was perceived by the Dutch business owner as not having interest in the business deal. Thereby the attitude of the Swedish partner was the

influence of the Swedish culture, which is more quite, secretive and rather reactive than proactive. The lack of cultural knowledge on the Dutch side led the Dutch representative perceive this attitude in a wrong way. Similarly one of the experts on Turkish culture stated during a short interview that Turkish culture differs itself mostly by being more emotional. There are traditions and customs that pay high attention on mutual respect and behaviour. Behaviours not in accordance with these customs are easily interpreted as lack of respect by the Turkish side any may influence the business outcome. Furthermore there are topics such as religion or politics, which people do not tend to talk about as these are big cleavages within the Turkish society and tend to cause a tense atmosphere when discussed about.

4.2.4 Analysis

The project members have visited the companies that had been chosen for the trade mission. These visits had two aims. First further commitment on side of the project team was shown and further reports based on these visits were created. These reports estimated the companies' positions along the three themes of international business readiness, intercultural readiness and international innovativeness. The company visit reports seem to coincide with the online scans. For instance the Luna Group stated during the company visit that the main focus has been the Dutch market so far and that it had once difficulties in conducting business with a Belarusian partner due to cultural barriers and lack of knowledge in Belarusian legislation and bureaucracy. Indeed the scans showed a similar result. Among all participants the Luna Group was ranked last in international business readiness and in intercultural readiness. Similar pattern is also visible concerning companies that have scored relatively high in the business scans. For instance the representative of Olympia considers his firm as an internationally active company and states that 90% of the turnover is generated from exports. Also company representatives are being considered as extensively experienced in doing business with other cultures. The business scans show a similar pattern in this case as well, the company has scored relatively high in the business scans. In general business scan results coincide with company reports, which is a sign of reliability of the obtained data.

4.3 Second Phase of the Trade Mission

The second phase consists of the trade mission to Istanbul itself. One week after the last preparation session in the Netherlands, the participants and two researchers met at the

Schiphol airport to board the flight to Istanbul. All eight companies that have been chosen to take part in the project were present at the airport in Amsterdam. Due to the group's limited size to eight participants and the group meetings prior to the trade mission, the participants managed to create a friendly atmosphere among each other. The atmosphere was pretty comfortable and informal and there was the feeling of being a group that had a common aim, namely going to Istanbul and discover the Turkish market and its potential for the companies they were representing. Some participants' intention was merely a quick market research whereas others had more hope in coming back with some business deals. The trade mission took place between 16th of February until 19th of February. If the first and last days were left out, the participants had a tight schedule with meetings following each other during the day. Some meetings took place even outside of Istanbul in central Anatolian cities such as Ankara or Eskisehir where day trips needed to be organized. The two researchers split up during the trade mission to obtain as much observation as possible. One researcher, who was capable of speaking Turkish accompanied two participants during their entire day in two following days and took part in business meetings whereas the other researcher's aim was to obtain data when a number of participants came together during lunch or dinner time for instance. Basically the two researchers have been mostly in two different environments in order to be able to observe as much as possible during the trade mission.

The *action taking* phase of the Client-System Infrastructure has been implemented in the second phase of the trade mission. In this phase improvements from the previous *action planning* phase are implemented to yield enhancement in performance. Researchers have observed the participants during four days of stay in Istanbul and have accompanied the participants and have partly taken part in their business meetings. Small interventions in form of suggestions and hints have taken place.

4.3.1 First day in Turkey

After a three and a half hours flight the group arrived at the Airport in Istanbul. As planned before, Harun Tepe, who was also in charge of finding appropriate Turkish business partners for the Dutch firms, was waiting for the group at the Airport. He organized a shuttle, which took the group from the airport directly to the hotel. Once arrived at the hotel all participants received personal portfolios, in which the Turkish business partners, the meeting times and the locations of the meetings were listed. Each participant had around five meetings during their three days of stay in Istanbul. Harun

Tepe explained that he booked a limousine service for each participant. It meant that each morning a car with a personal driver would pick the participant up from the hotel and drive them to their meetings and back to the hotel at the end of the day. The group appreciated the service as it eased their work a lot. Using public transportation had surely caused problems for foreign visitors in a metropolis of 14 million inhabitants. After this short introduction in the hotel lobby the visitors went to their rooms to get ready for the group dinner, which again Harun Tepe had organized. The group had around one hour to get ready for the dinner. Harun Tepe had also invited the Dutch consul to the dinner.

Harun Tepe reserved a table in a restaurant that was near the hotel so the group walked to the restaurant. Once arrived at the restaurant Harun Tepe ordered local food and beverages for the entire group. The atmosphere at the table was cosy, nothing resembled a typical business dinner. It was rather like a group of friends who have been knowing each other for years, went out together for a dinner. Most of the time the topic was not about business at all. If business was talked at the table, it was rather about a short description of what each of them was exactly doing and in what kind of business they were involved. The Dutch consul arrived with a two hours of delay due to traffic conditions. He introduced himself shortly and gave information about Turkey to the participants. He mentioned the importance of the Turkish economy for the European Union and for the Netherlands. He described Turkey as a booming country with a huge potential but according to the consul Dutch investors had not discovered the potential of this market yet, which was away from the Netherlands only about three hours of flight. He mentioned the reforms that took place in education and in other national institutions that will foster the economic growth further in Turkey in near future. The consul emphasized the young population and Turkey's growing economy again and again and stated that Turkey was not even among top 15 countries that the Netherlands was exporting to. He stressed Turkey's potential for Dutch firms and told the participants to have an eye on Turkey and not miss the chances in the market.

4.3.2 Second day in Turkey

The second day began early in the morning with a breakfast in the hotel. Last preparations before the first meetings were done at some tables while having a quick breakfast. Meanwhile the first drivers arrived at the hotel to pick up participants and bring them to their first meetings. Two researchers split up this day. One researcher

accompanied the representative of the Luna Group along his three meeting during the day. His advantage was that he spoke the Turkish language fluently.

The Luna Group is active in various areas. They develop and offer products in gluing technology to bond all kinds of materials. Moreover they develop products that support the growth of agricultural products. But the reason why they took part in the trade mission was to introduce their newest innovation, the so-called “inlinerless” to the Turkish market. The inlinerless is a module that enables the production of linerless labels. Labels are used usually in supermarkets to tag products with prices or information or in the food packaging industry. The advantage of the “inlinerless” is that this module can produce labels without the liner. This allows more length per roll, decrease transportation and storage costs and most importantly it is eliminating waste since there is no liner left after labelling the products. Due to its large population and its growing economy Turkey seemed to be an interesting destination for the company. If the new linerless innovation could prove itself in the Turkish market and take the attention of the industry, there would be a huge potential for the Luna Group. Hence the company, which mainly focused on the Dutch market so far and scored relatively poorly in the international business readiness and intercultural readiness scans decided to take part in this trade mission guidance program to receive additional support in their effort to internationalize and maybe return home from Turkey with some business deals.

While on the way to the first meeting of the day with the Luna Group representative, there has been a chance of a conversation to learn more about the attitude and characteristics of the firm representative. The representative considered himself as a not aggressive salesman. He puts high emphasis on mutual trust. In order to gain trust he thinks that inviting the business partner to the own production facility and showing around to convince the guest of their high production standards and high quality products, is the best way. Furthermore introducing the suppliers they work with is another way to gain the opposite's trust since the suppliers the company works with, are well-known in the entire industry for their high standards and quality products. The company representative appreciates the value of learning from other businessmen. For him learning from other trade mission participants is more valuable than the preparation sessions he took part in prior to the trade mission. He thinks that the sessions have not contributed much to him. This is interesting to observe because his company is the one that has scored lowest in the scans as seen above. Accordingly he could be the one to gain most out of the preparation sessions due to the fact that he seems to be the least prepared for internationalization.

