

MASTERARBEIT

Titel der Masterarbeit

„Network approach in the internationalization process of SMEs – The
case of Blablacar“

Verfasst von

Volodymyr Osheiko

Angestrebter akademischer Grad

Master of Science (MSc)

Wien, 2015

Studienkennzahl lt. Studienblatt: A 066 914

Studienrichtung lt. Studienblatt: Masterstudium Internationale Betriebswirtschaft

Betreuer: ao. Univ.-Prof. Mag. Dr. Josef Windsperger

Contents

1. Introduction	4
1.1. Problem	5
1.2. Research questions	5
1.3. Structure of the thesis	6
2. Theoretical framework	6
2.1. Internationalization	6
2.2. The development of the stage model and its role for the internationalization of SMEs ..	7
2.3. The development of the network approach and its role for the internationalization of SMEs	9
2.4. Types of network relationships and their role for the internationalization of SMEs	13
2.4.1. Focal firm's viewpoint	13
2.4.2. Decision maker's viewpoint	14
2.4.3. Formality of relationships	15
2.5. Factors influencing the network search and their role in the internationalization of SMEs	17
2.5.1. Proactive vs. reactive search of network	17
2.5.2. International and professional experience	17
2.6. Role of networks in the target market selection in the internationalization of SMEs ...	18
2.7. Role of networks in the entry mode selection in the internationalization of SMEs	20
2.8. Role of networks in the internationalization to psychic distant markets	21
3. Methodology	24
3.1. Research method	24
3.2. Selection of industry	25
3.3. Selection of case firm	30
3.4. History	30
3.5. Concept	31
3.6. Internationalization process	32
4. Empirical findings	38
5. Discussion and conclusion	41

List of figures and tables

Literature

1. Introduction

1.1 Background

A great interest in multinational companies caused a widespread research of their international strategies (Johanson and Wiedersheim-Paul, 1975) and thus the research of internationalization process was often focused on large manufacturing companies (Coviello and Munro, 1997). But nowadays our world has become so close that not just large companies are tend to internationalize actively but also small and medium enterprises (Zain and Ng, 2006). It is also interesting to mention that many firms start to internationalize when they are still relatively small and they proceed with internationalization process gradually (Johanson and Wiedersheim-Paul, 1975). It caused a considerable interest of scholars to investigate the internationalization exactly of small firms and to focus on their incentives to start the internationalization process (Bell, 1995).

If we consider internationalization as: “the process of increasing involvement in international markets” (Welch and Luostarinen, 1988), a firm which aims to be involved in a new market, which seems to be a new network, has to build new relationships in this network (Johanson and Mattson, 1987). Bell (1995) and Coviello and Munro (1997) analyzed the internationalization process of small software firms and indicated that network relationships influence the internationalization of such firms, particularly in market selection and entry mode choice.

Some later researches investigated the influence of network relationships on the internationalization of SMEs to psychically and geographically distant markets (Ojala, 2009; Guercini and Runfola, 2010) which is also interesting to discover as in the modern world companies evolve rapidly and quickly penetrate not just nearby markets but also psychically and geographically distant markets.

Many scholars also investigate factors which influence on how companies establish new network relationships. These factors are: proactive or reactive search of network relationships during internationalization process and international and professional experience of a decision maker.

It was determined that SMEs actively search new relationships or use their already existing ones in order to enter psychically distant markets (Ojala, 2009) and that firms whose managers searched actively for clients in foreign markets managed to enter higher number of markets (Ciravegna et al., 2014). Professional and international experience of a decision maker

was also determined as important factors for network building in the internationalization of SMEs (Zain and Ng, 2006, Ibeh et al., 2011).

According to this I would like to investigate how networks impact the internationalization of SMEs, also to test the impact of networks on the internationalization to psychically distant markets and to test whether active search of new relationships as well as professional and international experience of a decision maker facilitates the internationalization of SMEs.

1.2 Problem

We can say that the research of network approach in internationalization process of SMEs was of a great interest among different scholars. However, mentioned scholars were making emphasis usually on manufacturing and software firms. I think it would be interesting to proceed with this research in another industry. That is why I would like to make focus on more modern type of business, which evolved recently – ridesharing business. In my work I want to determine the role of networks on SMEs internationalization with a focus on sharing economy and particularly ridesharing business.

