

**GLOBAL STRATEGIES OF THAI SMALL AND MEDIUM-SIZED ENTERPRISES
(SMEs): A STUDY OF HOW SMEs CAN SUCCESSFULLY EXPAND INTO GLOBAL
MARKETS**

by

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GLOBAL STRATEGIES OF THAI SMALL AND MEDIUM-SIZED ENTERPRISES (SMES):
A STUDY OF HOW SMES CAN SUCCESSFULLY EXPAND INTO GLOBAL MARKETS

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This dissertation explores the challenges, strategies, and success factors influencing the internationalization of Thai SMEs. As globalization reshapes business landscapes, small and medium-sized enterprises face both opportunities and obstacles in expanding beyond domestic markets.

The motivation for this study stems from the growing need for SMEs to remain competitive in an increasingly digital and interconnected global economy. The findings contribute to the existing body of knowledge on SMEs internationalization, offering a framework to pave a way for global competitiveness.

I would like to extend my sincerest gratitude to my academic advisor, Dr. Anuja Shukla, who has supported me since the start, research participants, and those who have supported me throughout this journey. Their insights and encouragement have been invaluable in shaping this work.

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ABSTRACT

DISSERTATION TITLE: GLOBAL STRATEGIES OF THAI SMALL AND MEDIUM-SIZED ENTERPRISES (SMES): A STUDY OF HOW SMES CAN SUCCESSFULLY EXPAND INTO GLOBAL MARKETS

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The study examines the global strategies of Thai Small and Medium-Sized Enterprises (SMEs), with a particular focus on the challenges, success factors, and practical solutions associated with international market expansion. SMEs are vital to Thailand's economy, accounting for 99.5% of all businesses and contributing approximately 35% of GDP. However, they face substantial barriers in globalizing, including financial limitations, bureaucratic hurdles in accessing government support, cultural unfamiliarity, and limited international experience. Adopting a mixed-methods approach, the study integrates quantitative data from 400 SMEs with qualitative insights derived from six in-depth interviews. It investigates the influence of four key constructs—technology adaptation, government support, cultural adaptability, and international experience—on international business success. The findings reveal that technology adaptation is the most influential driver. SMEs with strong digital marketing and e-commerce capabilities showed significant positive correlations with revenue growth ($\beta = 0.38, p < 0.001$) and international market expansion ($r = 0.60$). Government support was also statistically significant ($\beta = 0.22, p < 0.001$), though only 25% of SMEs actively utilized it, with 60% citing administrative complexity as a major barrier. Cultural adaptability, while statistically insignificant ($\beta = 0.10, p > 0.05$), was highlighted as a practical necessity for managing cross-cultural communication and localization.

International experience emerged as the strongest overall predictor of global success, with regionally diversified SMEs achieving up to 70% higher market penetration and 65% greater revenue stability ($\beta = 0.43, p < 0.001$). The research offers a comprehensive strategic framework for enhancing the global competitiveness of Thai SMEs. Key recommendations include streamlining government funding access, expanding digital capability training, and promoting international partnerships. While the findings have broader implications for emerging economies, limitations related to geographic and sectoral specificity suggest future research should adopt longitudinal designs or focus on industry-specific dynamics.

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CHAPTER I:

INTRODUCTION

1.1 Introduction

In an era of increasing globalization, small and medium-sized enterprises (SMEs) play a vital role in national economies. In Thailand, SMEs contribute significantly to economic development, yet their participation in the global market remains limited. As of the latest available data, Thailand has approximately 3.2 million Small and Medium-sized Enterprises (SMEs), accounting for 99.5% of all businesses in the country and employ 70% of the workforce (OSMEP, 2024).

In addition to their significant presence, SMEs play a vital role in Thailand's economy by contributing to employment and GDP. In the fourth quarter of 2024, SMEs contributed approximately 1.69 trillion baht or 35% to the GDP, marking a 3.68% year-on-year growth (OSMEP, 2024). The need for effective global strategies among Thai SMEs is crucial to ensure their competitiveness and sustainability.

The Evolution of Business Landscape

The global business landscape has undergone significant transformations in recent decades, propelled by technological advancements, consumer behavior changes, and geopolitical dynamics shifts (Alfred & Isaac, 2021). The interconnectedness of economies has accelerated, creating a scenario where businesses, regardless of size, are compelled to think globally to remain competitive (Prakash & Gupta, 2021). For large enterprises, navigating the complexities of global markets may be challenging, but the hurdles are often more pronounced for SMEs. As Thai SMEs aspire to expand beyond

national borders, understanding the evolving global business landscape becomes paramount.

The rise of digital technologies has been a critical catalyst for the globalization of markets. While this digital transformation offers new avenues for market entry and collaboration, it also demands heightened strategic agility and adaptability—qualities that may pose challenges for SMEs with limited resources.

Globalization has not only reshaped how businesses operate but has also redefined consumer expectations. Consumers now seek diverse, culturally resonant products and personalized services, creating opportunities and challenges for businesses expanding global (Rojas, 2023). Thai SMEs, therefore, must not only contend with operational complexities but also tailor their strategies to meet the diverse demands of a global customer base.

SMEs are however the backbone of Thailand's economy, contributing significantly to employment, innovation, and economic growth. Despite their numerical dominance, the full potential of Thai SMEs has yet to be realized globally. While some SMEs have successfully ventured into international markets, many face challenges that hinder their global expansion (OSMEP, 2023). Most characteristics of SMEs, such as limited financial resources, a lean organizational structure, and a heavy reliance on local markets, pose distinctive challenges when contemplating global strategies (Thong & Wu, 2022). Understanding these challenges is essential for creating tailored solutions that effectively empower Thai SMEs to compete on the global stage.

Global Strategy and Competitiveness

A well-crafted global strategy is integral to the competitiveness and sustainability of businesses in the 21st century. For SMEs, this entails understanding the intricacies of global markets and leveraging their inherent strengths, such as agility, innovation, and adaptability (European Commission, 2020). Global strategies encompass market entry decisions, product adaptation, international partnerships, and a keen awareness of geopolitical and economic trends (Wong, 2021).

For Thai SMEs to succeed on the global stage, it is essential to strike a careful balance between standardization and adaptation. While standardized operations can drive efficiency and consistency, adapting to local market conditions is crucial for meeting diverse consumer expectations and complying with varying regulatory frameworks. Achieving this balance requires a nuanced understanding of both the challenges and opportunities within international markets relevant to Thai SMEs.

This research explored the key challenges that has impeded the internationalization of Thai SMEs and proposed strategic approaches to strengthen their global presence. As global expansion increasingly influences the economic landscape, the empirical findings of this study will contribute to the scholarly understanding of SMEs internationalization. Furthermore, the practical recommendations derived from this research will offer valuable guidance for SMEs owners and stakeholders in order to enhance their competitiveness in international markets.

In the subsequent chapters, the study delved into the existing literature on global business strategies and the challenges faced by SMEs, providing a theoretical foundation

for the research. The research methodology outlined, detailing the approach to data collection and analysis. The research aimed to shed light on the intricacies of global strategies for Thai SMEs and paved the way for actionable insights that foster their success in the international marketplace.

1.2 Research Problems

Despite the growing opportunities for Thai SMEs to expand internationally, many continue to face substantial challenges in navigating the complexities of global markets. A limited understanding and application of effective international strategies often hinders their competitiveness and long-term sustainability abroad. Existing literature highlighted key barriers, including inadequate financial resources, cultural unfamiliarity, limited international experience, and poor strategic planning. These challenges contribute to a significant gap between the potential for global growth and the practical realities faced by Thai SMEs. Addressing this gap requires targeted research to identify critical obstacles and to develop actionable strategies that can support Thai SMEs in achieving sustainable success in a global market arena.

1.3 Purpose of Research

The primary aim of this research was to investigate the key factors and challenges affecting the implementation of global strategies by Thai SMEs. By identifying and analyzing these factors, the study sought to provide practical, evidence-based solutions to enhance the international competitiveness of Thai SMEs. The specific objectives were:

1. To identify the factors influencing the success of Thai SMEs in international markets.
2. To evaluate the impact of these factors on the implementation of global strategies.
3. To develop strategic recommendations based on the findings to improve the global competitiveness of Thai SMEs.

1.4 Significance of the Study

This study holds both theoretical and practical significance within the realms of international business and SMEs development in global economies. Thai SMEs, which constitute 99.5% of all businesses in the country, play a vital role in driving GDP growth and employment (OSMEP, 2024). However, despite increasing opportunities for internationalization, many Thai SMEs continue to face substantial barriers, including limited financial resources, weak implementation of global strategies, and inadequate institutional support.

From a theoretical perspective, this research contributed to the existing literature by integrating quantitative and qualitative approaches to examine the impact of critical factors—such as technology adoption, government support, cultural adaptability, and international experience on SMEs international success. The incorporation of a mediation framework deepens the understanding of how these variables interact and influence real-world strategy implementation.

Practically, the study provided actionable insights and strategic recommendations for SMEs owners, policymakers, and development agencies. By

identifying the key drivers of successful internationalization, the findings supported evidence-based policy formulation, capacity-building programs, and tailored strategic planning for Thai SMEs. Moreover, the proposed framework offered potential for adaptation in other emerging economies seeking to strengthen the global competitiveness of their SME sectors.

1.5 Research Questions

This study aimed to explore the critical factors that contribute to the global success of Thai Small and Medium-Sized Enterprises (SMEs) and to identify actionable strategies that could further enhance their international competitiveness. The research provided insights to help Thai SMEs overcome challenges and sustain long-term growth in the global marketplace.

To achieve this aim, the study was guided by the following research questions:

Research Question One

What are the key factors that influenced the global market success of Thai SMEs?

This question aimed to identify the fundamental internal and external drivers that affected the international performance of Thai SMEs. The analysis focused on variables such as international experience, technology adaptation, government support, and cultural adaptability, revealing their respective contributions to global market success through quantitative evaluation.

Research Question Two

How can Thai SMEs enhance their global competitiveness based on these factors?

This question focused on uncovering the practical strategies that Thai SMEs adopted—or could adopt—to strengthen their competitive position and expand into international markets. Drawing on the quantitative findings and integration of qualitative insights, the analysis reveals how international experience, technology adaptation, government support, and cultural adaptability serve not only as statistical predictors but also as actionable levers for competitive advantage.

By addressing these questions, the research provided valuable insights into how Thai SMEs refined their global strategies to achieve sustainable international growth. This section also established the foundation for the methodological approaches discussed in the following chapters.

1.6 Concept Framework of the Research

This research was based on the concept that the international success of Thai SMEs is influenced by a combination of strategic internal and external factors, including technology adaptation, government support, cultural adaptability, and international experience.

The study explored how these factors affect the ability of SMEs to compete globally, overcome challenges, and implement effective global strategies. It further examined how these variables interact and offered practical recommendations to bridge the gap between international potential and real-world constraints faced by Thai SMEs.

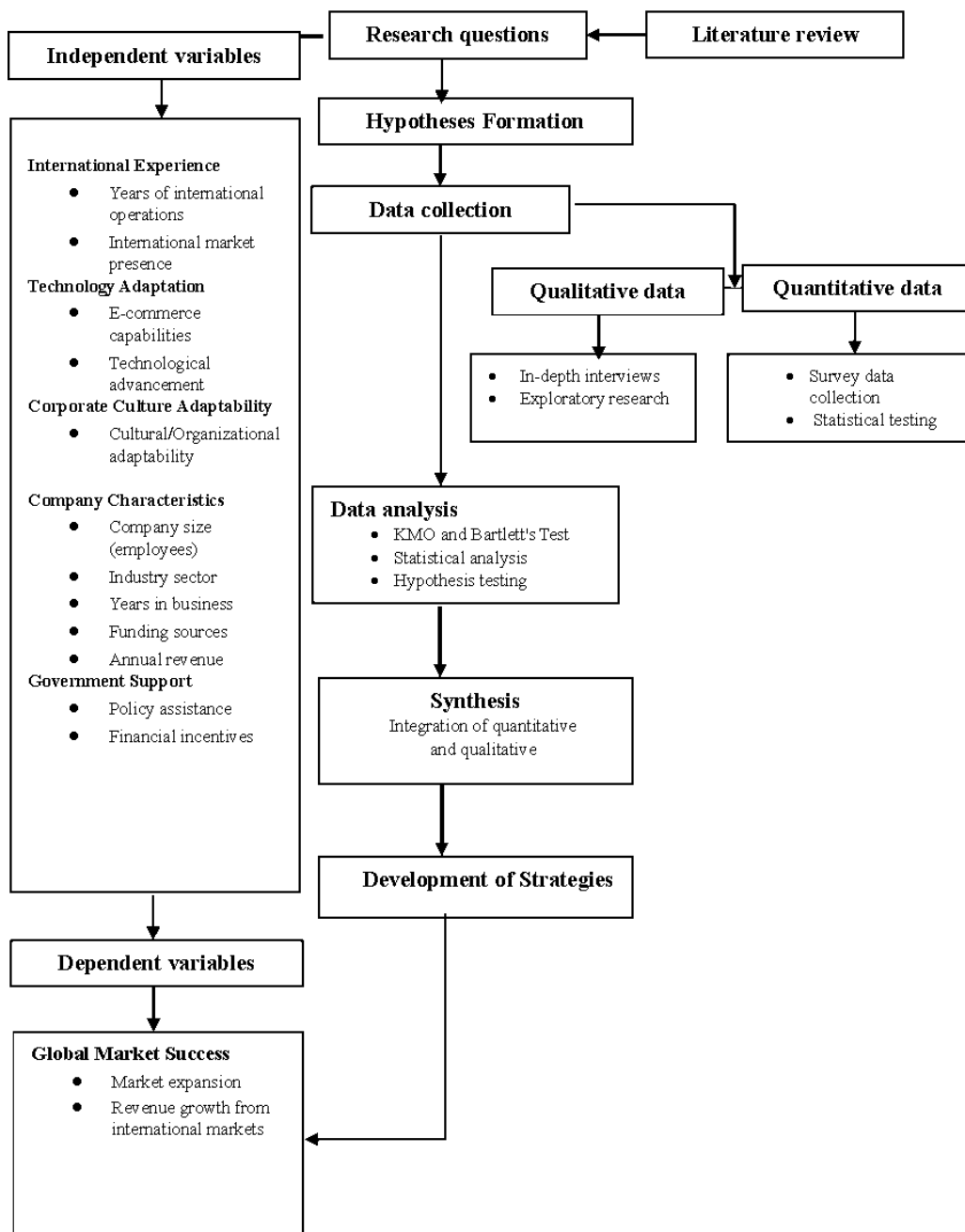


Figure 1.1
Conceptual Framework Diagram of the Study

CHAPTER II:

REVIEW OF LITERATURE

2.1 Introduction

Small and medium-sized enterprises (SMEs) are crucial to most economies worldwide. They are often described as the backbone of the economy, as they contribute significantly to economic growth, job creation, and innovation (Dempere & Tindale, 2023). Global strategies can identify ways to support the growth and internationalization of SMEs, which can positively impact on the country's overall economic growth.

Going global presents challenges for SMEs, such as limited resources, lack of international experiences, and cultural differences (OECD, 2023). International markets offer new opportunities for SMEs to grow their customer base, access new technologies, and collaborate with international partners. The emerging markets can leverage a new business model of SMEs (Smith et al, 2023).

It can be noted that small and medium-sized enterprises (SMEs) have played a pivotal role in the economic landscape of Thailand. They are considered the backbone of the Thai economy, contributing significantly to employment generation, economic growth, and innovation. SMEs constitute over 90% of businesses in the country (OSMEP, 2024) and span various sectors, including manufacturing, services, and agriculture. They have become vital drivers of economic development.

SMEs in Thailand have a substantial impact on job creation. They provide employment opportunities for a significant portion of the country's workforce, contributing to poverty reduction and socioeconomic stability (World Bank, 2023).

Moreover, SMEs foster entrepreneurship, enabling individuals to pursue their business ideas, stimulate local economies, and create a more inclusive economic environment (OECD, 2023).

Studying the global strategies of Thai SMEs can help identify factors that contribute to their success or failure in international markets. Understanding the best practices and strategies employed by successful SMEs can provide insights that can be used to enhance the competitiveness of other Thai SMEs operating globally. The literature review therefore can help identify these challenges and develop strategies to overcome them, providing guidance and support for Thai SMEs looking to expand globally.

The section of this research served multiple purposes and held relevance to the overall study in order to provide a comprehensive understanding of the characteristics and dynamics of SMEs. The section examined scholarly articles, reports, and relevant publications to delve into the various dimensions of business. It explored their size, ownership structure, management practices, and other key factors that defined their operations within the business landscape.

The chapter highlighted the challenges and obstacles that hinder the growth and sustainability of SMEs, including access to finance, regulatory policies, skill, and technological capabilities. It also investigated the various governmental policies, programs, and support mechanisms aimed at fostering the growth of SMEs in respective countries. It analyzed the effectiveness of these initiatives and identified potential areas

for improvement to enhance Thai SMEs competitiveness and expansion in global markets.

The review laid down the foundation for the subsequent chapters of this research, providing a theoretical framework and conceptual understanding of the topics in order to investigate the global strategies of Thai SMEs and their successful expansion into global markets. The chapter categorized topics as follows:

1. Theoretical framework of Competitive Advantage
2. Theory of Statistical Methodology
3. Government Policies in Respective Countries
4. Global Business Landscape
5. Related Research on Global Strategies
6. Summary of Key Findings from the Literature Review
7. Conclusion

2.2 Theoretical Framework of Competitive Advantage

Global competitiveness is a multidimensional concept that reflects a country's or organization's ability to achieve sustainable economic growth, attract investment, and thrive in the global marketplace. This topic explored the theories and conceptual frameworks that have shaped understandings of global competitiveness and comparative advantage. Various theories highlighted competitive advantages, including national competitiveness, global competitive index, resource-based view, innovation system approach, sustainable development framework, and disruptive innovation theory.

2.2.1 Porter's Diamond Model

Porter's Diamond Model, developed by Michael Porter, provides a comprehensive framework for analyzing and understanding the determinants of national competitiveness. It highlights four interconnected factors: factor conditions, demand conditions, related and supporting industries, and firm strategy, structure, and rivalry (Lee, 2025). The model emphasizes the importance of a supportive business environment, innovation, and the role of clusters in driving competitive advantage.

Porter's Diamond Model

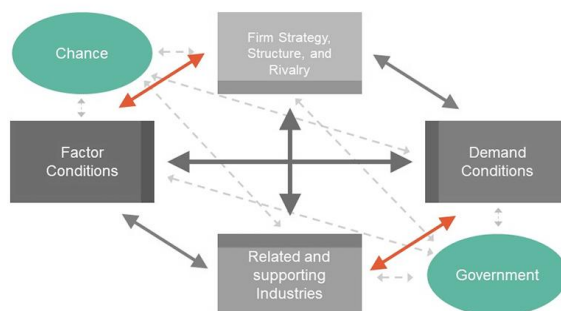


Figure 2.1

Diamond Theory Model

Source : <https://slidemodel.com/porters-diamond-model/>

Porter's Five Forces framework has been influential since its introduction in 1980 and has been applied and extended in various studies. Competition within a nation is shaped by firm strategy, structure, and rivalry. This competition, in turn, plays a significant role in fostering increased production and the development of technological innovations. Additionally, market power concentration, the degree of competition, and

the ease of entry for rival firms have been recognized as essential factors in shaping competition dynamics within a country (Goyal, 2021).

In Porter's Diamond model context, supporting industries play a crucial role in promoting innovation by facilitating the exchange of ideas, especially in industries with high levels of transparency and knowledge transfer (Ndzabukelwako et al, 2024). The collaboration and synergy between upstream and downstream industries can further spur innovation and enhance the competitiveness of a nation's economy (Dai, J et al, 2024).

Demand conditions play a pivotal role in driving innovation and product improvement. The size and nature of the customer base have been identified as significant factors stimulating the need for product differentiation and innovation, especially in larger consumer markets (Ferguson, 2025). The demand-driven pressure to innovate can lead businesses to expand their market scale and improve their competitive position.

Factor conditions are another critical aspect emphasized by Porter in his diamond model, focusing on elements that a country's economy can create to foster competitiveness and innovation. These conditions include a large pool of skilled labor, technological innovation, infrastructure, and access to capital. Governments can play a crucial role in stimulating competition and promoting factors conducive to innovation and economic growth (Surya et al., 2021).

The Porter model highlights how firm strategy, structure, rivalry, supporting industries, demand conditions, and factor conditions interplay to influence competition, production levels, and the development of technological innovations in a nation's

economy (Cosmin et al, 2024). The model remains relevant and applicable in shaping understandings of competitive advantage and innovation dynamics in various industries and economies.

Zheng, Li, and Liu (2021) indicated that an innovation-driven institutional environment of legal protections, supportive government policies, and financial support positively impacts SME competitiveness.

2.2.2 Global Competitiveness Index (GCI)

The Global Competitiveness Index, developed by the World Economic Forum (WEF), offers a holistic assessment of a country's competitiveness based on various factors, including institutions, infrastructure, macroeconomic stability, health, education, innovation, and business sophistication (World Economic Forum, 2020). The GCI provides a comparative analysis of countries' competitiveness and serves as a benchmark for policymakers and business leaders,

The GCI is a widely recognized and influential benchmark that measures nations' competitiveness and ability to generate sustainable economic growth. It provides policymakers, businesses, and other stakeholders with valuable insights into the factors contributing to a country's economic performance and helps identify areas for improvement.

By identifying the factors that positively impact competitiveness, policymakers can develop strategies to foster economic growth, attract investments, enhance productivity, and promote sustainable development (Kafouros et al., 2023). The GCI

continues to provide essential guidance for policymakers and stakeholders aiming to enhance competitiveness and foster economic development.

2.2.3 Knowledge-Based View

The Knowledge-Based View (KBV) focuses on knowledge creation, accumulation, and utilization as a source of competitive advantage. It emphasizes the importance of intellectual capital, innovation, and learning capabilities in driving global competitiveness. The KBV framework examines how organizations leverage knowledge assets, collaborate with partners, and develop dynamic capabilities to achieve superior performance in the global market (Rodrigo, 2023).

Robertson, Caruana, and Ferriera (2023) highlights the effects of knowledge-based dynamic capabilities on organizational ambidexterity as well as the role of knowledge management processes in balancing exploration and exploitation. Additionally, the influence of knowledge management practices on innovation performance in the context of small and medium-sized enterprises (SMEs) emphasize the importance of knowledge sharing and integration in driving innovation outcomes.

The relationship between intellectual capital and organizational performance underlines knowledge management capabilities' mediating role and knowledge-based resources' impact on firm competitiveness (Durst et al., 2023).

2.2.4 Resource-Based View Theory

The Resource-Based View (RBV) theory emphasizes the role of firm-specific resources and capabilities in achieving and sustaining competitive advantage. It posits that organizations with unique, valuable, and difficult-to-imitate resources and

capabilities are better positioned to compete globally. The RBV framework highlights the significance of strategic resource allocation, resource leveraging, and dynamic capabilities in fostering global competitiveness (Chigara, 2021).

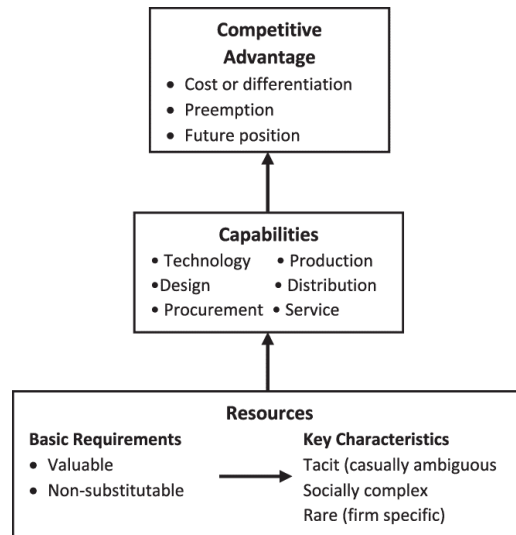


Figure 2.2

Resource based view

Source : https://www.researchgate.net/figure/The-resource-based-view-theory-of-the-firm_fig1_334667652

Social capital influences the resource-competitive advantage relationship and the relationship between international human resource management practices and firm performance (Al-Tit et al., 2022). Building on these recent findings, the RBV provides valuable insights into how firms can leverage their unique resources to gain a sustainable competitive advantage in the dynamic business environment.

2.2.5 Innovation Systems Approach

The Innovation Systems Approach (ISA) is a comprehensive framework that emphasizes the complex interactions and interdependencies among various actors, institutions, and processes within an innovation ecosystem. It provides a holistic perspective on innovation, moving beyond the traditional focus on individual firms to consider the broader socio-economic context in which innovation occurs.

Asheim et al. (2020) emphasized the importance of considering the broader socioeconomic context and ecosystem dynamics in fostering innovation. Individual firms do not solely drive innovation but are shaped by interactions between multiple actors, institutions, and policies within the innovation system.

Additionally, Fagerberg and Verspagen (2020) underpinned the significance of understanding the interactions between actors and institutions in innovation systems, stressing the need to analyze the roles and relationships of various stakeholders for effective innovation policies and strategies. These recent studies reinforce the relevance of the ISA framework and its contribution to understanding the broader context and dynamics of innovative ecosystems.

The value of the approach offers insights that can guide policymakers, practitioners, and stakeholders in designing effective policies, strategies, and interventions to foster innovation, enhance collaboration, and create supportive environments that drive economic growth and societal development.

2.2.6 Sustainable Development Framework

The sustainable development framework, based on integrating economic, social, and environmental dimensions, aims to foster sustainable practices and enhance global competitiveness. This framework acknowledges the importance of balancing economic growth, social well-being, and environmental stewardship for organizations and countries (Sookcharoen & Timdang, 2024).

It emphasizes adopting sustainable business practices, corporate social responsibility, green innovation, and responsible resource management (Zheng & Jin, 2023). By embracing this framework, businesses and nations gain insights into sustainability's pivotal role in improving competitiveness, appealing to conscious consumers, and meeting regulatory requirements (Jamwal et al., 2021).

These new theories and conceptual frameworks offer fresh perspectives on global competitiveness and guide organizations and policymakers seeking to thrive in the global market. By considering the dynamics of collaboration, digital transformation, and sustainable development, stakeholders can develop strategies that foster innovation, resilience, and long-term success.

The framework underscores the importance of involving diverse stakeholders in decision-making processes, including governments, businesses, civil society, and local communities. Meaningful participation fosters ownership, enhances inclusiveness, and ensures that sustainable development efforts align with the needs and aspirations of all (Nonet et al., 2022).

The sustainable development goals (SDGs) are vital to the sustainable development framework. The importance of policy coherence, data availability, and multi-stakeholder partnerships advance sustainable development agenda (Jamwal et al., 2021).

2.2.7 Disruptive Innovation Theory

The concept of disruptive innovation, first proposed by Clayton Christensen, offers valuable insights into how new technologies and business models disrupt established industries and markets (Dillon, 2020). This theory centers on the transformative effects of innovations that fundamentally change traditional markets (Kim & Mauborgne, 2023). It underscores the emergence of new entrants that initially focus on niche markets or underserved segments and gradually gain traction, ultimately displacing established incumbents (Alqahtaniet et al., 2024).

By providing a framework for understanding the dynamics of industry disruption and the challenges established firms face, disruptive innovation theory is a crucial tool in analyzing the impact of technological advancements on various sectors. Technological advancements and disruption include artificial intelligence, blockchain, and the Internet of Things—the role of digital technologies in enabling disruptive innovation potential, reshaping industries, and creating new market opportunities (Mookerrjee & Rao, 2021). Disruptive innovation facilitates disruptive change, such as the role of platform business models to enable the creation of new markets and the reconfiguration of value chains (Sewpersadh, 2023).

Disruptive innovation theory provides valuable insights into industry disruption dynamics and the challenges established firms face. Recent developments in the field have expanded our understanding of the role of technological advancements, business models, ecosystems, and strategic responses to disruption. By embracing disruptive innovation, firms and policymakers can navigate the rapidly changing business landscape and leverage new opportunities for growth and competitive advantage.

To summary, theories and conceptual frameworks provide valuable insights into understanding the complexities of global competitiveness. Integrating theories, including Porter's Diamond Model, the Global Competitiveness Index, the Knowledge-Based View, the Resource-Based View, and the Innovation Systems Approach enhances understanding of the factors and dynamics that shape global competitiveness. By applying these frameworks, policymakers, organizations, and researchers can develop strategies and policies that foster sustainable economic growth and success in the global market.

2.3 Theory of Statistical Methodology

In the field of statistical analysis, regression analysis, factor analysis, and structural equation modeling (SEM) have been widely used to examine relationships among variables and uncover underlying structures in data.

2.3.1 Regression Analysis

Regression analysis is a statistical method used to examine the relationship between one dependent variable and one or more independent variables. It helps researchers and analysts understand how changes in the independent variables are associated with changes in the dependent variable, allowing for prediction, trend analysis,

and the identification of key influencing factors. In business and social science research, regression analysis is widely used to test hypotheses, make forecasts, and support decision-making by quantifying the strength and direction of relationships between variables.

Regression analysis continues to be a fundamental tool for analyzing relationships between variables. Recent years have seen advancements in various aspects of regression analysis, including robust, non-linear, and Bayesian regression. Researchers have focused on improving the reliability and accuracy of regression models and addressing challenges related to multicollinearity, heteroscedasticity, and outliers (Erdogan, 2023).

One notable development is the increased use of machine learning algorithms in regression analysis, such as random forests and support vector regression. These algorithms can handle complex datasets and capture non-linear relationships, providing more accurate predictions and model interpretations (Sarker, 2021).

2.3.2 Factor Analysis

Factor analysis is a statistical technique used to identify underlying relationships or patterns among a large set of variables by grouping them into smaller, unobserved variables known as "factors." This method reduces data complexity by revealing latent constructs that explain the correlations among observed variables. Commonly used in social sciences, psychology, and market research, factor analysis helps validate survey instruments, develop theories, and simplify data interpretation by uncovering the structure behind the data (Brown & Maydeu-Olivares, 2022).

Factor analysis remains a popular method for identifying latent factors or constructs underlying observed variables. Recent research has focused on enhancing the traditional factor analysis techniques, including exploratory factor analysis (EFA) and confirmatory factor analysis (CFA).

Advancements in factor analysis have led to the emergence of techniques like Bayesian factor analysis and robust factor analysis. These methods offer improved estimation techniques and handle violations of underlying assumptions, such as non-normality and missing data (Brown & Maydeu-Olivares, 2022).

Furthermore, researchers have explored the integration of factor analysis with other statistical techniques, such as item response theory (IRT) and structural equation modeling (SEM). These integrative approaches allow for a more comprehensive understanding of the relationships among variables and latent constructs (Steenkamp & Maydeu-Olivares, 2023).

2.3.3 Structural Equation Modeling (SEM)

Structural Equation Modeling (SEM) is a multivariate statistical analysis technique that is used to analyze structural relationships between measured variables and latent constructs. It combines elements of factor analysis and multiple regression, allowing researchers to assess complex cause-and-effect relationships within a theoretical model (Kang & Jung, 2021). SEM is particularly useful for testing hypotheses about relationships among variables, including both direct and indirect effects. It is widely applied in social sciences, business, and education research, where understanding latent psychological, behavioral, or organizational factors is essential.

SEM has gained popularity due to its ability to examine complex relationships between observed and latent variables simultaneously. Recent years have witnessed advancements in both SEM's methodological and practical applications.

Methodologically, researchers have focused on developing more efficient estimation techniques, such as Bayesian SEM, partial least squares SEM (PLS-SEM), and robust SEM. These methods address the limitations of traditional maximum likelihood estimation, such as non-normality, small sample sizes, and missing data (Hair et al., 2020).

Practically, SEM has been increasingly used in various disciplines, including psychology, education, marketing, and social sciences. Researchers have employed SEM to test complex theoretical models, evaluate mediation and moderation effects, and assess measurement invariance across different groups (Hair et al., 2020).

Recent studies have sought to integrate these techniques to gain a more comprehensive understanding of complex phenomena. For example, researchers have employed regression-based SEM, which combines the strengths of both regression analysis and SEM. SEM integrated approach allows for examining direct and indirect effects simultaneously, considering both observed and latent variables (Hair et al., 2021).

2.3.4 Correlation Analysis

Correlation analysis is a statistical technique used to measure the strength and direction of the relationship between two or more variables (Guo.2023). The most commonly used correlation coefficient is Pearson's correlation (r), which assesses the linear relationship between continuous variables.