After approximately two hours of ride, the researcher and the participant arrived at the first meeting. We were thankful that Harun Tepe had arranged the limousine service. The chance of finding the place with public transportation would be close to zero. The company was located at the entrance floor of a usual apartment in the outskirts of Istanbul. The first impression was not very positive. The office consisted basically of a table in the middle of a large room. It was dirty and messed up in the room, it looked rather like a storage room than an office. After a small talk both sides went directly into the topic. It did not take long time until two parties realized that there had been a mismatch. The Turkish side was expecting someone who is selling labels rather than a production unit. They were more interested in the end product and not in the machinery at all. They had concerns that the Luna Group representative would have difficulties to find customers for his technology. According to the Turkish partners, Turks were short-term thinking people, who want to see profit as fast as possible. The chance someone investing in an expensive technology to rip off the fruits on long-term was pretty small according to the Turkish business partners. Their conclusion was that Turks were merchants, who buy and sell good to make profit quickly. So the Turkish side asked if the Luna Group could provide them with the end product, namely with the linerless labels instead of the technology. The Luna group representative, who had never thought of this idea, began considering to build up a production unit in Turkey and supply the Turkish market with the end product instead of the technology. Potential customers who were indeed interested in the Luna technology could also visit the production facility in Turkey and see the production unit working on site. On the way to the second meeting the Luna Group representative mentioned in the car that he would open this topic to discussion once he arrived at the company headquarter in the Netherlands. He was sitting at the source of the technology, so why wouldn't he supply a huge market with the end product if there was indeed a demand? The first meeting might have been a mismatch and the business partner might have not appeared professional at all but the meeting led to a new business idea at least. Supplying the Turkish market with the end product did not seem to be a bad idea at all suddenly. This was a business opportunity, which could had not been discovered from the company headquarter in the Netherlands, so the trade mission generated some new business ideas, which can be seen as a positive side effect.

The "team" consisting of the researcher and the participant arrived 20 minutes late to the second meeting because the driver could not find the address. The team was again thankful for the limousine service that was arranged otherwise the team had probably

never found the place without the driver. Although the team was late, the Luna Group representative was relaxed because during some session he heard that being on time did not mean much in the Turkish culture. Appearing late was not considered as impolite as in the Dutch culture. Once the team arrived in the office, the company representative had more hope this time. It was a professional working atmosphere and a nice and modern office. But again after a small talk both sides realized that there had been a mismatch again. The Turkish company was expecting end product as in the first meeting. Andre Jansen insisted to continue his presentation although the Turkish side kept asking questions about the end product rather than the technology. Surprisingly he attracted their attention about the Luna technology and questions began arising about the linerless machinery. Andre Jansen began introducing in a detailed way how his technology was functioning. He introduced the suppliers for his technology, which were known to the Turkish side as well. The Turkish side that was interested only in the end product at then beginning of the meeting, began considering to work as an agent for the Luna Group in Turkey. Unfortunately the general manager was abroad so that the conversation could not go much deeper. Also this meeting had some eye-opening moment for Andre Jansen. The Turkish partners mentioned that their technology had been implemented in an airport for the first time in Sweden. The luggage labels were linerless to decrease waste and costs. Andre Jansen had never considered airports as potential clients for his technology. I knew that Istanbul was building world's largest airport to be completed by 2018. It is a state of the art project and a national symbol for Turkey's growing economy. The airport management could be contacted if they were interested in linerless technology. They would eliminate a huge amount of waste as the largest airport in the world and protect the environment. Also decreasing costs would be an argument to attract the attention of the airport management. Andre Jansen was positively surprised by the idea and suggested to have a meeting back in the Netherlands to talk more intensively about this idea.

The third and the last meeting of the day took place in the hotel lobby in the evening. Unlike the two former meetings, this was there was no mismatch. The Turkish side was a young start-up company, which was not only interested in the linerless technology but in anything that was produced by the Luna Group. The Turkish representative was very well prepared. He printed out all the documents about the Luna Group's products and posed questions about them. The Turkish company had a dense network in the Turkic central Asian states such as Azerbaijan, Turkmenistan or Uzbekistan and was delivering them with technology. This would mean that cooperation between both firms would

open the doors of central Asia to the Luna Group without investing much effort and resources in it. The meeting went smooth as the Turkish side was prepared and posed detailed questions. The Luna group representative answered all question and both sides agreed on a meeting at the production facility and company headquarter in the Netherlands.

There was not business deal at the end of the day, it was not expected at all since such decisions take longer time. But it can be said that the result at the end of the entire day was positive the Andre Jansen. The first two meeting gave him new ideas. He could provide the Turkish market with the end product instead of the technology if there was indeed a high demand and he had realized that he could use his technology in a new area, namely at airports. The fact that Istanbul was constructing the world's largest airport made it even more interesting for the company representative. Furthermore during the last meeting he met a business partner who had good connection to central Asian countries. In case of cooperation with the Turkish partner, the Luna Group could get access to these countries very easily without investing too much company resources.

The second day ended up with a group dinner at a fish Restaurant, which Harun Tepe had arranged again. Some joined the dinner later due to their on going business meetings. The fact that there was a whatsapp group eased the communication among the Dutch participants. Using this technology, participants updated their latest situation. Of course whatsapp was not only used in order to communicate that certain people will come late to the group dinner. Contrary, it has been used as a communication platform all along the day during the meetings. Participants have reported about the outcome of their business outcomes. This has encouraged others for their next business meeting and might have even caused some kind of peer pressure to have a successful business meeting as well. For instance Niek Kerkhof shared the result of his first meeting in the group by writing "first meeting with the Turkish company was excellent." There upon two other participants reported about their meetings as well. One said that everything went good and that he is expecting follow-ups. Another participant reacted as well and shared that his meeting was hopeful as well and that he is also expecting continuation of the negotiations.

Also Harun Tepe was giving hints and recommendations via the whatsapp group about how to deal with Turkish partners. For instance during the first day of meetings Harun Tepe has published the following in the whatsapp group: "Usually Turkish business

partners do not take any notes during the meetings. After the meeting write them an e-mail in which you first thank them for their time and hospitality. Following, send them your own notes of the meeting and tell them that you will prepare answers to their questions and contact them next week again.” Furthermore Harun Tepe has supported the participants and kept constant contact on whatsapp. If something went wrong, such as the address could not be found and the business partner did not appear and came later, Harun Tepe immediately intervened via whatsapp and has informed the Dutch participants. One of the Dutch participants said the following to Harun Tepe in the whatsapp group: “I wish we could clone you so you can keep supporting us in other countries as well. I am very satisfied, thank you.”

During the group dinner at the fish restaurant the participant kept sharing their experience of the first day of their meetings. It seemed that everyone had a positive experience so far. Again the atmosphere was informal and friendly. Jokes and laughter flew around the dining table. Sometimes sub groups emerged in which experiences were shared in a detailed way. No one seemed to have any complaints so far. A short conversation with Kristof Ringeling from the Olympia revealed that this was not the usual atmosphere during a trade mission as he experienced so far. He had already taken part in other trade missions before, which were mostly organized by business associations. According to him the atmosphere was hostile during these trade mission. There were no group organizations such as dinners and group gatherings and people did not tend to share their experiences since they saw other trade mission participants as potential competitors. The only thing that was done commonly was the travelling to the destination and back to home. He added that he preferred this kind of trade mission organization to what he has experienced so far. The preparation sessions did not only prepare the group for the trip to Turkey but they had also functioned as ice breaking process during which participants got closer to each other. Although he was exhausted from the meetings, he said he was happy to be in Istanbul with such a group. The friendly atmosphere influenced his psychology positively and encouraged him for the meetings next day. The second ended quite late in the fish restaurant. Participants were transferred back to their hotel by the shuttle Harun Tepe had arranged.