1.3 Research questions

The purpose of this thesis is to determine the influence of network relationships on the internationalization of SMEs. The questions of this thesis are following:

- 1) Do active search of network relationships have a positive effect on the internationalization of SMEs?
- 2) Does professional and international experience of a decision maker have a positive effect on the internationalization of SMEs?
- 3) What types of network relationships influence:
 - The selection of a target market in the internationalization process of SMEs?
 - The selection of entry mode in the internationalization process of SMEs?
- 4) Do network relationships impact the internationalization of SMEs to physically distant markets?

1.4 Structure of the thesis

The next section of the thesis discusses the theoretical framework for the network approach in the internationalization of SMEs describing the development of stage model and network approach and their role for the internationalization of SMEs, different types of network relationships and factors which influence the establishment of new networks, the role of networks in the target market selection, the entry mode selection and the role of networks in the internationalization to psychically distant markets. The following section will end with a summary of hypotheses which tested in this work. Third section describes the methodology of the thesis, selected industry and the case firm. Fourth section represents empirical findings of the research. Fifth section represents discussion and conclusion.

2. Theoretical framework

2.1 Internationalization

Firstly, I would like to define the term internationalization. In this work we will view a term internationalization as: “the process of increasing involvement in international markets” (Welch and Luostarinen, 1988). The internationalization process of the firm consists of many decisions but the main one is to enter a foreign market (Reid and Rosson, 1987). Root (1998) emphasizes on the importance of planning strategies not only for large companies but also for small and medium enterprises and defines the choice of target market and the entry mode as parts of the market entry strategy. Agarwal and Ramaswami (1991) affirm that “the choice of entry mode is a very important and moreover critical strategic decision” and define four most common entry modes to foreign markets: exporting, licensing, joint venture and sole venture. However Root (1987) provides more detailed classification of entry modes:

1. Export entry modes

- Indirect
- Direct agent/distributor
- Direct branch/subsidiary

2. Contractual entry modes

- Licensing
- Technical agreements
- Service contracts
- Management contracts

- Turnkey contracts
 - Contract manufacture
 - Co-production agreements
3. Investment entry modes
- Sole venture: new establishment
 - Sole venture: acquisition
 - Joint venture: new establishment/acquisition

By Root (1987) export entry modes are characterized by a production of a product outside of the target country. The product can be exported indirectly through middlemen or directly through agents/distributors or through branches/subsidiaries. Contractual entry modes are defined as “long-term non-equity associations between an international company and an entity in a foreign target country that involve the transfer of technology or human skills from the former to the latter” (Root, 1987). Licensing is characterized by providing with different knowledge in a form of know how or patents for a certain period of time for some compensation in form of royalty. By franchising a franchiser, additionally with providing technologies, assist franchisee in organizational, marketing and managerial questions. Other types of contractual modes (turnkey contracts, contract manufacture and co-production agreements) consider direct transfer of services for monetary compensation or with produced products from these services. Investment entry modes are defined by Root (1987) as setting up own production (manufacturing sites, plants) in a target country.

In the next sections we will observe stage model and network approach for the internationalization process of SMEs.

2.2 The development of the stage model and its role for the internationalization of SMEs

In order to observe the development of the network approach I would like to start with the development of the stage model because these two approaches can supplement each other and stage model can be considered as a predecessor of the network approach.

Johanson and Wiedersheim-Paul (1975), based on their studies at the University of Uppsala, indicated that firms internationalize gradually in small steps but not due to the large foreign investments. According to their observations firms normally start with exporting operations, continue through an agent in a foreign market, later establish a sales subsidiary and

after this set up its own production in a foreign country. This process they identified as an establishment chain which is represented in the Figure 1.