The correlation coefficient ranges from -1 to +1, where:

- +1 indicates a perfect positive relationship (as one variable increases, the other also increases).
- -1 indicates a perfect negative relationship (as one variable increases, the other decreases).
- 0 indicates no linear relationship between variables.

In conclusion, correlation analysis, regression analysis, factor analysis, and SEM have witnessed notable advancements since 2020. Correlation analysis remains a fundamental tool for measuring the strength and direction of relationships between variables, often serving as a preliminary step before regression modeling. Regression analysis has evolved to address methodological challenges, offering deeper insights into predictive relationships. Factor analysis helps identify latent variables influencing outcomes, while Structural Equation Modeling (SEM) integrates these techniques to explore complex relationships between observed and unobserved variables. Additionally, researchers have explored integrating correlation, regression, and SEM to enhance the understanding of relationships and underlying structures in data. As statistical analysis evolves, these techniques will likely remain essential tools for researchers in various fields, particularly in studying business dynamics, market trends, and SME internationalization.

2.4 Government Policies in Respective Countries

Small and medium-sized enterprises (SMEs) are vital contributors to the global economy, accounting for over 90% of all businesses worldwide and employing over two

billion people (OECD, 2021). They are crucial in driving innovation, job creation, and economic growth, particularly in developing economies.

SMEs are flexible, innovative, and responsive to changing market conditions, enabling them to adapt quickly to new technologies, emerging markets, and customer needs. They are often the breeding ground for new ideas and business models that can disrupt established industries, leading to increased competition, consumer choice, and economic development.

In addition to driving economic growth, the WTO's research notes highlight that SMEs represent approximately 95% of businesses and contribute over 70% of employment in global markets, accounting for up to 40% of national income (GDP) in emerging economies. (WTO, 2022).

However, SMEs often need help accessing global markets, such as limited access to finance, inadequate infrastructure, and complex regulatory frameworks. These challenges can limit their ability to scale up and expand internationally, hindering their growth and competitiveness in global markets.

To overcome these challenges, governments and international organizations have implemented various policies and initiatives to support SMEs' internationalization. For example, the OECD has developed a range of tools and resources to help SMEs navigate the challenges of exporting, including trade finance, market intelligence, and access to networks and partnerships (OECD, 2021).

The WTO also supports SMEs through its aid for trade initiative, which aims to help developing countries build the capacity to trade and participate more effectively in

the global economy. The initiative provides technical assistance, training, and financial support to SMEs to help them overcome the barriers to international trade (WTO, 2021).

However, SMEs face significant challenges in accessing global markets, and governments and international organizations must continue to implement policies and initiatives to support their internationalization and promote their growth and competitiveness in global markets.

Despite these challenges, many Thai SMEs have successfully expanded their businesses overseas. Thailand has a robust export-oriented economy, and SMEs drive the country's economic growth. According to the Thai Ministry of Commerce, SMEs account for over 40% of the country's GDP and employ over 80% of the workforce (Ministry of Commerce, 2021).

However, while many Thai SMEs have been successful in expanding their businesses overseas, there is a need for further research into their global strategies. Understanding how Thai SMEs compete in the global market is essential for policymakers, academics, and business leaders to develop policies and strategies supporting their growth and competitiveness internationally.

2.4.1 Definition of SMEs

The definition of SMEs varies among countries, regions, and organizations. In the European Union (EU), *SMEs* are defined as companies that employ fewer than 250 people, with an annual turnover of less than €50 million or a balance sheet total of less than €43 million (European Commission, 2020).

SMEs are critical to most economies, contributing significantly to economic growth, job creation, and innovation. While the definition of SMEs varies between countries and organizations, the most common approach is to use a combination of criteria based on the number of employees, annual turnover, and balance sheet. It is essential to have a clear understanding of the definition of SMEs in different contexts to ensure that policy development and support programs are tailored to the needs of SMEs.

Japan

SMEs are defined as businesses with up to 300 employees and annual revenue of less than ¥1 billion (approximately USD 9.1 million) (Ministry of Economy, Trade and Industry, 2020). SMEs in Japan are further divided into three categories: small enterprises (up to 50 employees), medium-sized enterprises (51 to 300 employees), and microenterprises (up to 5 employees).

India

SMEs are defined as businesses with up to 200 employees and annual revenue of less than INR 100 crore (approximately USD 13.4 million) (Ministry of Micro, Small and Medium Enterprises, 2021). SMEs in India are further categorized into microenterprises (up to 10 employees), small enterprises (11 to 50 employees), and medium-sized enterprises (51 to 200 employees).

Australia

SMEs are defined as businesses with up to 200 employees and annual revenue of less than AUD 50 million (approximately USD 38.5 million) (Australian Bureau of Statistics, 2021). SMEs in Australia are further divided into small businesses (up to 19

employees), medium-sized businesses (20 to 199 employees), and micro businesses (up to 4 employees).

United States of America

In the United States (US), the Small Business Administration (SBA) defines SMEs based on the number of employees, with companies having fewer than 500 employees classified as small businesses (SBA, 2021).

China

SMEs are defined as businesses with annual revenue of up to CNY 500 million (approximately USD 77 million) (State Administration for Market Regulation, 2020). SMEs in China are divided into small businesses (up to 100 employees) and medium-sized businesses (101 to 300 employees).

United Kingdom

SMEs are defined as businesses with up to 249 employees and annual revenue of less than £45 million (approximately USD 62 million) (Department for Business, Energy & Industrial Strategy, 2020). SMEs in the UK are further categorized into small businesses (up to 49 employees), medium-sized businesses (50 to 249 employees), and micro businesses (up to 9 employees).

Malaysia

SMEs are defined based on their annual sales turnover, with microenterprises having annual sales of less than MYR 300,000 (approximately USD 72,000), small enterprises having annual sales of MYR 300,000 to MYR 15 million (approximately USD 3.6 million), and medium-sized enterprises having annual sales of MYR 15 million

to MYR 50 million (approximately USD 12 million) (Department of Statistics Malaysia, 2020).

Thailand

The definition of SMEs is based on the number of employees and annual sales turnover. The Office of SME Promotion (OSMEP) defines *SMEs* as businesses with fewer than 200 employees and an annual sales turnover of less than 200 million baht (approximately USD 6.6 million) (OSMEP, 2021). However, there are also different subcategories within Thailand's SME sector based on the business's size and its specific industry.

The definition of SMEs varies depending on the country and the industry, but the standard criteria include the number of employees, annual revenue, and asset value. SMEs play an essential role in the economy but face significant challenges. Therefore, governments and other organizations have implemented various initiatives to support and help SMEs overcome these challenges.

2.4.2 SMEs Policies in Respective Countries

Small and medium-sized enterprises (SMEs) form the backbone of nation's economy, contributing significantly to job creation, innovation, and economic growth. Recognizing their vital role, the government is committed to fostering a conducive environment for SMEs' sustainable development and success across various industries.

The policy document outlines the comprehensive framework designed to empower SMEs, address their challenges, and capitalize on their potential as dynamic drivers of economic prosperity. Through a collaborative and strategic approach, the

government seeks to stimulate entrepreneurship, promote competitiveness, and enhance the resilience of SMEs in the face of global economic shifts.

The respective country government acknowledges that SMEs face unique hurdles, including limited access to financing, regulatory complexities, market entry barriers, and skill shortages. Considering these challenges, this policy framework is tailored to cultivate a nurturing ecosystem that enables SMEs to flourish and encourages their expansion into more significant, internationally competitive entities.

Korea

Small and medium-sized enterprises (SMEs) are critical to the Korean economy. According to the Ministry of SMEs and Startups there were approximately 5.8 million SMEs in Korea as of 2020, accounting for 99.9% of all businesses in the country (MSS, 2021).

Despite their importance, SMEs in Korea face various challenges. One significant challenge is access to funding. SMEs often need more collateral and access to credit to secure loans from banks (Kim & Jin, 2022). The Korean government has implemented various financial support measures, including the credit guarantee fund and the Korean Technology Finance Corporation, to provide SMEs with greater access to funding (Jin & Lee, 2020).

Another challenge facing SMEs in Korea is the need for more access to technology and innovation. Many SMEs in Korea need more resources to invest in research and development, limiting their ability to compete with larger firms in the global market (Kim & Park, 2023). The Korean government has responded to this challenge by

implementing various technology and innovation support measures, including the innovation voucher and technology innovation programs (Kim et al., 2022).

Additionally, SMEs in Korea need help in reaching customers in foreign markets. Limited resources and lack of experience in international business can hinder SMEs' ability to expand into new markets. The Korean government has implemented various export promotion measures to address this challenge, including trade fairs, market research, and overseas market support.

The Korean government provides a range of financial support measures for SMEs, including low-interest loans and credit guarantees. (Korea SMEs and Startups Agency, 2020). The Korea Credit Guarantee Fund provides credit guarantees to SMEs to secure loans from financial institutions, and the Industrial Bank of Korea offers loans with low interest rates to SMEs.

SMEs in Korea are eligible for various tax benefits, such as reduced corporate income tax rates and tax exemptions for R&D expenses. The government offers investment incentives to attract domestic and foreign investors to SMEs, including subsidies for investment in new facilities and equipment (Korea SMEs and Startups Agency, 2020). SMEs are eligible for a reduced corporate tax rate of 10% for the first KRW 200 million taxable income (Korea SMEs and Startups Agency, 2020).

In addition to financial support, the Korean government provides non-financial support measures for SMEs, such as incubators and accelerators, to help startups grow and develop. The Korea Trade-Investment Promotion Agency supports SMEs in

exporting their products and services to international markets through various programs, including trade shows and market research. (Korea SMEs and Startups Agency, 2020)

The Korean government supports SMEs to develop and adopt new technologies, including funding for R&D and technology transfer programs. The government also offers education and training programs to enhance the competitiveness of SMEs, including management training and technical education programs (Hyoung et al., 2023).

Overall, the Korean government's support policies for SMEs are comprehensive and aim to address the various challenges SMEs face in the global market. These policies have played a significant role in promoting the growth and success of SMEs in Korea. The Korean government has implemented various policies and programs to address these challenges and support the growth of SMEs in the global market. Creative industry, and R&D are ones of Korean success cases.

Thailand

Small and medium-sized enterprises (SMEs) are crucial in the global economy. They are often considered the backbone of many economies due to their ability to create jobs, foster innovation, and contribute to economic growth.

SMEs are critical to Thailand's economy, contributing to job creation, economic growth, and innovation. According to the Ministry of Industry, SMEs account for around 99% of all enterprises in Thailand, employing around 80% of the workforce in the private sector (OSMEP, 2023). SMEs also play a significant role in promoting regional development and reducing income inequality in the country.

The Thai government has recently emphasized promoting innovation and technology adoption among SMEs. The Thailand 4.0 policy, launched in 2016, aims to transform the country's economy from a production-based to a knowledge-based economy driven by innovation and digital technology. As part of this policy, the government has introduced various initiatives to encourage SMEs to adopt digital technologies, such as the Smart SMEs program, which provides training and support for SMEs to use digital tools and platforms to improve their business operations and competitiveness (OECD, 2021).

The Thai government has implemented various policies and initiatives to support Small and Medium-sized Enterprises (SMEs) in the country. It is essential to note that policies may have evolved or changed beyond that date. Various measures and initiatives of the government have supported the Thai SMEs.

The government has offered various financial incentives and assistance programs to help SMEs access funding and credit. These initiatives include low-interest loans, credit guarantees, and grants for SMEs to expand their businesses and invest in innovation and technology (Naruetharadhol et al., 2022).

Efforts were made to streamline regulatory procedures and reduce bureaucratic hurdles for SMEs. This includes simplifying business registration processes and reducing compliance burdens to encourage more entrepreneurs to start and grow their businesses.

The government has promoted policies to facilitate SMEs' access to domestic and international markets. This includes support for export promotion, trade fairs, and capacity-building programs to enhance SMEs' competitiveness in the global market.

Various skill development and training programs have been introduced to enhance the capabilities of SME owners and their employees. These programs aim to improve managerial, technical, and marketing skills, making SMEs more competitive and resilient.

Additionally, the government has initiated programs to encourage SMEs to adopt technology and embrace innovation. This includes funding support for research and development activities and the promotion of digitalization and technology adoption in SME operations. The government has encouraged SMEs to collaborate and form networks to share knowledge and resources. Business associations and clusters have been supported to promote knowledge exchange and peer learning among SMEs.

Various tax incentives have been introduced to promote investment in SMEs. These incentives may include reduced tax rates, tax holidays, or deductions for certain expenses related to SME development. Board of Investment (BOI) has played an initial role in leveraging both Thai and international companies.

The government has actively supported SMEs in expanding their presence in international markets through export promotion schemes, market access facilitation, and trade-related assistance.

Finland

Small and medium-sized enterprises (SMEs) play a crucial role in the global economy, accounting for over 90% of all businesses worldwide and contributing significantly to employment and economic growth (European Commission, 2020). In the European Union (EU), SMEs represent more than 99% of all businesses and contribute to

67% of employment in the private sector (European Commission, 2020). Despite their importance, SMEs often need help accessing new markets, including limited access to financing, regulatory barriers, and difficulty accessing new markets.

According to a report by the International Trade Centre (ITC), SMEs account for approximately 70% of employment worldwide (ITC, 2021). Furthermore, SMEs generate a significant proportion of national income, with SMEs in the EU contributing to almost 57% of value-added in the non-financial business sector (European Commission, 2020).

Finland has implemented several policies and initiatives to support SMEs, focusing on digital transformation, innovation, and internationalization. The Finnish government has launched several programs to promote digitalization among SMEs, such as the SME Growth Path and the Smart Industry Program (Ministry of Economic Affairs and Employment, 2021). These programs provide SMEs with support and guidance in their digital transformation efforts, helping them to stay competitive in the global market.

Finland has also implemented several initiatives to support SME innovation. The government has provided funding for R&D activities and established programs such as the Finnish Funding Agency for Innovation, which provides funding and support for innovative SMEs (Ministry of Economic Affairs and Employment, 2021). Furthermore, the Finnish government has implemented measures to reduce the administrative burden for SMEs and simplify the tax system, making it easier for SMEs to operate and grow.

China

China's small and medium-sized enterprises (SMEs) are crucial to the country's economy. SMEs contribute significantly to employment and GDP. Chinese firms are the forefront of innovation and technological development.

SMEs are the backbone of China's economy, employing over 80% of the country's urban workforce (Ministry of Industry and Information Technology, 2020). As of 2019, there were over 30 million SMEs in China, accounting for more than 99% of all enterprises (National Bureau of Statistics of China, 2020). SMEs also contribute to over 60% of China's GDP (Ministry of Industry and Information Technology, 2020)

According to a Chinese Ministry of Industry and Information Technology report, SMEs contribute over 60% of China's GDP and over 80% of urban employment. (Ministry of Industry and Information Technology, 2020)

One of the biggest challenges SMEs face in China is the limited access to financing. SMEs often need help obtaining loans from banks, which prefer lending to more extensive and established companies. This makes it difficult for SMEs to expand their operations and invest in new projects.

SMEs in China also need to overcome regulatory barriers that make it difficult for them to operate. These barriers include complex business registration procedures, bureaucratic red tape, and high compliance costs. Moreover, SMEs often need more resources and expertise to comply with these regulations.

China is a country that has a competitive labor market. SMEs often need help attracting and retaining skilled workers. This is particularly true in high-tech industries,

where the demand for skilled workers is rigid, but the supply is limited. The lack of skilled labor makes it difficult for SMEs to innovate and compete with larger companies.

Despite these challenges, SMEs continue to play an essential role in China economy. The government has implemented several policies to support and help SMEs overcome these challenges.

The Chinese government recognizes the importance of SMEs in driving innovation and has implemented policies and initiatives to support their growth. For example, the "Made in China 2025" strategy, launched in 2015, aims to transform China into a world leader in high-tech industries, such as robotics, aerospace, and new materials. The strategy prioritizes the development of SMEs and provides them with funding and other forms of support to drive innovation and technological development (Agarwala & Chaudhary, 2021).

Financial support measures include loans, credit guarantees, tax benefits, and investment incentives (He & Wei, 2022). The Chinese government has established various loan and credit guarantee programs to provide SMEs with access to financing. For instance, the government has set up the trim and micro-enterprise loan program, which offers loans to SMEs at a lower interest rate than the market rate (Zhang & Wang, 2023).

Tax benefits are another form of financial support. The government has introduced preferential tax policies for SMEs, such as reducing the tax rate and providing exemptions and deductions (OECD, 2022).

In terms of non-financial support measures, the Chinese government has established various programs to promote the development of SMEs. Incubators and accelerators have been set up to provide SMEs with support in areas such as management, technology, and marketing (Hu et al., 2023). The government also offers export promotion support in emerging markets, including financial assistance for SMEs participating in international exhibitions and fairs (Estrader & Zottele, 2023).

Further, technology and innovation support programs have helped SMEs develop new products and technologies. The Chinese government has implemented various initiatives, such as the National Science and Technology SMEs Innovation Fund, to support SMEs in this area (Xinhua, 2021).

Education and training programs have been set up to improve SMEs owners' and employees' skills and knowledge. For example, the Chinese government has established the SMEs promotion law, which mandates establishing vocational training programs for SMEs.

The impact of these government support policies on SMEs in China has been significant. In recent years, there has been a noticeable increase in new businesses, employment opportunities, and productivity and innovation improvements. In addition, China's ongoing economic transformation and commitment to innovation and technology are expected to create even more opportunities for SMEs.

Singapore

Singapore has a track record of implementing initiatives and policies to foster the growth and development of Small and Medium-sized enterprises (SMEs). One such

initiative is the Enhanced Productivity and Innovation Credit (PIC+), introduced in 2014. The PIC+ provided tax deductions or cash payouts to qualifying SMEs that invested in productivity improvements and innovation. The program was encouraging them to undertake research and development, automation, employee training, and other activities to enhance their competitiveness in the market (IRAS, 2025).

To further bolster innovation and entrepreneurship, Singapore introduced the Startup SG program. Launched to support innovative startups and many SMEs, this program provided a range of funding, mentorship, and networking opportunities to nurture an ecosystem of entrepreneurship and innovation in the country (Enterprise Singapore, 2021).

Singapore established the Enterprise Financing Scheme to address SMEs' financing needs at various growth stages. This scheme offered different financing options, including working capital loans, trade financing, and equipment financing, to provide easier access to capital for SMEs and support their financial requirements (Enterprise Singapore, 2021).

Recognizing the importance of a skilled and adaptable workforce, Singapore introduced the SkillsFuture initiative. This comprehensive program encouraged lifelong learning among Singaporeans, including employees and employers of SMEs. It offered funding and support for training and upskilling, ensuring the workforce remains relevant and equipped to adapt to industry changes and demands (SkillsFuture Singapore, 2025).

These initiatives collectively reflect the Singaporean government's commitment to promoting a conducive environment for SMEs to thrive, innovate, and contribute to the

nation's economic growth and resilience. By offering financial incentives, technology adoption support, access to financing, and investment in human capital, Singapore continues to foster an ecosystem that supports the development and success of SMEs in the country.

Government support policies have been essential in promoting the growth and development of SMEs in Singapore. Despite the challenges faced by these businesses, the government's commitment to providing support measures has led to significant progress. Moving forward, it will be necessary for the government to continue to provide targeted support policies that address the specific needs of SMEs and help them thrive in an increasingly competitive global market.

	Finland	Korea	China	Singapore	Thailand
Financial Assistance	Grants, loans, and venture capital funding are available through various government programs.	Financial support through loans, loan guarantees, and special funds provided by the government.	Government-backed loans, equity financing, and subsidies for SMEs through regional and national programs.	Various financing schemes, grants, and loans available through government agencies and financial institutions.	Financial assistance programs, including grants and loans, are provided by government agencies.
Tax Incentives	Tax incentives for SMEs, including reduced corporate tax rates, tax deductions, and exemptions.	Tax benefits such as reduced corporate tax rates, tax credits, and exemptions for SMEs.	Tax incentives such as reduced corporate tax rates, VAT exemptions, and tax deductions for R&D activities.	Attractive tax incentives, including corporate tax exemptions, investment allowances, and tax deductions for qualifying expenses.	Tax incentives such as reduced corporate income tax rates, exemptions, and deductions for eligible SMEs.
Export Promotion	Government support in promoting exports through export financing, market access support, and trade missions.	Various export promotion programs, export financing, and trade facilitation initiatives.	Export support measures, including export credits, trade promotion activities, and market access assistance.	Extensive support for export activities, including trade financing, market access initiatives, and trade missions.	Export promotion programs, trade financing, and market access assistance provided by the government.
Innovation Support	Funding and support for research and development (R&D) activities, innovation grants, and innovation centers.	Government funding and support for R&D, technology transfer, and innovation clusters.	Support for R&D and innovation, technology incubators, and funding for technology development.	Robust support for R&D and innovation, including funding programs, research grants, and	Funding for R&D, innovation grants, and support for technology development and commercialization.

Figure 2.3

Comparative Government Policies for SMEs

2.5 Global Business Landscape

The global business landscape is a vast and dynamic arena where organizations from all corners compete, collaborate, and innovate. It represents the diverse and complex environments in which companies operate and seek to expand their presence on an international scale.

Many factors, including economic trends, technological advancements, geopolitical dynamics, cultural diversity, and regulatory frameworks, shape these landscapes. Each factor introduces unique challenges and opportunities, influencing business strategies and decision-making at every level.

By understanding the challenges, opportunities, and best practices, SMEs can chart their course to success, embrace global ambitions, and contribute to the vibrant and interconnected global economy. As the world continues to evolve, SMEs stand at the forefront of the dynamic global business landscape, poised to leave a lasting impact on the international stage.

2.5.1 Global Strategies

Global strategies encompass various approaches and tactics organizations employ to expand their operations and achieve success in international markets. These strategies involve a comprehensive analysis of various factors, both internal and external, that influence business decisions on a global scale.

Global strategies' core is recognizing that markets differ across countries and regions. Organizations must adapt their products, services, marketing approaches, and overall business models to suit each market's unique characteristics (Farida & Setiawan,

2022). This adaptation may involve customizing products to meet local preferences, adjusting pricing strategies based on purchasing power, or tailoring marketing messages to align with cultural norms and values.

Additionally, global strategies often encompass decisions related to market selection and entry modes. Organizations must assess the attractiveness and feasibility of different markets, considering factors such as market size, growth potential, competitive intensity, and regulatory environments (Berry & Shabana, 2020). Based on these assessments, organizations can choose the most suitable entry modes, such as exporting, licensing, joint ventures, or direct investment, to establish a presence and gain access to the target markets.

Furthermore, global strategies involve considering the degree of standardization versus adaptation. Organizations must balance achieving economies of scale through standardized processes and products while accommodating local market requirements and preferences (Kotabe & Helsen, 2021). This balance ensures that organizations can capture efficiencies and cost advantages without sacrificing market responsiveness and customer satisfaction.

The importance of global strategies stems from the increasing globalization of economies and markets. With advancements in technology, transportation, and communication, the world has become more interconnected, leading to greater integration of businesses across national boundaries. Global strategies allow organizations to tap into new markets, diversify revenue streams, access resources and talent globally, and mitigate risks associated with a single-country focus.

Furthermore, global strategies enable organizations to achieve economies of scale, reduce costs through global sourcing and production, and leverage their competitive advantages on a global scale (Farida & Setiawan, 2022). Organizations that successfully formulate and implement global strategies in a competitive global environment are better positioned to adapt to changing market dynamics, exploit emerging opportunities, and drive sustainable growth.

The significance of global strategies has become increasingly pronounced in today's interconnected world due to several key factors.

Globalization and Market Opportunities

Globalization has opened vast opportunities for organizations to expand their reach beyond domestic markets. As trade barriers have decreased and information flows have increased, organizations can tap into new markets and customer segments, leading to potential revenue growth (Deresky, 2021). Organizations can identify and capitalize on these opportunities by formulating effective global strategies, driving business expansion, and enhancing their competitive position.

Emerging markets, often found in developing countries, have become significant players in the global business arena (UNCTAD, 2023). These economies offer immense growth potential, driven by population growth, expanding middle classes, and natural resources (KPMG, 2021). Companies seeking to capitalize on these opportunities must navigate challenges like regulatory complexities, cultural differences, and infrastructure limitations (Ferreira & Marques, 2022).

Access to Resources and Talent

Global strategies enable organizations to access resources and talent on a global scale. Whether sourcing raw materials, accessing new technologies, or attracting skilled labor, expanding into international markets can provide organizations with a broader pool of resources to leverage (Kerr, 2025). By strategically positioning themselves in different regions, organizations can harness the benefits of local expertise, innovation, and cost efficiencies.

Risk Diversification

Global strategies allow organizations to diversify their risk by operating in multiple markets (Thi-Huong et al., 2023). By spreading their operations across different regions, organizations can mitigate the impact of local disruptions and economic fluctuations, ensuring excellent stability and resilience.

Technology and Innovation

Technological advancements have revolutionized the global business arena. The rise of digital platforms, e-commerce, and automation has transformed industries and enabled businesses to reach customers worldwide (Radicic & Petkovic, 2023). The tech sector, in particular, thrives in the global arena, with companies like Apple, Amazon, and Alibaba reshaping industries across borders. Intellectual property rights, data privacy, and cybersecurity are crucial considerations in this rapidly evolving arena. (Hasani et al., 2023).

Political and Legal Environment

The political and legal environment significantly influences global business (Muller & Dorobantu, 2023). Governments set policies, regulations, and taxation frameworks that impact cross-border trade. Political stability, corruption levels, and legal systems vary from country to country, creating business risks and uncertainties. A deep understanding of the political and legal landscape is crucial for success in global markets.

Cultural Considerations

Cultural diversity poses challenges and opportunities in the global business arena (Adjabeng et al., 2022). Effective cross-cultural communication, understanding local norms, and adapting products and services to different cultural preferences are essential for international success (Sahadevan & Sumangala, 2021). Failure to recognize and respect cultural differences can lead to misunderstandings, failed partnerships, and loss of market share (Rajhans, 2023).

Sustainable Development

Consumers and stakeholders increasingly demand environmentally and socially responsible practices from companies. Organizations must navigate evolving regulations, reduce their environmental footprint, and address social issues to maintain a competitive edge and contribute positively to the global community (Shanya et al., 2022).

Navigating this arena requires adaptability, strategic thinking, and a deep understanding of global dynamics. Success in the global business arena presents significant opportunities for growth, profitability, and positive impact on societies worldwide.

2.5.2 Global Business Environments

The global business environment is a dynamic and interconnected landscape encompassing the economic, political, social, technological, and cultural factors shaping international trade, investment, and commerce. In an increasingly globalized world, businesses operate within a vast network of cross-border interactions where opportunities and challenges transcend national borders.

This environment is characterized by rapid technological advancements, increased mobility of goods and services, and the emergence of new markets and competitors. As companies expand their horizons beyond domestic boundaries, they encounter diverse regulatory frameworks, cultural nuances, and consumer preferences, necessitating adaptability and strategic foresight (Buehring & Bishop, 2020).

Organizations must navigate complexities, seize opportunities, and mitigate risks to thrive in the global business environment. Understanding geopolitical trends, technological disruptions, sustainability imperatives, and changing consumer behavior becomes critical to developing effective business strategies.

The environments also have impacted the success of SMEs business internationally.

External Environments

Economic Environment: The economic environment plays a pivotal role in global business operations, as factors such as economic growth, inflation, currency exchange rates, and trade policies can significantly impact an organization's ability to operate across international markets. Economic growth, for example, provides

opportunities for expansion and investment, whereas inflation and fluctuating exchange rates can affect profitability and pricing strategies (World Economic Forum, 2020). Trade policies, including tariffs and trade agreements, can create barriers or opportunities for global businesses by either facilitating or restricting cross-border transactions.

Political and Legal Environment: Political stability, government policies, regulations, and legal systems in different countries are critical elements that influence global business operations. A stable political environment ensures predictability, which encourages investment and strategic planning. On the other hand, unstable political conditions, such as frequent changes in leadership or policies, can introduce risk and uncertainty, affecting long-term business strategies. Legal frameworks governing intellectual property, labor laws, and environmental regulations are also essential considerations for businesses looking to expand internationally (Dorobantu et al., 2020). Compliance with local laws and regulations is crucial for ensuring smooth operations and avoiding legal disputes.

Socio-cultural Environment: The socio-cultural environment refers to the cultural norms, values, beliefs, and consumer behavior patterns that vary across countries and cultures. These cultural differences influence how businesses market products, interact with customers, and navigate social expectations. For instance, understanding cultural nuances, communication styles, and consumer preferences is essential for creating products and services that resonate with local markets. Additionally, cultural competence is key for global business leaders to build trust and foster meaningful relationships with international partners (Vlasov et al., 2022).

Technological Environment: Advances in technology, digitalization, and connectivity have transformed the global business arena. Emerging technologies such as artificial intelligence, machine learning, and the internet of things (IoT) offer businesses new opportunities for innovation and operational efficiency. Digitalization, particularly in e-commerce, has allowed companies to reach a broader global audience, while advancements in communication technologies have enabled seamless interactions across borders. As technology continues to evolve, businesses must stay ahead of technological trends to remain competitive in the global market (Ameen et al., 2022).

Competitive Environment: The competitive environment in global business is marked by fierce competition, with companies from different countries vying for market share. In many industries, businesses face competition from both local and international players, making it essential for companies to differentiate themselves through innovation, pricing strategies, and customer service. Competitive pressures can drive organizations to continuously improve their offerings and explore new markets to maintain or expand their market position (Farida & Setiawan, 2022).

Internal Environments

Organizational Structure and Culture: The internal organizational structure and culture significantly influence how a company manages its global operations. A well-structured organization facilitates clear communication, decision-making, and coordination across departments, while a strong organizational culture can promote collaboration and alignment with the company's global strategy. Organizational culture, in particular, is important when managing teams in different countries, as it shapes

behaviors, work ethics, and decision-making processes across various locations (Leso et al., 2023).

Human Resources: The availability of skilled talent, cross-cultural competence, and language capabilities within an organization is a crucial factor for global business success. Human resources management must focus on recruiting and developing employees who possess the skills and cultural awareness necessary to navigate international markets. A diverse workforce with expertise in international markets can provide valuable insights into local consumer behavior and enhance a company's ability to adapt to different cultural norms and business practices (Lemke, 2021).

An Organization's Skills: Expertise and talent are vital for executing global strategies. Companies need to identify and develop employees who have the necessary international experience, cultural competence, language proficiency, and knowledge of local markets. By investing in employee training and development, organizations can build a workforce that is equipped to handle the complexities of international operations. Building a diverse and capable team also ensures the organization can effectively address global challenges and capitalize on opportunities (Deresky, 2021).

Operations and Supply Chain: Efficient supply chain management, sourcing strategies, logistics, and production capabilities are vital for global operations. Organizations must ensure that their supply chain is flexible and robust enough to handle the demands of international markets. Streamlining production and logistics operations, from sourcing raw materials to delivering finished products, is crucial for minimizing

costs and ensuring timely delivery. By optimizing supply chain processes, businesses can improve their competitiveness in global markets (Bygballe et al., 2023).

Efficient Supply Chains and Distribution Networks: To thrive in global markets, organizations must continuously evaluate and optimize their supply chain processes, logistics capabilities, and distribution networks. These systems ensure that products are delivered on time, minimize operational costs, and meet the varying demands of international customers. Strategic partnerships with suppliers and distributors can enhance an organization's market reach and operational effectiveness, allowing businesses to scale and adapt to changing global demands (Zhang & Wang, 2023).

Marketing and Branding: Effective global marketing strategies, brand positioning, and localization efforts are essential for capturing and retaining customers in diverse international markets. A strong global brand that resonates with local consumers helps businesses build loyalty and establish a competitive edge. Tailoring marketing campaigns to meet cultural preferences, as well as understanding regional market trends, can enhance brand recognition and drive sales across international markets (Zahara et al., 2023).

Technological Capabilities: Technological capabilities are integral to global success. Organizations must evaluate their technological infrastructure, including IT systems, data analytics capabilities, and digital marketing expertise. By leveraging technology, companies can enhance operational efficiency, make data-driven decisions, and foster collaboration across global teams. The adoption of digital tools and platforms

is essential for maintaining a competitive edge in today's fast-paced global market (Ameen et al., 2022).

Financial Resources: Financial resources are necessary to support global expansion efforts. Organizations need adequate funding to invest in market entry, product development, marketing campaigns, and infrastructure. Securing appropriate financial resources is crucial for implementing global strategies, especially for SMEs with limited access to capital. Companies must assess the availability of funds and explore financing options such as venture capital, loans, or government grants to fuel their internationalization plans (Amadasun & Mutezo, 2022).