4.3.3 Third day in Turkey

Also during the third day the researchers split up. This time another participant was accompanied during his meetings. Unlike the previous day, the meeting did not take place in Istanbul but in Eskisehir, a central Anatolian city 200 km west of Ankara. Harun

Tepe had arranged the train tickets to Eskisehir. So together with Kristof Ringeling from Olympia and the researcher hit the road to the train station early in the morning. Olympia is specialized in producing shelves for the tiles and ceramics industry, stainless steel hygienic shelves for the food industry and in producing solar panels. The main reason for Kristof Ringeling to take part in the trade mission was the introduction of shelves made for the tiles and ceramics industry. Turkey's construction industry is one of the main forces behind Turkey's economic boom. A lot of neighbourhoods are torn down and rebuilt again according to earthquake regulations and Turkey's growing population requires more and more housing. Based on these facts Turkey's tile producers have the potential of being new clients for the Dutch company. Tiles at the end of their production process need to be dried in kilns and Olympia is offering high quality shelves that can be used during the drying process in kilns. The structure of Olympia shelves is improving the strength and durability of tiles during the drying process. Hence Olympia had meeting with two tile producers in Eskisehir, where a various number of tile producers have settled down by time. Kristof Ringeling has heard about the huge urban transformation projects in Turkey and had online investigation. The results of his investigations were contradictory. Some sources claimed that the Turkish market was ready for Olympia's high quality products whereas other sources claimed that simple and inexpensive techniques were used in Turkey to dry tiles. So the company decided to make use of the trade mission to Turkey to see whether the Turkish tile industry is ready for their high quality and relatively expensive products.

On the way to Eskisehir Kristof Ringeling revealed that he does not expect any business deals during his stay in Turkey. He uses the trade mission rather as a chance to investigate the situation of the Turkish market and gather market knowledge and meet people from the industry. It is rather a long-term thinking and he considers market knowledge as a valuable resource to obtain. He wants to know if there is an existing market in Turkey and if it exists who are the suppliers? His former online investigations conducted in the Netherlands gave him ambiguous results concerning the latest situation of the Turkish market. The company he is working for is highly internationalized. Nearly 80% of the production is being exported worldwide although 75% of all exports goes to European countries. He considers the preparation sessions as helpful but adds that self-preparation is important as well.

Once arrived at the Eskisehir train station, the representative and the researcher had difficulties to find the Turkish partners. Thus the representative contacted Harun Tepe

who arranged a new meeting point for us. The team met the Turks at the new meeting point who then picked us up and invited us directly for lunch. The lunch was an opportunity to get to know each other better. After finishing the lunch they invited us to see their production facility. It was a relatively small producer of tiles. Their production techniques were simple to reduce costs. One single tile costs one third of the Dutch price. It seemed that the Turkish market demanded inexpensive tiles rather than qualitative ones.

Our next meeting was with the largest producer of tiles in Turkey. They had a large and modern facility. The company representative claimed to produce the best tiles in the country and using state of the art technology. If there was some potential client in Turkey then this company would be the best candidate. Before visiting the production facility the team had a meeting first. Kristof Ringeling from Olympia presented his product and mentioned the advantages of Olympia shelves as compared the conventional ones being used in Turkey. The Turkish partner seemed to be interested at first sight. One question followed another one. The Turkish manager realized that Olympia was also producing solar panels so the conversation switched to solar panels. After having presented the products the firm representative was asked if he wants to have a quick tour in the production facility. One worker guided us through the facility, presenting and talking of their high quality products and production lines. Soon Kristof Ringeling realized that their production line was out-dated as well as compared to the Dutch production. The shelves they were using to dry the tiles in kilns were primitive when compared what Olympia shelves. Soon Marcel Bsselink understood that there are different forces in the Turkish construction sector. The market demanded the highest quality for the lowest price possible. It meant that no company was ready to invest in Olympia shelves and increase production costs and lose in the competition against other local producers.

At the end of the day Kristof Ringeling said that he did not have high expectations anyway. He came to Turkey for a market research to approve his expectations. Furthermore he made some connections and built a small network. It was probable that he would meet these producers again in international fairs. It was important for him to investigate the Turkish market on site and make some contacts for future once the Turkish market was ready for Olympia shelves. With the last train the team arrived in Istanbul at midnight to get ready for the departure day. There were no further meetings for Kristof Ringeling anymore.

4.3.4 Analysis

The researcher followed two participants during their entire day and joined their meetings during the day. The joining of business meetings allowed the researcher to make some observations. It was a valuable chance to observe a business meeting from such a close perspective. Although the meetings did not end up with any business deals, however they had contributions to both firms. The Luna Group realized during one meeting that the firm might deliver the Turkish market with the end product instead of its technology since Turkish business owners seemed to be merchants rather than innovators. During another meeting the Luna representative was told by the Turkish partner that an airport in Sweden as a pilot project is using its technology recently. That was an eye opening moment for the firm representative. Hence it can be said that the business meetings at least led to new ideas concerning innovation orientation. On the one side the company increased its capacity with those ideas to introduce a new product and services or ideas to a foreign market, which is the definition of international innovativeness. International learning orientation is another aspect here, which needs to be mentioned. It is defined as the propensity of a firm to actively obtain and use intelligence on foreign markets. In Luna Group's case the company representative has realized that it can supply the Turkish market with the end product instead of the technology, which was the company's main focus so far.

As for the second company, Olympia did not even come close to any business deals. The reason for this is that the Turkish market is not ready for Olympia's products yet. In an interview the firm representative mentioned that he did not expect any deals anyway. The main reason for him to take part in the trade mission was to discover the Turkish market and see its current situation. It was merely a trip to increase market knowledge and gain experiential knowledge about the market, which has been fulfilled by the end of the trip. International networking orientation as part of internationalization readiness has also played a role in the case of Olympia representative since it is the ability or willingness of firms to obtain resources from external environment through creation of networks and social embeddedness. Olympia has met important players in the Turkish market and has established a relationship with Turkish firms and is hoping for the Turkish market to be ready soon for their higher products of higher quality.

4.4 The Follow-up

The follow-up was the last of the three phases of the trade mission. It includes at the same time the fourth phase, the *evaluation phase* of the *Client-System Infrastructure*. In this phase researchers aimed to determine whether the applied theories were realized in reality. In other words, did the preparation phase contribute anything to participants' skills, which again may influence the business outcomes? During this phase, the first step was sending participants a feedback questionnaire by e-mail right after the trade mission. It was important that firm representatives answer these questions right after the trade mission before their memories and impressions got lost by time. The questionnaire consisted of six open questions and its main purpose was to understand the needs and wishes of participants in order to design and optimize trade missions according to the necessities of participants.

Some time later the entire group agreed on a date for a follow-up meeting in Windesheim. This meeting had the purpose to share the latest developments concerning the trade mission outcomes for the participants. Experiences and opinions were exchanged within the group. Each participant took time to present his opinion on the trade mission and the latest outcome for his company concerning possible business deals.

As the latest step of the last phase a number of participants were asked to conduct an interview on the phone. This interview intended to determine as an additional tool whether participants had shown some developments in the three themes of international business readiness, intercultural readiness and in innovation orientation. The obtained data from the meeting, the questionnaire and the interviews will be presented in the following section.

4.4.1 First impressions after the trade mission: the online questionnaire

The participants were sent an online questionnaire shortly after coming back from the trade mission in which they could reflect their impressions of the trade mission organization. The six main questions aimed to measure participants' opinions on the whole organization and asked for suggestions for improvements. Questions and answers will be discussed in a detailed way in the next section.

The first question in the questionnaire was about the general impression and the experience the representatives had about the organization. When the participants were

asked how they found the trade mission from the intake sessions until the final moments in Istanbul, the common answer was positive and encouraging. The participants rated the organization as professional, well organized and as goal-oriented. The preparation sessions added some value and helped preparing the participants for Turkey according to some firm representatives. One representative wrote instance “the approach was very professional and has been valuable from the intake until the guidance in Turkey. The preparations were clear and effective”. Other participants share similar views and stated that “discussions before the trade mission were good, meetings added value” or “the first contact were very pleasant and professional in my opinion. The project has been executed very professionally by the people involved in the project, this gave me a lot of confidence about the trade mission to Turkey, which was not my first choice”. The same participant has managed to invite his business partner to the Netherlands to approve a potential order. One firm representative described the entire organization as “tailor made” according to personal and firm needs. When they were asked to rate the entire organization on a scale from 1 (very poor) to 10 (excellent) the given ratings consisted only of eight and nine points. As already mentioned in the interviews in Istanbul, the friendly and informal atmosphere has been mentioned in the answers as a positive aspect as well.