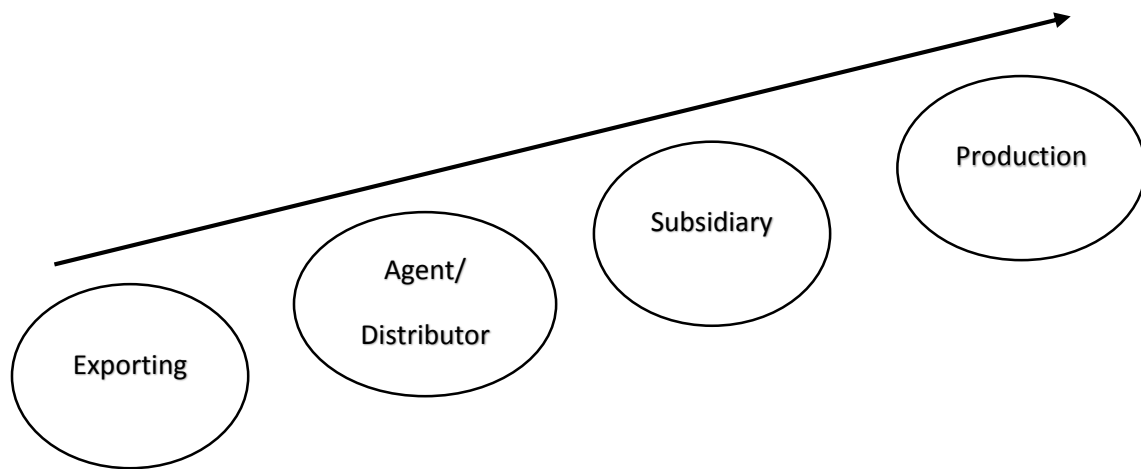


Figure 1. Establishment chain by Johanson and Wiedersheim-Paul (1975)

Most important barriers in the internationalization process are the lack of knowledge and resources, which can be reduced through “incremental decision-making and learning of a foreign market” (Johanson and Wiedersheim-Paul, 1975). These aspects play important role in the next model developed by Johanson and Vahlne (1977).

The model of Johanson and Vahlne (1977) represents the mechanism of internationalization based on state and change aspects, which is represented in the Figure 2.

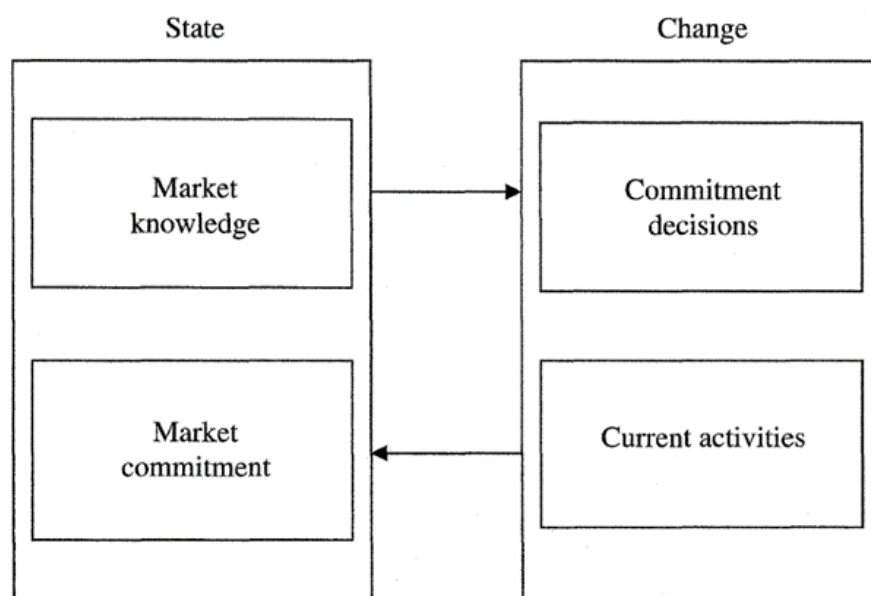


Figure 2. The Basic Mechanism of Internationalization - State and Change Aspects (Johanson and Vahlne, 1977)

According to this model firms change through current activities (change aspect) in a foreign market and become more committed (state aspect) to the following market. Being more committed to the market they receive more experience and knowledge of the market (state aspect). This knowledge let them take commitment decisions (change aspect) to make further activities which lead to the new level of the market commitment (Johanson and Vahlne, 1997).

Another aspect which is going to be considered in this thesis is that companies usually start to develop in their domestic markets, then internationalize in geographically and psychically nearby markets and then gradually enter more distant markets with consecutively greater psychic distance which is defined as differences in languages, cultural aspects, levels of education etc. (Johanson and Wiedersheim-Paul, 1975; Johanson and Vahlne, 1997).