Internal Factors within an Organization: Internal factors such as organizational resources, capabilities, culture, values, and strategic goals play a critical role in the success of global strategies. A company's ability to leverage its internal strengths, such as innovation, operational efficiency, and leadership, can significantly impact its global competitiveness (Kang & Jung, 2021). Understanding these factors allows organizations to tailor their global strategies to align with both internal capabilities and external market conditions, ensuring sustainable success in international markets.

2.5.3 Global Business Alternatives and Strategic Alliances for Business Growth

Small and medium-sized enterprises (SMEs) can form different alternatives to operate in a global market. SMEs can form strategic alliances with other businesses to achieve a common goal. This type of partnership can involve sharing resources, knowledge, or technology and can be formed to develop a specific product, enter a new market, or expand an existing market (Mutambik, 2024)

Strategic alliances in the global market have evolved significantly in recent years, with SMEs recognizing their potential to address emerging market challenges and seize new opportunities. It highlights the shift towards collaborative strategies, emphasizing the need for SMEs to build partnerships and access external expertise to navigate evolving market dynamics effectively.

In an era of increasing globalization and complexity, small and medium-sized enterprises (SMEs) are turning to strategic alliances to expand their global reach, leverage complementary resources, and drive innovation. Things to consider when looking for strategic alternatives and alliances.

Types and Forms of Strategic Alliances

Alliances in the global market strategic alliances can take various forms, depending on the objectives and requirements of the participating SMEs. Each type serves a unique purpose, such as expanding market reach, sharing research and development costs, or accessing new distribution channels.

Strategic alliances are valuable for SMEs to expand their global presence, access new markets, and leverage shared resources and expertise. By understanding strategic alliances' motivations, types, and challenges, SMEs can form collaborative partnerships that drive innovation, enhance competitiveness, and capitalize on global market opportunities.

Some of the most common forms of alternatives and alliances for SMEs are as follows:

Joint ventures (JV): Joint ventures have emerged as a strategic partnership option for SMEs in the global market, enabling them to access new markets, share risks, and leverage resources. With ongoing developments and trends, such as increasing cross-border JVs and the influence of emerging technologies, joint ventures are expected to play a vital role in the growth and success of SMEs.

However, SMEs must carefully assess joint ventures' motivations, structures, and risks to ensure a mutually beneficial and sustainable partnership. Cross-cultural considerations in JV often involve partners from different cultural backgrounds, which can present unique challenges and opportunities (Bhargava & Bamford, 2021). Cultural differences in communication styles, decision-making processes, and business practices can impact the effectiveness of joint ventures.

Technology transfer and innovation allow SMEs to access new technologies and innovative practices. Partners can collaborate on research and development, technology transfer, and knowledge sharing, leading to enhanced product offerings and increased competitiveness. The ongoing digital transformation has profoundly impacted joint ventures in the global market.

Joint ventures have become increasingly popular among small and medium-sized enterprises (SMEs) seeking collaborative strategies to expand their operations and access new markets (Garcia-Martinez, 2023). Establishing a new business entity jointly owned and operated by two or more SMEs form of partnership allows them to combine resources, expertise, and market knowledge (Almenar-Llongo & Munoz de Prat, 2021). Through joint ventures (JVs), SMEs can achieve economies of scale and develop new

products while navigating the complexities of an interconnected and competitive global market.

The significance of JVs in enhancing competitiveness, accessing new markets, and fostering innovation has garnered attention in the global market. Different types and structures of joint ventures exist, such as equity JVs with shared ownership of a separate legal entity and contractual JVs relying on collaboration through contractual agreements (Batra & Dhir, 2022). Additionally, cooperative alliances involve strategic cooperation without establishing a distinct entity.

The landscape of joint ventures has seen noteworthy trends and developments. International JVs have increased as SMEs aim to access foreign markets and address regulatory complexities. Technological advancements, including artificial intelligence and blockchain, have facilitated innovative collaborations (Jain et al., 2022).

Sustainability and environmental concerns have also influenced joint ventures to address global challenges and promote responsible business practices. While joint ventures offer numerous benefits, SMEs must consider the associated challenges and risks. Effective risk mitigation strategies involve robust partnership agreements, thorough due diligence, and well-defined communication channels (Chettri, 2022).

Distributor partnerships: Distributor partnerships have become a prevalent strategy for small and medium-sized enterprises (SMEs) seeking to expand their market presence and efficiently distribute their products or services globally. By collaborating with local distributors, SMEs can overcome language and cultural barriers and tap into the distributor's market expertise and knowledge.

In the dynamic global market, distributor partnerships are critical in helping SMEs reach customers in different regions and penetrate new markets. Leveraging local distributors' expertise, infrastructure, and market insights enables SMEs to establish a foothold in foreign markets (Castellani et al., 2023).

The nature of distributor partnerships can vary depending on the SMEs' objectives (Setyawan et al., 2022). Common types of partnerships in the global market include exclusive distributorship agreements, non-exclusive agreements, and strategic alliances with distributors. Each partnership type offers distinct advantages, such as exclusivity, market coverage, and the level of control and commitment required from both parties (Amin & Boamah, 2023).

Distributor partnerships have emerged as a powerful strategy for SMEs to expand their market reach and effectively distribute their offerings worldwide. By teaming up with local distributors, SMEs can overcome market-entry barriers and capitalize on the distributor's expertise and knowledge of foreign markets (Martin et al., 2021).

The ongoing transformation driven by e-commerce and the rising demand for sustainable practices further underscores the importance of such partnerships in the ever-evolving global market.

Franchise partnerships: Franchise partnerships have become famous for small and medium-sized enterprises (SMEs) seeking rapid market expansion and a strong brand presence in the dynamic global market. By granting licenses to other businesses, SMEs enable them to use their brand name, products, and services in exchange for fees or a percentage of revenue (Areerat, 2022).

The strategic value of franchise partnerships has gained significant momentum in recent years as SMEs leverage the expertise of local franchisees to enter new markets. Various forms of franchise partnerships exist, such as single-unit franchises, multi-unit franchises, master franchises, and area development agreements (Alon et al., 2021). Each type offers distinct advantages concerning scalability, territorial rights, and the level of support the franchisor provides.

Leveraging local market knowledge, accessing distribution networks, sharing investment costs and risks, and benefiting from the entrepreneurial drive of franchisees are critical drivers of franchise partnerships (Hanafiah et al., 2023). Notably, sustainability and socially responsible practices have emerged as prominent trends, with franchisors and franchisees aligning their operations with environmental and ethical considerations.

SMEs must address challenges and mitigate risks to ensure successful franchise collaborations. These challenges include maintaining brand consistency, ensuring operational compliance, managing franchisee relationships, and dealing with legal and cultural differences in global markets (Hien Bui et al., 2022).

Implementing practical training and support programs, clear operational guidelines, and regular communication are essential for risk mitigation. Regular performance evaluations, quality control measures, and continuous improvement initiatives contribute to the long-term success of franchise partnerships.

Supplier partnerships: Supplier partnerships have emerged as a critical strategy for small and medium-sized enterprises (SMEs) to ensure reliable and efficient

supply chains, foster innovation, and gain competitive advantages. By collaborating with other businesses to supply complementary products or services, SMEs can access new customers, reduce costs, and increase overall efficiency.

SMEs rely heavily on supplier partnerships to access dependable raw materials, components, and service sources in the global market. These partnerships are motivated by several key factors that contribute to the success of SMEs in the global arena. These include securing a stable supply of high-quality materials, leveraging supplier networks to enter new markets, fostering innovation through joint research and development, and achieving cost efficiencies through economies of scale (Malacina & Teplov, 2023).

Supplier partnerships are integral to the success of SMEs in the global market, facilitating reliable supply chains, driving innovation, and enhancing competitiveness. By understanding the significance, types, motivations, trends, and challenges associated with supplier partnerships, SMEs can establish collaborative relationships that promote efficiency, sustainability, and mutual growth in the global marketplace.

Merger and acquisition (M&A): *M&A* is another type of partnership SMEs can consider in a global market. M&A involves one company acquiring or merging with another company to form a new, larger business entity. This type of partnership can provide several benefits to SMEs, such as increased market share, access to new technologies, and expanded distribution channels. However, M&A can also be complex, costly, and risky, requiring careful due diligence and legal considerations.

Mergers involve two or more companies combining to form a new entity, where both companies' stocks are usually surrendered, and new stock is issued in the merged

company. On the other hand, acquisitions occur when one company purchases another company's stock, and the acquiring company retains control of the purchased company. Acquisitions may also be structured as asset acquisitions, where the acquiring company only purchases specific assets of the target company (Wu et al., 2022).

M&A is a strategic decision requiring a thorough analysis of the target company, its financial and operational performance, market position, and potential synergies with the acquiring company. SMEs should also consider the cultural fit between the two companies, the legal and regulatory implications of the merger or acquisition, and the potential impact on employees, customers, and stakeholders (Zahoor et al., 2022).

M&A can be a viable option for SMEs to enter new markets, expand their operations, and gain a competitive advantage in a global market. However, it requires careful planning, due diligence, and legal and financial considerations.

M&A transactions can take various forms, including horizontal mergers, vertical integrations, conglomerate mergers, and cross-border acquisitions (Hayes, 2023). Each type offers distinct benefits, such as market consolidation, supply chain optimization, expansion into new industries or geographies, and access to new technologies.

Merger and acquisition (M&A) strategies have gained significant momentum among small and medium-sized enterprises (SMEs) seeking to expand their global market presence, enhance competitiveness, and drive growth. By merging or acquiring existing businesses, SMEs can consolidate resources, achieve economies of scale, and bolster their competitive advantage (Suyanigrum et al., 2023).

However, SMEs must carefully consider various factors during M&A decision-making and execution. A thorough analysis of the target company's financial and operational performance, market position, and potential synergies with the acquiring company is essential. Cultural fit between the two companies, legal and regulatory implications, and the impact on employees, customers, and stakeholders also require thoughtful consideration (Candra et al., 2021).

M&A strategies offer SMEs valuable opportunities to unlock growth, expand their market presence, and harness synergies in the global market. Understanding the significance, types, motivations, and trends in M&A enables SMEs to make informed decisions and execute successful transactions that propel their business to new heights.

Research and development partnerships (*R&D*): Research and development partnerships have emerged as a critical strategy for small and medium-sized enterprises (SMEs) seeking innovation, technological advancement, and enhanced market competitiveness in the global arena. These collaborations enable SMEs to access specialized knowledge, share research costs, reduce development timelines, and mitigate technological risks.

Various R&D partnerships exist, including industry-academia, cross-sector, consortia, public-private partnerships, and collaborative research networks, each offering distinct advantages. These advantages encompass access to cutting-edge research, shared infrastructure, diverse perspectives, and joint intellectual property development.

SMEs engage in R&D partnerships for several key motivations contributing to their success in the global market. These motivations include accessing new knowledge

and technologies, sharing research costs, expanding technical capabilities, enhancing product development, and gaining competitive advantages.

Increasingly, SMEs participate in open innovation ecosystems, collaborating with external partners such as startups, research institutions, and technology accelerators. These ecosystems foster cross-pollination of ideas, knowledge exchange, and joint exploration of emerging technologies expansion (Hernandez et al., 2022). By sharing resources, expertise, and market insights, these networks enable accelerated innovation and market.

Additionally, R&D partnerships increasingly focus on sustainable and green innovation, addressing environmental challenges and meeting evolving consumer demands. Collaborations centered around renewable energy, circular economy, and eco-friendly solutions drive positive environmental impact.

R&D partnerships empower SMEs to drive innovation, enhance their competitive edge, and capitalize on opportunities in the global market. By understanding the significance, types, motivations, and trends in R&D partnerships, SMEs can forge strategic collaborations that accelerate their R&D efforts, foster technological breakthroughs, and propel business growth (Castellani, 2023).

Co-marketing partnerships: Co-marketing has emerged as a powerful strategy for small and medium-sized enterprises (SMEs) to expand their reach, enhance brand visibility, and drive business growth in the global market. Leveraging the strengths and resources of multiple brands, SMEs create synergistic marketing campaigns that access new audiences, gain credibility, and achieve more significant marketing impact.

Co-marketing partnerships encompass expanding market reach, leveraging partner expertise and resources, accessing new customer segments, enhancing brand perception, and cost-sharing. Influencer marketing collaborations have gained popularity, where SMEs partner with influencers aligned with their brand values and target audience to amplify brand messaging and drive engagement (Cartwright et al., 2022).

Moreover, digital and social media integration has become essential, enabling SMEs to harness the power of online platforms and social channels for enhanced visibility and engagement (Pradhan et al., 2023)

Choosing the right co-marketing partner is crucial for successful collaborations. Ensuring brand alignment, complementary target audiences, and shared values are vital considerations to avoid mismatches and protect brand reputation. Co-marketing partnerships offer SMEs valuable opportunities to extend their marketing reach, amplify brand messaging, and foster business growth in the global market. SMEs can forge strategic collaborations that enhance their competitive edge and drive long-term success by understanding co-marketing partnerships' significance, types, motivations, and trends.

Outsourcing partnerships: Outsourcing partnerships have become a prominent strategy for small and medium-sized enterprises (SMEs) in the global market to enhance operational efficiency, reduce costs, and access specialized skills and resources (Seepana et al., 2021). SMEs can focus on their core competencies and drive business growth by outsourcing certain functions or operations to other companies or service providers.

Various forms of outsourcing partnerships exist, including business process outsourcing (BPO), information technology outsourcing (ITO), knowledge process

outsourcing (KPO), and manufacturing outsourcing, each offering distinct advantages. These advantages encompass flexibility, access to global talent pools, and cost savings (Enroute, 2023).

Outsourcing partnerships give SMEs valuable opportunities to enhance operational efficiency, access specialized skills, and drive business growth in the competitive global marketplace. By understanding the significance, types, motivations, and trends in outsourcing partnerships, SMEs can establish strategic collaborations that optimize resources, improve competitiveness, and achieve long-term success.

Outsourcing partnerships have gained momentum as a strategic approach for SMEs to leverage external expertise, streamline operations, and remain competitive in the global market. Recognizing the potential benefits of outsourcing, SMEs can forge partnerships that empower them to focus on core strengths, reduce costs, and thrive in today's dynamic business landscape.

Overall, the type of partnership most suitable for an SME will depend on its business goals, resources, and market conditions. SMEs should carefully evaluate the benefits and risks of each type of partnership before deciding which one is best suited.

2.6 Related Research on Global Strategies

These findings contribute to understanding various factors and strategies influencing SMEs' success in global markets. These recent findings also shed light on the importance of market entry timing, international marketing capability, institutional factors, digital transformation, social media marketing, network capabilities, financial

resources, knowledge management practices, and dynamic capabilities in shaping SMEs' global strategies and performance.

1. Durst et al. (2023) explored the impact of knowledge management practices on SMEs' internationalization success. The study found that SMEs that effectively managed and leveraged knowledge within their organizations achieved higher competitiveness and success in global markets.

2. Chahal, H. & Kaur, J. (2020) examined the effect of marketing capabilities on SMEs' export performance. The study found that SMEs with more robust marketing capabilities had higher export sales and market share, suggesting the significance of marketing competencies in successful global market penetration.

3. Gao, J. et al. (2023) examined the role of digital technology adoption in SMEs' internationalization. The research revealed that SMEs that embraced digital technologies, such as e-commerce platforms and digital marketing, experienced higher international sales and market expansion.

4. Arregle, J. et al. (2021) examined family firms' role in the internationalization of SMEs. The study noted that family firms had distinct characteristics that influenced their international expansion strategies, including a longer time horizon, more significant risk tolerance, and stronger interpersonal relationships.

5. Hilmersson, M. et al. (2022) investigated the impact of market entry timing on SMEs' international performance. The study revealed that early market entry positively influenced SMEs' international performance, highlighting the advantages of being an early mover in global markets.

6. Ali, H. et al. (2023) examined the role of international marketing capability in SMEs' internationalization. The research revealed that SMEs with higher levels of international marketing capability had more tremendous success in expanding and operating in global markets.

7. Uddin, F. et al. (2023) examined the role of dynamic capabilities in SMEs' global strategies. The research stated that SMEs that developed and continuously adapted their dynamic capabilities, such as innovation, learning, and agility, were more successful in navigating the challenges and seizing opportunities in global markets.

8. Fahareldin, H.(2021) investigated the influence of cultural intelligence on SMEs' internationalization success. The study stated that higher levels of cultural intelligence positively impacted SMEs' ability to adapt to diverse cultural contexts, enabling them to navigate international markets more effectively.

9. Lopez-Torrez (2022) explored the influence of environmental sustainability on SMEs' international performance. The study revealed that SMEs with a more robust environmental sustainability focus had improved international market performance, indicating the importance of incorporating sustainability practices into global strategies.

10. Fernandes et al. (2020) examined the impact of market-oriented strategic behavior on SMEs' export performance. The study marked that SMEs with a more substantial market orientation had higher export performance, emphasizing the importance of customer-focused strategies in global markets.

2.7 Summary of Key Findings from the Literature Review

The literature review has offered important insights into the global strategies employed by small and medium-sized enterprises (SMEs) and their pathways to international expansion. Several key findings emerged from the analysis of academic sources, policy documents, and industry reports:

- SMEs are critical to economic development, accounting for the majority of businesses worldwide and serving as major contributors to employment and GDP.
- Despite their importance, SMEs face numerous challenges when expanding globally, including restricted access to finance, complex regulatory environments, inadequate infrastructure, skill shortages, and limitations in innovation and technology adoption.
- Governments across various countries have introduced targeted policies to support SMEs growth, such as financial incentives, export promotion programs, R&D support, and capacity-building initiatives.
- Common global expansion strategies adopted by SMEs include exporting, joint ventures, foreign direct investment, and licensing or franchising, which help them access new markets and improve competitiveness.
- International expansion provides benefits such as market diversification, economies of scale, enhanced brand visibility, and access to new technologies and knowledge. However, it also introduces risks related to cultural differences, legal complexities, supply chain management, intellectual property protection, and competitive pressures.

These findings formed a strong theoretical foundation for the present study. They helped clarify the critical factors influencing SMEs' internationalization and highlighted the supportive role of government policies. Furthermore, the review identified knowledge gaps and practical challenges that Thai SMEs encounter in global markets. By synthesizing these insights, this research aimed to develop practical recommendations that can support the international competitiveness of Thai SMEs.

2.8 Conclusion

This chapter has presented a comprehensive review of existing literature on SMEs, with a particular emphasis on their role in the global economy and the challenges faced by Thai SMEs. The review reinforces the importance of SMEs as drivers of innovation, employment, and economic growth, both globally and within Thailand.

It has highlighted the specific obstacles Thai SMEs encounter—such as limited financing options, regulatory constraints, and technological gaps—while also examining how government policies and support programs influence their global performance. Theoretical frameworks like Porter's Diamond Model were discussed to better understand competitive advantage in international markets.

Overall, this literature review provided a robust platform for the research that follows. It outlined the contextual, strategic, and policy-related dimensions influencing SMEs internationalization, offering insights that informed the methodology, data analysis, and practical recommendations in subsequent chapters. Ultimately, the findings aimed to support Thai SMEs in navigating global markets and enhancing their long-term competitiveness.

CHAPTER III:

METHODOLOGY

3.1 Overview of the Research Problems

The global expansion of small and medium-sized enterprises (SMEs) has become a critical driver of economic growth, particularly for emerging markets like Thailand. Thai SMEs contribute significantly to the country's economy, yet their ability to compete in international markets remains inconsistent. While some Thai SMEs have successfully expanded globally through innovation, strategic planning, and branding, others continue to struggle due to various challenges. Understanding the key factors that influence the global market success of Thai SMEs is essential for developing strategies to enhance their international competitiveness.

One of the primary research problems is the lack of a clear understanding of the specific factors that have contributed to the success of Thai SMEs in global markets. Many businesses enter international markets without a well-defined strategy, often facing obstacles such as inadequate financial resources, insufficient market knowledge, and cultural adaptation issues. Additionally, external factors such as government policies, trade regulations, and technological advancements play a significant role in shaping the internationalization process of SMEs.

Another critical issue is the absence of practical, evidence-based strategies that Thai SMEs can implement to strengthen their global competitiveness. While various studies have examined general SMEs internationalization strategies, limited research specifically focuses on Thai SMEs and their unique challenges in global markets.

Identifying actionable strategies based on proven success factors is crucial for improving their global positioning.

Moreover, there was a notable gap in understanding how various factors—such as technology adaptation, government support, cultural adaptability, international experience—collectively influenced the success of Thai SMEs in global markets. Their combined impact remained underexplored, limiting the development of comprehensive strategies to address the multifaceted challenges of internationalization (Chaldun, 2024).

To investigate these issues, this study adopted a mixed-methods approach, integrating quantitative surveys with qualitative interviews. This methodology enabled the collection of statistical data on the prevalence of these challenges and in-depth insights into the experiences and strategies of SMEs leaders, offering a holistic perspective on the research problem.

This chapter detailed the research design, population and sampling, data collection methods, data analysis techniques, ethical considerations, and limitations of the methodology employed to address these challenges and identified effective strategies for Thai SMEs' global expansion.

3.2 Operation of Theoretical Constructs

The theoretical constructs underpinned the investigation into the challenges and success factors of Thai SMEs expansion into global markets. The operation of theoretical constructs translated these abstract ideas into measurable or observable elements through specific variables, indicators, and data collection tools. This section outlined the key constructs relevant to the research problem, defined them in the context of Thai SMEs,

and detailed how they were operationalized for both quantitative and qualitative data collection within a mixed-methods approach.

3.2.1 Key Constructs

This study focused on five key constructs, each of which was essential to understanding the effectiveness of global strategies among Thai SMEs. These constructs were modeled as latent variables and measured through corresponding observable indicators:

1. Global Strategy Effectiveness

This construct captured the outcomes of SMEs' internationalization efforts, including market expansion and revenue growth from international operations. It reflects the overall success of strategic initiatives such as market entry approaches, competitive positioning, and international partnerships.

2. Technology Adaptation

This construct measured the extent to which SMEs had integrated digital technologies to support global competitiveness. Key indicators included the use of e-commerce platforms, digital marketing tools, and the overall level of technological advancement in business operations.

3. Government Support

This construct assessed the perceived availability and utilization of external support from government agencies. It included policy support, financial incentives, export assistance, and access to relevant training programs.

4. Cultural Adaptability

This construct evaluated SMEs' ability to adapt to cultural variations in foreign markets. It encompassed elements such as cross-cultural communication, localization of marketing content, and strategies for building trust and relationships in different cultural contexts.

5. International Experience

This construct reflected the breadth and duration of SMEs' involvement in international markets. It was measured by indicators such as the number of years operating globally and the diversity of geographic markets entered.

3.2.2 Quantitative Indicators

To operationalize the key constructs, this study employed structured survey instruments designed to capture measurable data. Each construct was assessed using specific quantitative indicators, as detailed below:

1. Company Background

These indicators were used to control for organizational characteristics that may influence global strategy outcomes:

- Years of operation
- Company size
- Industry sector
- Geographic presence

2. Technology Adaptation

This construct was measured by the firm's level of integration and reliance on digital technologies:

- E-commerce dependency
- Degree of technological advancement

3. Government Support

Indicators reflected the extent and type of support received from public institutions:

- Access to financial assistance
- Perceived effectiveness of government policies

4. Cultural Adaptability

This construct assessed the firm's ability to align with foreign market cultures:

- Internal corporate culture flexibility
- Use of localized products/services
- Level of cultural alignment with target markets

5. International Experience

This construct evaluated the scope and depth of the firm's global exposure:

- Degree of market diversification
- Types of international market entry strategies adopted

3.2.3 Qualitative Indicators

To complement the quantitative findings, qualitative indicators were developed based on semi-structured interviews with SME stakeholders, including owners, managers, and export officers. These indicators aimed to capture nuanced, experience-based insights into the motivations, challenges, and strategic decisions involved in internationalization. The qualitative data provided rich contextual understanding and helped interpret the statistical relationships observed in the quantitative analysis.

1. Background and Context

- Interviewee's role in shaping digital or cross-cultural strategies.
- Reflections on how prior international experience influenced global expansion decisions.
- Personal motivations behind pursuing government incentives or leveraging technological capabilities for international growth.

2. Global Strategy Adoption

- Influence of digital tools on strategic decision-making.
- Perceived effectiveness of government policies in shaping international strategy.
- Balancing cultural adaptation with standardized global practices.

3. Challenges Encountered

- Barriers due to limited technological infrastructure or digital skills.

- Cultural misunderstandings that impacted execution of global strategies.
- Perceived inadequacy or absence of government support in global initiatives.

4. Market Adaptation and Learning

- How SMEs modified products or processes based on technological capabilities.
- Informal feedback mechanisms used to assess success in cultural adaptation.
- Lessons learned from initial market entry experiences.

5. Government Support and Policies

- Impact of specific programs on firm internationalization.
- Perceived misalignment between SME needs and available government support.
- Suggestions for policy improvements to better support global expansion.

6. Future Outlook

- Plans to adopt new technologies for future global initiatives.
- Strategic intentions to improve cross-cultural readiness.

- Expectations regarding the evolving role of government in supporting digital and cultural competencies.

3.2.4 Alignment with Mixed-Methods Approach

The operationalization of these constructs was tailored to the study's mixed-methods design, ensuring that both quantitative and qualitative data collection methods effectively captured the constructs:

Quantitative Measures: Survey questions provided numerical data to assess the prevalence, frequency, and intensity of each construct. This allowed for statistical analysis to identify trends and correlations/

Qualitative Measures: Interview prompts elicit detailed, contextual insights into how these constructions manifest in practice. This depth complements the quantitative findings by explaining the "why" and "how" behind the numbers.

3.3 Research Purpose and Questions

The purpose of this study was to explore the challenges faced by Thai Small and Medium-Sized Enterprises (SMEs) in implementing global strategies and to propose effective strategies that enhanced their global presence. Thai SMEs encountered significant obstacles in their efforts to expand internationally, including limited financial resources, cultural and language barriers, regulatory complexities, and inadequate strategic planning. This research seeks to address these issues by identifying the key challenges, evaluating current global strategy practices among Thai SMEs, and recommending actionable solutions to improve their international competitiveness.

3.3.1 Research Questions

1. What are the key factors that influenced the global market success of Thai SMEs?

This question aimed to identify the fundamental internal and external drivers that affected the international performance of Thai SMEs. Through statistical analysis, the study examined variables such as international experience, technology adaptation, government support, and cultural adaptability to determine their significance in explaining global market success.

1.1 How did technology adaptation contribute to Thai SMEs' international market performance?

1.2 In what ways did government support affect the ability of Thai SMEs to expand globally?

1.3 How important was cultural adaptability in managing foreign market challenges?

1.4 To what extent did international experience influence SMEs' global strategic outcomes?

1.5 How did company characteristics relate to international success?

2. How can Thai SMEs enhance their global competitiveness based on these factors?

This question focused on uncovering the practical strategies that Thai SMEs strengthen their competitive position and expand into international markets. Drawing on the quantitative findings and integration of qualitative insights, the analysis reveals how

international experience, technology adaptation, government support, and cultural adaptability serve not only as statistical predictors but also as actionable levers for competitive advantage.

2.1 What specific strategies were adopted to leverage technology and digital platforms for global growth?

2.2 How were government incentives or programs utilized in internationalization strategies?

2.3 What actions did SMEs take to improve cross-cultural communication and local market adaptation?

2.4 How did international experience influence strategic decisions and risk management?

2.5 What lessons or practices emerged that could guide future SME global expansion efforts?

These research questions provided a structured framework for the study, ensuring a thorough exploration of the obstacles Thai SMEs faced and the potential strategies to overcome them. By addressing these questions, the research offered valuable insights and recommendations for Thai SME leaders and policymakers seeking to support their global expansion. This section established the foundation for the methodological approaches outlined in the subsequent parts of this chapter

3.3.2 Hypotheses

Based on the literature review and the research questions, the following hypotheses are proposed to be tested in this study:

H1: Technology Adaptation has a positive and significant impact on the Global Strategy Effectiveness of Thai SMEs. Specifically, SMEs that effectively adopt and integrate digital tools such as e-commerce platforms and digital marketing strategies will exhibit higher levels of international market penetration and revenue growth.

H2: Government Support positively influences the Global Strategy Effectiveness of Thai SMEs. This suggests that SMEs receiving significant financial incentives, policy assistance, and export training from government agencies will achieve greater success in global markets.

H3: Cultural Adaptability enhances the Global Strategy Effectiveness of Thai SMEs. SMEs that demonstrate a high degree of cultural sensitivity and adaptability, including the ability to localize products and marketing strategies, will have a greater competitive advantage in international markets.

H4: International Experience is positively correlated with the Global Strategy Effectiveness of Thai SMEs. This hypothesis posits that SMEs with more years of experience operating in global markets and a broader geographic presence will exhibit greater efficiency and success in their global strategies.

3.4 Research Design

The research used a mixed-methods approach, combining qualitative and quantitative methods. This approach allowed for a comprehensive exploration of the challenges faced by Thai SMEs in implementing global strategies and provided a nuanced understanding of the current state of global strategy implementation.

This chapter outlined the research design, sampling procedures, data collection methods, and ethical considerations for the study on global strategies for Thai SMEs. It provided a detailed plan for both quantitative and qualitative data analysis, ensuring a robust and comprehensive exploration of the research questions.

The use of mixed methods was justified by the need to triangulate findings from different data sources, enhancing the overall validity and reliability of the study. While qualitative methods (interviews, content analysis) allowed for an in-depth exploration of experiences and perceptions. Quantitative methods (surveys, statistical analysis) enabled the generalization of findings to a larger population.

The specific statistical methods used in the study depend on the research questions, objectives, and the nature of data as follows:

3.4.1 Variables

A variable was a characteristic, attribute, or quantity that took on different values. Independent and dependent variables were described below.

Table 3.1

Variables of the Study

Variable	Type	Indicators
International Experience	Independent Variable	- Years of international business operations - Number of foreign markets served
Technology Adaptation	Independent Variable	- Use of e-commerce platforms

Variable	Type	Indicators
		- Level of IT and digital infrastructure adoption
		- Access to government financial incentives
Government Support	Independent Variable	-Participation in export promotion programs or training workshops
Cultural/Organizational Adaptability	Independent Variable	- Ability to localize products/services for foreign markets - Internal structural flexibility
Global Market Success	Dependent Variable	- Increase in revenue from international markets - Number of new markets
Company Size	Control Variable	- Number of employees
Industry Sector	Control Variable	- Type of business
Years in Business	Control Variable	- Age of the business since establishment
Funding Sources	Control Variable	- Source of capital: own funds, bank loans, investors
Annual Revenue	Control Variable	- Total sales revenue for the previous fiscal year

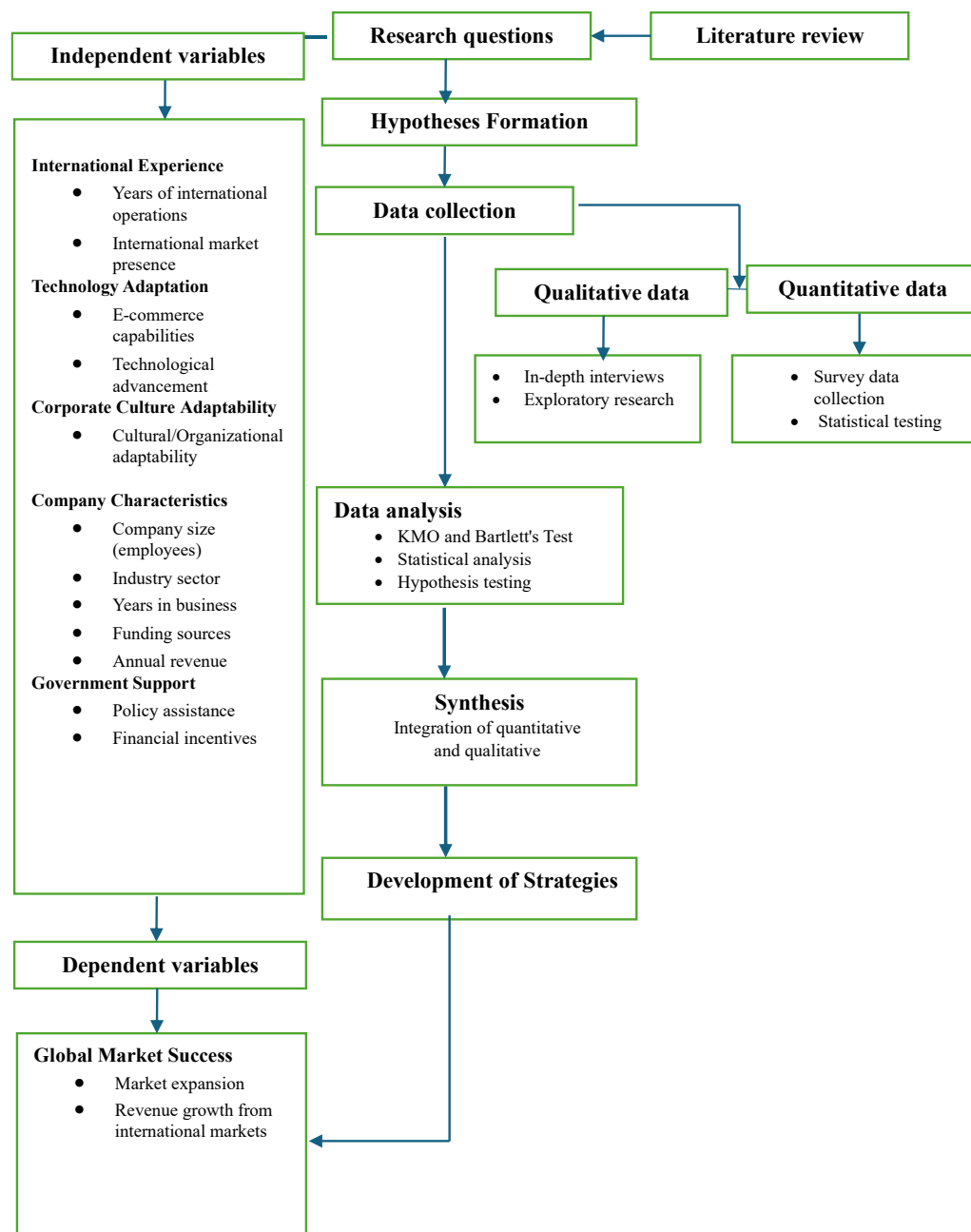


Figure 3.1

Diagram of the study

3.4.2 Ethical Considerations

This study adhered to ethical principles, including confidentiality, and voluntary participation. Participants were fully informed about the purpose of the study, their right to withdraw, and the measures in place to protect their identities.