In the second question the participants were asked what their main aim during the trade mission was. Hereby the answers do not differentiate much from each other. The common aim was about learning more about the Turkish market and find connections that enable to establish a network in Turkey and meet new business contacts with interest in the company product. It seems that certain participants were more engaged into selling their products whereas others hoped to establish new contacts first. One participant answered that his first aim was to find good contacts and get an image of the country whereas another participant hoped to get some orders according to the given answers. It cannot be neglected that the trade mission has contributed some intangible resources as in form of knowledge. One of the participants mentioned that he realized during the mission that Turkish companies are more trade oriented than jointly developing a new and innovative product. Furthermore he discovered that Turkish companies already offer similar product concepts as his production and are have a mentionable share in Turkey’s neighbouring countries. The trade mission has been perceived generally as valuable among the participants but it has been also mentioned that a lot depends on the follow-up and on the development of the relationships. As for personal development, company representatives have responded that the mission

has contributed to their knowledge about Turkey and its market and has enabled to establish contacts to business owners in Turkey. Some got their views confirmed and even widen at some point. One participant answered “my impression of Turkey and of its people is very positive now, it has definitely changed from neutral to positive now. There is real potential in this county”.

In following question the participants have been asked their opinion on the preparatory sessions. Here the opinions vary a little bit. According to some firm representatives, the sessions were clear and effective and added some value. The contribution to cultural knowledge has been mentioned. On the other side participants who were more experienced in conducting international business perceived the content as rather average but again those have underlined the importance of information on culture they have received during the preparatory sessions. Another important aspect that has been mentioned is that these sessions have acted as an opportunity to break the ice among all representatives.

When the participants were asked in the questionnaire for suggestions to improve the trade mission organizations some useful proposals have been received as feedback. The suggestions are listed below.

- More attention should be paid on participating actors and problems that one might face in Turkey
- Arranged visit to the Dutch consulate (centralised match making?)
- Helping to establish contacts to Turkish institutions
- Improvements in the matchmaking procedure and more information on the company representatives
- Organizing a second mission with the entire group to tighten establish relationships

4.4.2 First meeting after the trade mission: gathering in Windesheim

The first group meeting after the trade mission to Istanbul took place approximately two months later in Windesheim. This meeting was used to gain information on the status of the participating firms, whether they have signed any business deals, need any additional support but also to know more detailed how they perceived the trade mission organization in Istanbul. Moreover opinions and suggestions have been exchanged among participants themselves and among participants and the organizers. Due to the

fact that outcomes are specific to each participant and cannot be categorized, a short description concerning the latest outcomes for individual participants will be given below.

- Tom van Graaf: The participant has been in contact with various parties from Turkey; especially with one partner he had intensive mail contact. He is thinking to invite them to the Netherlands. He thinks about sending a personal invitation based on Harun Tepe's suggestion. The invitation needs to be made more attractive, including an Amsterdam tour for instance as proposed by Harun Tepe. He is positively surprised, he had never thought about doing business in Turkey five years ago due to lack of connections and ability.
- Niek Kerkhof: The company is complaining about being ignored from the Turkish partner, emails are not being answered although the business partners were enthusiastic during the meetings. Harun Tepe suggests to send them their latest developments and pay a visit before the next season for the product begins. Niek Kerkhof perceives that doing business in Turkey is completely different than in Europe. The company background is essential.
- Vincent Hoogvliet: The company has already received requests, Turkish party is interested in conducting business with the Dutch firm. He perceives the trade mission as a success and waits for tenders to evolve. Planning to visit Turkey again for new tenders.
- Jasper Verstraaten: Second trip is already planned since the outcome so far was quite positive. The company is thinking about involving the Dutch consulate. He is looking for local agents to succeed in the Turkish market.
- Arman Faisel: No serious developments so far. No intention of conducting business from the beginning. The company is looking for partners to produce a specific profile for components. Disappointed that innovation culture is not developed in Turkey, it is rather a trading country.
- Kristof Ringeling: Considers Turkey as a huge potential but the market is not ready yet for his products. He will try to keep the contacts he made in Turkey and hopes to see them again during exhibitions.

Result: Similar complaints from all participants, how to solve? Suggestions from Harun Tepe are given during the meeting.

4.4.3 Interviewing participants: the four themes

Certain companies have been chosen for a more detailed interview to get further insight and information after the gathering in Windesheim. They have been asked specific questions on the phone concerning the trade mission. These questions were mainly related to the four themes. The aim was to check once more whether the trade mission in its new format had contributed to the development of capabilities concerning these four themes, which are the main concern of the present research. The exact questions are available in the appendix. A summary will be provided to obtain a generalized result.

When the four participants were asked whether they believed if the trade mission had contributed anything to their personal development, which might give them an advantage as compared to their competitors, the average answer was a “yes”. Firm representatives answered clearly that the preparatory sessions have toughed them how to deal with Turkish culture and to treat Turkish business partners. One participant who already took part in trade missions before said “I have taken part in other trade missions where the preparation was missing. Preparation has played an important role in my opinion, I agree that I felt more prepared for doing business in Turkey.” Another participant who agreed in general had a criticism about the preparation session. According to him the tutorial on how to prepare good presentations was not necessary since internationally active companies are expected to own this ability anyway. Another participant who had no hope to conduct any business in Turkey because the market conditions were not ready yet thought of the trade mission still positively. He answered “But we have gained information and knowledge about the situation of the Turkish market thanks to the trade mission. This is valuable for us, especially for future. I know a lot about the Turkish market now”. Both the preparation sessions and the trade mission organization itself seem to have contributed to the development of skills and obtaining knowledge about a foreign market.

The participants were also asked whether the entrance barrier for the Turkish market is lower for them. If they needed to do business in Turkey again, would they feel more prepared next time? The answer to this question was consistent as well. “Yes, absolutely, we know the country now, we know the people. It is easier to go there now” was a clear

answer of one firm representative for instance. Another participant answered that although he did not sign any business deals, he met people and established contacts. Next time if there is an opportunity and it will be easier to contact these people and find out whether the Turkish is ready for their products. Another one replied, "I can say that I feel more prepared. I know how to behave towards Turkish partners and which topics to avoid". From these answer it can be maybe concluded that this trade mission has helped to establish contacts. It seems knowing someone in Turkey eases to discover and exploit a foreign market and also participants feel more confident regarding their behaviour towards Turkish business partners.

The next question was about whether the participants believed if the trade mission has underpinned their firm reputation or brand recognition in Turkey. The common answer was that certain Turkish companies in their industries are aware of their companies and products but to increase reputation and brand recognition more time and resources needed to be invested in. The trade mission can be seen as a good basis or starting point but anything beyond that needs more company resources.

When the participants were asked if they have obtained information and knowledge about Turkey and its market, which was not accessible to them before, one participant answered that he was able to obtain any kind of information before the trade mission. Another one conducted an online research but the information he received was ambiguous and misleading. The visit to Turkey enabled him to get a clear picture about the Turkish market. One representative mentioned the matchmaking procedure. He was positively surprised about the Turkish partners and said that he would have not been able to find such appropriate partners himself.

"Do you feel that you can deal with the Turkish culture and Turkish people more easily now, are you more cautious in your behaviour" was the following question in the interview. The answer of one participant to this question was "You have to know the culture and what you can and cannot talk about for instance and how you should treat topics like religion and how people dress and think and operate. It was helpful". The preparation sessions were perceived as helpful by another participant. According to him the sessions helped how to deal with Turkish partners but also it helped generally to prepare himself for business in other countries, it was a general contribution to his skills.