Some scholars who were investigating the impact of the network approach on the internationalization of SMEs (Coviello and Munro, 1997; Zain and Ng, 2006) also indicated the relevant influence of the stage model theory on the internationalization process.

Concluding this section we can summarize that the internationalization of SMEs is done in stages which is called establishment chain, starting from exporting operations and then internationalizing gradually to setting up a production in foreign markets. We can also conclude that SMEs start their activities in domestic markets, than enter psychically close markets and afterwards evolve to distant markets. This process is facilitated by such aspects as incremental decision-making and learning of a foreign market.

2.3 The development of the network approach and its role for the internationalization of SMEs

Johanson and Mattson (1988) were one of the first who mentioned the role of networks in industrial system. They affirm that in order to produce and distribute goods and services firms have to be coordinated between each other and this coordination can be established within networks. Also they assume that in order to get access to resources and to get possibility to sell products firms should establish relationships. They say that each firm in a particular network can establish relationships with different parties which belong to it: customers and customers of their customers, suppliers and suppliers of their suppliers and even competitors.

Bell (1995) based on his analysis of the internationalization of small software firms argued that stage theory does not fully explain the internationalization process. According to his research firms did not internationalize due to small gradual steps but due to followership of

the local and foreign client, due to pursuing of niche markets and because of some industry-specific reasons. According to Bell (1995) due to following their clients and establishing contacts with foreign suppliers firms managed to enter new markets. He made conclusion that stage theory is losing its relevance in new high-technology and service-oriented industries. However his research of small software firms did not completely support network approach as well.

Coviello and Munro (1997) tried to analyze the internationalization process integrating the stage model with the network approach. Following Bell (1995) they also analyzed high-technology and service-oriented firms and indicated that they internationalize both according to the stage model and by establishing network relationships.

Coviello and Munro (1997) found out that small software firms internationalize in the following way:

- 1) At the beginning a firm focuses on its domestic market but with the intention to internationalize. At this point it possesses limited human and financial resources and does not have much opportunities to internationalize.
- 2) After one year it establishes its first relationship with larger company usually in a reactive way. The firm gets possibility to develop its product and to enter psychically close market with a help of its first relationship.
- 3) The firm gains market knowledge and experience in the new market. This process lasts from one to three years. During this time it establishes new relationships outside the initial network. Due to new relationships it gets possibility to enter more distant markets, which facilitates further internationalization.
- 4) It develops new products in more distant markets. Financial and human resources are growing, it establishes its own support infrastructure in foreign markets and pursues continued international growth and market development. The firm decides to increase its autonomy and control its market share.
- 5) After this it can be acquired by a larger firm outside initial networks and continue its development within new network or it can be still controlled by its initial partner and continue growth restricted by its initial network.

From this sequence we can say that firms internationalize by creating relationships and belonging to particular networks, starting from initial one, which helped them to enter close markets and then creating new ones which help them to enter more distant markets.

The importance of belonging to particular networks is depicted by Coviello (2006). If a company does not belong to any network it is an outsider company and it has high liability of outsidership. It causes difficulties for business development and internationalization process.

Figure 3 represents the internationalization process of small software firms. Here the internationalization is divided in three periods: 0-1 year, 1-3 years, 3+ years starting from domestic markets and gradually internationalizing from close to distant markets, which is consistent with the stage theory.

Concerning entry modes we can notice that at initial stages case firms established product development agreements as they did not have any experience and resources and needed support from their larger partners. Then while entering close markets they started exporting operations. Finally for distant markets after they gained more experience and resources they applied multiple entry modes including distributors and joint ventures.

By Coviello and Munro (1997) firms internationalize due to such aspects which were mentioned by Johanson and Wiedersheim-Paul (1975) as learning of foreign markets and increased knowledge and experience in foreign markets, as well as due to formal and informal relationships which are created during the process of internationalization.

According to this we can say that both stage and network model have their presence in the process of internationalization.