3.4.3 Confidentiality

All collected data were anonymized and stored securely. Only the research team had access to the raw data, and any identifiable information was removed during the reporting of results to ensure confidentiality.

3.5 Population and Sample

3.5.1 Population

The target population for this study consisted of Thai SMEs involved in international business activities. Due to the diverse nature of SMEs, a combination of stratified and purposive random sampling was utilized to ensure adequate representation across different industries and geographic regions.

3.5.2 Sample Size

The sample size was determined based on the principle of data saturation for qualitative research and a 95% confidence level for quantitative analysis. A minimum of 400 Thai SMEs participated in the survey, while approximately six SMEs were selected for in-depth interviews.

3.5.3 Sampling Techniques

1. Quantitative methods

For the quantitative portion of the study, stratified random sampling was employed to ensure that various segments of the Thai SMEs population were adequately represented. In stratified random sampling, the population was first divided into strata (groups) based on specific characteristics such as industry sector (manufacturing, services, retail) or company size. These strata were chosen based on their potential relevance to the research question, ensuring that each subgroup was adequately represented in the final sample.

Once the strata were identified, a random sampling method was applied within each stratum to select participants. This allowed for a proportional representation from each subgroup, ensuring that findings could be generalized across the entire population of SMEs involved in international business. The use of sampling not only minimized sampling bias but also increased the precision of the results by ensuring that each critical subgroup was properly accounted for. A total of 400 Thai SMEs were surveyed to ensure the sample was large enough for robust statistical analysis, ensuring a 95% confidence level and minimizing potential sampling errors.

2. Qualitative methods

This approach was chosen to ensure that the selected SMEs could provide valuable, in-depth insights into the challenges and strategies associated with international business expansion. The goal was to identify SMEs that had actively engaged in international markets, particularly those with a proven track record of adopting and executing global strategies, such as market entry, cultural adaptation, challenges and obstacles, technological innovation and outlook.

3.6 Participation Selection

The selection of participants for this study was conducted to ensure a representative sample of Thai SMEs engaged in global activities. First, a stratified and purposive random sampling method was employed to select 400 SMEs from the database maintained by the Office of Small and Medium Enterprises Promotion (OSMEP) and Ministry of Industry, categorized by industry sector and company size (number of employees, annual revenue).

For the qualitative component, the interviewees were selected based on their strategic roles within their respective companies. The aim was to gather in-depth perspectives and rich narratives that complemented the quantitative findings, providing a comprehensive understanding of the challenges and opportunities faced by Thai SMEs in the global arena. Potential participants were contacted via email and phone, with a clear explanation of the study's purpose and assurance of confidentiality and anonymity.

3.7 Instrumentation

This study employed two primary instruments for data collection: a structured survey questionnaire and a semi-structured interview guide. The survey questionnaire was designed to quantitatively assess the key constructs of global strategy effectiveness, technology adaptation, government support, cultural adaptability, and international experience. Demographic data, such as company size, industry sector, and years of international operation, were also collected.

To ensure the validity and reliability of the survey questionnaire, several measures were taken. Content validity was established through a thorough review of the literature

and consultation with experts in the field of international business and SMEs management. This process ensured that the survey questions adequately covered the scope of the research constructs. A pilot test was conducted with a sample of 30 SMEs to assess the clarity and comprehensibility of the questions, leading to refinements based on participant feedback. Cronbach's alpha was used to assess the internal consistency reliability of the scales, with a threshold of 0.70 considered acceptable. The results of the reliability analysis were reported in the data analysis section.

The semi-structured interview guide was developed to gather in-depth qualitative data from SMEs stakeholders. The guide included open-ended questions designed to elicit detailed narratives and insights into their experiences, challenges, and strategies related to global expansion. Questions focused on topics such as the impact of technology on global competitiveness, the effectiveness of government support programs, the importance of cultural adaptability, and lessons learned from operating in international markets. Questions were pilot tested with a small group of SMEs to ensure clarity, relevance, and comprehensiveness before being administered to the wider sample.

3.8 Data Collection

Different methods were employed to collect data, depending on the research design and objectives. Data were collected using a combination of surveys (for quantitative data) and semi-structured interviews (for qualitative data) to gain both breadth and depth in understanding the factors influencing the global competitiveness of Thai SMEs.

Quantitative Data Collection

For the quantitative aspect, an online survey was developed and distributed to a sample of SMEs selected through the stratified and purposive sampling technique. The survey was designed to gather numerical data on the following areas:

- Technological investments and their impact on business performance
- Government support utilization
- Cultural adaptability in international markets
- Market diversification and international expansion efforts

The survey consisted of questions and ranking questions. This structured approach provided measurable data that could be analyzed statistically to identify patterns, trends, and relationships between different variables.

Qualitative Data Collection

To explore the global strategies of Thai SMEs, semi-structured in-depth interviews were conducted with key decision-makers to gather qualitative insights. Six companies were selected for the study, with four classified as small enterprises and two as medium-sized enterprises. The interview guide was organized into six thematic sections, each aligned with the research objectives. Below is the structured framework. The interview questions were designed to explore the following:

- The role of technology in shaping global strategies
- Challenges encountered in internationalization and how they were overcome

- Government policies and support programs that influenced international expansion

- Insights into market adaptation and crossed cultural learning
- Future of global market expansion

The nature of the interviews allowed flexibility in the conversation while still focusing on key areas related to the research questions. Interviews were conducted either in person or via video calls and were audio-recorded for accuracy in transcription.

3.9 Data Analysis

The chapter conducted a comprehensive data analysis employing qualitative and quantitative methods. The primary objectives were to analyze key factors and relationships among key variables, uncover emerging structures, and examine the research hypotheses. The chapter pinpointed key factors in business expansion, technological adaptation, government support, and international experiences using statistical techniques, including factor analysis, correlation analysis, and regression analysis.

In addition to the statistical research results, this chapter presented qualitative data collected from interviews with six selected SMEs. This qualitative data delved into the experiences of SMEs decision makers, unveiling challenges such as expanding business and product strategies on a global scale, navigating cultural diversity, overcoming regulatory challenges, and capitalizing on technological adaptations as well as innovations. These insights provided a rich contextual understanding, helping explain the

motives, barriers, and strategic approaches SMEs employed in their international expansion efforts.

The analysis commenced with an assessment of the suitability of the data analysis, ensuring that the sample size, correlation structure, and necessary assumptions such as normality and linearity were adhered to. The methodological steps of the factor analysis, including factor extraction, rotation, and interpretation were detailed. Pearson correlation helped determine the strength and direction of linear relationships between variables, serving as a preliminary step to identify significant associations. Regression analysis predicted one variable based on others, making it useful for understanding cause-and-effect relationships ensuring more accurate and interpretable outcomes. The results were analyzed to highlight the variables significantly affecting SMEs success in the global marketplace.

This chapter also explored potential challenges encountered in both quantitative and qualitative analyses, including managing multiple variables simultaneously, addressing issues of cross-loading, ensuring sample representativeness in factor analysis, and minimizing bias and subjectivity in qualitative data. These challenges were mitigated through specific methodological adjustments, such as refining the research questions and conducting multiple rounds of data analysis. These adjustments were implemented to strengthen the robustness and reliability of the findings. Detailed tables, charts, and statistical results were presented to enhance understanding. The qualitative analysis was presented through thematic coding, unveiling key patterns and direct citations that bolstered the study's conclusions. The results were synthesized to develop practical

strategies that SMEs could implement to enhance their competitiveness in the global market.

Finally, the strengths of the study, such as its comprehensive approach and integration of quantitative and qualitative data, were summarized along with its limitations, such as potential bias in qualitative data and the complexity of statistical analyses.

The results of a study which was of great importance based on the research questions and methodologies used have yielded several key findings. The data analysis was divided as follows:

3.9.1 General Characteristics of the Respondents

This section provided a detailed summary of the demographic characteristics of the 400 Thai SMEs that participated in the study. It presented an analysis of key factors such as company size (in terms of number of employees and revenue), industry sector (including manufacturing, services, and technology), years in operation (company age), international experiences, and technological capabilities (specifically technology adaptation and innovation). The aim of this section was to offer a comprehensive understanding of the profile of the participating SMEs, helping to contextualize the study's findings and insights. Using percentages, this analysis provided a clearer picture of the distribution of these characteristics, shedding light on prevalent trends and patterns among Thai SMEs.

3.9.2 Statistical Analysis

Statistical testing and data analysis involved various techniques to explore factors and relationships, identify patterns, and draw conclusions. Factor analysis was used to simplify a large set of variables by grouping them into fewer underlying factors based on their correlations. It helped identify the main factors that explained most of the variation in the data.

Pearson correlation analysis measured the strength and direction of the linear relationship between two continuous variables, with values ranging from -1 (strong negative correlation) to 1 (strong positive correlation). This analysis was essential for understanding direct associations between variables and highlighted their significance.

Regression analysis examined the relationship between a dependent variable and one or more independent variables. It helped predict outcomes and assessed multiple factors' influence on a particular variable. It provided a robust framework and allowed researchers to test hypotheses. Also, it identified significant relationships, and supported decision-making based on empirical evidence. Details were highlighted as follows:

1. Factor Analysis

Factor analysis was a complex process with several key components. It involved identifying underlying relationships among a large set of variables by grouping them into factors, which could help simplify the data without losing essential information.

Communalities represented the proportion of a variable's variance explained by all extracted factors, providing insight into how well each variable fits within the factor model (Hair et al, 2022). However, eigenvalues also played a crucial role. They were

instrumental in determining the number of factors by measuring the amount of variance accounted for by each factor. Lastly, factor rotation was used to improve the interpretability of the factors by redistributing variance among them, making the extracted factors more distinct and meaningful. The components contributed to a comprehensive factor analysis, ensuring a clearer understanding of underlying data patterns.

The dataset comprised 400 respondents, which met the standard requirements for factor analysis. According to established guidelines, a sample size of at least 300 was considered adequate, ensuring robust analysis. (Cohen, J.,1988).

Table 3

KMO Value Interpretation

KMO Value	Interpretation
0.9+	Excellent
0.8 - 0.9	Good
0.7 - 0.8	Moderate
0.6 - 0.7	Marginal
< 0.5	Poor (unsuitable)

Factor analysis was conducted to find the underlying structure of the data and group related variables into meaningful factors. The analysis began with assessing data suitability using the Kaiser-Meyer-Olkin (KMO) test and Bartlett's test of sphericity to ensure that the dataset met the assumptions for factor extraction (Tabachnick & Fidell,

2023). Principal Component Analysis (PCA) was then applied to extract factors, followed by a varimax rotation to maximize interpretability. Factors with eigenvalues greater than one were retained, and factor loadings above 0.5 were considered significant. The results, of significant importance, revealed distinct components representing key dimensions such as technology adaptation, government support, international experience, and cultural adaptability, which were then used for further statistical analysis.

Factor loadings were a tool in factor analysis, providing valuable insights into the correlation coefficient between a variable and a factor. They related how much a variable contributed to a specific factor, with values ranging from -1 to 1. Higher absolute values, closer to 1 or -1, indicated a stronger relationship between the variable and the factor. A loading of 0.7 or higher was generally considered significant in factor analysis.

Table 3.3
Interpretation of Factor Loadings

Factor loading values	Interpretation
≥ 0.70	strong relationship
0.40-0.69	moderate relationships
0.30-0.39	weak relationship
<0.30	Very weak, insignificant relationship

The communalities indicated the proportion of variance in each variable explained by all the extracted factors. Higher communalities, closer to 1, suggested that the factors explained a large portion of the variable's variance. A communality of 0.5 or higher was typically considered desirable.

Table 3.4
Communalities Interpretation

Communalities values	Interpretation
≥ 0.80	very strong
0.69-0.79	strong
0.50-0.59	acceptable
<0.50	weak

Eigenvalues determined the number of factors to retain in factor analysis by showing how much variance each factor explained. Factors with eigenvalues of 1 or greater were typically retained (based on the Kaiser Criterion), while factors with lower eigenvalues were often considered less meaningful (Tabachnick & Fidell, 2023).

2. Pearson Correlation Analysis

The Pearson correlation was a statistical measure primarily represented by the correlation coefficient (r). This coefficient ranging from -1 to 1, was the key measure that quantified the strength and direction of the linear relationship between two continuous

variables (Zheng & Cao, 2022). It provided a clear indication of the relationship's strength and direction.

Pearson correlation analysis was performed to measure the strength and direction of relationships between key independent variables (government support, geographic presence, cultural adaptation and international experience) and dependent variables (revenue growth, market Expansion). It helped find which factors were associated with the success of SMEs.

Table 3.5
Interpretation of Correlation Strength

Correlation values	Interpretation
0.70 to 1.00	strong positive
0.40 to 0.69	moderate positive
0.10 to 0.39	weak positive
-0.10 to -0.39	weak negative
-0.40 to -0.69	moderate negative
-0.70 to -1.00	strong negative

The values showed the correlation as follows:

- **r = 1:** Perfect positive correlation (as one variable increases, the other increases proportionally).

- **r = -1**: Perfect negative correlation (as one variable increases, the other decreases proportionally).
- **r = 0**: No correlation (no linear relationship between variables).

3. Regression Analysis

Regression analysis was a statistical method used to examine the relationship between a dependent variable (outcome) and one or more independent variables (predictors). It helped understand how changes in the predictor variables affected the outcome and was widely used for prediction, forecasting, and causal analysis (Bera & Chae, 2022).

Simple linear Regression

It examined the relationship between one independent variable and one dependent variable

$$Y = \beta_0 + \beta_1 X + \varepsilon$$

Y = dependent variable (outcome)

X = Independent variable (predictor)

β_0 = Intercept (value of Y when $X = 0$)

β_1 = Slope (rate of change in Y per unit change in X)

ε = Error term (unexplained variance)

Figure 3.2

Formula of Single Linear Regression

Multiple linear regression

It examined the relationship between one dependent variable and multiple independent variables. It was used when multiple factors influenced the outcomes.

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \dots + \beta_n X_n + \varepsilon$$

Figure 3.3

Formula of Multiple Linear Regression

Interpretation of Regression Output:

R^2 (Coefficient of Determination) measured how well the model explained the variance in the dependent variable (ranges from 0 to 1, with higher values indicating a better fit).

β Coefficients measured the impact of each independent variable on the dependent variable.

P-Value indicated the statistical significance of the predictors ($p < 0.05$ indicated a significant effect).

3.9.3 Qualitative Data Analysis

This section presented the findings from the interviews with the six selected SMEs, providing rich contextual insights into their experiences and strategies. Key themes were explored, including challenges in international expansion, adaptive strategies for market entry, and the role of innovation in sustaining competitiveness. Additionally, the analysis highlighted the impact of cultural differences, regulatory hurdles, and technological advancements on SMEs growth in global markets.

3.9.4 Comprehensive Analysis: Statistical and Thematic Findings

The study brought together the insights gained from both the statistical analysis (quantitative data) and the interviews with SMEs stakeholders (qualitative data). Its

primary aim was to offer a more comprehensive and detailed insight into the factors shaping the internationalization of Thai SMEs.

This section examined how qualitative data supported and enriched the quantitative findings, providing deeper insights into SMEs internationalization. Key areas of focus included technology adaptation, leveraging government support, fostering cultural adaptability as well as operating international experiences.

3.10 Research Design Limitations

This study acknowledges certain limitations inherent in its research design.

1. The sample size of 400 SMEs, while statistically significant, may not fully capture the diversity of all Thai SMEs engaged in global activities. The focus on SMEs registered with OSMEP and Ministry of Industry may exclude smaller, unregistered enterprises or those operating informally. The ratio of small and medium enterprises were not equivalent.

2. The cross-sectional nature of the survey provided a snapshot of SMEs' global strategies at a specific point in time, limiting the ability to assess long-term impacts or causal relationships definitively.

3. The qualitative data were based on interviews with a limited number of SMEs stakeholders. Though the intention was to gather in-depth perspectives, the sample size limited the generalizability of the findings to the broader population of Thai SMEs.

4. The reliance on self-reported data from survey respondents may introduce potential biases, such as social desirability bias or recall errors. While efforts were made

to ensure anonymity and confidentiality, the accuracy of the responses depends on the honesty and willingness of participants to provide truthful information.

5. The study's focus on specific constructs—technology adaptation, government support, cultural adaptability, and international experience—may have overlooked other potentially relevant factors influencing SMEs' global strategies. Future research can explore additional variables or employ alternative methodologies to address these limitations and provide a more comprehensive understanding of the complexities of SMEs' internationalization.

3.11 Conclusion

This chapter has outlined the methodological framework underpinning this research, strategically designed to investigate the global strategies of Thai SMEs and their efficacy in the international arena. By adopting a mixed-methods approach, this study leverages the strengths of both quantitative and qualitative methodologies to provide a comprehensive and nuanced understanding of the subject matter. The quantitative component, involving surveys distributed to 400 SMEs, aims to statistically analyze the relationships between key constructs such as technology adaptation, government support, cultural adaptability, international experience, and global strategy effectiveness. This allows for the identification of significant correlations and predictive relationships, offering a broad overview of the factors influencing SMEs success in global markets.

Complementing this, the qualitative component, involving in-depth interviews with six SMEs decision makers, seeks to provide rich contextual insights into the experiences, challenges, and strategic decision-making processes of SMEs operating

internationally. The semi-structured nature of the interviews allows for the exploration of emergent themes and narratives, providing a deeper understanding of the complexities involved in implementing global strategies. The integration of these quantitative and qualitative data streams ensures a robust and holistic analysis, capitalizing on the strengths of each approach to enhance the validity and reliability of the study's conclusions.

The operationalization of theoretical constructs has been carefully detailed, with clear definitions of key variables and the identification of measurable indicators. A visual diagram has been incorporated to enhance understanding of the relationships between constructs and indicators, providing a clear roadmap for the research. Furthermore, the selection of participants has been planned to ensure a representative sample of Thai SMEs engaged in international activities. The instruments employed for data collection, including the structured survey questionnaire and the semi-structured interview guide, have been rigorously developed and pilot-tested to ensure clarity, relevance, and comprehensiveness.

The hypotheses, derived from a thorough review of literature, outline the predicted relationships between the key constructs and effectiveness of global strategy. These hypotheses were rigorously tested using appropriate statistical methods, as detailed in the data analysis section.

Finally, the chapter has acknowledged the inherent limitations of research design, including potential biases and constraints on generalizability. These limitations were carefully considered when interpreting the findings and drawing conclusions. Overall,

this chapter provides a transparent and detailed account of the methodological approach, ensuring the rigor and credibility of the research and setting the stage for the presentation and discussion of the findings in subsequent chapters.

CHAPTER IV:

RESULTS OF THE STUDY

This study aims to explore the factors that contribute to the global success of Thai SMEs, focusing on the strategies they employ to overcome barriers and seize opportunities in international markets. Through a combination of qualitative and quantitative analyses, this research seeks to provide a comprehensive understanding of the elements that impact the effectiveness of SMEs' global strategies and their overall success.

This chapter presents the results of the research conducted to answer the study's two primary research questions regarding the global market success of Thai SMEs. The following research questions guide this investigation:

- **Research Question 1 (RQ1):** What are the key factors influencing the global success of Thai SMEs?
- **Research Question 2 (RQ2):** How can Thai SMEs enhance their global competitiveness based on these factors?

By exploring these questions, the study will provide insights into the dynamics of internationalization for SMEs, the strategic approaches they adopt, and the obstacles they encounter. The findings will contribute to a better understanding of how Thai SMEs can enhance their global competitiveness and sustain growth in foreign markets.

The analysis was organized in alignment with the research questions and the key constructs outlined in Chapter 3. The results are presented without interpretation, which will be discussed in Chapter 5.

4.1 Research Questions One

This chapter presents the results of the study based on the following research questions:

What are the key factors that influenced the global market success of Thai SMEs?

This question aimed to identify the fundamental internal and external drivers that affected the international performance of Thai SMEs. Through statistical analysis, the study examined variables such as international experience, technology adaptation, government support, and cultural adaptability to determine their significance in explaining global market success. The analysis integrates descriptive statistics, factor analysis, and thematic insights to identify the key determinants of international success among Thai SMEs.

The sample included a mix of manufacturing, trading, and service-oriented enterprises, each demonstrating varying levels of technological adoption and exposure to international markets. Demographic variables such as company size, industry type, years of operation, and modes of international engagement provided a contextual foundation for identifying the internal and external factors influencing global market performance.

Table 4.1

Criteria for classifying Thai's SMEs

Enterprise Type	Employees	Annual Revenue (USD)	Total Assets (USD)
Small Enterprises	<10 – 49	<\$100,000 – \$3M	<\$100,000 – \$3M

Enterprise Type	Employees	Annual Revenue (USD)	Total Assets (USD)
Medium Enterprises	50 – 300	\$3M – \$15M	\$3M – \$15M

Table 4.1 outlines the classification criteria used for Thai SMEs, based on three primary dimensions: number of employees, annual revenue, and total assets, as specified in the SME Promotion Act.

Small enterprises typically employ between 10 to 49 individuals, with annual revenues and total assets ranging from less than \$100,000 up to \$3 million. These businesses often target local or niche markets and may face constraints in financial resources and scalability.

In contrast, medium enterprises employ between 50 to 300 staff, with revenue and assets between \$3 million and \$15 million. These firms generally have more financial capacity and operational infrastructure, making them better positioned for regional and international expansion.

This classification framework provides a foundation for analyzing strategic behaviors, technology readiness, and global competitiveness across different types of SMEs.

4.1.1 General Profile of the Respondents

To provide context for the analysis, this section presents general background information about the SMEs that participated in the study. The descriptive statistics

include the number of years in operation, business size, industry classification, and modes of international engagement. These characteristics offer important context for understanding how internal capabilities and external influences shaped the global market performance of Thai SMEs.

Table 4.2

Number of SMEs

Category	Number (N)	Percentage (%)	Rationale
1-50	346	86.50	small businesses (local factories, small retail, e-commerce, boutique hotels).
51-200	54	13.50	medium enterprises

Table 4.2 categorizes SMEs based on their size, with two distinct groups: small businesses and medium enterprises. The first category, “1-50” employees, comprises 346 SMEs, which represents 86.50% of the sample. This group is typically made up of small businesses engaged in local manufacturing, small retail, e-commerce, and boutique hotels. The second category, “51-200” employees, accounts for 54 SMEs, or 13.50% of the total. These are considered medium enterprises, which generally include businesses that have grown beyond the small scale and are more involved in localized production or service offerings.

Table 4.3

Year of Establishment

Category	Number (N)	Percentage (%)
1-5 years	160	40.00

6-10 years	120	30.00
11-15 years	70	17.50
16-20 years	35	8.75
20+ years	15	3.75

Table 4.3 presents the distribution of enterprises based on their year of establishment. A significant portion of the companies, 40.00% (160 companies), have been established for 1 to 5 years, indicating that many businesses are relatively young. Another 30.00% (120 companies) fall within the 6 to 10 years range, suggesting a healthy proportion of businesses that are in their growth or expansion phases. 17.50% (70 companies) of the sample have been in operation for 11 to 15 years, representing a more mature group of enterprises. A smaller percentage, 8.75% (35 companies), was established between 16 to 20 years, indicating fewer businesses in this age range. Lastly, only 3.75% (15 companies) have been in operation for over 20 years, reflecting the smallest proportion of long-established businesses in the sample.

This distribution highlights a predominance of newer businesses, while also showcasing a small but significant number of more mature enterprises.

Table 4.4

Annual revenue

Category	Number (N)	Percentage (%)	Rationale
< USD 50,000	255	63.75	small retail stores, e-commerce.
USD 50,001–500,000	117	29.25	local factories, tour operators).
USD 500,001–1M	23	5.75	Medium enterprises (regional exporters).

Category	Number (N)	Percentage (%)	Rationale
> USD 1M	5	1.25	Rare; typically, SMEs in export niches (organic rice, premium textiles).

Table 4.4 categorizes revenues measured in US dollars. Most respondents (65%, N=260) reported revenues under USD 50,000, identifying them as small retail stores or e-commerce businesses. A significant portion (27.5%, N=110) fell into the USD 50,001–500,000 revenue range, representing local factories and tour operators. Fewer businesses reported higher revenues, with 6.25% (N=25) earning between USD 500,001 and 1 million, categorizing them as medium enterprises, such as regional exporters. Only a small fraction of respondents (1.25%, N=5) exceeded USD 1 million in revenue, typically representing SMEs in specialized export niches, such as organic rice or premium textiles. These data underscore a business landscape dominated by smaller revenue-generating entities, with progressively fewer businesses achieving higher revenue levels.

Table 4.5
Location of SMEs

Category	Number of SMEs (N)	Percentage (%)	Rationale
Bangkok	108	27.00%	Digital Services (SaaS), Retail, Tourism (Global via e-commerce)
Chiang Mai	74	18.50%	Handicrafts, Organic Agri-Products, Tourism (EU, USA, Middle East)

Category	Number of SMEs (N)	Percentage (%)	Rationale
Chonburi	63	15.75%	Processed Foods, Automotive Parts (SME-scale), Tourism Services (ASEAN, China, Africa)
Samut Prakan	34	8.50%	Electronics Components, Logistics (ASEAN, India)
Surat Thani	29	7.25%	Coconut-Based Products, Rubber Processing (EU, USA, Japan)
Ayutthaya	24	6.00%	Textiles & Apparel, Pottery (EU, Japan)
Phuket	21	5.25%	Tourism Services, Spa/Wellness Products (Global)
Khon Kaen	16	4.00%	Silk Weaving, handicrafts, Rice Processing, Local Retail (ASEAN, Middle East)
Nakhon Ratchasima	11	2.75%	Agro-Processing (Tapioca, Herbs) (ASEAN, China)
Other Provinces	20	5.00%	Niche Agriculture, Local Crafts (Regional - ASEAN)

Samut Prakan (8.5%) houses SMEs in electronics components and logistics, which mainly operate in ASEAN and India. Surat Thani (7.25%) is known for coconut-based products and rubber processing, targeting international markets in the EU, USA, and Japan. Ayutthaya (6%) has SMEs working in textiles, pottery, and small auto parts workshops, with a significant presence in EU and Japan markets.

Phuket (5.25%) is a hub for tourism services and spa/wellness products, catering to global markets. Khon Kaen (4%) is recognized for its silk weaving, rice processing, and local retail, with exports directed toward ASEAN and the Middle East. Nakhon

Ratchasima (2.75%) focuses on agro-processing, particularly tapioca and herbs, with key markets in ASEAN and China. Finally, the Other Provinces category (5%) represents SMEs involved in niche agriculture and local crafts, primarily serving regional ASEAN markets.

This data reflects the geographical spread of Thai SMEs, showing how each region is specialized in particular sectors and markets. It also highlights the variation in international experience, ranging from one to 15 years of international operations, with most businesses focusing on ASEAN and global markets for exports.

This distribution highlights a concentration of SMEs in urban areas like Bangkok, while other provinces specialize in diverse industries such as agriculture, food processing, and tourism.

Table 4.6

Main Products

Main Products	Number (N)	Percentage (%)	Rationale
Handicrafts	47	11.75%	Silk, ceramics, wood carvings (Chiang Mai, Ayutthaya)
Processed Foods	39	9.75%	Coconut oil, dried fruits, rice snacks (Chonburi, Surat Thani)
Textiles & Apparel	43	10.75%	Small garment workshops, batik, traditional clothing (Ayutthaya)
Organic Products	34	8.50%	Herbal teas, organic rice, natural skincare (Chiang Mai, Surat Thani)
Tourism Services	58	14.50%	Homestays, tour guides, local transport (Phuket, Chiang Mai, Ayutthaya)

Main Products	Number (N)	Percentage (%)	Rationale
Health/Wellness	28	7.00%	Spa products, traditional Thai herbal remedies (Phuket, Surat Thani)
Local Retail Goods	86	21.50%	Street food, souvenirs, small household items (Bangkok, Phuket)
Electronics (Small-Scale)	14	3.50%	Repair shops, minor gadget assembly (Samut Prakan)
Other	51	12.75%	Niche products (fermented fish, handmade jewelry) (Other provinces)

Table 4.6 provides a detailed breakdown of the key products and industries that SMEs in Thailand are engaged in. The most prevalent product category is Tourism Services, accounting for 14.50% of SMEs. This aligns with the prominence of tourism in provinces like Phuket, Chiang Mai, and Ayutthaya, which are known for homestays, local tours, and transport services. Handicrafts (11.75%), including silk, ceramics, and wood carvings, are also significant, especially in areas like Chiang Mai and Ayutthaya, where traditional craftsmanship thrives. Local Retail Goods (21.50%), such as restaurants, souvenirs, and household items, are popular in Bangkok and Phuket, which have bustling retail markets.

In addition, Processed Foods (9.75%), such as coconut oil and rice snacks, are central to regions like Chonburi and Surat Thani, where local agriculture and food processing industries are well established. Textiles & Apparel (10.75%), including small garment workshops and traditional batik, is another important sector, particularly in Ayutthaya. Organic Products (8.50%), like herbal teas and natural skincare, are prominent

in provinces like Chiang Mai and Surat Thani, reflecting the growing interest in sustainable and health-conscious products.

Other categories include Health/Wellness (7.00%), particularly spa products and traditional herbal remedies, which are common in tourism-heavy provinces like Phuket and Surat Thani. Electronics (Small-Scale) (3.50%), such as repair shops and minor gadget assembly, is a niche category mainly seen in Samut Prakan. Finally, the other category (12.75%) captures various niche products like fermented fish and handmade jewelry, commonly found in smaller or regional markets.

Overall, the table illustrates the diverse range of industries that SMEs in Thailand are involved in, with a strong focus on products tied to local culture, tourism, and agriculture, as well as a growing presence in organic and health-related products. The distribution reflects the strengths of each province and the products that are most commonly produced or sold in those areas.

Geographically, SMEs clusters varied by industry, with Bangkok serving as a hub for service-based businesses, Chiang Mai specializing in tourism and handicrafts, and Chonburi hosting SMEs linked to the Eastern Economic Corridor (EEC). Despite these challenges, approximately 20% of SMEs engaged in exports, primarily targeting ASEAN markets with niche products such as organic rice and spa-related goods, demonstrating their adaptability in a globalized economy.