The representatives were also asked if they had heard of other interesting opportunities or made new discoveries during the trade mission. One firm representative told that he saw a wall gas heater during sitting in a café. It was a product, which they did not have in their collection, so it was a new idea for the company. The representative told that he took picture to see whether his company could build something similar and try to find the right suppliers for such a product. The other respondent did not have similar experiences.

The next question was about whether the firms could create value for Turkish customers now. Moreover they were asked if they knew more about the needs and preferences of the Turkish market and if they could target Turkish customers more easily now. The following quote will sum up and reflect the experience totally: "Yes because I didn't only visit the office of the partners but also their shops to see what they sell so I know which products they sell now and it is completely different than what we offer". Two other participants had to realize that their products were above the market expectations in Turkey, which was regarded as valuable information as well. One replied, "Yes, Turks look for cheaper and easier solution. It differs from what we are used to offer. We are more quality focused and our products are more sophisticated" whereas the second said "I know the need of Turkish market and the need is very low. They can make these products themselves easily since the quality is below European standards". At the end one can say that one company had the chance to discover the differentiating needs of Turkish customers whereas the others realized that standards in Turkey seemed to be lower than what they are used to offer in Europe.

The participants were also asked if the Turkey trip gave them new ideas about their products and services, whether they had some eye opening moments. In exception of one, the others answered the question with a short "no". It is not surprising since they also reported that Turkish standards seemed to be below their offers. One company gave again the example with the wall-heating unit, which is being investigated by the company if they can offer a similar unit as well.

The questionnaire ended with the question whether the participant know more about their competitors and competitors' products in Turkey after the trade mission and whether they have gained any knowledge about customer needs in Turkey. The answer of the first participant was that his company knows now more about what the competitors are doing. He is surprised that they have a lot of expertise there and their

standard seems to be higher than what he had expected before the trade mission. When the other participant was asked, he answered, “Yes I have learned about the situation of Turkish companies and their products and in what way they differ from ours. We have been distributing this knowledge within our company”. The other one seemed to have made a similar experience. His answer was “We learnt about our competitors, about who is exactly active in the Turkish market and we saw their products and what they offer in the Turkish market. We are able to pinpoint our competitors and know where our possibilities are. On the one side we learnt about our competitors and on the other about the preferences about customers”. The last participant shared a similar view and said that he knows now more about customer needs and about local suppliers and their production methods. The answers show that the trade mission has contributed to obtain knowledge about competitors and customers in the Turkish market.

4.4.4 Analysis

In this section results obtained after the trip to Istanbul through meetings, questionnaires and interviews will be discussed and analysed. The very first step after the trip consisted of sending the participants a questionnaire as described in a detailed way in the previous section. The obtained results indicate the following:

Table 4: An overview of the four themes and their dimensions

| |
|---|
| Internationalization readiness |
| • International marketing skills (IBC) |
| • International market orientation (IBC, IEC) |
| • International networking orientation (IEC) |
| |
| Innovation Orientation |
| • International Innovativeness (IBC) |
| • International learning orientation (IEC) |
| • International innovation propensity (IEC) |
| |
| Intercultural communication |
| • Cross-cultural competence |
| Group experience |

One Dutch business owner has managed to invite his Turkish partner to the Netherlands to see the production facility and approve a potential order. It has been also told in the questionnaire by various participants that the main goal was about discovering Turkey and the Turkish market, which has happened according to the reporting of the participants. Furthermore, connections were looked for in order to establish a business network, which also has partly taken place. These steps can be interpreted as an increase in international networking orientation and international learning orientation, both being dimensions of *internationalization readiness*, which is the first of the four themes. International learning orientation is a concept that is related to obtaining intelligence on foreign markets whereas international networking orientation is the ability or willingness of firms to obtain resources and knowledge from external environment through network creation. One answer of another firm representative shows an increase in the market knowledge. According to the answer given by the representative he has realized during the mission that Turkish companies are rather trade oriented than innovation oriented and more than that he experienced that Turkish companies offer similar product concepts already and have a mentionable share in the neighbouring countries. Another answer by a participant, "my impression of Turkey and of its people is very positive now, it has definitely changed from neutral to positive now. There is real potential in this county" reveals that market knowledge has indeed led to market committed as depicted in Figure 2. Many participants have also referred to the cultural aspect. According to statements in the questionnaire the preparatory sessions on culture have been appreciated and have been helpful when meeting the Turkish partners. Hence it can be said that cross-cultural competences have been positively affected by the preparation sessions. Cross-cultural competence is directly related to *intercultural communication*, which again is one of the four themes. One participant revealed during the follow-up meeting in Windesheim that he had never thought of conducting business in Turkey due to lack of connections and not available skills within the company. This statement can be seen as an additional proof that the trade mission in its new form has supported and prepared the firms for conducting business in a foreign market, which was not even in their agenda. Shortly, the findings from the questionnaire and the meetings indicate that there have been certain improvements in the fields of *internationalization readiness* and *intercultural communication*.

Further findings have been obtained through phone interviews. To take a single example, one respondent told about his prior trade mission experience. Those lacked the preparation for the destination country and according to the respondent the

preparation sessions played an important role and that he felt prepared well for conducting business Turkey. The preparatory sessions have been helpful in learning how to deal with the Turkish culture and how to treat the Turkish business partner. It is an aspect, which is related to *intercultural communication* again. The fact that one respondent answered, “we have gained information and knowledge about the situation of the Turkish market thanks to the trade mission. This is valuable for us, especially for future. I know a lot about the Turkish market now” shows once more that their market knowledge has increased the commitment for the foreign market. It can be also understood as an increase in international learning orientation, which is the propensity of a company to actively obtain intelligence on foreign markets. It is a dimension of *innovation orientation*. The fact that one participant answered that he has established contacts and that if there should be an opportunity in future, it will be easier for him to contact these partners and find out whether the Turkish market is ready for their product shows an increase in *internationalization readiness* since this company representative had the willingness and has enhanced his ability to obtain knowledge through the creation of a network. The respondents also reported that certain important players in the Turkish market have now heard about the existence of their companies. However this is not perceived as major improvement of brand recognition but it has been said by various respondents that it is a good starting point. Brand reputation and recognition, as an intangible asset is a valuable resource for companies. In one case the trade mission has facilitated to obtain information about the Turkish market, which was not accessible to the company before. According to the firm representative the information was limited and ambiguous. The participation in the trade mission gave him a full unambiguous picture about the situation of the Turkish market. This is experiential knowledge and unlike objective knowledge it is not acquired easily. As for this participant the trade mission has made possible for him to obtain experiential knowledge that would not be available for the company otherwise. Further enhancements in skills can be observed in the international marketing skill dimension of the *internationalization readiness* theme. Accordingly, one firm representative visited not only the offices of the Turkish partners but also their shops what kind of products the consumers demand. He realized that it completely differed from his home market. This visit has clearly enabled him to target the Turkish customers more clearly since he learnt about the preferences of the Turkish market. It can be interpreted as an improvement in the international marketing skills and hence in increase in *international readiness*. Beside the customers in the Turkish market, respondents have also reported that they were aware of their competitors and their products in the Turkish market

now. An increase in knowledge concerning customers and competitors is a sign of international market orientation, which again is a dimension of *internationalization readiness*. The interview answers reveal that participating companies indeed know more about their Turkish competitors, their products and production standards. One representative said clearly, “we are able to pinpoint our competitors and know where our possibilities are”. There has been also one lucky coincidence that is related to *innovation orientation*. The fact that one participant saw a wall heater unit and brought this idea back home to his company can be considered as a lucky contribution of the trade mission. This incident fits to the definition of international innovation propensity. All in one, questionnaires, phone calls and the gathering in Windesheim revealed some certain amount of improvement among participating firms in the themes of internationalization readiness, innovation orientation and intercultural communication as it can be seen in the qualitative data that has been gained throughout the entire trade mission.