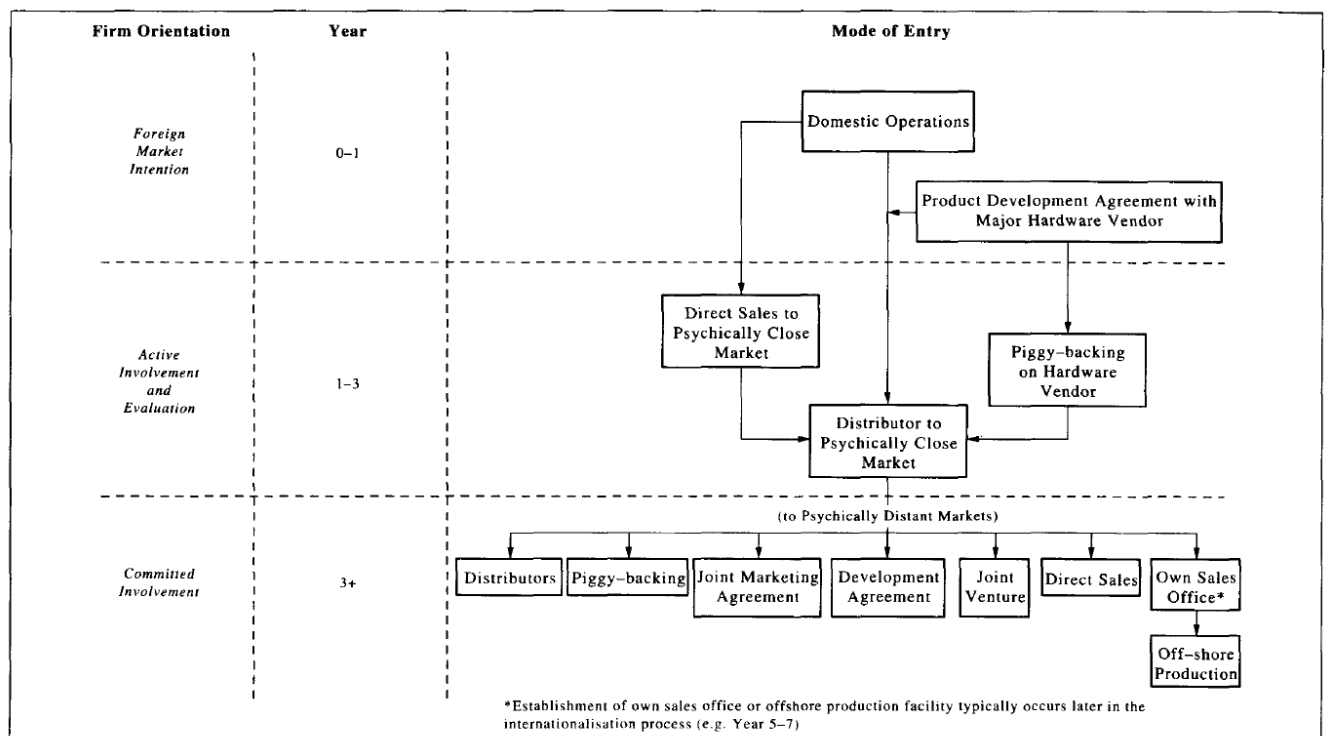


Figure 3. The internationalization process of small software firms Coviello and Munro (1997)

Taking into consideration the development of network approach Johanson and Vahlne (2009) changed their original model and developed the revised one, which is represented in the Figure 4.

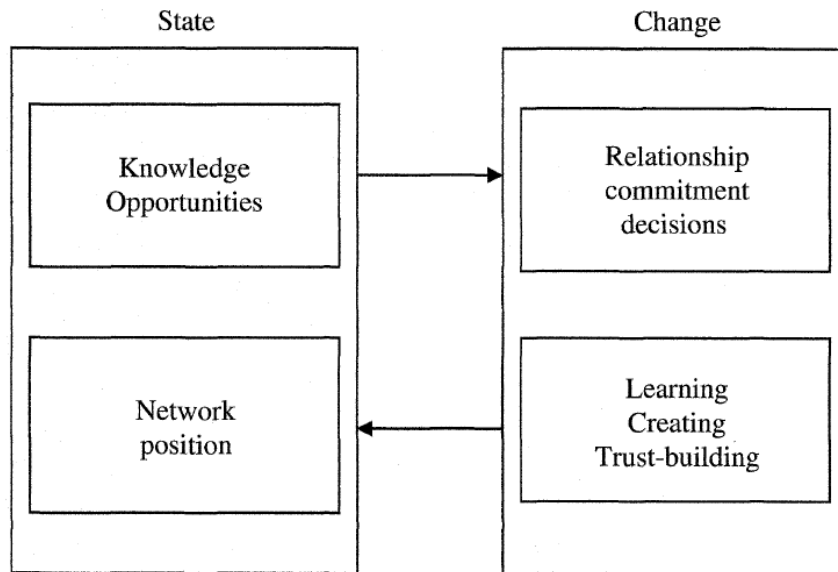


Figure 4. The business network internationalization process model (Johanson and Vahlne, 2009)