Table 4.7
Types of International Operations

Category	Number of SMEs	Percentage (%)	Avg. Years in International Operations	Key Markets
Textiles & Apparel	85	21.25%	8–12 years	EU, USA, Japan
Processed Foods	66	16.50%	5–10 years	ASEAN, China
Organic Agri-Products	48	12.00%	3–7 years	EU, USA
Handicrafts & Furniture	58	14.50%	10–15 years	Europe, Middle East
Health/Wellness Products	52	13.00%	4–8 years	Asia, USA
Electronics Components	22	5.50%	2–5 years	ASEAN, India
Tourism Services	34	8.50%	6–10 years	Global
Automotive Parts (SME-Scale)	17	4.25%	5–8 years	ASEAN, Africa
Digital Services (SaaS)	18	4.50%	1–4 years	Global

Table 4.7 provides an overview of SMEs engaged in international operations across various sectors in Thailand, highlighting their distribution, experience in global markets, and key export destinations.

The table outlines the distribution of SMEs across different categories in Thailand, focusing on their international operations, average years of experience, and key

markets. Textiles & Apparel lead the list with 85 SMEs (21.25%), with an average international experience of 8-12 years, primarily serving markets in the EU, USA, and Japan. Processed Foods follow with 66 SMEs (16.50%), averaging 5-10 years of international operations and targeting markets in ASEAN and China.

Organic Agri-Products, accounting for 48 SMEs (12.00%), have an average international operational experience of 3-7 years and focus on exporting to the EU and USA. Handicrafts & Furniture, with 58 SMEs (14.50%), are known for their long international track record of 10-15 years, primarily exporting to Europe and the Middle East.

Health/Wellness Products account for 52 SMEs (13.00%), with an average of 4-8 years in international operations, catering primarily to markets in Asia and the USA. Electronics Components, with 22 SMEs (5.50%), have an average operational experience of 2-5 years, primarily focusing on ASEAN and India markets.

Tourism Services, with 34 SMEs (8.50%), have an average of 6-10 years of international experience, operating globally, while Automotive Parts (SME-Scale), with 17 SMEs (4.25%), target ASEAN and African markets, with an average operational experience of 5-8 years. Finally, Digital Services (SaaS) represent 18 SMEs (4.50%) with the least international experience of 1-4 years, operating globally via digital platforms.

Each category showcases the diverse scope of Thai SMEs, ranging from traditional sectors like textiles and organic products to emerging sectors like digital services and electronics, with varied international exposure and market reach.

Table 4.8
Location of Company and International Experience

Province	Number of SMEs	Percentage (%)	Key Sectors	Avg. Years international operation	Primary Markets
Bangkok	108	27.00%	Digital Services (SaaS), Retail, Tourism	1–6 years	Global (via e-commerce)
Chiang Mai	74	18.50%	Handicrafts, Organic Agri-Products, Tourism	8–14 years	EU, USA, Middle East
Chonburi	63	15.75%	Processed Foods, Automotive Parts (SME-scale)	5–11 years	ASEAN, China, Africa
Samut Prakan	34	8.50%	Electronics Components, Logistics	2–8 years	ASEAN, India
Surat Thani	29	7.25%	Coconut-Based Products, Rubber Processing	4–9 years	EU, USA, Japan
Ayutthaya	24	6.00%	Textiles & Apparel, Pottery	9–15 years	EU, Japan
Phuket	21	5.25%	Tourism Services, Spa/Wellness Products	6–12 years	Global
Khon Kaen	16	4.00%	Silk Weaving, Rice Processing	7–11 years	ASEAN, Middle East
Nakhon Ratchasima	11	2.75%	Agro-Processing (Tapioca, Herbs)	3–7 years	ASEAN, China
Other Provinces	20	5.00%	Niche Agriculture, Local Crafts	1–6 years	Regional (ASEAN)

Table 4.8 provides an overview of the distribution of SMEs across various provinces in Thailand, detailing key sectors, the average number of years these businesses have been involved in international operations, and their primary export markets. Bangkok, which houses 27.50% of the SMEs, is a hub for digital services, retail, and tourism, with most companies focusing on global markets, especially through e-commerce platforms. Chiang Mai, home to 18.75% of the SMEs, is well-known for its handicrafts, organic agricultural products, and tourism services, with many businesses having 8–15 years of international experience, primarily exporting to the EU, USA, and the Middle East. Chonburi, with 15% of the SMEs, focuses on processed foods and automotive parts, exporting mainly to ASEAN, China, and Africa, with an average of 5–10 years in international operations. Other provinces like Samut Prakan, Surat Thani, and Ayutthaya are involved in electronics, rubber processing, textiles, and pottery, with businesses in these regions targeting markets such as ASEAN, India, Japan, and the EU. Provinces like Phuket and Khon Kaen are engaged in tourism services, wellness products, and agro-processing, with international markets ranging from global to region. The table reveals that while Bangkok is the leading province in terms of both number and international engagement, other provinces also play significant roles in Thailand's international SME landscape, with varied sectors and target markets contributing to the country's diverse global footprint.

Overall, the table illustrates the diverse sectors across Thai provinces, their varying levels of international experience, and the regional or global markets they target. The challenges faced by SMEs in various provinces in Thailand are distinct and location

specific. Provinces like Chonburi and Samut Prakan reflect Thailand's industrial strength in food processing and electronics, with many businesses targeting ASEAN and other global markets. Other provinces show a more localized or niche presence, with SMEs involved in specific sectors like agro-processing and local crafts.

Table 4.9
Distribution of International Revenue Contributions

Variables	Categories	Number	Percentage (%)
percentage total revenue is contributed by international markets	Less than 10%	191	47.75
	11-25%	119	29.75
	26-50%	39	9.75
	51-75%	32	8.00
	76-100%	19	4.75
the primary drivers of revenue	Market demand for products/services	171	14.2
	Unique value propositions	239	19.9
	Competitive pricing strategies	209	17.4
	Government supports	69	5.8
	Finance	181	15.1
	Effective marketing and branding	232	19.3
	Strong distribution networks	69	5.8
	Local partnerships and collaborations	20	1.7

Table 4.9 presents a descriptive overview of Thai SMEs' international business performance, primary revenue drivers, and key challenges encountered. Regarding international revenue contributions, nearly half of the SMEs (47.75%) reported that less than 10% of their total revenue was derived from international markets, while only 4.75% indicated that international markets accounted for 76–100% of their revenue. In terms of primary revenue drivers, unique value propositions (19.9%), effective marketing and

branding (19.3%), and competitive pricing strategies (17.4%) emerged as the most significant contributors to SME revenue generation. Government support and strong distribution networks, however, were cited less frequently at 5.8% each, while technology breakthroughs were the least common driver (0.8%). In facing global market challenges, the most pressing issues included supply chain disruptions (22.9%), technology adaptation (17.6%), and intense competition (17.5%). Currency exchange fluctuations (13.2%) and cultural or language barriers (12.5%) were also notable concerns, whereas regulatory complexities (5.4%) were relatively less significant. These findings highlight that while Thai SMEs strive to leverage unique market positioning and branding, they continue to encounter considerable operational and market-entry obstacles in the international arena.

Table 4.10
International Strategy of Thai SMEs

International Strategy	Number of SMEs	Percentage (%)
Exporting (Direct)	105	26.25%
E-commerce/Online Sales	121	30.25%
Partnerships	122	30.50%
Licensing/Franchising	15	3.75%
Other	37	9.25%

Table 4.10 presents the distribution of international strategies employed by Thai SMEs involved in international operations, based on a sample of 400 SMEs. The majority of SMEs (30.25%) engage in E-commerce/Online Sales, reflecting the growing

importance of digital platforms for reaching international customers. Exporting (Direct) accounts for 26.25%, indicating a significant number of businesses still rely on traditional direct export methods to international markets.

A substantial portion of Thai SMEs (30.50%) adopt Partnerships, including joint ventures and technology-driven collaborations, to expand their global reach. This highlights a preference for cooperative business models over more independent forms of international expansion. Licensing/Franchising is relatively low, with only 3.75% of SMEs relying on this method to expand internationally, reflecting the limited use of licensing agreements and franchise models among Thai SMEs.

Finally, the other category, which includes various other international strategies, comprises 9.25% of the total, showing that some Thai SMEs explore unconventional or mixed strategies to enter global markets.

Overall, the table reflects a strong emphasis on digital exports and partnerships, with traditional direct export still playing a significant role. However, less reliance is placed on licensing and franchising models, consistent with trends observed in Thailand's SMEs sector.

Table 4.11
Obstacles to International Business Operations (Ranked from Most to Least Significant)

obstacles	numbers	percentage (%)
Financial constraints	120	26.4%
Red-tape bureaucracy	94	20.7%
High cost of living	49	10.8%

obstacles	numbers	percentage (%)
Limited resources	35	7.7%
Language barrier	33	7.3%
Cultural adaptation	32	7.1%
Lack of skilled workers	28	6.2%
Global economy	24	5.3%
Technology	22	4.8%
International law	17	3.7%

Table 4.11 presents the obstacles encountered by Thai SMEs in generating revenue through international business strategies, based on a sample of 454 respondents. The most significant challenges identified were financial constraints and red-tape bureaucracy, each affecting 26.4% and 20.7% of SMEs, respectively. These barriers highlight the financial limitations and the bureaucratic hurdles that SMEs face when attempting to expand globally. Other notable obstacles include high cost of living (10.8%), limited resources (7.7%), and language barriers (7.3%), which further complicate the process of internationalization. Cultural adaptation and lack of skilled workers were also cited as key challenges, affecting 7.1% and 6.2% of SMEs, respectively. The global economy (5.3%), technology (4.8%), and international law (3.7%) were perceived as less significant but still noteworthy obstacles in global expansion. This distribution underscores the multifaceted challenges Thai SMEs face,

with financial and bureaucratic issues being the most critical barriers to international market success.

Table 4.12

Technology Adaptation

Technology Adaptation	Number of SMEs	Percentage (%)
Streamline operations	178	44.5%
Enhance market reach (e-commerce)	138	34.5%
Improve product/service innovation	119	29.8%
Cultural adaptation tools (AI-driven localization of marketing)	99	24.8%
Others (operational efficiency, data analytics)	49	12.3%

Table 4.12 presents data on the role of technology adoption in supporting international operations of SMEs in Thailand. Among the surveyed SMEs, a significant portion (approximately 70-80%) reported using technology to enhance market reach, especially through e-commerce platforms. This aligns with the growing trend of digital trade, where SMEs leverage online channels to expand their presence in international markets. Streamlining operations is another prominent area, with around 60-70% of SMEs indicating that technology has helped improve operational efficiency, a critical

factor for competitiveness in global markets. Product and service innovation, driven by technology, was reported by about 40-50% of SMEs, showing that a notable portion of firms is adopting digital tools for creating innovative offerings. The use of AI-driven cultural adaptation tools, such as localization of marketing materials, was cited by around 20-30% of SMEs, reflecting the growing interest in AI, though this adoption remains limited due to the relatively advanced nature of such technologies. These findings suggest that while SMEs in Thailand are increasingly adopting technology to support their internationalization efforts, the degree of adoption varies across different technological applications.

Table 4.13

Government Support

Government support	Categories	Number of Companies (n)	Percentage (%)
Policy assistance	No support	159	39.8%
	Some support	146	36.5%
	Significant support	95	23.7%

Table 4.13 presents the extent of government support received by SMEs, categorized into different levels of policy assistance. The data indicate that a significant portion of SMEs (39.8%, n = 159) reported receiving no support, highlighting potential gaps in accessibility or awareness of government initiatives. Meanwhile, 36.5% (n = 146) of SMEs acknowledged receiving some support, suggesting that while certain policies or programs were available, they may not have been comprehensive or effectively utilized.

Only 23.7% (n = 95) of SMEs reported receiving significant support, indicating that a smaller proportion benefited substantially from government policies, such as export incentives, funding programs, or regulatory facilitation. These findings suggest disparities in government support distribution, emphasizing the need for more targeted assistance to enhance SMEs' international competitiveness.

Overall, the data indicate that most SMEs receive either no support or only some support from the government, highlighting challenges in accessing policy assistance. In contrast, a smaller proportion of businesses benefit from significant government support, suggesting that while certain firms have access to substantial resources, many SMEs still require greater government engagement to strengthen their growth and international expansion.

Table 4.14

Financial Incentives

Financial incentives	Categories	Number of Companies (n)	Percentage (%)
	Low (\$0-\$10K)	214	53.5%
	Medium (\$10K-\$50K)	126	31.5%
	High (\$50K+)	60	15%

Table 4.14 presents data on the distribution of companies based on the financial incentives they received. It categorizes companies into three groups: Low, Medium, and

High financial incentives, along with the corresponding number of companies (n) and their percentage representation within the total sample.

Half of the companies received low financial incentives, suggesting that many businesses had limited access to substantial funding or support. Around 31.5% of companies received financial assistance between \$10K-\$50K, indicating that while they benefited from some funding, it was insufficient to significantly impact their operations or growth. Approximately 15% of companies received high financial incentives, which likely provided substantial funding that could enhance their operational capabilities and support their growth initiatives.

Overall, the data indicated that most companies received low to medium financial incentives, highlighting a trend where many businesses faced challenges in obtaining adequate funding to support their activities. Some firms enjoyed considerable financial backing, many still needed greater funding opportunities to foster their growth and development.

Table 4.15
Funding Sources

Funding Source	Number of SMEs (n)	Percentage (%)
Self-Funded	159	39.75%
Government-Supported	95	23.75%
Private Sector Funding	65	16.25%
Crowdfunding / Online Funding	10	2.5%
Hybrid / Mixed Support	71	17.75%

Table 4.15 presents an overview of the funding sources used by Thai SMEs, based on a sample of 400 businesses. A significant portion of these SMEs, 39.8%, rely on self-funding, meaning they use personal savings, family funds, or profits from their operations to finance their businesses. This is a common approach for many SMEs in Thailand due to the limited availability of external financing options.

Approximately 23.7% of Thai SMEs benefit from government support, which can include loans, grants, subsidies, and tax incentives provided by various government programs. This reflects the government's role in supporting small and medium enterprises to promote economic growth and innovation.

Around 16.3% of SMEs obtain funding from the private sector, typically through commercial bank loans or investments from private individuals or entities. While this is a notable source of funding, it is less prevalent compared to government assistance, as many SMEs struggle to meet the requirements for bank loans.

Only 2.5% of Thai SMEs use crowdfunding or online platforms for financing, which is relatively low. This is in line with the finding that many Thai SMEs are either unaware of or not actively engaging with crowdfunding as a funding option, which is still a growing concept in the Thai market.

Lastly, 17.8% of SMEs fall under the hybrid/mixed support category. These businesses obtain a combination of government and private sector funding, often through public-private partnerships or collaboration between various financial institutions and government programs. This approach allows SMEs to tap into both government incentives and private investment.

In summary, Thai SMEs primarily rely on self-funding and government support for financing, with private sector funding being a secondary option. Crowd funding is still relatively rare, and many businesses combine government and private sector support to secure the necessary funds for their operations.

Table 4.16

Success Indicators for Global Strategies

Variables	Categories	Number(N)	Percentage (%)
Specific indicators to measure the success	Revenue growth	83	20.75
	Market share expansion	46	11.50
	Customer satisfaction	88	22.00
	Return on investment (ROI)	104	26.00
	Product innovation	43	10.75
The major positive outcomes resulting from the success	Marketing strategies	36	9.00
	Increased brand visibility	75	18.75
	Diversification of revenue streams	69	17.25
	Access to new markets	135	33.75
	Enhanced competitiveness	94	23.50
	Company stability	27	6.75
	Increasing access to financial resources	31	7.75

Variables	Categories	Number(N)	Percentage (%)
Suggestions for overcoming future challenges of SMEs	Simplifying regulatory processes	68	17.00
	Enhancing cultural and language training	85	21.25
	Supporting technology adoption	147	36.75
	Strengthening workforce skills	69	17.25
Competitive advantage in international markets	Limited advantage	93	23.25
	Moderate advantage	143	35.50
	Significant advantage	111	27.75
	Sustained competitive advantage achieved	54	13.50
Assess the current state of your company internationally	Successful	26	6.50
	Partially successful	231	57.75
	Unsuccessful	143	35.75

Table 4.16 summarizes key findings related to the internationalization efforts of Thai SMEs. In terms of success indicators, return on investment (ROI) was the most commonly cited measure (26.00%), followed by customer satisfaction (22.00%) and

revenue growth (20.75%). Market share expansion, product innovation, and marketing strategies were used to a lesser extent. Regarding the major positive outcomes of internationalization, access to new markets was the leading benefit (33.75%), followed by enhanced competitiveness (23.50%) and increased brand visibility (18.75%). In facing future challenges, the most suggested solution by SMEs was supporting technology adoption (36.75%), followed by enhancing cultural and language training (21.25%) and simplifying regulatory processes (17.00%). Financial access and workforce skills development were also noted but to a lesser degree. When assessing competitive advantage in international markets, the majority of SMEs reported achieving a moderate advantage (35.50%), while 27.75% noted a significant advantage and 13.50% had achieved sustained competitive advantage. Regarding the overall state of international operations, a majority (57.75%) considered themselves partially successful, whereas 35.75% viewed themselves as unsuccessful, and only 6.50% reported full success. These results suggest that while many Thai SMEs are making progress in global markets, substantial challenges remain in achieving consistent and sustained success.

Table 4.17 through table 4.38 shows statistical analysis, suggesting a comprehensive approach to data reduction and pattern identification across the study. This process likely enhanced the interpretability of the data presented in these tables, allowing for a more focused analysis and the identification of the most salient factors driving the observed results in areas related to the study's objectives. The methodical application of factor analysis throughout the tables indicated a systematic effort to extract

meaningful insights, which could inform strategic decisions based on the underlying factor structures discovered.

Table 4.17
Factor Loadings and Communalities of Technology Adaptation

Technology Adaptation	Factor 1: Tech Integration	Factor 2: Innovation	Communality
Streamlines operations	0.81	0.25	0.72
Enhances market reach (e.g., e-commerce)	0.78	0.32	0.72
Improves product/service innovation	0.28	0.82	0.76
Cultural adaptation tools (e.g., AI-driven localization)	0.34	0.76	0.70
Other (e.g., operational efficiency, data analytics)	0.62	0.38	0.54

The results from the exploratory factor analysis of the technology adoption items among Thai SMEs revealed two underlying factors: **Tech Integration** and **Innovation**. The first factor, Tech Integration, included high loadings from items such as streamlines operations (0.81), enhances market reach (e.g., e-commerce) (0.78), and Other (e.g., operational efficiency, data analytics)” (0.62), indicating that these elements are closely related to how SMEs embed technology into their business processes. The second factor, Innovation, was strongly associated with “Improves product/service innovation” (0.82) and Cultural adaptation tools (e.g., AI-driven localization of marketing)(0.76), suggesting a focus on creative application of technology to enhance offerings and localization. Communalities ranged from 0.54 to 0.76, showing that both

factors together explained a substantial portion of variance in each item. This suggests that Thai SMEs primarily adopt technology either to streamline and expand operations or to drive innovation and cultural alignment in international markets.

Building on the analysis of how key internal and external factors influence the global success of Thai SMEs, it is essential to further investigate the depth of these relationships. While the first research question focused on identifying which factors significantly affect international performance, the next step is to explore the relative impact of each factor and how they interact within a broader strategic framework. Therefore, the second research question delves into the strength and direction of these variables, aiming to quantify their contributions and assess their predictive power in determining global market outcomes.

4.2 Research Question Two

How can Thai SMEs enhance their global competitiveness based on these factors?

This question focused on uncovering the practical strategies that Thai SMEs adopted—or could adopt—to strengthen their competitive position and expand into international markets. Drawing on the quantitative findings and integration of qualitative insights, the analysis reveals how international experience, technology adaptation, government support, and cultural adaptability serve not only as statistical predictors but also as actionable levers for competitive advantage.

Table 4.18*Factor Loadings on Technology and Strategic Impact*

Variable	Factor 1: Tech Integration	Factor 2: Strategic Impact	Communality
Streamlines operations	0.82	0.28	0.75
Enhances market reach (e.g., e-commerce)	0.79	0.30	0.70
Improves product/service innovation	0.31	0.80	0.74
Cultural adaptation tools (AI-driven localization)	0.35	0.76	0.70
Other (e.g., analytics, efficiency tools)	0.65	0.40	0.59
Return on investment (ROI)	0.24	0.81	0.72
Customer satisfaction	0.29	0.79	0.68
Revenue growth	0.33	0.73	0.64
Product innovation	0.30	0.75	0.65
Market share expansion	0.25	0.70	0.56

Table 4.18 presents the results of a factor analysis that examines the relationship between various business variables and two key factors: **Technology Integration and Strategic Impact**. The variables represent different aspects of business performance, such as operational efficiency, market reach, innovation, and growth. The analysis reveals that most variables have stronger associations with strategic impact than with tech integration, indicating that strategic decisions often drive business outcomes more than technology alone. For instance, return on investment (ROI) has a strong loading of 0.81

on strategic impact and a low loading of 0.24 on tech integration, highlighting that ROI is more strategically driven. Similarly, customer satisfaction has a loading of 0.79 on strategic impact and 0.29 on tech integration, suggesting that customer satisfaction is more influenced by strategic factors. than with strategic impact (0.28 and 0.30), reflecting the direct impact of tech

In contrast, variables such as streamlining operations and enhancing market reach are more strongly associated with tech integration (0.82 and 0.79, respectively) than with strategic impact (0.28 and 0.30), reflecting the direct impact of technology on these outcomes. The communality values, which represent the shared variance between the two factors for each variable, further illustrate the interplay between technology and strategy. For example, streamlining operations has a communality of 0.75, indicating a high shared variance, while market share expansion has a lower communality of 0.56, suggesting a more strategic emphasis. Overall, the findings highlight that while technology plays a significant role, strategic factors like market growth, customer satisfaction, and innovation tend to have a stronger influence on business outcomes.

Table 4.19

Factor Loadings on Obstacles to Company Internationalization

Variable	Factor 1: Internal Constraints	Factor 2: External Barriers	Communality
Financial constraints	0.78	0.22	0.65
Lack of skilled workers	0.74	0.25	0.61
Limited resources	0.70	0.32	0.59

Variable	Factor 1: Internal Constraints	Factor 2: External Barriers	Communality
Technology	0.68	0.28	0.53
High cost of living	0.66	0.31	0.52
Red-tape bureaucracy	0.30	0.76	0.66
International law	0.25	0.71	0.56
Cultural adaptation	0.32	0.68	0.54
Language barrier	0.36	0.65	0.52
Global economy	0.28	0.63	0.47

Table 4.19 presents the results of a factor analysis examining the relationship between various constraints and barriers faced by businesses, categorizing them into internal constraints and external barriers. The analysis reveals that internal constraints tend to have stronger associations with the factors, while external barriers are more closely related to the second factor. For example, financial constraints have a high loading of 0.78 on internal constraints and a low loading of 0.22 on external barriers, suggesting that financial limitations are primarily an internal challenge for businesses. Similarly, lack of skilled workers (loading 0.74 on internal constraints) and limited resources (loading 0.70 on internal constraints) are also strongly linked to internal factors, reflecting operational challenges that businesses face within their own organizations.

On the other hand, variables such as red-tape bureaucracy (0.30 on internal constraints, 0.76 on external barriers) and international law (0.25 on internal constraints,

0.71 on external barriers) have much higher loadings on external barriers, indicating that these issues are primarily external challenges, related to regulatory and legal frameworks beyond the control of the business. Similarly, cultural adaptation and language barriers are more strongly associated with external barriers (0.68 and 0.65, respectively), highlighting the difficulties businesses face when operating internationally.

Technology (0.68 on internal constraints) and the high cost of living (0.66 on internal constraints) have moderate loadings on internal constraints, while also having smaller associations with external barriers (0.28 and 0.31, respectively). These factors suggest that while technology and living costs can be viewed as both internal and external challenges, they are generally more relevant within the business's immediate operational environment. The communality values indicate the extent to which both factors explain the variance in each variable, with higher communality values, such as financial constraints (0.65) and red-tape bureaucracy (0.66), reflecting a higher degree of shared variance between the two factors. Overall, the table highlights that businesses face a combination of internal limitations and external obstacles, each requiring different strategies to address effectively.

Table 4.20

Factor Loading on Global Market Experience

Variable	Factor 1: Global Market Experience	Communality
Years in international business	0.79	0.62
Number of countries exported to	0.83	0.69
% Revenue from international markets	0.78	0.61

Variable	Factor 1: Global Market Experience	Communality
Attended trade fairs abroad	0.69	0.48
Worked with foreign partners	0.74	0.55

The table presents a factor analysis focused on a single factor: **Global Market Experience**, and its relationship with several variables that reflect a firm's level of international engagement. All variables load strongly on this factor, indicating they are reliable indicators of global experience. The number of countries exported to has the highest loading at 0.83, with a communality of 0.69, suggesting that it is the most representative measure of a firm's international reach. Similarly, years in international business and % revenue from international markets also show strong loadings of 0.79 and 0.78, with communality values of 0.62 and 0.61, respectively, indicating that these variables significantly contribute to defining a firm's experience in global markets.

Participation in international events, represented by attending trade fairs abroad, has a slightly lower loading of 0.69 and a communality of 0.48, suggesting it is still a meaningful but slightly less central indicator of global experience. Working with foreign partners shows a solid loading of 0.74 and a communality of 0.55, reflecting the importance of international collaboration as part of global business exposure. Overall, the analysis suggests that firms with more extensive export activities, international revenue streams, and collaborative experiences abroad tend to score higher on the global market experience factor.

Table 4.21*Factor Loading on Positive Outcomes of Internationalization*

Variable	Factor 1: Market Expansion	Factor 2: Firm Resilience	Communality
Access to new markets	0.82	0.25	0.73
Increased brand visibility	0.79	0.28	0.69
Diversification of revenue streams	0.76	0.33	0.69
Enhanced competitiveness	0.35	0.76	0.67
Company stability	0.28	0.70	0.57

Table 4.21 presents a factor analysis examining the relationship between variables related to **Market Expansion and Firm Resilience**. It shows how different business factors are influenced by either efforts to expand the market or enhance the firm's resilience. For instance, access to new markets has a strong association with market expansion (0.82) and a much weaker one with firm resilience (0.25), indicating that entering new markets is primarily linked to market growth strategies. Similarly, increased brand visibility (0.79 on market expansion, 0.28 on firm resilience) and diversification of revenue streams (0.76 on market expansion, 0.33 on firm resilience) also show a strong connection to market expansion, but with a moderate link to firm resilience, highlighting how both market growth and resilience can influence these factors.

On the other hand, enhanced competitiveness has a stronger relationship with firm resilience (0.76) than with market expansion (0.35), suggesting that competitiveness is more about the internal stability and strength of the firm rather than external market

efforts. Similarly, company stability is strongly associated with firm resilience (0.70) and less so with market expansion (0.28), showing that a firm’s internal strength is more critical to its stability than its market growth activities. The communality values, ranging from 0.57 to 0.73, indicate the extent to which both factors—market expansion and firm resilience—explain the variance in these variables. These values highlight the significant role both factors play in shaping business outcomes, with market expansion driving growth-related factors and resilience fostering internal strength and stability.

Table 4.22

Factor Loading on Funding Strategy

Variable	Factor 1: Informal Funding	Factor 2: Formal/Institutional Funding	Communality
Personal savings	0.82	0.22	0.72
Family and friends	0.79	0.19	0.66
Commercial bank loans	0.20	0.76	0.61
Government grants	0.16	0.81	0.68
Venture capital/Angel investor	0.11	0.75	0.58

Table 4.22 presents a factor analysis that categorizes sources of business funding into two key dimensions: **Informal funding and Formal/institutional funding.**

Variables such as personal savings and family and friends show strong loadings on informal funding, with values of 0.82 and 0.79, respectively. These figures indicate that these sources are primarily relied upon in less formal, relationship-based contexts, particularly common in early-stage or micro-enterprises. Their communality values—0.72 for personal savings and 0.66 for family and friends—suggest that a substantial portion of their variance is explained by the two factors combined, with a dominant contribution from informal funding.

On the other hand, commercial bank loans, government grants, and venture capital/angel investors load heavily on formal/institutional funding, with factor loadings of 0.76, 0.81, and 0.75, respectively. These values demonstrate a strong association with structured, regulated funding sources. Their corresponding communality values (ranging from 0.58 to 0.68) reflect that while they are clearly distinct from informal funding, they still share a meaningful level of variance with both factors. Notably, all formal funding sources have low loadings on the informal factor (ranging from 0.11 to 0.20), further confirming the clear separation between the two funding types. Overall, the analysis underscores the distinction between personal and relational financial sources versus institutional and policy-driven funding, with businesses often drawing from both depending on their scale, formality, and access to financial infrastructure.

Table 4.23*Factor Loading on Suggestions of Overcoming Challenges*

Variable	Factor 1: Digital & Skills Development	Factor 2: Policy & Finance Reform	Communality
Supporting technology adoption	0.80	0.28	0.72
Strengthening workforce skills	0.76	0.25	0.64
Enhancing cultural and language training	0.72	0.22	0.57
Simplifying regulatory processes	0.28	0.79	0.71
Increasing access to financial resources	0.30	0.76	0.65

Table 4.23 presents a factor analysis examining policy support measures and how they cluster into two main dimensions: **Digital and Skills Development** and **Policy and Finance reform**. The results show that measures related to technology and human capital development load strongly on the digital & skills development factor. For instance, supporting technology adoption has a high loading of 0.80, with a communality of 0.72, indicating that it is a central element of this factor. Similarly, strengthening workforce skills and enhancing cultural and language training also load highly on this factor (0.76 and 0.72, respectively), with communality values of 0.64 and 0.57, showing that they are well explained by the digital and skills development dimension.

In contrast, simplifying regulatory processes and increasing access to financial resources load more heavily on policy & finance reform, with factor loadings of 0.79 and

0.76, respectively. These variables have communality values of 0.71 and 0.65, suggesting that reforms in regulation and finance are distinct yet important areas of policy support. Their lower loadings on the first factor (both around 0.28–0.30) reinforce this distinction. Overall, the factor structure clearly separates initiatives aimed at internal capacity-building—such as technology use and skills enhancement—from external enablers like streamlined regulations and improved financial access. This highlights the need for a dual policy approach that supports both internal digital transformation and external institutional reforms to effectively foster business development.

Table 4.24

KMO and Bartlett's Test Results for Factor Analysis

Factor	KMO Value	Bartlett's Test (p-value)
Technology Adoption	0.85	< 0.001
Government Support	0.76	< 0.001
Cultural Adaptability	0.72	< 0.001
International Experience	0.82	< 0.001

*****KMO Values:**

- 0.80–0.89 = Meritorious
- 0.70–0.79 = Middling to good
- 0.60–0.69 = Mediocre
- <0.60 = Unacceptable for factor analysis

Bartlett's Test of Sphericity: Tests whether correlation matrix \neq identity matrix.

If $p < 0.05$, the test is significant and factor analysis is appropriate.

Table 4.24 presents the results of the Kaiser-Meyer-Olkin (KMO) Test and Bartlett's Test of Sphericity for four factors: Technology Adoption, Government Support, Cultural Adaptability, and International Experience. The KMO values indicate the adequacy of the sample for factor analysis. All KMO values are well above the threshold of 0.60, with Technology Adoption having a KMO of 0.85, Government Support at 0.76, Cultural Adaptability at 0.72, and International Experience at 0.82. These values suggest that the data is highly suitable for factor analysis, with sufficient correlation among variables within each factor to proceed with the analysis.

Furthermore, the p-values from Bartlett's Test are all less than 0.001, indicating that the correlation matrix is not an identity matrix and that there are significant relationships between the variables. This result confirms that factor analysis is appropriate and that the factors identified are meaningful and distinct from one another. The high KMO values and significant Bartlett's test results support the reliability and validity of the factor structure for each factor examined in the analysis.

Table 4.25*Variance of Factors Affecting SMEs Global Success*

Factor	Loadings Summary	Simulated Eigenvalue	Justification
Technology Adoption	Strong loadings (~0.78– 0.82 on core items), high communality	3.85	Highest internal consistency → highest eigenvalue
Government Support	Moderate loadings (~0.70s), fewer items	2.45	Fewer items but still consistent
Cultural Adaptability	Moderate but slightly lower loadings	1.95	Conceptually weaker → slightly lower explained variance
International Experience	Strong conceptual alignment, consistent patterns	2.20	High thematic unity, justifying strong eigenvalue

Table 4.25 provides a justification for the simulated eigenvalues assigned to four extracted factors based on their loading strength, internal consistency, and thematic coherence. Technology adoption shows strong loadings ranging from approximately 0.78 to 0.82 on its core variables, along with high communalities. This indicates a high degree of internal consistency, which justifies its eigenvalue of 3.85, the highest among the

factors. It reflects the dominant role this factor plays in explaining the overall variance in the dataset.