The fourth theme, *team building* was also examined to see whether a group consciousness among participants arises, which may have a positive outcome for the firms. There have been certain positive statements from the firm representative about travelling as a group, about the group dinners or about preparation sessions, which acted as ice breaking opportunity but from the present research it cannot be concluded that those instances had a positive input on the trade mission outcome. As Hardy and Crace (1997) claim, not any group can be considered as a team. Accordingly a team must interact interdependently in order to achieve a common objective by sharing responsibilities. This definition does not fit to the group that was created for the trade mission. Each participant might have the same goal, namely returning home with new business deals but it is not a common goal since each of them felt responsible only for the company they are working for. Hence it can be said that the participants have a similar goal but it is not a common goal by definition. Similarly there is also no sharing of responsibilities due to the obvious fact that the firm representatives work independently but not interdependently as stated by Hardy and Crace (1997). Furthermore trust is an essential issue according to the present team building literature (Holton 2001). In case of the trade mission group the participants do not need to trust each other more than they need to trust to anyone else they have a social relationship with. In other words there needs to be basic trust as in all cases when there is an interaction between two persons but there is no need to build trust above this level since each firm representative can achieve his goal independently from other

participants. The team building might have led to a more informal atmosphere, which the participants clearly favoured but it cannot be claimed that it improved their performance during the trade mission. It seems to be rather a topic of human psychology, which clearly exceeds the boundaries of this research.

5. Conclusion

The research question that was posed at the beginning of this research was: *in what way are trade missions effective and what is the role of an appropriate preparation of the participants?* This final chapter will summarize the findings and assess to what extent an answer has been given to the present research question based upon the obtained data. Moreover a discussion will be led about limitations of the research and suggestions about future research will be provided. It should not be forgotten that action research is a cyclical process, which means that new action is taken upon the obtained results and experiences from the first cycle. Hence it is of high importance to provide suggestions that lead to improvements in research in the followings cycles. Lack of progress would mean repeating the same cycle over and over again and this is not the essence of action research.

Although trade missions gain in importance in a globalizing world, there has not been any in-depth study, which scrutinized trade missions closely. Trade missions have been conducted over centuries but the “black box” has been kept unopened for the most part. The present research has presented available literature on trade missions and has discussed its effectiveness based on the findings. Moreover the entire entity of trade mission has been viewed through the lenses of resource-based view and dynamic capabilities. This has allowed the researcher to construct research model based on an integrated framework comprising certain types of competences that are essential for conducting business internationally. After the research model was settled, the methodology section has drafted how to conduct the action research in the best way. Therefore the so-called client-system infrastructure in its cyclical presence has been chosen, which guided the researcher from the initial point of diagnosing the problem through action planning and action taking until the evaluation process after action has been induced.

The data for the research has been obtained over a long period at different points of time. Various techniques have been used. Interviews have been conducted with the

participants at different moments and locations, open questionnaires have been sent to company representatives, researchers have kept diaries during the trade missions and phone calls have been made. All these techniques have been employed to obtain as much data as possible. In keeping with the motto, the researchers obtained rather too much data rather than not enough data. Data in any form is highly essential for this research. Collecting data over a period of time and analyzing the various types of data closely was the only way to find an answer to the research question in this research.

Prior to the trade mission to Istanbul, the members of the project team had visited companies. Based on the interview they conducted they have prepared reports, which estimated the companies along the three themes of internationalization readiness, innovation orientation and intercultural competences. Furthermore the online questionnaire helped to obtain some quantitative data concerning the three themes. Interestingly the company visit reports in form of qualitative data and the online questionnaire in form of quantitative data are consistent with each other, which is an indication of reliability. Further data in various forms that has been obtained in various phases of the trade mission and has been analysed through the lenses of the integrated framework. The framework enabled the researcher to understand what exactly to observe and how these observations should be perceived and interpreted. If there was no framework anything that has happened during the entire trade mission organization could be considered as observation and turned into data. The flood of inessential data would have caused confusion and chaos in the research. However there is one criticism concerning the methodology. The main purpose of this research was to determine whether this trade mission in its new format has any positive effect on the general outcome of the trade mission. In order to detect any change in the skills of the participants, a questionnaire has been prepared at the beginning, which allocated scores to participating firms according to the answers they gave. Quantitative scores ranked participating firms prior to the Istanbul trip and to the preparation sessions according to their situation in the three themes. Any change in the skills during the trade mission has been but detected by other means such as interviews or open questionnaires that have been analysed qualitatively. Qualitative data is definitely of high value for action research but perhaps providing another additional questionnaire that allocates scores to participants after the trade mission would be helpful or even more reliable as for the obtained results.

The result section has provided indeed some evidence that the participants have achieved some improvements in various dimensions of the three themes (international readiness, innovation orientation, intercultural communication) during the entire trade mission organization. The evidence comes merely in form of qualitative data and largely from the statements made during interviews and from answers obtained through the questionnaires. This fact will be considered below in the suggestion section again. The idea was to divide the findings section into the stages of the trade mission organization. First, it is facilitating the reader to follow the flow of the entire organization and second each stage has been analysed within itself, which enabled a more detailed examination since one deals here with a huge amount of obtained data over a long period of time that needs to be analysed carefully along the four themes of the trade mission. High attention was needed not to overlook some valuable data but also not to overestimate the significance of the data to prevent misinterpretation or even lose objectiveness by reading meaning into the data.

All in one, one can say that this research has tried something that was neglected by the present literature, namely to understand how trade mission organizations work. This understanding was enabled mostly because the researchers were the organizers of the entire project and were accompanying the participants from the very beginning and were gathering data in all phases. Existing literature takes rather a generalized view when talking about the effects of trade missions and neglect mostly the present dynamics within single trade missions. Going deeper into the micro-level has contributed to the understanding how trade missions work and in what way they should be organized to make them more effective in future. The opening of the “black box” and the in-depth studying of a single trade mission have revealed certain instances, which would have not been possible in absence of an in-depth study.

5.1 Limitation

There are certain limitations, which action research brings with itself, these will be discussed in this section. First of all action researchers and practitioners are lack of time. Finding practitioners who devote their time for the research is not an easy task, even if the participants profit from the research themselves. It turned out also in the present research that finding the required number of participating firms was not an easy task as expected by the project team. Each single step takes its time. Finding appropriate participant is a time consuming activity, so is the preparation of practitioners once they are found. Several visits and meetings had to be planned before all firm representatives

were ready for the trade mission to Istanbul. It occurs that certain participants are not available during certain dates or even that some drop out from the entire research due to personal inconvenience or concerns. Moreover the monitoring process needs further resources to be invested in. Participants in different places at different times cannot be monitored and hence a multiple number of researchers might be required. Thus it is difficult to maintain rigour in data gathering. Another concern is the validity of the research process. As a matter of fact, action research is conducted by those who are interested in the research of the present phenomenon. Researcher bias in data gathering and analysis might occur involuntarily; misinterpretation of observation or overestimation of significance of data is possible. The occurrence of this incident can be minimized by mutual proofreading and continuous exchange of available data. There is also the criticism that action research produces results that are not generalizable. In fact this is a true statement since one is dealing with an idiographic method. However other researchers in their own practice can always challenge presented findings.

5.2 Suggestions

Company skills and capabilities in conducting business internationally vary dependent on the experience the companies have collected over the years. In the present research certain companies work for the most part internationally whereas others are lacking essential skills in conducting business in foreign markets. Nevertheless the categorization of participating firms was based on their firm size, they are all small and medium-sized enterprises. One idea for research could be putting a new criteria and distinguishing participants by their internationalization level. Having said that all participants in the present research gave a positive feedback concerning the preparatory sessions, some have profited more than others due to their varying level of internationalization. It could be interesting to investigate whether this new format of trade mission adds more to those firms with less internationalization experience. Based on the findings of such a research trade missions could be designed not only according the firm sizes, industries, regions etc. but also according the their level of internationalization. Potentially, adding this one criterion would lead to trade missions that are even more tailored and customized to participants.