As the original model the following model also consists of state and change variables. (Johanson and Vahlne, 2009) add opportunities to state variables as they assume that opportunities is an important component of the body of knowledge. They also consider networks as an important element of knowledge. Another state variable which was originally “market commitment” now is changed to “network position” as in their opinion internationalization process is facilitated by networks and relationships can be characterized by particular levels of knowledge, commitment and trust. Observing change variables we can say that original “current activities” are changed to “learning and creating trust-building” which play a key role in increasing of knowledge, commitment and trust which are components of the network position. Another original change variable “commitment decisions” was added with “relationships” to make clear that commitment decisions are taken in order to create some relationships and become part of particular networks.

Concluding this section we can summarize that both stage model and network approach facilitate the internationalization process of SMEs. However Bell (1995) affirms that both models do not completely explain the internationalization process, most researches including Coviello and Munro (1997) and Johanson and Vahlne (2009) emphasize on the importance of creating networks in order to internationalize. Therefore I would like to test the influence of

networks on the internationalization process of SMEs also with a respect to the stage model as its influence on the internationalization process within a network approach was also indicated by scholars.

2.4 Types of network relationships and their role for the internationalization of SMEs

As mentioned above the network approach for the internationalization of SMEs receives support in the literature. In this section I would like to observe different types of network relationships and their influence on the internationalization process.

2.4.1 Focal firm's viewpoint

According to Möller & Halinen (1999) a firm can create networks in horizontal or vertical way. Figure 5 represents firm's position in a network from a focal firm viewpoint.

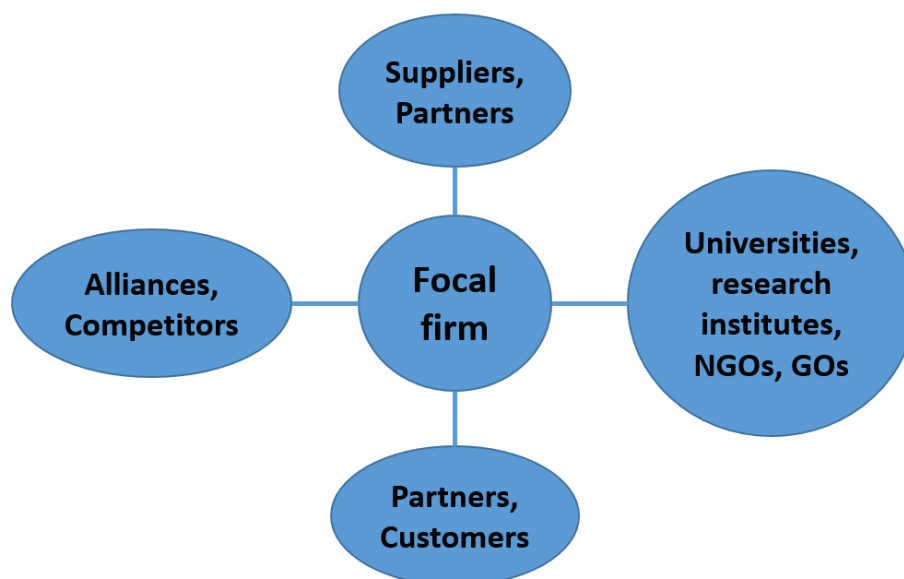


Figure 5. Position in a focal firm viewpoint (Möller & Halinen, 1999)

From this figure we can say that a firm creates networks with its competitors, competitor alliances, different research institutes and universities, NGOs and GOs in a horizontal way and with its suppliers, customers and partners in a vertical way.

Ojala (2009) conducted that firms can enter foreign markets through their relationships with their distributors. In his research he also proved an effectiveness of government consulting

organizations in entering foreign markets if a firm does not possess any relationships there. Some of case firms could penetrate foreign markets without possessing existing network relationships but by creating them through intermediaries – governmental consulting companies. So we can say that firms can build horizontal and vertical networks in order to internationalize.