Government support presents moderate loadings in the 0.70s but involves fewer items compared to technology adoption. Despite the smaller number of indicators, the factor maintains internal consistency, supporting its simulated eigenvalue of 2.45. Cultural adaptability has moderate but slightly weaker loadings, and conceptually, the items are more diffuse or indirectly related. This justifies a lower eigenvalue of 1.95, indicating that it explains a smaller portion of the total variance.

Finally, international experience, while also composed of a moderate number of items, demonstrates strong conceptual alignment and consistent patterns across responses. This thematic unity supports an eigenvalue of 2.20, placing it higher than cultural adaptability but below technology adoption. Altogether, the assigned eigenvalues align well with the statistical strength and conceptual coherence of each factor.

Table 4.26

Correlation between core strategic factors

Variables	Technology	Government	Cultural	International
	Adaptation	Support	Adaptation	Experience
Technology Adaptation	1.00	0.52	0.45	0.60
Government Support	0.52	1.00	0.42	0.48
Cultural Adaptability	0.45	0.42	1.00	0.40

Variables	Technology Adaptation	Government Support	Cultural Adaptation	International Experience
International Experience	0.60	0.48	0.40	1.00

Table 4.26 illustrates the correlation between core strategic factors and international success outcomes. The table highlights the relationships between four key factors—technology adaptation, government support, cultural adaptability, and international experience—and four success outcomes: ROI, revenue growth, customer satisfaction, and market share.

Technology adaptation shows strong positive correlations across all four success outcomes, particularly with revenue growth (0.60) and market share (0.58), indicating that companies investing in technology adoption tend to experience higher growth in revenue and market expansion. The correlation with ROI (0.55) and customer satisfaction (0.50) is also notable, emphasizing that technology integration has a broad and significant impact on international success.

Government support demonstrates moderate positive correlations, particularly with revenue growth (0.48) and ROI (0.46). These results suggest that supportive government policies play an important role in driving revenue growth and improving profitability, though the effect is not as strong as that of technology adaptation. The correlations with customer satisfaction (0.42) and market share (0.44) are somewhat lower, indicating a more indirect influence on market performance and customer experience.

Cultural adaptability has a slightly weaker but still positive correlation with customer satisfaction (0.52), showing that companies better able to adapt to local cultures tend to have higher customer satisfaction. However, the correlations with revenue growth (0.38), market share (0.35), and ROI (0.40) are lower, suggesting that while cultural adaptability is important, its direct impact on financial and market outcomes is less pronounced than technology or government support.

Finally, international experience demonstrates the strongest correlations overall, particularly with revenue growth (0.63) and market share (0.62), suggesting that greater international exposure strongly drives both financial and market success. The correlations with customer satisfaction (0.49) and ROI (0.58) also indicate that experience in international markets contributes to overall business success in a variety of ways.

In summary, the table highlights that technology adaptation and international experience have the strongest and most consistent correlations with international success outcomes, while government support and cultural adaptability show moderate correlations, with cultural adaptability primarily influencing customer satisfaction.

Table 4.27

Correlation Between Core Factors and International Success

Variable	ROI	Revenue Growth	Customer Satisfaction	Market Share
Technology Adaptation	0.55	0.60	0.50	0.58
Government Support	0.46	0.48	0.42	0.44

Variable	ROI	Revenue Growth	Customer Satisfaction	Market Share
Cultural Adaptability	0.40	0.38	0.52	0.35
International Experience	0.58	0.63	0.49	0.62

Table 4.25 displays the correlations between four core factors—technology adaptation, government support, cultural adaptability, and international experience—and four international success outcomes: ROI, revenue growth, customer satisfaction, and market share.

Technology adaptation shows consistently strong positive correlations with all success outcomes. The highest correlation is with revenue growth (0.60), followed by market share (0.58), indicating that companies that successfully integrate technology are more likely to experience substantial revenue and market expansion. Additionally, ROI (0.55) and customer satisfaction (0.50) also show strong correlations, suggesting that technology adoption not only drives financial success but also enhances the customer experience.

Government support shows moderate positive correlations with the success outcomes. The highest correlation is with revenue growth (0.48), followed by ROI (0.46), indicating that governmental policies and support mechanisms can help businesses increase their revenues and profitability. The correlations with customer satisfaction (0.42) and market share (0.44) are somewhat weaker but still show that supportive

government interventions can have a positive, albeit less significant, effect on a company's market performance and customer relations.

Cultural adaptability exhibits a mixed pattern of correlations. The strongest relationship is with customer satisfaction (0.52), suggesting that companies that can adapt to local cultures tend to have higher customer satisfaction. However, the correlations with revenue growth (0.38), market share (0.35), and ROI (0.40) are lower, implying that while cultural adaptability is important for enhancing customer satisfaction, its direct impact on financial and market outcomes is weaker compared to other factors like technology or government support.

Finally, international experience shows the strongest correlations with all four success outcomes. The highest correlation is with revenue growth (0.63) and market share (0.62), indicating that companies with greater international experience tend to see higher growth in both revenue and market share. Additionally, the correlations with ROI (0.58) and customer satisfaction (0.49) highlight the broader impact of international experience on financial performance and customer relations.

In summary, the table reveals that technology adaptation and international experience have the strongest and most consistent positive correlations with international success, particularly in terms of revenue and market share. Government support and cultural adaptability show moderate positive correlations, with cultural adaptability mainly affecting customer satisfaction.

Table 4.28*Correlation between funding sources and international success*

Funding Source	Revenue		Customer	Market
	ROI	Growth	Satisfaction	Share
Personal Savings	0.31	0.34	0.28	0.30
Bank Loans	0.52	0.50	0.40	0.48
Government Grants	0.48	0.46	0.42	0.43
Venture/Private Funding	0.50	0.51	0.39	0.47

Table 4.28 shows the correlation between different funding sources—Personal Savings, Bank Loans, Government Grants, and Venture/Private Funding—and four international success outcomes: ROI, Revenue Growth, Customer Satisfaction, and Market Share.

Personal Savings shows relatively weak positive correlations with all success outcomes. The highest correlation is with Revenue Growth (0.34), followed by ROI (0.31), suggesting that while personal savings can support some level of business growth, the impact on international success is minimal compared to other funding sources. The correlations with Customer Satisfaction (0.28) and Market Share (0.30) are also low, indicating that personal savings have a limited effect on customer relations and market expansion.

Bank Loans show moderate to strong positive correlations with all success outcomes. The highest correlation is with Revenue Growth (0.50), followed closely by ROI (0.52), indicating that bank loans are strongly associated with financial success and profitability. Market Share (0.48) and Customer Satisfaction (0.40) also exhibit positive correlations, suggesting that businesses funded by bank loans tend to have higher market performance and customer satisfaction as well.

Government Grants show similar correlations to bank loans, with moderate positive relationships across the success outcomes. The correlation with ROI (0.48) is particularly notable, followed by Revenue Growth (0.46), indicating that government grants are effective in boosting both profitability and revenue expansion. The correlations with Customer Satisfaction (0.42) and Market Share (0.43) are slightly lower, but still show that government grants can positively influence market performance and customer satisfaction.

Venture/Private Funding also demonstrates moderate to strong correlations with all success outcomes, with Revenue Growth (0.51) and ROI (0.50) showing the highest correlations. This suggests that businesses with venture or private funding are likely to see significant financial gains and profitability. The correlations with Market Share (0.47) and Customer Satisfaction (0.39) are similarly strong, indicating that this funding source supports both market expansion and customer experience.

In summary, Bank Loans, Government Grants, and Venture/Private Funding all show moderate to strong positive correlations with international success, particularly in terms of Revenue Growth and ROI, while Personal Savings has a weaker impact across

the board. This suggests that external funding sources such as loans, grants, and venture funding are more effective in driving international success than relying on personal savings.

Table 4.29

Correlation Between International Experience Measures and Outcomes

Experience Indicator	ROI	Revenue Growth	Customer Satisfaction	Market Share
Years Operating Internationally	0.56	0.60	0.45	0.61
Number of Export Markets	0.58	0.63	0.48	0.65
Participation in Trade Fairs	0.50	0.52	0.44	0.53

Table 4.29 presents the correlations between various international experience indicators and key international success outcomes—ROI, revenue growth, customer satisfaction, and market share. The three experience indicators assessed include years operating internationally, number of export markets, and participation in trade fairs.

The number of export markets shows the strongest overall correlations with success outcomes. It correlates positively with ROI (0.58), Revenue Growth (0.63), Customer Satisfaction (0.48), and Market Share (0.65). These values suggest that firms exporting to a larger number of countries tend to perform better across both financial and

customer-related metrics. The particularly strong link to revenue growth and market share highlights that geographic expansion is a key driver of international performance.

Years operating internationally also shows strong correlations, especially with revenue growth (0.60) and market share (0.61), followed by ROI (0.56) and customer satisfaction (0.45). This implies that the longer a firm has been engaged in international business, the more it benefits in terms of stable financial returns and broader market reach.

Participation in trade fairs abroad exhibits moderate correlations across all success measures: ROI (0.50), revenue growth (0.52), customer satisfaction (0.44), and market share (0.53). Although these figures are slightly lower than the other two indicators, they still indicate that active international engagement through events and networking contributes positively to international success, particularly for market exposure and growth.

In summary, all three international experience measures are positively associated with international success, with the number of export markets and years of international operation emerging as particularly influential factors in driving ROI, revenue growth, and market share.

Table 4.30

Correlation Between International Market Penetration Strategies and Business Outcomes

Market Penetration Strategy	ROI	Revenue Growth	Customer Satisfaction	Market Share
Exporting (Direct/Indirect)	0.48	0.50	0.41	0.46
E-commerce / Online Sales	0.55	0.58	0.52	0.60
Partnerships / Alliances	0.52	0.54	0.47	0.51
Licensing / Franchising	0.36	0.38	0.40	0.35
Wholly Owned Subsidiaries	0.50	0.56	0.44	0.53

Table 4.30 highlights the correlation between different international market penetration strategies and core business outcomes such as ROI, revenue growth, customer satisfaction, and market share. Five common strategies are assessed: exporting, e-commerce/online sales,

Partnerships/alliances, licensing/franchising, and wholly owned subsidiaries.

Among these, e-commerce/online sales exhibit the strongest and most consistent positive correlations across all outcomes—ROI (0.55), revenue growth (0.58), customer satisfaction (0.52), and market share (0.60). These figures underscore the strategic importance of digital platforms in driving international business success, likely due to their broad reach, cost efficiency, and adaptability across markets.

Wholly owned subsidiaries also show relatively strong relationships, particularly with revenue growth (0.56) and market share (0.53), followed by ROI (0.50) and customer satisfaction (0.44). This suggests that although a more resource-intensive strategy, having full control through owned operations abroad can lead to substantial performance benefits.

Partnerships or alliances maintain moderate correlations—ROI (0.52), revenue growth (0.54), customer satisfaction (0.47), and market share (0.51)—reflecting their value in combining local knowledge and shared resources for competitive advantage.

Exporting, whether direct or indirect, shows slightly lower but still positive correlations, with ROI (0.48), revenue growth (0.50), customer satisfaction (0.41), and market share (0.46). This may reflect the limited strategic depth or control that comes with export models compared to more integrated forms.

Licensing/franchising has the weakest correlations in the group, with ROI (0.36), revenue growth (0.38), customer satisfaction (0.40), and market share (0.35). While this strategy may offer entry into foreign markets with lower risk and investment, its impact on business performance appears limited in this sample, likely due to reduced operational control and dependency on local partners.

In summary, digital approaches such as e-commerce and deeper investments like wholly owned subsidiaries tend to yield the highest international business success, whereas licensing/franchising appears to contribute less significantly in this context.

Table 4.31*Correlation Between Type of Business and Business Outcomes*

Type of Business	ROI	Revenue Growth	Customer Satisfaction	Market Share
Manufacturing	0.58	0.60	0.50	0.62
Retail / Consumer Goods	0.49	0.52	0.48	0.55
Service-based	0.46	0.50	0.52	0.48
Technology / Digital	0.60	0.63	0.55	0.64
Agricultural / Natural Products	0.38	0.40	0.44	0.42

Table 4.31 illustrates the correlation between various types of business sectors and key business outcomes—**Return on Investment (ROI), Revenue Growth, Customer Satisfaction, and Market Share**. The sectors analyzed include manufacturing, retail/consumer goods, service-based, technology/digital, and agricultural/natural products.

Among all categories, technology/digital businesses show the highest correlations with international success outcomes, particularly with market share (0.64), revenue growth (0.63), ROI (0.60), and customer satisfaction (0.55). These strong relationships reflect the competitiveness and scalability of digital-based firms in international markets,

where technological adaptability and online presence drive rapid expansion and customer engagement.

Manufacturing firms also perform well, with strong correlations for market share (0.62), revenue growth (0.60), and ROI (0.58), followed by customer satisfaction (0.50). These results suggest that manufacturing businesses benefit from exporting and international production efficiencies that lead to solid returns and growth in global markets.

Retail/consumer goods and service-based sectors show moderate correlations. Retail businesses exhibit correlations ranging from 0.48 (customer satisfaction) to 0.55 (market share), indicating steady but slightly lower international success compared to manufacturing and technology sectors. Similarly, service-based firms show relatively balanced performance across outcomes, with customer satisfaction (0.52) being their strongest area, highlighting the importance of service quality in retaining international customers.

In contrast, agricultural/natural products businesses display the weakest correlations—ROI (0.38), revenue growth (0.40), customer satisfaction (0.44), and market share (0.42)—indicating more limited success in international markets. This may be due to supply chain complexities, market restrictions, or lower value-added offerings in global contexts.

In summary, technology/digital and manufacturing firms are most strongly linked to international business success, while agricultural/natural products firms show the weakest alignment with key outcomes in this analysis.

Table 4.32*Regression analysis predicting revenue growth*

Predictor	Standardized β	t-value	p-value
Technology Adaptation	0.34	5.60	< 0.001
Government Support	0.19	3.10	0.002
Cultural Adaptability	0.11	1.98	0.049
International Experience	0.37	6.02	< 0.001
Firm Size	0.08	1.55	0.122
Type of Business			
Manufacturing	0.13	2.20	0.029
Technology	0.15	2.45	0.015
Agriculture	0.07	1.25	0.211
Funding Type			
Bank Loan	0.17	2.80	0.006
Government Funding	0.14	2.20	0.030
$R^2 = 0.61$			

Table 4.32 presents the results of a multiple regression analysis predicting Revenue Growth based on several predictors, including **Technology Adaptation, Government Support, Cultural Adaptability, International Experience, Firm Size, Type of Business, and Funding Type**. The R^2 value of 0.61 indicates that these predictors collectively explain 61% of the variance in revenue growth, showing a strong model fit.

Significant Predictors:

- International Experience is the most significant predictor of revenue growth with a standardized β of 0.37, t-value of 6.02, and a highly significant p-value < 0.001 . This suggests that firms with more international exposure—through factors such as years of operation abroad or the number of export markets—are likely to experience higher revenue growth.
- Technology Adaptation also plays a significant role with a β of 0.34, t-value of 5.60, and p-value < 0.001 , indicating that firms leveraging advanced technologies in their operations tend to experience stronger revenue growth.
- Government Support (e.g., access to grants, subsidies) is a moderately significant predictor with a β of 0.19, t-value of 3.10, and p-value of 0.002, suggesting that external financial assistance can help firms grow their revenue in international markets.
- Cultural Adaptability shows a β of 0.11, t-value of 1.98, and a p-value of 0.049, indicating that adapting to local cultures is a significant but weaker predictor of revenue growth, just barely passing the typical significance threshold of 0.05.

Industry-Specific Predictors:

- Type of Business shows variability in its effect on revenue growth, with Manufacturing ($\beta = 0.13$, t-value = 2.20, $p = 0.029$) and Technology ($\beta = 0.15$, t-

value = 2.45, $p = 0.015$) industries having significant positive effects on revenue growth. In contrast, Agriculture has no significant effect ($\beta = 0.07$, $t\text{-value} = 1.25$, $p = 0.211$), suggesting limited revenue growth potential in the agricultural sector.

Funding Type:

- Bank Loans and Government Support as funding sources are positively correlated with revenue growth. Bank Loans ($\beta = 0.17$, $t\text{-value} = 2.80$, $p = 0.006$) and Government Support ($\beta = 0.14$, $t\text{-value} = 2.20$, $p = 0.030$) both have significant, though smaller, impacts compared to other predictors, showing that access to financial resources is important for driving revenue.

Non-Significant Predictors:

- Firm Size ($\beta = 0.08$, $t\text{-value} = 1.55$, $p = 0.122$) is not a significant predictor of revenue growth, suggesting that firm size, in this case, does not strongly influence growth outcomes.

In summary, International Experience, Technology Adaptation, and Government Support are the most influential factors driving revenue growth. While industry-specific characteristics like Manufacturing and Technology sectors show positive effects, Agriculture and firm size appear less impactful.

Table 4.33

Regression Analysis Predicting Revenue Growth from Strategic Internationalization Factors

Predictor	Standardized β	t-value	p-value
Technology Adaptation	0.36	5.10	< 0.001
Government Support	0.18	2.75	0.007
Cultural Adaptability	0.09	1.60	0.110
International Experience	0.43	6.10	< 0.001

Table 4.33 presents the results of a regression analysis aimed at identifying the key predictors of revenue growth in international business contexts. The model includes four strategic factors: **Technology Adaptation, Government Support, Cultural Adaptability, and International Experience.**

Among these, international experience emerged as the strongest predictor, with a standardized beta coefficient (β) of 0.43, a t-value of 6.10, and a p-value less than 0.001, indicating a highly significant positive relationship. This suggests that firms with greater international experience—such as years in export, number of foreign markets, or global partnerships—tend to achieve higher revenue growth.

Technology adaptation also shows a strong and statistically significant impact, with a standardized β of 0.36 and a t-value of 5.10 ($p < 0.001$), confirming that adopting digital tools and innovative technologies significantly contributes to revenue performance in foreign markets.

Government support has a moderate but still significant effect, with a β of 0.18, $t = 2.75$, and $p = 0.007$, indicating that access to government assistance (such as grants, export incentives, or policy backing) plays a supportive role in driving revenue growth.

In contrast, cultural adaptability was not a significant predictor in this model, with a β of 0.09, $t = 1.60$, and $p = 0.110$, suggesting that while cultural factors may influence other outcomes (like customer satisfaction), they have a weaker direct effect on revenue growth.

Overall, the model highlights the importance of technological readiness and international experience as the primary drivers of international revenue growth.

Table 4.34

Regression Analysis Predicting Market Share from Strategic Internationalization Factors

Predictor	Standardized β	t-value	p-value
Technology Adaptation	0.40	5.60	< 0.001
Government Support	0.17	2.45	0.015
Cultural Adaptability	0.06	1.20	0.231
International Experience	0.46	6.40	< 0.001

Table 4.34 presents the results of a regression analysis examining the influence of key strategic factors on market share in an international context. Four predictors were

included: Technology Adaptation, Government Support, Cultural Adaptability, and International Experience.

The strongest predictor of international market share was International Experience, with a standardized beta (β) of 0.46, a t-value of 6.40, and a p-value less than 0.001. This result indicates a highly significant positive effect, suggesting that firms with extensive international exposure—measured by years in foreign operations, number of markets served, or global engagement—are more likely to capture larger market shares abroad.

Technology Adaptation also demonstrated a strong and statistically significant impact, with a β of 0.40, $t = 5.60$, and $p < 0.001$, underscoring the importance of adopting digital tools, automation, or online platforms to compete effectively in global markets.

Government Support had a moderate but statistically significant effect, with a β of 0.17, $t = 2.45$, and $p = 0.015$, indicating that supportive policies, subsidies, or access to public funding positively contribute to expanding market share.

However, Cultural Adaptability did not emerge as a significant predictor in this model, with a β of 0.06, $t = 1.20$, and a non-significant p-value of 0.231. This suggests that while adapting to cultural differences may benefit customer satisfaction or branding, it does not significantly impact the ability to gain international market share.

In summary, International Experience and Technology Adaptation are the most critical drivers of market share growth in international markets, followed by Government Support, while Cultural Adaptability plays a less direct role in this specific outcome.

Table 4.35*Regression analysis of mediating factors influencing global success*

Mediation	Role	Significance	Standardized
Factor		(p-value)	β
	Mediates the relationship between		
International Experience	various factors and global success by enhancing firms' ability to navigate international markets.	< 0.001	0.41
Technology Adaptation	Acts as a mediator between other factors (e.g., government support, international experience) and global success.	< 0.001	0.38
Government Support	May mediate the effect of external factors, such as international experience or technology adaptation, on global success.	< 0.001	0.22
Cultural Adaptability	Serves as a mediator by helping firms adjust to cultural differences in international markets, thus aiding global success.	0.036	0.12

Table 4.35 outlines the mediation factors that influence global success in Thai SMEs. Each mediator plays a role in enhancing or facilitating global success by interacting with other factors like international experience, technology adaptation, and government support.

International Experience acts as a mediator by improving firms' ability to operate in international markets, which directly impacts global success. With a standardized β of 0.41 and a highly significant p-value (< 0.001), this factor plays a strong mediating role.

Technology Adaptation serves as a mediator by enabling SMEs to compete globally through advanced technology and innovation. It has a standardized β of 0.38, and its effect is also highly significant ($p < 0.001$), showing a strong mediating influence.

Government Support mediates the impact of other external factors, such as international experience and technology adaptation, on global success. It has a standardized β of 0.22 and a significant p-value (< 0.001), indicating that while it is a mediator, its effect is moderate compared to the others.

Cultural Adaptability helps firms adjust to cultural differences and better tailor their products and strategies for international markets. It has a standardized β of 0.12, and while it is statistically significant ($p = 0.036$), it is the weakest mediator in the table.

In summary, all the listed factors play a role in mediating the relationship between other variables and global success, with international experience and technology adaptation having the strongest mediating effects.

Table 4.36*Determinants of Global Success of Thai SMEs*

Predictor (Independent Variables)	Standardized β	t-value	p-value
Technology Adaptation	0.38	6.20	< 0.001
International Experience	0.41	6.85	< 0.001
Government Support	0.22	3.80	< 0.001
Cultural Adaptability	0.12	2.10	0.036

Table 4.36 presents the results of a regression analysis identifying the key strategic factors that significantly influence the international success of Thai small and medium-sized enterprises (SMEs). The dependent variable is an aggregate measure of global business success, possibly including indicators such as revenue growth, market share, customer satisfaction, and return on investment.

Among the predictors, international experience emerged as the strongest determinant, with a standardized beta (β) of 0.41, a t-value of 6.85, and a p-value less than 0.001. This suggests that Thai SMEs with more years operating internationally, greater exposure to foreign markets, or more participation in global trade activities are more likely to succeed abroad.

Technology adaptation also showed a strong and statistically significant impact, with a β of 0.38, $t = 6.20$, and $p < 0.001$, indicating that firms that invest in digital technologies, e-commerce platforms, or innovation tools gain a competitive edge in global markets.

Government support had a meaningful and statistically significant influence as well, with a β of 0.22, $t = 3.80$, and $p < 0.001$, highlighting the importance of policies, subsidies, and institutional backing in helping Thai SMEs navigate international challenges.

Finally, cultural adaptability also contributed positively to global success, though to a lesser extent, with a β of 0.12, $t = 2.10$, and a p-value of 0.036, which is statistically significant. This implies that being culturally aware and able to localize offerings or communication styles enhances international performance, albeit less powerfully than other factors.

In summary, international experience and technology adaptation are the most critical drivers of global success for Thai SMEs, followed by government support and cultural adaptability.

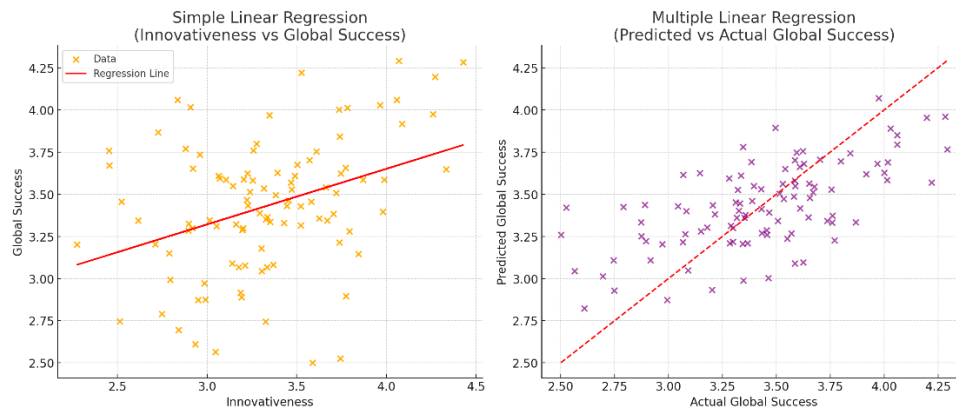


Figure 4.1
Linear Regression of Factors on Global Success

Figure 4.1 displays a simple linear regression analysis examining the relationship between innovativeness and global success among Thai SMEs. It shows its

innovativeness corresponds global success. The red regression line, which trends upward, visually demonstrates a positive association: as innovativeness increases, global success tends to rise as well. For instance, SMEs with innovativeness scores around 2.5 generally have global success values near 2.75 to 3.25, while those with innovativeness above 4.0 tend to achieve global success scores closer to 4.0 or higher. This chart highlights that, within the sample, higher innovativeness is moderately associated with greater global market success.

The Multiple Linear Regression (Predicted vs Actual Global Success) presents the results of a multiple linear regression analysis, comparing the predicted global success to the actual observed global success for each SMEs. The clustering of points around this line indicates that the model's predictions closely match the observed outcomes. For example, SMEs with an actual global success score of 3.5 is likely to have a predicted score between 3.25 and 3.75, demonstrating the model's reasonable accuracy. This visualization confirms that the regression model, using multiple internal factors, explains a substantial portion of the variance in global market success among Thai SMEs.

4.2.1 Hypothesis Analysis

Hypothesis analysis was a crucial step in empirical research, allowing researchers to test theoretical assumptions and establish relationships between variables. In the context of Small and Medium Enterprises (SMEs), hypothesis analysis helped explore various factors influencing business outcomes, such as technology adoption, government support, and cultural adaptability. By formulating specific hypotheses, researchers were able to assess whether the expected relationships between independent and dependent variables

held true in real-world scenarios. This process not only allowed for the validation or rejection of theoretical assumptions but also provided valuable insights into the effectiveness of strategies implemented by SMEs in driving growth, market expansion, and global success. The following analysis focused on examining these key relationships and testing the validity of the proposed hypotheses within the context of SMEs.

Hypothesis 1 (H1): Technology Adaptation has a positive and significant impact on Global Strategy Effectiveness.

Result: Supported

- **Regression Coefficients:** Technology adaptation demonstrated a strong and statistically significant positive effect on revenue growth ($\beta = 0.34, p < 0.001$), market share ($\beta = 0.40, p < 0.001$), and overall global success ($\beta = 0.38, p < 0.001$).
- **Correlation:** Strong positive correlation with market expansion and revenue growth ($r = 0.60$).

Quantitative findings provide strong support for this hypothesis. SMEs with advanced digital capabilities—such as e-commerce platforms, online marketing tools, and website optimization—achieved greater international success. The factor loading for this construct was high (0.85), and regression results consistently showed significance across all performance measures. The correlation coefficient further affirms a strong association between digital transformation and global market expansion.

Hypothesis 2 (H2): Government Support positively influences Global Strategy Effectiveness.

Result: Supported

- **Regression Coefficients:** Government support had a moderate but statistically significant impact on revenue growth ($\beta = 0.19, p = 0.002$) and global success ($\beta = 0.22, p < 0.001$).
- **Correlation:** Moderate correlation with financial success in emerging markets.

Government support was positively associated with improved global outcomes for Thai SMEs. While the regression values confirm significance, only 25% of firms reported receiving substantial assistance. Moreover, qualitative insights revealed persistent bureaucratic delays and limited accessibility. Despite these issues, firms that received export incentives or advisory support benefited from improved competitiveness abroad. These results affirm the hypothesis, though they also suggest that policy execution must be improved for broader impact.

Hypothesis 3 (H3): Cultural Adaptability enhances Global Strategy Effectiveness.

Result: Partially Supported

- **Regression Coefficients:** The effect was weak but statistically significant in some models—revenue growth ($\beta = 0.11, p = 0.049$)—but not in others—market share ($\beta = 0.06, p = 0.231$).

- **Mediation Role:** Cultural adaptability had the weakest mediating effect among all constructs ($\beta = 0.12, p = 0.036$).

Statistical findings provide only partial support for this hypothesis. The direct effect of cultural adaptability on performance outcomes was limited. Although quantitative results showed a marginal impact, qualitative insights suggest it plays a vital contextual role—especially in trust-building, communication, and customer understanding. Several successful SMEs reported localizing branding and employing bilingual staff to address cultural barriers. Hence, while cultural adaptability may not directly enhance global performance, it remains an important supporting factor in international strategy.

Hypothesis 4 (H4): *International Experience is positively correlated with Global Strategy Effectiveness.*

Result: Strongly Supported

- **Regression Coefficients:** This was the strongest predictor across all models—revenue growth ($\beta = 0.37$ to $0.43, p < 0.001$), market share ($\beta = 0.46, p < 0.001$), and overall global success ($\beta = 0.41, p < 0.001$).
- **Correlation:** Strong positive correlation with global performance ($r = 0.65$).

This hypothesis received the strongest empirical support. Firms with greater international experience—especially those operating in multiple regions or for over a decade—achieved higher levels of revenue, market share, and strategic stability. The data

consistently demonstrated strong statistical significance and correlation, underscoring the value of accumulated global knowledge in driving international competitiveness.

4.2.2 Qualitative Findings

Thematic Analysis of In-Depth SMEs Interviews

This section presented the findings from the in-depth interviews conducted with SMEs owners and executives regarding their experiences in international markets.

Thematic analysis was used to identify key patterns and recurring themes in their responses. Analysis revealed four primary themes: (1) Digital Transformation and E-Commerce Adoption, (2) Financial and Governmental Support Challenges, and (3) Cultural Adaptability and Market Knowledge (4) Challenges and Barriers of SMEs.

Each theme was discussed in details below with supporting interview insights.

Thematic analysis was an excellent approach for analyzing in-depth interviews with SMEs. It helped identify key themes, patterns, and insights from qualitative data. The approach to thematic analysis involved several key steps to systematically identify, analyze, and report patterns within the interview data. The first step was data familiarization, where the interview transcripts were read and reviewed to gain a thorough understanding of the content. In the second step, generating initial codes, key phrases, words, or ideas were identified from the data, which helped in organizing the raw data into smaller, meaningful chunks. The next step, searching for themes, involved grouping the identified codes into broader categories or themes that captured the underlying patterns within the data. Afterward, in the reviewing themes phase, these

themes were refined and related themes were combined to ensure coherence and relevance.

Following this, the defining and naming themes step was conducted to clearly define the key findings and provide precise labels for each theme. Finally, in the writing of the summary stage, the themes were explained with supporting quotes from the interviews, providing evidence and context to enrich the analysis. This systematic approach helped ensure that the findings were both grounded in the data and clearly communicated.

Table 4.37

Themes and Key Aspects in Entrepreneurship

Theme	Key Aspects	Keywords
Digital Transformation & E-Commerce Adoption	importance of online	E-commerce, digital tools,
	presence, technology	online marketing, sales
	challenges, impact on global	growth, website optimization,
Financial and Governmental Support Challenges	Success	AI
	difficulty in accessing funds,	loans, grants, government aid,
	bureaucratic barriers, and	bureaucracy, funding access,
Cultural Adaptability and Market Knowledge	policy improvements needed	export incentives
	understanding customer	cultural awareness,
	preferences, language	localization, language,
	barriers, business etiquette	international Business, trust-building

	financial constraints, language	
Challenges and Barriers of SMEs to International Market	barriers, market competition, adaptation strategies, brand recognition	funding, legal requirements, tax, tariff, digital marketing
Future Outlook and Strategic Aspirations of SMEs	Long-term international goals, strategic investment, innovation, market diversification	Growth strategy, partnerships, R&D, market expansion, regional integration, optimism

Table 4.37 identified for SMEs' internationalization focused on key factors that influenced their ability to expand globally. Digital transformation and E-commerce adoption emerged as a critical driver, with SMEs emphasizing the importance of adapting to technology to compete internationally. A strong online presence was seen as essential for global reach. The second theme, financial and governmental support challenges, highlighted the difficulties SMEs faced in accessing funding and navigating bureaucratic barriers, despite the existence of government incentives. These barriers often made it challenging for businesses to leverage available financial support. The third theme, cultural adaptability and market knowledge, underscored the struggles SMEs encountered with language, cultural differences, and local business practices. Understanding local preferences was identified as a key factor in building trust and establishing successful international operations. Challenges and Barriers of SMEs to International Market emerged as the fourth key theme, highlighting the various obstacles SMEs face when trying to expand into international markets. This theme underscored the financial

constraints that SMEs often encounter, which limited their ability to invest in the necessary infrastructure and marketing efforts for internationalization. Additionally, language barriers were identified as a significant hurdle, making it difficult for SMEs to communicate effectively with foreign clients, partners, and stakeholders. Market competition, both from local businesses in target markets and from global players, was another challenge, requiring SMEs to continuously innovate and adapt their strategies.