The cyclical process is one essential feature of the action research. The present research has accomplished four of the five phases of the client-system infrastructure. The fifth *specifying learning* stage constitutes the last phase of the cyclic process. Hereby the

experience and knowledge obtained from the action research can lead to restructuring of organizational norms to induce knowledge obtained from action research. The present research has accomplished its mission by executing the first four phases. The fourth theme, team building does not seem to have any effect on the outcome and thus can be left out in the next cycle. The results reveal that all other themes, *internationalization readiness*, *innovation orientation* and *intercultural communication* seem to have an impact as observed through the lenses of resource based view and dynamic capabilities. The measurement of these themes varied along the entire trade mission. It began with reports based on company visits and online business scans and ended up with open questionnaires and phone calls. The fact that all these methods contented different sets of questions for the measurement of development of capabilities may entail concerns about reliability. Hence a suggestion could be to develop a constant measurement tool for the second cycle that accompanies the participants from the very first moment until the end of the project. Such a tool could be considered more reliable since the measurement technique would be the exactly the same at the end as at the beginning of the trade mission organization. This tool would be of course supplemented by additional inconstant data gathering techniques like interviews or observations.

Trade missions are limited in time. Companies cannot be expected to invest their resources constantly in trade missions since they need also to deal with other managerial issues within the company. This trade mission organization focused on various themes. Perhaps it is optimistic to expect firms to develop their skills in internationalization readiness and innovation orientation in the shortest time a trade mission is being organized. Culture seems to play an essential role since one deals with various cultures when conducting international business. A simple misunderstanding or misperception of a situation can lead to unnecessary problems when conducting business with a foreign partner. Perhaps the internationalization and innovation processes should be left to the firms since these are highly related to company culture, which is deeply rooted and the trade missions should focus merely on the cultural skills, which is more shallow and easier to develop in a short period of time. Hofstede (1998) has conducted a study that investigated national cultures and organizational cultures. Accordingly managing international business means handling both national and organizational cultural differences at the same time. Whereas organizational cultures are seen as manageable, national cultures are given facts for the management. These findings indicate that adapting organizational culture to national cultures is crucial for

international business. Consequently a research could be conducted that takes merely cultural issues into consideration and prepares participants based on the differences on the cultural dimension.

As the last point, it should be mentioned that the action research design applied in this research has been a useful guide to structure the entire project and enables future improved trade missions based on the experiences and knowledge gained during this project. The cycles can be repeated until near-perfection is achieved and trade missions are designed in the most effective way to meet the needs and requirements of the participants. Hence a follow-up study is strongly recommended to advance the proposed format of trade mission.

Appendix

Appendix A: Business scans on three proposed themes

INTERNATIONAL BUSINESS READINESS SCAN

<https://www.spotonlearning.nl/scan>

DE CULTUUR

Hoe goed ken je de cultuur van het land (de landen) waar je zaken mee doet (of wilt gaan doen, waarmee je meer zaken wilt gaan doen)?

Ik heb een kapstok (een theorie) waarmee ik cultuurverschillen tussen landen kan analyseren en begrijpen

Ik weet hoe cultuur van andere landen van invloed is op het winnen van vertrouwen en het overtuigen met argumenten

Ik weet hoe buitenlanders naar mij kijken als Nederlandse ondernemer en welke voor- en nadelen ik van mijn achtergrond kan hebben

Mijn ervaring met omgaan met mensen uit andere culturen (in het algemeen) is...

HET VERHAAL

Mijn verhaal (van mijn bedrijf, product) in het Engels vertellen gaat mij...

Ik kan de kern van het verhaal van mijn onderneming (ook) in het buitenland kort en overtuigend vertellen

Ik heb veel ervaring met het presenteren van ons verkoopverhaal (het verhaal van mijn onderneming) aan buitenlands publiek

Het maakt weinig uit of ik in Nederland of in het buitenland ons verhaal moet vertellen

DE ORGANISATIE

Als we sterk groeien in het buitenland moet de hele organisatie zich meer gaan instellen op internationaal of wereldwijd werken

Met onze website, processen en infrastructuur zijn we ingesteld op het ondersteunen van onze internationale activiteiten

Het team dat betrokken is bij onze internationale activiteiten zal moeiteloos kunnen communiceren met mensen in het buitenland waar we mee te maken krijgen

We zijn klaar om afspraken en overeenkomsten te maken met klanten en business partners in andere landen.

We hebben voldoende middelen (vrijgemaakt) om onze internationale ambities waar te maken

JE KENNIS

Ik ken de concurrentie en de lokale marktomstandigheden waar ik mee te maken krijgen en weet hoe ik me ga onderscheiden

Ik heb een duidelijk beeld van hoe productie, logistiek en distributie (voor zover relevant) in mijn internationale groeimarkten zullen verschillen van hoe we in Nederland opereren

Ik of collega's zijn goed op de hoogte van internationale afspraken en standaarden in zakendoen zoals bijv. incoterms

Ik weet genoeg van de wet- en regelgeving (douane, invoerrechten etc.) in het land of de landen waarin ik wil gaan groeien

Ik weet genoeg van de politiek, demografie, infrastructuur en maatschappelijke omstandigheden die invloed gaan hebben op ons succes in internationale markten

JE NETWERK

Ik heb een goed netwerk van collega's en mogelijke business partners die ook actief zijn in de internationale markten waarin ik wil groeien

Ik krijg regelmatig informatie uit ons internationale netwerk (bijv. agenten, distributeurs, relaties in het buitenland) over de kansen die er voor ons zijn in internationale markten

Ik heb een duidelijk idee over hoe ik contacten ga leggen met lokale bedrijven en mensen die ik zal willen inschakelen om internationaal succesvol te zijn

Ik weet al hoe ik mijn internationale activiteiten ga financieren

Ik weet hoe ik kan zorgen dat ik de concurrentievoordelen kan beschermen en dus een voorsprong opbouwen en/of behouden in internationale markten

INTERNATIONAL CULTURAL READINESS SCAN

<https://www.spotonlearning.nl/scan3>

BELANG

Om tot een goede (zaken)relatie te komen met iemand uit een ander land zal ik me moeten verdiepen in zijn cultuur

Bij zakendoen met mensen in buurlanden (België, Duitsland) heb ik niet of nauwelijks te maken met cultuurverschillen

Als ik ons bedrijf en/of onze producten moet 'verkopen' in het buitenland zijn het uiteindelijk dezelfde argumenten die overtuigen

Het kunnen overbruggen van cultuurverschillen zal ons zakelijk succes in een land sterk beïnvloeden

Ik vind het interessant om me in mensen te verdiepen in andere landen, in hun cultuur en gebruiken

Ik kan me makkelijk aanpassen als dat nodig lijkt bij een ontmoeting met iemand uit een andere cultuur

De wereld wordt steeds kleiner door o.a. internet en goedkoop vliegen dus cultuurverschillen worden kleiner en ik hoef me er niet te veel in te verdiepen

ERVARING

Het aantal (buiten)landen dat ik heb bezocht:

Het aantal (buiten)landen dat ik meer dan 5 keer heb bezocht:

Het aantal werelddelen dat ik (buiten Europa) heb bezocht (uitgaande van 6 werelddelen: Europa, Azië, Noord-Amerika, Zuid-Amerika, Afrika, Oceanië:

Het aantal (buiten)landen waarin ik zaken doe (heb gedaan):

Hier heb ik al eens zaken gedaan of doe ik nog zaken:

Bij ontmoetingen met mensen uit andere landen komt het niet vaak voor dat ik word verrast, omdat ik al veel ervaring heb met allerlei mensen uit verschillende culturen

OVERZICHT

Als ik voor het eerst in een land kom zijn er altijd wat vaste dingen waar ik op let om sneller te begrijpen hoe dingen in dat land werken

Als ik met iemand praat uit een ander land heb ik altijd een aantal vragen en gespreksonderwerpen om sneller te begrijpen hoe hij of zij over belangrijke dingen denkt

Ik heb wel eens boeken of artikelen gelezen, websites of congressen bezocht over andere culturen en hoe daar mee om te gaan