Guercini and Runfola (2010) indicated that vertical integrated firms can use their relationships with suppliers and customers in order to enter foreign markets. According to their research medium-sized firms, which usually have difficulties in entering foreign markets through traditional marketing tools, can use network relationships in order to get knowledge of foreign markets and get new relationships in this markets. This is an example of vertical network building in the internationalization process.

2.4.2 Decision maker's viewpoint

Network relationships from the viewpoint of a manager or decision maker are also important in the process of internationalization (Carson et al., 2004). Some studies indicated the influence of social ties, which include family member and friends, on the internationalization process (Coviello and Munro, 1997; Zain and Ng, 2006).

Ibeh and Kasem (2001) also indicated that both social and business relationships influence the choice of the target market and the entry mode. They also indicated that social ties are more influential at initial steps of internationalization. Some case firms managed to make initial internationalization through friends or colleagues of a decision maker.

The research of Ojala (2009) showed that some firms used the relationships with their friends from other countries for the market entry. The friendship was established during past business relationships but later these friends became initiators to enter a new foreign market.

So we can say that social ties, which include family members, friends or ex-colleagues and ex-business partners, can be seen also as informal network relationships, influence the internationalization process.

According to this I would like to take into consideration social ties of a decision maker for the internationalization of SMEs for my thesis.

2.4.3 Formality of relationships

Many scholars emphasized their attention on formality of relationships during network building.

Coviello and Munro (1997) indicated that formal and informal relationships impact the market selection and the entry mode selection during the internationalization of small software firms.

Ibeh and Kasem (2001) referred formal relationships to business relationships and informal ones to social ones. They indicated that both formal and informal networks are important for internationalization, however social ties are more important for initial steps and business connections for later steps of internationalization.

Ojala (2009) conducted that both formal and informal existing relationships helped case firms to reach opportunities in the foreign market. He also emphasized on the importance of the mediated relationships. He affirmed that if company does not possess neither formal nor informal relationships it can appeal to external consulting companies which help to find networks in foreign markets.

Zain and Ng (2006) indicated that formal and informal relationships influenced the choice of the target market and the entry mode choice. However the choice of some of case firms was driven by market requirements, in most cases it was facilitated by the requirements of network's members, who were business partners and family members.

Fernhaber and Dan Li (2013) referred formal relationships to relationships with alliance partners and informal ones to relationships with geographically proximate firms. They conducted that internationalization of new ventures is facilitated by formal and informal relationships, while formal relationships are more useful for younger companies and informal ones for older companies. As the case firm of my thesis is a quite young firm and is referred to a start-up company it would be interesting to test the following assumption.

Therefore we can say that the investigation of formality of network relationships took place in literature and it was detected that internationalization of SMEs in case of the target market selection and the entry mode selection was influenced both by formal and informal networks. Taking this into consideration it would be interesting to test the influence of networks on the internationalization of SMEs in context of their formality.

Concluding section 2.4 we can summarize that networks are subdivided in literature according to the focal firm's viewpoint, decision maker's viewpoint and formality of

relationships. Taking into consideration the following classification of networks the following research questions from section 1.3 should be answered:

- What types of network relationships influence the target market selection in the internationalization process of SMEs?
- What types of network relationships influence the entry mode selection in the internationalization process of SMEs?

In the Table 1 different types of network relationships are summarized.

Focal firm's viewpoint	
Vertical: suppliers, customers, partners	Horizontal: competitors, competitor alliances, research institutes and universities, NGOs and GOs
Decision maker's viewpoint	
Family members, friends, others	
Formality of relationships	
Formal: business partners	Informal: social ties

Table 1. Summary of networks' types

2.5 Factors influencing the network search and their role in the internationalization of SMEs

Some scholars consider factors which influence the search of networks for internationalization (Ojala, 2009; Ciravegna et al., 2014). These factors are proactive or reactive approach for network search and professional and international experience of a manager or decision maker of a company.

2.5.1 Proactive vs. reactive search of networks

By Ojala (2009) firms which actively search for new relationships tend to reach opportunities in a foreign market. However it is also possible to enter some foreign markets due to passive following of existing contacts (Ojala, 2009). Most of case firms in the following research were actively searching for relationships in order to reach opportunities in foreign market. However two case firms entered the market passively through their informal relationships.