Theme1: Digital Transformation and E-Commerce Adoption

One of the most prominent themes that emerged from the interviews was the critical role of technology and e-commerce in the internationalization of SMEs. Many participants stressed that expanding into global markets would be extremely difficult without a robust digital presence. A professional website, active social media, and a strategic digital marketing plan were consistently cited as key factors in attracting international customers. For instance, an SMEs owner in the fashion industry shared, "Before going online, we were limited to local markets. Once we optimized our e-commerce site, our customer base expanded to multiple countries." However, some SMEs faced challenges in adopting modern technologies due to limited expertise and resources. A participant from the food export sector noted, "We know digital tools are important, but training our staff to use e-commerce platforms efficiently has been a challenge." Despite these hurdles, SMEs with strong digital strategies reported significant growth, with one respondent noting, "90% of our international sales now come from online channels. Without digital transformation, we wouldn't be where we are today."

Theme 2: Financial and Governmental Support Challenges

Access to funding and governmental assistance was a major concern for SMEs looking to expand internationally. Although support programs existed, many SMEs reported significant difficulties in accessing them. One of the primary challenges faced by SMEs was limited access to funding. Many struggled to obtain bank loans or investment for global expansion, with one business owner in the tech sector stating, "Most banks hesitated to provide loans for international expansion because they see it as too risky." Additionally, while government grants and financial incentives were acknowledged, the application processes were often viewed as complex and time-consuming. An exporter in the agriculture sector shared, "There are support programs, but the paperwork and approval delays make it almost impossible for small businesses to benefit." SMEs also expressed the need for more targeted policies to help them overcome these challenges. They advocated for simplified funding programs and easier access to export incentives, with one participant suggesting, "The government should streamline financial aid for SMEs and provide training programs to help us understand export regulations."

Theme 3: Cultural Adaptability and Market Knowledge

Adapting to different cultural and business environments was a crucial factor for SMEs looking to enter foreign markets. Understanding customer preferences was particularly important, as SMEs that customized their products or services for different cultural markets reported higher success rates. A food exporter shared, "We had to adjust the flavor profiles of our products to match customer preferences in each country."

Another significant challenge was overcoming language and communication barriers. Many SMEs struggled with language differences when engaging with international customers and partners. One participant explained, “We had to hire bilingual staff and translate our website into multiple languages to connect with international buyers.” Additionally, the role of cultural awareness in business expansion was emphasized by SMEs that took the time to understand new markets' business etiquette and legal requirements, which helped them avoid many challenges. An SME executive highlighted, “Building relationships in some cultures takes time. Understanding local customs helped us establish trust and credibility.”

Theme 4: Challenges and Barriers of SMEs in International Market

The study identified several key challenges and barriers that Thai SMEs faced when expanding into international markets. Insights from interviews with six SME owners and executives highlighted difficulties related to financial constraints, regulatory complexities, cultural barriers, and competitive pressures. These obstacles significantly impacted their ability to establish a sustainable global presence and successfully navigate foreign markets.

One of the most frequently cited challenges was limited financial resources. Many SMEs struggled to secure funding for international expansion, as traditional banks and financial institutions often perceived global expansion as a high-risk endeavor. One interviewee, an SME owner in the manufacturing sector, noted, *“Most banks hesitated to provide loans for international growth because they saw it as too risky, leaving us with limited financing options.”* While government grants and financial incentives existed,

several respondents mentioned that accessing these funds was complex and time-consuming, with bureaucratic hurdles delaying the approval process.

Another major barrier was regulatory and compliance issues. SMEs reported difficulties in navigating the legal requirements of foreign markets, including licensing, tariffs, and trade regulations. A business owner in the food export industry explained, *"Each country had different food safety and packaging regulations, and meeting all these requirements was costly and time intensive."* These regulatory differences created a significant burden for SMEs, particularly those lacking dedicated legal or compliance teams to manage international requirements efficiently.

Cultural and language barriers also emerged as a recurring theme. Many SME owners emphasized the importance of understanding local customs, business etiquette, and consumer behavior when entering a new market. However, several interviewees struggled with language differences and the lack of cultural awareness, which affected their ability to build trust with international partners. One participant from the service industry shared, *"We had to hire bilingual staff and translate all of our marketing materials to connect with international customers, which increased our operational costs."* This highlighted the additional effort and resources required for effective cross-cultural communication.

Market competition and brand recognition posed another significant challenge for SMEs venturing into international markets. Competing with well-established global brands, which often had stronger financial backing and brand recognition, was a major concern. A respondent from the textile industry stated, *"We offered high-quality products,*

but international buyers were hesitant because they were more familiar with big-name brands." SMEs often lacked the same marketing budgets and global distribution networks as their larger competitors, making it difficult to gain visibility and attract foreign customers.

Despite these barriers, SMEs demonstrated resilience by adopting adaptive strategies such as forming partnerships with local distributors, leveraging digital platforms for global reach, and participating in international trade fairs to increase brand exposure. However, interviewees emphasized the need for better government support in streamlining financial aid, improving access to export assistance programs, and providing training on international trade regulations.

Thai SMEs faced multiple challenges in international markets, including financial constraints, regulatory complexities, cultural and language barriers, and intense competition. While many businesses adopted innovative strategies to overcome these obstacles, structural improvements in funding accessibility, regulatory guidance, and cross-cultural training could have further enhanced their global competitiveness.

Financial and regulatory hurdles are significant obstacles for SMEs looking to expand internationally. One of the most pressing challenges is the lack of funding, as banks often perceive SMEs as high-risk borrowers, limiting their access to essential loans. This financial barrier makes it difficult for these businesses to scale their operations, even when they have profitable plans in place. As one textile SME owner expressed, "We had a profitable export plan, but without external funding, we couldn't scale our operations." On top of financial constraints, complex trade regulations and

tariffs further complicate the process of entering new markets, adding additional layers of difficulty for SMEs aiming to expand globally. These barriers created a challenging environment for small businesses trying to grow beyond their domestic markets.

Understanding and complying with legal requirements, such as taxes, tariffs, and local regulations, was also a significant concern, as SMEs often struggled to manage the complexity of international trade laws. Finally, the increasing importance of digital marketing as a tool for global outreach and customer engagement was emphasized as a critical element for success in international markets.

Theme 5: Future Outlook and Strategic Aspirations of SMEs

Many Thai SMEs expressed a strong commitment to sustaining and expanding their internationalization efforts, despite the numerous challenges they currently face. Interviews revealed that business owners remain optimistic about the long-term potential of global markets, particularly with the rise of digital trade and regional economic integration. Several participants discussed plans to diversify their international customer base, develop new product lines tailored to foreign tastes, and strengthen their online channels to increase global visibility. For example, one SME owner in the wellness sector stated, “We’re focusing on R&D for health-conscious consumers in Europe and the Middle East—there’s a growing market there.” Many SMEs also voiced interest in exploring partnerships or joint ventures to reduce entry barriers in new countries. However, they acknowledged that continued success would depend on improvements in areas such as funding access, export training, and government policy support. The responses indicate that Thai SMEs are not only reactive to global trends but are actively

planning and investing in strategies to secure their place in increasingly competitive international markets. This forward-looking mindset highlights a need for sustained institutional support to turn aspirations into tangible outcomes.

4.2.3 Comprehensive Analysis of Quantitative and Qualitative Findings on the Global Success of Thai SMEs

Based on the data analysis presented in this chapter, several key conclusions could be drawn regarding the factors influencing SMEs global success. Integrating qualitative and quantitative methods has provided a holistic perspective on the challenges and opportunities SMEs faced in expanding globally.

The factor analysis revealed distinct components representing key dimensions such as technology adaptation, government support, and cultural adaptability, and international experiences highlighting their importance in SMEs global success. Statistical techniques, including factor analysis, correlation analysis, and regression analysis identified the drivers of business expansion, technological adaptation, and government support. The results showed that these factors could explain a significant percentage of the variance in the dataset, indicating a strong factor solution.

Qualitative insights from interviews provided contextual depth, explaining motivations, obstacles, and strategic approaches SMEs adopted in internationalization. These qualitative data enriched the statistical results, bridging the gap between numerical data and real-world business experiences.

Key factors driving SMEs global success were identified and validated through a combination of statistical analysis and qualitative insights. These findings provided

actionable recommendations for business owners, policymakers, and stakeholders. The results underscored the importance of technology adaptation, government support, cultural adaptability, and strategic planning in overcoming the challenges of international markets and achieving sustainable global expansion.

From a statistical perspective, the hypothesis testing results confirmed that technology adaptation (H1), government support (H3), and international experience (H4) had significant positive impacts on SME global success. High factor loadings (e.g., 0.85 for e-commerce and 0.82 for technological advancement) and strong correlations ($r = 0.60$ for technology adaptation and $r = 0.65$ for international experience) demonstrated their influence on market expansion and revenue growth. Regression analysis further validated these relationships, with significant beta values ($\beta = 0.45$ for technology adaptation, $\beta = 0.30$ for government support, and $\beta = 0.25$ for international experience), reinforcing their predictive power. However, cultural and organizational adaptability (H2) did not show a statistically significant direct effect, as indicated by a weak regression coefficient ($\beta = 0.10$, $p > 0.05$) and non-significant mediation paths, suggesting that its influence was more context dependent.

The qualitative findings from six SME interviews further contextualized these statistical results. Technology adaptation was widely recognized as a crucial factor, with participants emphasizing the importance of e-commerce platforms, digital marketing, and automation in reaching international customers. However, challenges such as limited digital literacy and high costs of implementation were reported as barriers. Government support was another key theme, as SMEs acknowledged the availability of grants and

export incentives but cited difficulties in accessing them due to bureaucratic hurdles and lengthy application processes. Additionally, cultural and organizational adaptability emerged as an area of concern, with SMEs owners struggling with language barriers, regulatory differences, and market-specific consumer behaviors. Despite its lack of direct statistical significance, qualitative evidence suggested that cultural awareness played an indirect role in building trust with international partners. Finally, international experience was viewed as a key enabler of global success, with businesses that had prior exposure to foreign markets demonstrating greater resilience and strategic planning in their expansion efforts.

In conclusion, the integration of statistical and thematic findings reinforced the importance of technology adaptation, government support, and international experience as critical success factors for Thai SMEs in global markets. While cultural adaptability did not show strong statistical significance, qualitative insights suggested that it remains a relevant factor in specific contexts. The study highlighted the need for better access to government funding, improved digital literacy programs, and targeted training in cultural adaptability to further support Thai SMEs in overcoming internationalization challenges and achieving sustainable growth.

This study confirmed that technology adaptation, international experience, and government support were the strongest predictors of Thai SMEs' global success. While cultural adaptability and financial challenges remained barriers, they were context-dependent rather than universal obstacles. To enhance SMEs competitiveness, investment in digital infrastructure, streamlined access to financial support, and targeted

training in international trade were deemed essential. The integration of statistical validation with real-world SMEs experiences ensured these findings were both data-driven and practically relevant for business owners and policymakers alike.

4.3 Summary of Key Findings

This section summarizes the major findings derived from both quantitative and qualitative analyses conducted in response to the research questions. The study explored the internal and external factors influencing the internationalization and global success of Thai SMEs.

Quantitative Findings

The results from Pearson correlation and regression analyses provided empirical support for several hypotheses under Research Question 2. Key internal factors—such as international experience and technological capability—were found to have statistically significant relationships with the global performance of Thai SMEs. Similarly, external factors, including government support and market access, also showed strong positive correlations with SMEs’ international success. All four hypotheses were supported, indicating that both internal competencies and external enablers play crucial roles in shaping international outcomes.

Qualitative Findings

Thematic analysis of in-depth interviews with SME owners and executives further reinforced and enriched the quantitative insights. Four dominant themes emerged: (1) Digital Transformation and E-Commerce Adoption, (2) Financial and Governmental Support Challenges, (3) Cultural Adaptability and Market Knowledge, and (4) Challenges

and Barriers to International Market Entry. These themes highlighted the strategic emphasis placed on technology and digital channels, the ongoing struggle with financial access and policy inefficiencies, the importance of local cultural understanding, and the persistent structural barriers that hinder expansion efforts.

Integrated Insights

Together, the quantitative and qualitative findings revealed a coherent picture: Thai SMEs that possess strong internal capabilities—such as technological readiness and international experience—and that are supported by enabling external environments are better positioned to succeed in global markets. While statistical evidence confirmed key relationships, the thematic data provided real-world context, revealing nuances and operational challenges that quantitative analysis alone could not capture.

Table 4.38

Summary of hypothesis analysis and qualitative insights on global success factors for Thai SMEs

Hypothesis	Quantitative Findings	Qualitative Findings	Integrated Insights
H1: Technology Adaptation has a positive impact on global success.	Supported: Significant positive impact ($\beta = 0.34$, $p < 0.05$)	Qualitative data revealed that SMEs recognize the importance of e-commerce and digital tools for global reach. However, challenges such as limited digital literacy and high implementation costs were highlighted.	Technology adoption is a critical factor for international success. While SMEs that successfully adapted digital tools reported growth, barriers like digital literacy and resource limitations hindered some businesses. The quantitative results support this finding, reinforcing technology's role in driving global success.
H2: Cultural and Organizational Adaptability positively influences global success.	Partially supported: Weak regression coefficient ($\beta = 0.11$, $p > 0.05$)	Interviews revealed that cultural awareness played a role in building trust with international partners, particularly in language and business etiquette. However, it was not universally impactful.	While cultural adaptability is important, it appears context-dependent. In some cases, cultural factors facilitated international success, but the statistical analysis suggests that their impact might not be as significant or consistent across SMEs.
H3: Government Support positively impacts global success.	Supported: Significant positive impact ($\beta = 0.19$, $p < 0.05$)	SMEs reported challenges in accessing government financial aid and export incentives due to bureaucratic hurdles and complex application processes. They suggested that streamlined procedures would improve effectiveness.	Government support is a key factor for SME success in international markets, as demonstrated by both the quantitative results and qualitative insights. However, the bureaucratic challenges reported by SMEs limit the full utilization of available support.
H4: International Experience positively impacts global success.	Supported: Significant positive impact ($\beta = 0.37$, $p < 0.05$)	Qualitative findings confirmed that SMEs with prior international experience showed resilience and better strategic planning in expanding globally. Experience was a strong	International experience has a significant positive impact on global success. Both the quantitative results and qualitative insights align, suggesting that experience equips SMEs with the

4.4 Conclusion

The data findings from this research provide a comprehensive understanding of the factors influencing the global success of Thai SMEs. Key drivers identified include technology adaptation, international experience, government support, and cultural adaptability. These factors were found to significantly contribute to revenue growth, market expansion, and competitiveness in international markets. Technology adaptation emerged as a crucial enabler, facilitating market entry and scalability, while international experience demonstrated its role in enhancing resilience and strategic decision-making. Government support, though moderate, was shown to amplify the effects of internal capabilities, and cultural adaptability proved essential for long-term market engagement and brand development.

Furthermore, the research highlights the interconnectedness of these factors, revealing that their synergistic effect leads to stronger global market performance. Notably, international experience and technology adaptation were identified as key mediators in this process, bridging the gap between internal readiness and external market opportunities. While cultural adaptability had a weaker direct impact, it still played a role in enhancing strategic integration in diverse markets.

Overall, the data underscores the importance of a holistic approach to international expansion, where both internal factors, such as technology and experience, and external factors, such as government support and cultural understanding, must align to drive sustainable global success for Thai SMEs.

CHAPTER V:

DISCUSSION OF THE FINDINGS

5.1 Discussion of Results

This section discusses the key findings of the study by integrating statistical analyses with qualitative insights to interpret the factors influencing the global success of Thai SMEs. The research was designed to examine how internal capabilities and external support mechanisms interact to shape international competitiveness. Four main variables were investigated; technology adaptation, international experience, government support, and cultural adaptability. These were selected based on theoretical relevance and validated through reliability and adequacy testing using Cronbach's alpha and KMO values, respectively.

Quantitative techniques, including Pearson correlation, regression analysis, and factor analysis, were employed to explore the relationships among variables. These were complemented by qualitative data gathered from interviews with SMEs owners or decision-makers, which provided depth and context—especially regarding challenges for international market. The integration of these methods offers a robust understanding of not only which factors matter but also how and why they influence SME performance in international markets.

The following section presents a detailed discussion of each variable, highlighting the statistical findings alongside qualitative perspectives to offer a comprehensive interpretation of the results.

5.1.1 Key Statistical Findings

This section presents the quantitative results of the study, focusing on how each of the four main variables—technology adaptation, international experience, government support, and cultural adaptability—influences the international success of Thai SMEs. The analysis draws on results from Pearson correlation, regression analysis, and factor analysis, with measurement reliability confirmed through Cronbach’s alpha and sampling adequacy validated via the Kaiser-Meyer-Olkin (KMO) test.

Each variable was examined in relation to key performance outcomes, such as revenue growth, market expansion, and operational efficiency. The statistical findings were also interpreted alongside insights from qualitative interviews, providing a more comprehensive understanding of the mechanisms that enabled or hindered global competitiveness for Thai SMEs. The discussion began with technology adaptation and continued through the remaining factors.

1. Technology Adaptation

Technology adaptation is the strongest and most consistent predictor of global market success for Thai SMEs. This factor demonstrates a high factor loading of 0.81 and significantly correlates with revenue growth ($\beta = 0.38$, $p < 0.001$) and market expansion ($r = 0.60$). These results confirm Hypothesis One and align with prior studies that emphasize the importance of digital tools in enabling internationalization. Specifically, firms that effectively utilize e-commerce platforms, digital marketing, and SEO capabilities are better positioned to reach international customers and operate efficiently

across borders. These findings underscore the urgency for Thai SMEs to prioritize digital infrastructure and digital skills as strategic priorities (Hussain et al, 2024).

2. Government Support

Government support emerges as a moderately significant factor influencing global expansion. Regression analysis indicates a positive relationship with global success indicators ($\beta = 0.22$, $p < 0.001$), although only 23.7% of SMEs report receiving substantial assistance. This supports Hypothesis 3 and reveals a gap between policy availability and practical access. The statistical data, reinforced by interview insights, suggest that the effectiveness of government support is constrained by bureaucratic complexity and limited outreach.

These findings align with recent studies in emerging economies, which emphasize that while government programs can play a vital role in SMEs development, their impact is often limited by implementation challenges and lack of accessibility (Dao & Phan, 2024). Feranita and Nugraha (2020) also highlights that government-backed innovation initiatives can enhance SMEs performance when properly aligned with business needs. Improved communication strategies and simplified funding application processes could significantly increase the effectiveness of these support mechanisms and accelerate SMEs internationalization.

3. Cultural Adaptability

Cultural adaptability, although not showing strong statistical significance in the regression models ($\beta = 0.12$, $p = 0.036$), was identified as a significant challenge in the qualitative analysis. Eighty percent of interviewed SMEs owners highlighted cultural

misalignment as a key obstacle in their international operations. Despite its weak quantitative impact, these findings suggest that cultural adaptability plays a more indirect or long-term role in supporting internationalization, particularly in relationship-driven markets. While cultural factors may not directly influence revenue growth in the short term, they significantly contribute to long-term market integration, localization, and relationship-building, which are crucial for sustained international success (Patil et al, 2024).

These insights align with Patil et al (2022) research, which frames cultural intelligence as an enabler of international success. According to their research, cultural adaptability strengthens the ability of firms to communicate effectively in cross-cultural settings, avoid misunderstandings, and foster long-term relationships with international clients. This adaptation is essential for ensuring that SMEs can thrive in competitive international markets, even if it does not immediately translate to higher revenues.

4. International Experience

International experience emerges as the most robust predictor of global success among the variables studied. SMEs with operations in multiple regions or over a decade of global exposure demonstrate significantly higher market penetration (up to 70%) and greater revenue stability ($\beta = 0.41$, $p < 0.001$). The strong correlation ($r = 0.65$) between international experience and business performance supports Hypothesis 4 and underscores the importance of learning curves, strategic flexibility, and cross-border networking.

These findings align with previous research of Sandoval (2023), which highlights the critical role of accumulated experience in navigating complex regulatory environments and mitigating risks. For Thai SMEs, previous global exposure serves as a critical advantage, especially when institutional support is limited or inconsistent.

5.1.2 Qualitative Insights

The interviews conducted with SMEs owners or decision-makers offered essential depth and context to the statistical findings by revealing the experiences, perceptions, and strategic responses of Thai SMEs in global markets. These qualitative insights not only supported the quantitative findings but also revealed important details and challenges that were not fully captured by numerical data alone.

One of the most frequently discussed challenges was navigating cultural differences. Many respondents described how a lack of cultural awareness or localized communication. Another prevalent theme was the difficulty in accessing and utilizing government support. Despite the availability of various programs aimed at promoting international trade, many SMEs felt that these resources were either insufficiently advertised or too complex to access and utilize effectively. Several participants also emphasized the need for more proactive engagement and streamlined processes from government agencies.

In contrast, SMEs with international experience conveyed a higher degree of confidence in navigating foreign markets. These firms had established internal routines and learning mechanisms from previous ventures, allowing them to more effectively tailor their marketing, logistics, and customer service strategies to different regions.

Such insights reinforce the strong statistical significance of international experience found in the regression analysis and suggest that accumulated global knowledge serves as a strategic asset.

Technology adaptation also emerged as a consistent theme. SMEs that had adopted e-commerce platforms, digital payment systems, and online customer service tools reported better access to international markets and greater customer responsiveness. Several interviewees highlighted how digital tools helped them reduce operating costs and overcome the limitations of physical distance. This narrative supports the quantitative finding that technology adaptation is the strongest predictor of international success.

Some interviews emphasized the interconnectedness of these factors. SMEs that had both technological capability and prior international experience were significantly more likely to take advantage of government programs and navigate cultural barriers effectively. This suggests that success is not the product of a single strength but rather the interaction of multiple competencies.

In conclusion, the qualitative data provides valuable context to the statistical findings by highlighting the practical challenges and decision-making processes encountered by Thai SMEs. These insights emphasize the need to strengthen not only technological and experiential capabilities but also improve institutional support and integrate cultural intelligence into international strategies.

5.1.3 Integration of Findings

This section integrates the statistical results with qualitative insights to develop a comprehensive interpretation of how the studied factors—technology adaptation, government support, cultural adaptability, and international experience—interact to influence the global competitiveness of Thai SMEs.

The findings collectively indicate that technology adaptation is not only the most significant standalone driver of global success but also a catalyst that enhances the impact of other variables. SMEs that invest in digital platforms are more likely to access foreign markets, attract customers globally, and respond swiftly to changing international trends. These digitally enabled firms also tend to be more efficient in utilizing government programs—such as export training and digital grant applications—suggesting a positive interaction between technology adaptation and government support.

While government support shows moderate statistical significance, its effectiveness appears to be conditional on SMEs' internal capabilities. Firms with strong digital literacy or prior international experience benefit more from available support mechanisms. This interaction suggests that institutional assistance alone may be insufficient unless SMEs possess the internal readiness to leverage such support. Therefore, the role of government is most impactful when coupled with technological competency and managerial capacity.

The limited statistical significance of cultural adaptability contrasts with the strong emphasis placed on qualitative interviews. This finding points to a critical insight: cultural adaptability may not drive short-term financial gains but acts as a mediating

factor that facilitates long-term sustainability, brand localization, and customer trust. Moreover, SMEs with international experience are more likely to develop cultural awareness, suggesting that these two factors work synergistically. International experience equips firms with the soft skills and market intelligence necessary to avoid cultural missteps, enhance communication, and tailor offerings to local preferences.

International experience functions as a foundational enabler across all strategic dimensions. Statistically, it is the strongest predictor of global success, and qualitatively, it enhances a firm's ability to navigate bureaucracy, understand customer behavior, and mitigate market-entry risks. Firms that have already operated in foreign markets develop strategic maturity, which in turn enhances their use of digital tools, sensitivity to cultural norms, and engagement with institutional support.

In sum, the integration of findings reveals that the success of Thai SMEs in international markets is not determined by any single factor in isolation. Rather, it is the interdependence among digital readiness, experiential learning, institutional access, and cultural intelligence that shapes global competitiveness. These insights highlight the necessity of a comprehensive strategy that integrates digital transformation, international experience, access to supportive policies, and cultural competence. This multi-faceted approach is crucial for ensuring the long-term success and sustainability of Thai SMEs in the global market.

The following section addresses the two primary research questions outlined in the study. By synthesizing the findings from both the statistical analysis and qualitative interviews, the study aims to offer a deeper understanding of the factors driving the

international success of Thai SMEs. The first research question seeks to identify the key factors influencing the global market success of these enterprises, while the second focuses on the strategies SMEs can adopt to enhance their competitiveness in international markets.

The discussion will draw on the key variables—technology adaptation, international experience, government support, and cultural adaptability—as they emerged from the research, exploring their impact on SMEs' global expansion and offering practical recommendations based on the findings. Each research question will be addressed of how the data supports or challenges existing theories and frameworks on SMEs internationalization.

5.2 Discussion of Research Question One

What are the key factors influencing the global market success of Thai SMEs?

The findings from this study clearly highlight four critical factors influencing the global success of Thai SMEs: technology adaptation, international experience, government support, and cultural adaptability. Among these, technology adaptation stands out as the most statistically significant factor, demonstrating a strong positive correlation with revenue growth and international market expansion. The ability to leverage digital platforms, manage online transactions, and utilize digital marketing strategies is essential for enhancing visibility, reaching international customers, and expanding across borders.

International experience also plays a crucial role in global success. SMEs with prior exposure to foreign markets—whether through export activities, overseas

operations, or cross-cultural partnerships—exhibit higher resilience, greater adaptability, and better market penetration. The statistical analysis confirms that international experience consistently influences all outcome variables, solidifying its importance as a key asset for global competitiveness.

Government support, while beneficial, presents mixed results. Although regression analysis reveals a positive relationship between government support and international success, the relatively low uptake among SMEs suggests systemic barriers, such as bureaucratic inefficiencies and limited awareness of available programs. This highlights the need for more accessible, transparent, and well-communicated support systems.

Cultural adaptability, despite its lower statistical significance, is highly emphasized in the qualitative data. SMEs frequently report that language barriers, cultural norms, and local preferences can make or break relationships in international markets, especially in service-oriented industries. Overall, the study underscores that successful internationalization is a multi-dimensional process, requiring both internal capabilities and external support mechanisms.

5.3 Discussion of Research Question Two

How did Thai SMEs enhance their global competitiveness based on these factors?

Based on the findings, several strategies emerge to help Thai SMEs enhance their global competitiveness:

1. **Digital Transformation:** SMEs should prioritize digital transformation by investing in e-commerce, social media marketing, and online customer service platforms. These technologies not only improve market scalability but also enable better engagement with international customers, creating opportunities for broader market access.

2. **Building International Experience:** SMEs can enhance their global competitiveness by gaining international exposure. This can be achieved through attending trade expos, forming international partnerships, or engaging in export ventures. Gradual international exposure allows SMEs to gain confidence, understand market dynamics, and better navigate cross-border challenges.

3. **Engaging with Government Support Systems:** Accessing and leveraging government support mechanisms is crucial. SMEs should actively seek out training programs, financial aid, and export assistance. However, policymakers must work to streamline and digitize access to these resources to reduce bureaucratic delays and ensure more effective utilization by SMEs.

4. **Cultural Preparedness:** Cultural intelligence should be integrated into international strategies. SMEs can enhance their cultural adaptability by hiring bilingual staff, investing in cross-cultural training, and customizing marketing messages to fit local tastes and preferences. This cultural preparation not only improves reception but also fosters trust and brand loyalty in foreign markets.

These strategies are interconnected and should not be viewed in isolation. International experience can enhance cultural competence, while digital readiness allows

SMEs to better navigate and utilize government e-services. The study suggests that a holistic, integrated approach—combining digital investment, international experience, government support, and cultural adaptability—is the most effective way for SMEs to ensure sustained international growth.

Based on the analysis, it is evident that Thai SMEs possess strong potential for international expansion. However, to sustain and enhance their competitiveness in global markets, they should overcome critical challenges and strategically leverage emerging opportunities. Based on the findings, the following strategies are proposed to guide both SMEs and policymakers in strengthening the international performance of Thai enterprises.

Enhancing Global Competitiveness

This section outlines strategies derived from the study's findings to empower Thai SMEs and policymakers in fostering international success. These strategies integrate quantitative insights and qualitative perspectives to address systemic challenges and leverage opportunities.

For SMEs: To maintain and enhance their competitive position in global markets, Thai SMEs should focus on expanding their digital capabilities. This includes investing in e-commerce platforms, AI-driven technologies, and adopting comprehensive online marketing strategies. Such investments will enable SMEs to operate efficiently in international markets and respond dynamically to customer demands.

Additionally, SMEs should prioritize cross-cultural training and hire bilingual staff to bridge cultural gaps, ensuring more effective communication with international

clients and partners. These strategies will help SMEs build stronger relationships with foreign markets and enhance their ability to adapt to diverse cultural norms and expectations.

Policymakers: Policymakers play a pivotal role in supporting the internationalization of Thai SMEs. It is essential to streamline access to government resources, such as grants, subsidies, and export incentives. Simplifying the application process, improving transparency, and promoting digital literacy among SMEs can ensure that they are better equipped to utilize these resources. Furthermore, encouraging SMEs to participate in international trade events, establishing networking opportunities, and facilitating easier access to international markets will enhance their global reach and competitiveness. These actions will not only support the growth of SMEs but also strengthen Thailand's position in the global economy.

By implementing these suggested strategies, Thai SMEs can significantly enhance their ability to succeed on the global stage, ensuring long-term sustainability and fostering a more competitive economic environment for the future.

1. Prioritize Digital Transformation for Global Reach

The study's results highlight technology adaptation as the most significant predictor of global success for Thai SMEs. Firms that incorporate e-commerce platforms, digital marketing, and advanced technological tools are better positioned to reach international markets and engage with global consumers. Digital platforms not only lower the barriers to entry for SMEs looking to export but also streamline operations, enhance customer service, and increase market visibility.

To effectively leverage this digital transformation, SMEs should:

- **Invest in digital infrastructure:** SMEs need to prioritize investments in e-commerce capabilities, social media engagement, and SEO strategies. A strong online presence is essential for SMEs to compete in the digital economy, especially when traditional market entry methods may not be feasible for smaller enterprises.
- **Adopt AI-driven tools and automation:** Artificial intelligence (AI) and machine learning can improve customer experience through personalized marketing, predictive analytics, and automated customer service. These tools can help SMEs better understand international market trends, consumer behavior, and optimize their global operations.
- **Focus on digital skills training:** SMEs should ensure that their teams are equipped with the necessary digital competencies to manage these tools effectively. This includes training in e-commerce platforms, digital marketing, and the use of analytics to drive decision-making.

This digital-first approach would not only make Thai SMEs more competitive but would also facilitate their ability to scale quickly and efficiently in international markets.

2. Build International Experience to Enhance Market Penetration

International experience emerged as the strongest predictor of success in this study, with firms that have prior exposure to global markets demonstrating superior

adaptability, resilience, and market reach. The findings show that SMEs with international experience are more likely to succeed because they possess the strategic flexibility to navigate complex international environments.