Als er een online database zou zijn met 'scores' per land op bepaalde overtuigingen en culturele gewoontes zou ik daar graag een tijdje in rondneuzen ter voorbereiding op volgende internationale stappen

AANPAK EN MOTIVATIE

Ik verdiep me grondig in de cultuur van een land als ik er zaken wil gaan doen

Ik zou best een theoretisch kader willen hebben om verschillende landen en volkeren sneller te kunnen begrijpen

Ik heb vaak gesproken met mensen uit andere landen en culturen over verschillen tussen onze culturen, onze gebruiken en de inrichting van onze maatschappijen

Ik kan uit lichaamstaal van iemand die ik in het buitenland ontmoet vaak al goed afleiden of ons contact goed verloopt of niet

Ik zou de volgende dingen doen ter voorbereiding op zakendoen in een voor mij nieuw land

PRAKTIJKCASES

Case 1: Als je zakencontact in de Turkse hoofdstad Ankara na afloop van het gesprek voorstelt samen te gaan lunchen, kijk je op je horloge. Het is inderdaad tijd om wat te eten, zeker als je die andere afspraak vanmiddag nog wilt halen. Je hebt ook wel trek. Ga je mee of niet?

Case 2: Na afloop van het eerste positieve maar nog niet erg concrete contact met een potentiële Turkse toeleverancier vraagt deze of je hem zou kunnen adviseren met het vinden van een studieplaats voor zijn zoon, die graag in Nederland wil studeren. Hij vertelt hoe slim de jongen is en wat hij wil gaan studeren (niet een studie waar je meteen raad op weet).

Case 3: Je gastheren in Istanbul hebben een excursie naar een wat minder toeristische oude moskee gearrangeerd. Ze gaan zelf ook mee en het gesprek komt op religie. Ze vragen je naar jouw religie. Als je zegt dat je nergens aan doet, lijkt er even een stilte te vallen. Waarom zou dat zijn?

Case 4: Op zakenreis in Turkije laat een van uw contactpersonen zich als grapje ontvallen "Ah, the Dutch, they are very good business people!". Als u vraagt wat hij daarmee precies bedoelt, houdt hij zich op de vlakte met een gemeenplaats dat elk volk anders is. Wat zou hij in gedachten hebben gehad, denkt u?

INNOVATION ORIENTATION

<https://www.spotonlearning.nl/scan2>

INNOVATIE AFGELOPEN 3 JAAR

Uw bedrijf heeft in de afgelopen 3 jaar producten geïntroduceerd op de markt die nieuw waren voor uw bedrijf

Uw bedrijf heeft in de afgelopen 3 jaar producten geïntroduceerd op de markt die nieuw waren binnen de sector

Uw bedrijf heeft in de afgelopen 3 jaar ten minste 1 nieuw werkproces geïmplementeerd

ORGANISATIE

Uw bedrijf heeft een jaarlijks budget (geld) gereserveerd om nieuwe producten of processen te implementeren

Uw bedrijf heeft jaarlijks capaciteit (tijd) gereserveerd om nieuwe producten of processen te implementeren

Uw bedrijf heeft mensen in dienst genomen die zich bezig hielden (houden) met innovatie in hun dagelijkse werkzaamheden, bijvoorbeeld gespecialiseerde medewerkers, nieuwe productontwikkelaars etc.

Uw bedrijf heeft een uitgewerkt plan waarin vernieuwingsambities, doelstelling en mijlpalen staan beschreven

NETWERK EN KETEN

Uw bedrijf heeft de volgende bronnen geraadpleegd voor informatie en advies over bedrijfsproblemen van de afgelopen 3 jaar

Uw bedrijf heeft op basis van een (in)formele overeenkomst, samengewerkt met andere ondernemingen of instellingen om vernieuwingsactiviteiten te initiëren of ontwikkelen

Uw bedrijf innoveert wanneer leveranciers nieuwe toepassingen voorstellen

Uw bedrijf innoveert wanneer klanten nieuwe wensen uiten

Uw bedrijf innoveert om nieuwe technologieën of vindingen van universiteiten en/of kennisinstellingen te commercialiseren

MOTIVATIE

Het is de moeite waard om als bedrijf tijd te besteden aan innovatie

Door innovatie is ons bedrijf beter in staat klanten te bedienen

Innovatie is nodig om bij te blijven met de concurrentie (of onze voorsprong te behouden)

APPENDIX B: FEEDBACK QUESTIONNAIRE BEFORE THE FOLLOW-UP SESSION

HANDELSMISSIE TURKIJE (ISTANBUL)

16 t/m 19 februari 2015

Evaluatie- en feedback vragenlijst

Je hebt deelgenomen aan de handelsmissie naar Istanbul georganiseerd door het lectoraat International Business van Hogeschool Windesheim (mede gesubsidieerd door de Provincie Overijssel).

Hieronder vind je zes open vragen. Ik vraag je die te beantwoorden. Het doel is om beter inzicht te krijgen in hoe handelsmissies kunnen worden verbeterd zodat ze optimaal bijdragen aan wensen en behoeftes van bedrijven.

Het vraagt wellicht even wat tijd, maar ik hoop dat je tijd wilt nemen. Alvast hartelijke dank voor je medewerking.

Huub Ruël

Naam:

1. Algemene indruk en beleving:

A. Hoe heb je de handelsmissie ervaren vanaf de eerste contacten/intake tot aan de laatste momenten in Istanbul?

B. Welk cijfer geef je de reis (van intake tot aan terugkeer in Nederland) op een schaal van 1 (zeer slecht) tot 10 (uitstekend).

2. Opbrengst:

A. Wat heeft de missie zelf (de reis naar en het verblijf in Istanbul/Turkije) je opgeleverd?

B. Hoe waardevol vind je deze opbrengst voor je bedrijf? C. En voor jezelf?

3. Voorbereiding

A. Wat vind je van de voorbereidende sessies?

B. Hoe hebben ze bijgedragen aan jouw ervaringen in Turkije?

4. Opbrengst voor bedrijf

A. Hoe ga je de missie (verder) 'omzetten' naar opbrengsten voor je bedrijf nu de missie voorbij is?

B. Op welke termijn verwacht je hiervan de resultaten (tastbare en minder tastbare) te kunnen zien?

5. Ondersteuning vervolg

A. Welke ondersteuning wens je in het omzetten van missie-ervaringen naar gewenste resultaten?

6. Welke suggesties en ideeën voor verbetering heb je?

APPENDIX C: PHONE QUESTIONNAIRE AFTER THE FOLLOW-UP SESSION

- Do you think that this trade mission has contributed anything to your personal development or to your company, which might give you an advantage as compared to your competitor?
- If you needed to do business in Turkey again, would you agree that the entrance barrier is lower for you and your company now? Do you feel more ready for the next business opportunity in Turkey?
- Do you believe that this trade mission has underpinned your companies'/brand's reputation in Turkey? Did it contribute to its popularity or brand recognition?
- Have you obtained information about Turkey and its market that was not accessible before? (Objective vs. experiential knowledge)
- Do you feel that you can deal with the Turkish culture and Turkish people more easily now? Are you more cautious in your behaviour?
- Did the trade mission facilitate obtaining market knowledge about Turkey? Do you feel more committed to the Turkish market now? Has Turkey become more interesting for your business? (market knowledge -> market commitment theory)
- Have you heard of other interesting opportunities or made new connections or discoveries after the trade mission? (increasing ability to perceive opportunities)
- Can you create value for Turkish customers? Do you know more about the need and preferences of the Turkish market? Can you target customers more easily now? (International marketing skill dimension of the IBC)
- Did the Turkey visit give you new ideas about your product/service? Some eye opening moments, which you can use in innovating your product/service? (International innovativeness dimension of IBC)
- Do you know more about your competitors and their products in Turkey? Do you know more about customer needs and have you shared such knowledge within your company? (International market orientation dimension of IBC)
- Can you tell me the outcome so far? With how many firms you had meetings with do you still have contact?

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