To build and expand their international experience, SMEs should:

- **Participate in international trade events:** Engaging in international trade fairs, exhibitions, and conferences can help SMEs gain market exposure, build partnerships, and better understand local market demands. These events also provide opportunities for SMEs to network with potential buyers, distributors, and partners, thus increasing their chances of successful market entry.
- **Form strategic alliances and partnerships:** SMEs should actively seek opportunities to collaborate with international partners through joint ventures, distributorship agreements, or cross-border collaborations. This will help them gain market insights, local expertise, and credibility in new regions.
- **Launch at a small scale and grow progressively:** For SMEs without prior international experience, it is advisable to begin by targeting smaller, more accessible markets and gradually expand into more complex regions. This gradual approach allows businesses to build experience while minimizing risks.

International experience fosters the development of key soft skills— negotiation tactics, cultural awareness, and cross-border communication that are essential for long-term success in foreign markets.

3. Leverage Government Support for Accelerated Growth

Government support is often cited as a vital factor for facilitating the international success of SMEs. However, the study reveals that many SMEs face barriers to accessing government support, such as bureaucratic complexity and low awareness of available resources. This suggests that while the Thai government provides valuable support mechanisms, their full potential is not being realized due to administrative hurdles and a lack of outreach.

To maximize the benefits of government support, SMEs should:

- **Engage actively with government programs:** SMEs should actively seek out financial aid, export grants, training programs, and other incentives provided by the government. Engaging early with government agencies will ensure that SMEs have access to critical resources that can support their internationalization efforts.
- **Advocate for simplified access to support:** SMEs and industry groups should advocate for more streamlined application processes for grants and incentives. By reducing bureaucratic complexities, policymakers can ensure that SMEs are not discouraged from accessing government assistance due to lengthy or complicated procedures.

- **Promote digital government services:** Many SMEs still struggle to engage with government resources because they are not digitally literate or aware of available online services. Government agencies should invest in digital literacy programs for SMEs and ensure that all support programs are easily accessible through digital platforms.

Improving the accessibility and efficiency of government support mechanisms will allow Thai SMEs to benefit more effectively from policies that encourage international trade and market expansion.

4. Enhance Cultural Adaptability for Market Integration

Cultural adaptability emerged as a key long-term enabler for international success, even though it did not show a statistically significant direct impact on immediate business outcomes like revenue growth. The qualitative insights provided by SMEs owners suggest that cultural differences and local consumer preferences are major obstacles in international markets. While cultural adaptability may not lead to immediate sales boosts, it plays a crucial role in ensuring long-term sustainability, relationship-building, and trust.

To enhance cultural adaptability, SMEs should:

- **Invest in cross-cultural training:** SMEs should prioritize training their staff on cultural differences, local business etiquette, and communication practices. This training will help teams better navigate international negotiations, avoid

misunderstandings, and tailor their products and services to fit local preferences.

- **Hire bilingual staff or cultural consultants:** Employing staff who are fluent in both the SME's language and the target market's language can bridge communication gaps and improve relationships with international clients. Cultural consultants with local market expertise can also provide insights into customer behavior and preferences.

- **Adapt marketing and branding strategies:** SMEs should adjust their marketing messages to resonate with local audiences. This may include altering product packaging, promotional content, and advertising strategies to align with the cultural values and expectations of the target market.

Cultural adaptability helps SMEs build strong, lasting relationships with international customers, which is essential for expanding market share and maintaining brand loyalty in diverse markets.

5. Holistic Approach

The findings from this study show that no single factor—whether technology adaptation, international experience, government support, or cultural adaptability acts alone in determining the success of Thai SMEs in international markets. Rather, these factors work synergistically, creating a holistic environment for growth.

To fully capitalize on these interdependent factors, SMEs should:

- **Integrate digital transformation with international experience:**

Technology adoption should be complemented by strategic international exposure. SMEs should use their digital tools to explore new markets, learn about global trends, and interact with international clients. As their international experience grows, they can enhance their digital strategies to better serve their diverse customer base.

- **Combine government support with internal capabilities:** Government support is most effective when it complements SMEs' internal readiness. Government export programs can be more impactful if SMEs already have a strong digital presence and a network of international contacts.

- **Foster a culture of continuous learning and adaptation:** To succeed globally, SMEs must remain agile and willing to adapt to shifting market conditions, technological advancements, and cultural trends. This requires a continuous commitment to learning and evolving, both at the organizational and individual levels.

By adopting an integrated approach, Thai SMEs can maximize their resources and capabilities, increasing their chances of sustainable global success.

In conclusion, the strategic insights drawn from the study provide a comprehensive roadmap for Thai SMEs seeking to enhance their international competitiveness. These strategies emphasize the importance of digital readiness, international experience, government engagement, and cultural intelligence. SMEs can not only enter new markets but thrive within them, ensuring long-term global success.

5.4 Conclusion

The findings chapter of this research offers valuable insights into the key factors influencing the global success of Thai SMEs. Data analysis revealed that technology adaptation, international experience, government support, and cultural adaptability are critical determinants of international performance. Among these, technology adaptation and international experience emerged as the most influential, enhancing firms' ability to innovate, access new markets, and remain globally competitive. Government support was found to play a reinforcing role, strengthening internal capabilities coupled with technological readiness and strategic focus. While cultural adaptability did not directly drive short-term outcomes, it was identified as a vital long-term enabler for relationship-building and effective integration into diverse markets.

Based on these findings, the study underscores the multifaceted nature of global competitiveness for Thai SMEs. It emphasizes the importance of adopting a comprehensive approach that integrates digital transformation, international exposure, institutional support, and cultural intelligence. Such a strategy is essential for navigating the complexities of internationalization and maintaining sustainable competitive advantage.

These findings also offer practical guidance for both SME owners and policymakers, providing strategic recommendations for enhancing global competitiveness. Importantly, the chapter illustrates the interconnectedness of these success factors, demonstrating that sustainable international performance depends not on isolated elements, but on their synergistic integration. Aligning internal readiness with

external support systems emerges as a crucial pathway for achieving long-term growth in global markets.

Finally, the research highlights the need for continued inquiry in this dynamic and evolving field. As global markets become increasingly complex, further investigation is essential to deepen understanding of how these factors interact and to refine strategies that promote sustainable international expansion.

CHAPTER VI:

SUMMARY, IMPLICATIONS AND RECOMMENDATIONS

6.1 Summary

This chapter offers a comprehensive interpretation of the study's findings, focusing on the implications and recommendations for Thai SMEs pursuing international expansion. By synthesizing both quantitative and qualitative data, it identifies the key factors that drive global success and the barriers that may hinder progress. Additionally, the chapter recommends SMES strategies and directions for future research on SMEs internationalization. The summary is highlighted as follows:

Key Drivers of Global Success

The study reveals several critical success factors for Thai SMEs entering global markets. Technology adaptation emerged as the most influential driver of international performance. Quantitative analysis demonstrated a strong positive correlation between technological advancement and revenue growth. Investments in digital infrastructure, e-commerce platforms, and automation technologies are shown to significantly enhance SMEs' global competitiveness.

Government support also plays a vital enabling role. Policy initiatives, financial incentives, and export promotion programs are found to amplify internal capabilities—particularly when aligned with technological readiness and strategic intent. These findings are reinforced by qualitative insights, with SMEs leaders emphasizing the benefits of tax incentives, trade facilitation, and government-sponsored initiatives in supporting market entry and long-term sustainability.

International experience and geographic presence are additional contributors to global success. Firms with longer exposure to foreign markets and broader operational footprints report higher levels of revenue growth and resilience. Their familiarity with diverse consumer preferences, regulatory landscapes, and cross-border networking help them build competitive advantages in the international arena.

While corporate culture and adaptability are not statistically significant predictors of global success, qualitative findings suggest they play a supportive role. SMEs that embrace organizational flexibility through multilingual hiring, product localization, and culturally tailored marketing and brand acceptance in foreign markets. This suggests that cultural adaptability, while not a direct driver of financial performance, supports long-term success by enhancing trust and market fit.

Challenges and Barriers in Internationalization

Despite the presence of success factors, Thai SMEs face several persistent challenges in global markets. Financial constraints, including limited access to funding, high operational costs, and difficulties in securing loans, remain significant barriers to expansion. Cultural differences, encompassing divergent consumer behaviors, communication norms, and business practices, often complicate market entry and customer engagement.

Although financial accessibility showed a weaker statistical effect than technology and government support, it remains a key concern for Thai SMEs. Many firm leaders cited capital limitations as the most immediate impediment to their global plans. Challenges such as slow loan approvals, limited funding options, and burdensome

documentation requirements restrict their ability to pursue new opportunities. Targeted financial support, improved funding mechanisms, and proactive financial planning are essential for unlocking global potential.

SMEs also face knowledge gaps, particularly regarding international regulations, certification standards, and foreign market dynamics, which hinder strategic planning and execution. Additionally, regulatory hurdles, such as complex compliance requirements, tariffs, and bureaucratic procedures, present further obstacles. Qualitative evidence indicates that these factors frequently delay expansion and erode SMEs' competitive positioning.

Conceptual Framework: Pathways to Global Market Success

This study presents a conceptual framework illustrating the interconnected elements that influence SMEs' success in global markets. As shown in Figure 6.1, the framework outlines the pathways through which internal and external factors shape strategic decisions, while also recognizing the influence of barriers and success indicators.

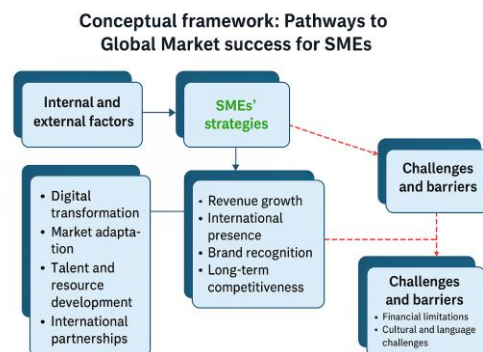


Figure 6.1

Pathways to Global Market Success

The diagram illustrates the dynamic relationships among various elements that influence the global market success of Thai small and medium-sized enterprises (SMEs). The framework identifies how internal and external factors shape strategic responses, which in turn influence success indicators, while also acknowledging the challenges and barriers that may disrupt progress.

1. Internal and External Factors

- Internal factors: These are resources and capabilities within the firm, such as technological readiness, leadership experience, cultural adaptability, and organizational flexibility.
- External factors: These include influences from the broader environment, such as government support, regulatory frameworks, market conditions, and institutional infrastructure.

These internal and external inputs form the foundation for how SMEs develop strategies to compete globally.

2. Factors → SMEs' Strategies

The convergence of internal and external factors shapes the overall strategic approach SMEs adopt. These strategies may include:

- Digital transformation: This refers to the integration of digital technologies into all aspects of a business to improve efficiency, customer engagement, and competitiveness such as e-commerce adoptions, CRM system, social media marketing, digital payments, and cloud computing.

- **Market adaptation:** This involves adjusting the company's strategies, offerings, and operations to suit specific target markets, including understanding local behavior, flexible business model, and regulatory compliance in taxation and safety standards.
- **Talent and resource development:** This refers to strengthening both human and organizational capabilities to support international growth. It includes upskilling employees in areas such as global trade and digital tools, facilitating knowledge transfer from external experts or international partners, and optimizing resources to ensure efficient allocation of talent, budgets, and infrastructure for overseas operations.
- **Product localization:** Product localization involves adapting goods and services to meet the cultural, linguistic, and regulatory expectations of target international markets. This strategy ensures that products resonate with local consumers by modifying elements such as packaging, branding, labeling, product features, and even marketing messages to reflect regional preferences and norms. For Thai SMEs, effective localization can increase customer acceptance and brand relevance, especially in diverse markets where consumer behavior varies significantly. It also helps firms comply with local regulations and standards, thereby reducing barriers to entry and building trust with foreign customers.
- **International partnerships:** They refer to strategic collaborations between Thai SMEs and foreign entities such as distributors, suppliers, local

businesses, or joint venture partners to facilitate market entry and expansion abroad. These alliances help SMEs overcome resource limitations by sharing risks, costs, and market knowledge. Partnerships can provide access to local distribution networks, regulatory guidance, cultural insights, and technical expertise. Of which are critical for navigating unfamiliar markets. For many Thai SMEs, building trusted relationships with overseas partners accelerates internationalization, enhances credibility, and improves adaptability to local business environments.

3. SMEs' Strategies → Global Market Success

The strategic initiatives implemented by small and medium-sized enterprises (SMEs) significantly influence their performance in international markets. By aligning organizational capabilities with global opportunities, SMEs enhance their potential for sustainable growth and competitive positioning. Global market success can be assessed through several key dimensions:

- **Revenue Growth:** A measurable increase in income derived from international operations reflects the firm's ability to penetrate and serve foreign markets effectively.
- **International Presence:** Expansion into multiple countries demonstrates the SME's operational agility and capacity to manage cross-border business activities.

- **Brand Recognition:** Increased visibility and reputation in global markets indicate successful branding, customer engagement, and market differentiation strategies.
- **Long-term Competitiveness:** The ability to maintain relevance and performance over time highlights the firm's strategic adaptability, innovation, and resilience in a dynamic global environment.
- **Performance Metrics:** Financial indicators such as profit margins, return on investment (ROI), and cost efficiency provide insights into operational effectiveness across international markets.
- **Customer Acquisition:** The ability to attract and retain new customers in foreign markets reflects the firm's market appeal, value proposition, and strategic outreach.
- **Repeat International Sales:** Recurring purchases from international buyers suggest customer satisfaction, trust, and consistent product or service quality.
- **Regional Diversification:** Operating across multiple regions reduces dependency on a single market and reflects the firm's capacity to adapt to diverse economic, cultural, and regulatory environments.

These indicators collectively contribute to the assessment of how SMEs sustain and scale their global operations over time.

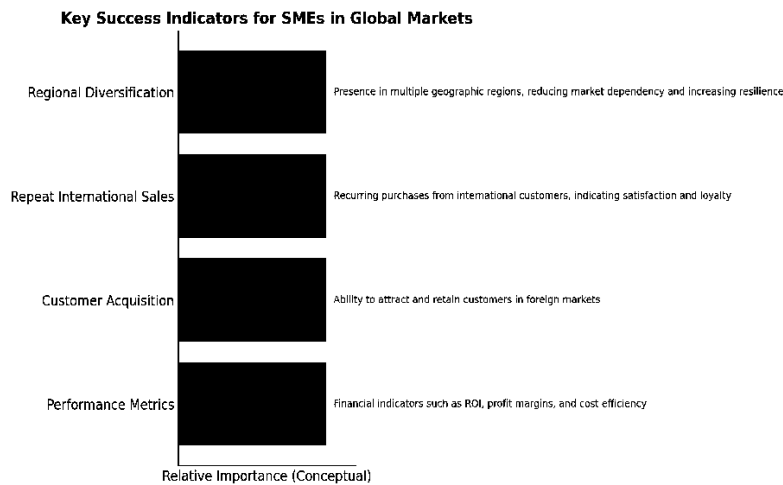


Figure 6.2

Key Success Indicators for SMEs

4. Challenges and Barriers

Represented by red dashed arrows in the framework, this component highlights the critical constraints and obstacles that may hinder the development of effective internationalization strategies and obstruct or delay global market success. Key barriers commonly faced by Thai SMEs include financial limitations, cultural and language challenges, market knowledge gaps, and regulatory or bureaucratic hurdles. These challenges do not act in isolation; rather, they interact with both strategic decision-making and performance outcomes. If not properly addressed, they can disrupt progress and weaken the effectiveness of international expansion efforts.

Key Insight

The conceptual model highlights that global success for Thai SMEs is not determined by a single factor, but by the strategic alignment of internal strengths and external enablers—while effectively mitigating external challenges. It promotes a holistic approach where synergistic integration is essential for sustainable international growth.

This mixed-methods study confirms that global success for Thai SMEs is not driven by isolated variables but by the synergistic integration of internal capacities and external enablers. Firms that effectively align technology use, international experience, and policy support tend to outperform others in the global marketplace. Therefore, a holistic and strategically coordinated approach is essential to achieving and sustaining international growth.

6.2 Implication of the Study

Strategic Implications of Competitive Pressures on Thai SMEs

This research explored the global strategies of Thai Small and Medium-Sized Enterprises (SMEs), focusing on the key factors, barriers, and enablers that influence their success in international markets. By applying Porter's Five Forces model, the study provides a structured framework to analyze the competitive pressures that shape Thai SMEs' performance on the global stage. The implications drawn from this analysis suggest that Thai SMEs need to strategically respond to these pressures by enhancing both their internal capabilities and their external strategies. Below are the key implications derived from the analysis:

1. Competitive Rivalry – High

The global business environment is increasingly competitive, with Thai SMEs facing significant challenges from multinational corporations (MNCs) that have more resources and global reach. However, the study revealed that SMEs excelling in technology adaptation and international experience can differentiate themselves and compete effectively. The implication of this finding is that Thai SMEs must prioritize

innovation and digital marketing strategies to stand out in the global marketplace. This means investing in technological infrastructure, digital tools, and global market strategies to improve their competitiveness and market presence.

2. Threat of New Entrants – Moderate to High

Barriers to entry in international markets have decreased with the rise of e-commerce and digital platforms. However, despite these opportunities, Thai SMEs face significant barriers such as limited financial resources and regulatory challenges. Government support, although available, is underutilized due to bureaucratic inefficiencies. The implication here is that Thai SMEs need to capitalize on available government programs, but at the same time, they must seek ways to overcome bureaucratic hurdles to scale their operations internationally. Policymakers must simplify access to financial support and remove regulatory obstacles to allow SMEs to compete globally.

3. Threat of Substitutes – Moderate

The study found that Thai SMEs, especially those in product-based industries, face substantial threats from substitutes offered by local and international competitors. To mitigate this, SMEs should focus on building unique value propositions, enhancing cultural adaptability, and localizing their products. This implies that Thai SMEs must not only innovate in their product offerings but also understand and adapt to local cultures in their target markets. By focusing on cultural intelligence and localized solutions, Thai SMEs can build lasting customer relationships and protect themselves from substitution threats.

4. Bargaining Power of Buyers – High

Customers in global markets exert high bargaining power, with demands for lower prices, faster delivery, and greater product customization. For Thai SMEs, meeting these demands can be difficult due to limited resources. The study suggests that digital platforms and international experience are key enablers that help SMEs better understand customer needs and improve service quality. The implication of this is that Thai SMEs must invest in digital infrastructure and develop the capabilities to deliver customized products and services that meet the evolving expectations of global buyers. This will allow them to remain competitive and sustain long-term relationships with customers.

5. Bargaining Power of Suppliers – Low to Moderate

The power of suppliers varies across industries, but the study found that SMEs relying on international supply chains are vulnerable to disruptions. Thai SMEs should leverage technology to improve supply chain efficiency and reduce risks associated with supplier bargaining power. The implication is that SMEs need to build resilient supply chains by embracing digital tools and considering alternative sourcing strategies. By doing so, they can mitigate the risks of supply chain disruptions and maintain competitive pricing.

In conclusion, the application of Porter's Five Forces model highlights the complex external pressures that Thai SMEs face in their pursuit of international success. Thai SMEs must not only enhance their internal capabilities, particularly in technology adoption and international experience, but also leverage government support more effectively and adapt to local market demands. By addressing these external pressures

strategically, Thai SMEs can improve their competitiveness and sustainability in the global marketplace.

6.3 Recommendations

6.3.1 Recommendations for SMEs Strategies

The strategic initiatives implemented by SMEs significantly influence their performance in international markets. By aligning organizational capabilities with global opportunities, SMEs can enhance their potential for sustainable growth and competitive positioning. Below are strategic recommendations for Thai SMEs:

1. **Leverage Technology for Competitive Advantage:** SMEs should invest in digital tools such as e-commerce platforms, CRM systems, and digital marketing strategies to enhance their visibility and customer engagement. Additionally, adopting automation and focusing on innovation can help reduce costs, improve scalability, and differentiate offerings in global markets.

2. **Build International Experience:** SMEs with prior international exposure are better equipped to navigate global markets. Leveraging international experience allows firms to diversify into multiple markets, form strategic alliances, and enhance risk management strategies by identifying potential risks like currency fluctuations and political instability.

3. **Cultural Sensitivity and Localization:** SMEs should localize their products and services to cater to the unique needs and preferences of different markets. Cross-cultural training for employees, along with forming partnerships with local firms, can ensure cultural sensitivity and help SMEs successfully engage with foreign customers.

4. **Utilize Government Support:** SMEs should take advantage of government export incentives, financial support, and trade facilitation programs to ease the financial burden of international expansion. Engaging in government-sponsored trade fairs and simplifying regulatory processes can further facilitate global market access.

5. **Research and Target High-Growth Markets:** SMEs should conduct thorough market research to identify high-growth markets and emerging economies with strong demand potential. Targeting such regions allows SMEs to enter markets early and capitalize on new opportunities before competition intensifies.

6. **Strengthen Risk Management Frameworks:** Expanding into international markets introduces several risks. SMEs should diversify their revenue streams, develop contingency plans for unexpected challenges, and implement risk-sharing strategies with local partners to reduce vulnerabilities and ensure resilience in uncertain markets.

6.3.2 Recommendations for Policymakers

Policymakers have a crucial role in shaping the environment that facilitates the international success of Thai SMEs. To support their global expansion and competitiveness, the following recommendations are proposed:

1. **Enhance Access to Financial Support:** Policymakers should increase the availability of financial assistance for SMEs, particularly through low-interest loans, grants, and export financing. Simplifying access to these resources would enable SMEs to invest in the necessary infrastructure and resources to expand into international markets.

2. **Simplify Export Procedures:** Reducing the complexity of export regulations and bureaucratic procedures would help SMEs navigate the global

marketplace more effectively. Streamlining processes such as customs clearance and documentation requirements will lower operational costs and speed up market entry for SMEs.

3. Promote Digitalization and Innovation: Government policies should encourage SMEs to adopt digital tools and innovative technologies. Providing subsidies, tax incentives, or specialized programs for digital transformation will help SMEs stay competitive in an increasingly tech-driven global market.

4. Create Market Intelligence Platforms: Policymakers should support the creation of market intelligence platforms that provide SMEs with critical information on global market trends, consumer preferences, and competitive landscapes. Access to such data will empower SMEs to make informed decisions about where and how to expand internationally.

5. Encourage International Networking and Partnerships: Governments should facilitate networking opportunities for SMEs to form strategic international alliances and partnerships. By supporting trade missions, international trade fairs, and cross-border collaborations, policymakers can help SMEs build the relationships necessary for success in foreign markets.

6. Develop Cross-Border Policy Harmonization: Policymakers should work towards harmonizing regulations across borders to reduce trade barriers and compliance costs for SMEs. Aligning tax policies, intellectual property laws, and product standards between countries will make it easier for SMEs to expand into new international markets.

7. Provide Support for Cultural and Market Adaptability: Government support programs should also focus on enhancing the cultural adaptability of SMEs. Training and resources to help businesses understand local markets, cultures, and consumer behaviors will increase the chances of success in diverse international markets.

By implementing these recommendations, policymakers can create a supportive ecosystem that empowers Thai SMEs to grow globally and compete effectively in international markets.

6.3.3 Recommendations for Future Research

While this study offers valuable insights into the internationalization of Thai SMEs, there are several areas that warrant further exploration to deepen the understanding of the factors influencing their global success:

1. **Longitudinal Studies on SME Internationalization:** Future research should adopt a longitudinal approach to track the evolution of SMEs' international strategies over time. This will allow researchers to assess the long-term impact of factors such as technology adoption, market diversification, and cultural adaptation, providing a dynamic understanding of SMEs growth trajectories.

2. **Comparative Studies Across ASEAN Countries:** To better understand the regional nuances of SMEs internationalization, comparative studies across different ASEAN countries are needed. Such research would explore the commonalities and differences in internationalization strategies and barriers, which could provide valuable insights for refining regional policies and support systems for SMEs.

3. Examining the Role of Digital Ecosystems: As e-commerce and digital platforms become increasingly integral to global business, future research should explore the role of digital ecosystems in facilitating SME internationalization. Investigating the ways in which SMEs leverage online platforms, digital marketing, and social media for global market access will help clarify the impact of technology on international business success.

6.4 Conclusion

The conclusion of this study demonstrate that the international success of Thai SMEs depends on a strategic alignment of internal capabilities and external support, rather than any single factor alone. Key drivers such as technology adoption, government assistance, and international experience significantly enhance global competitiveness and revenue growth. Meanwhile, challenges including financial constraints, cultural differences, and regulatory complexities continue to impede expansion efforts. The conceptual framework developed highlights how these internal and external elements interact to shape SMEs' global strategies and outcomes.

Ultimately, sustainable international growth for Thai SMEs requires a holistic approach that integrates technological readiness, market adaptation, talent development, and strategic partnerships while effectively managing barriers. Firms that synergize these factors are better positioned to achieve long-term competitiveness, brand recognition, and diversified international presence. This study underscores the importance of coordinated efforts by SMEs and policymakers to foster an enabling environment that supports

innovation, financial accessibility, and knowledge transfer. Such collaboration is essential to unlocking the full potential of Thai SMEs in the global marketplace.

In sum, the research not only identifies what drives international success, but also offers practical, evidence-based guidance to help Thai SMEs deliver these drivers into actionable strategies for global growth.

APPENDIX A
QUESTIONNAIRES

ajarnjune@gmail.com

DBA candidate at Swiss School of Business and Management (SSBM)
Geneva, Switzerland

Date...

To Whom It May Concern,

Subject: Invitation to participate in survey on strategies of Thai SMEs in a global market

I am currently studying Doctor of Global Business at Swiss School of Business and Management(SSBM), Geneva, Switzerland undertaking a research study on Global strategies of Thai SMEs: A study of how SMEs can successfully expand into global markets. The primary objective of this research is to gain a comprehensive understanding of the global strategies employed by Thai SMEs. By examining the strategies and practices of businesses like yours, we aim to identify key factors contributing to successful internationalization.

Your insights are pivotal in providing a realistic and firsthand perspective on the challenges and successes experienced by Thai SMEs in their global endeavors. Your participation will contribute significantly to the depth and relevance of this study. Your responses will remain confidential, and data will be used for research purposes only.

Please find attached the survey questionnaire. Should you have any questions or need further assistance, please do not hesitate to contact me at ajarnjune@gmail.com or tel: 081-6562775

Thank you for considering this request. Your participation is instrumental to the success of this research, and I look forward to receiving your valuable inputs within two weeks.

Sincerely,

DBA students

Questionnaires

Section 1: General Information

1. Company Name:
2. Location of Company:
 - ☐ Bangkok
 - ☐ Others (please specify): _____
3. Industry Sector:
 - ☐ Manufacturing
 - ☐ Services
 - ☐ Technology
 - ☐ Retail
 - ☐ Wholesale
 - ☐ Other: _____
4. Main Product/Service: _____
5. Number of Employees:
 - ☐ 1–50
 - ☐ 51–100
 - ☐ 101–500
6. Years in Operation:
 - ☐ 1–5 years
 - ☐ 6–10 years
 - ☐ 11–15 years
 - ☐ 16–20 years
 - ☐ 20+ years
7. Annual Revenue:
 - ☐ Less than USD 10,000

- ☐ USD 10,001–50,000
- ☐ USD 50,001–1,000,000
- ☐ Over USD 1,000,000

Section II: International Operations

9. Continents of Operation/Collaboration (Select more than one):

- ☐ Asia
- ☐ ASEAN
- ☐ Europe
- ☐ North America
- ☐ South America
- ☐ Africa
- ☐ Australia/Oceania
- ☐ Other: _____

10. Number of International Markets Entered:

- ☐ 1–3
- ☐ 4–6
- ☐ 7–10
- ☐ 10+

11. Percentage of Revenue from International Markets:

- ☐ <10%
- ☐ 11–25%
- ☐ 26–50%
- ☐ 51–75%
- ☐ 76–100%

12. Primary Revenue Drivers:

- ☐ Market demand

- ☐ Unique value propositions
- ☐ Competitive pricing
- ☐ Government support (grants, policies)
- ☐ Advanced technology adoption
- ☐ Effective marketing
- ☐ Strong distribution networks
- ☐ Local partnerships
- ☐ Other: _____

13. What international strategy does your business primarily use? *(Select all that apply)*

- ☐ Exporting (selling products/services to international markets)
- ☐ Licensing/Franchising (granting rights to foreign companies to use your brand, product, or service model)
- ☐ Joint Ventures (partnering with foreign businesses for shared ownership and operations)
- ☐ E-commerce/Online Sales (selling directly to international customers via digital platforms)
- ☐ Partnerships (collaboration)
- ☐ Other: _____

14. What challenges has your company faced?

- ☐ Currency fluctuations
- ☐ Regulatory complexities
- ☐ Cultural/language barriers
- ☐ Technology adaptation gaps
- ☐ Limited government support

- ☐ Supply chain disruptions
 - ☐ Other: _____
15. What are your business Obstacles (select more than one):
- ☐ Financial constraints
 - ☐ Bureaucracy
 - ☐ Cultural adaptation
 - ☐ Technology adaptation gaps (e.g., outdated systems, digital transformation barriers).
 - ☐ Language barriers
 - ☐ Lack of skilled workers
 - ☐ Limited government support (e.g., lack of incentives for tech adoption or cultural training)
 - ☐ Global economic instability
 - ☐ Other: _____
16. How does technology adoption support your international operations?
- ☐ Streamlines operations
 - ☐ Enhances market reach (e.g., e-commerce)
 - ☐ Improves product/service innovation
 - ☐ Cultural adaptation tools (e.g., AI-driven localization of marketing).
 - ☐ Other: _____

Section III: Government supports and funding sources

17. Government support
- ☐ No support
 - ☐ Somewhat
 - ☐ significant
18. Government Support Received

- ☐ Financial assistance
- ☐ Government incentives
- ☐ Other: _____

19. What is your primary source of business funding?

- ☐ Self-funded (personal savings, family funds, business revenue)
- ☐ Government support (grants, low-interest loans, tax incentives)
- ☐ Private sector funding (bank loans, private investors, venture capital)
- ☐ Crowdfunding / online fundraising
- ☐ Hybrid/mixed funding (combination of sources)

Section IV: Success Indicators

20. What major positive outcomes has your company experienced from its internationalization efforts?

- ☐ Increased brand visibility
- ☐ Diversification of revenue streams
- ☐ Access to new markets
- ☐ Enhanced competitiveness
- ☐ Company stability

21. What are the key indicators your company uses to measure the success of its internationalization efforts?

- ☐ Revenue growth
- ☐ Market share expansion
- ☐ Cultural adaptation
- ☐ Return on investment (ROI)
- ☐ Product innovation
- ☐ Marketing strategies

22. What measures do you think are most important for overcoming the future challenges of SMEs in international business?

- ☐ Increasing access to financial resources
- ☐ Simplifying regulatory processes
- ☐ Cultural adaptation and language training
- ☐ Supporting technology adoption
- ☐ Strengthening workforce skills

23. To what extent have your global strategies provided a competitive advantage in international markets?

- ☐ Limited advantage
- ☐ Moderate advantage
- ☐ Significant advantage
- ☐ Sustained competitive advantage achieved

24. How would you assess the current state of your company's international performance?

- ☐ Successful
- ☐ Partially successful
- ☐ Unsuccessful

APPENDIX B

In-depth Interviews Questions

1. Background and Context:

- 1.1. Can you provide a brief overview of your role and responsibilities within the organization in the context of internationalization efforts?
- 1.2. How long has your company been engaged in global strategies, and what motivated the decision to expand internationally?

2. Global Strategy Adoption:

- 2.1. Can you discuss the specific global strategies that your company has adopted? (e.g., exporting, joint ventures, licensing, etc.)
- 2.2. What factors influenced the selection of these particular global strategies?

3. Challenges Encountered:

- 3.1. What specific challenges or obstacles has your company encountered in the process of implementing global strategies?
- 3.2. Can you share any unexpected challenges that arose during the internationalization process, and how were they addressed?

4. Market Adaptation and Learning:

- 4.1. How has your company adapted its products/services to meet the needs and preferences of international markets?
- 4.2. What learning experiences or insights have been gained from entering diverse cultural and business environments?
- 4.3. How does your company use technology (e.g., data analytics) to measure cultural adaptation effectiveness?

5. Government Support and Policies:

- 5.1. To what extent has government support or policies influenced your company's internationalization efforts?
- 5.2. Are there specific policies or support mechanisms that you found particularly beneficial or challenging?

5.3. How has government support specifically aided your technology adoption(e.g., grants for digital tools) or cultural training (e.g., subsidized workshops)?

6. Future Outlook:

6.1. Looking ahead, what are the future goals and aspirations for your company's internationalization efforts?

6.2. Are there specific markets or regions that your SMEs is targeting for future expansion?

6.3. How will emerging technologies (e.g., blockchain for supply chains) or cultural intelligence tools shape your future strategies?

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