Ciravegna et al. (2014) indicated that managers who actively searched for the first opportunities tend to export more amounts of products and to enter more markets. However proactiveness does not influence the speed of internationalization, because some firms which accidentally reached an opportunity to enter a foreign market can internationalize faster than those ones who found it through active search (Ciravegna et al., 2014).

Therefore I would like to take into consideration the following factor as proactiveness to test the following hypothesis:

Hypothesis 1: Proactive search of network relationships is likely to facilitate the internationalization of SMEs

2.5.2 International and professional experience

Literature shows that such factors as international and professional experience influence the creation of networks and thus the internationalization process of SMEs. In the research of Zain and Ng (2006) managers of two software firms used their expertise and networks to take decision to internationalize. These two firms started to internationalize from the beginning, while two other companies of the research, which did not possess any personnel and international experience, started to penetrate foreign markets just after 15 years of operations in domestic markets (Zain and Ng, 2006).

Ibeh et al. (2011) also indicated that international commitment and experience of managers/decision makers facilitated the internationalization of SMEs. Some of case firms of the following research got success in order to create relationships and thus penetrated foreign markets due to their reputation, past experience, education and active taking part in exhibitions.

However Ciravegna et al. (2014) identified that managerial experience did not lead to the use of networks and they used other methods to reach opportunities in foreign markets but more experienced managers were actively searching network relationships in order to reach the opportunities in foreign markets.

Taking into consideration the results of mentioned studies I would like to test the following hypothesis:

Hypothesis 2: Professional and international experience of a decision maker is likely to facilitate a creation of network relationships in order to internationalize

Summarizing section 2.5 we can say that literature indicates some additional factors such as proactiveness and reactivity and professional and international experience which influence the creation of network relationships in the internationalization of SMEs. Thus it is relevant to test the following factors for the internationalization of SMEs.

2.6 Role of networks in the target market selection in the internationalization of SMEs

In the following section I would like to observe how different types of networks influence one of the main parts of internationalization – the choice of foreign market.

Zain and Ng (2006) observed the internationalization of three software and one manufacturing firms. According to the results of their research one software company chose geographically and psychically close market for its first foreign entry, which is compliant with the stage theory of Johanson and Vahlne (1997). However this choice was also facilitated by a trusted network relationship (Zain and Ng, 2006). Therefore we can say that both stage theory and network approach influence the choice of a target market.

The first market of another software company was neither geographically nor psychically close but the relationship with an ex-employer facilitated the choice of the target market. In this case we can notice the key role of informal relationship in the choice of a foreign market.

A third software company from Malaysia chose Australia, which is psychically and geographically distant market, in order to enter in future the USA, which is also distant market for Malaysia. They aimed to get success firstly in Australia, which is psychically close market to the USA, in order to get trust and confidence among US clients. In both steps the internationalization was also facilitated by network availability in these markets. Therefore we can say that the following company used strategic decisions in the choice of foreign market which also took place in the research of Ojala (2009). However networks reinforced the internationalization in these markets.

As for the last manufacturing company its choice of a foreign market was influenced by governmental and market requirements.

In the research of Ojala (2009) six of eight observed IT companies chose their target market due to strategic reasons as their target market was advanced in IT-technologies. However two of them were influenced by passive informal relationships. They considered the following market as a possible market to enter but they took decision to enter it only after emerged network relationships.

Ibeh et al. (2011) observed six small software firms and indicated that five of them were influenced by network relationships in the foreign market selection. The choice of target markets was dictated by existing or new formal and informal ties as well by strategic reasons.

Kontinen and Ojala (2011) analyzed eight family SMEs and indicated that all of them chose their target market due to existing informal relationships. Those firms who did not possess such relationships established them at international exhibitions. It is important to notice that in the case of this study the personality of the cooperator tend to be more important than the target country, in other words, managers decided to enter a following marked due to preferences to work with a particular person rather than in a particular market.

Taking this into consideration we can summarize that the influence of network relationships on the internationalization of SMEs was indicated in literature. Therefore I would like to test the next hypothesis:

Hypothesis 3: Network relationships are likely to influence the choice of target market of SMEs

2.7 Role of networks in the entry mode selection in the internationalization of SMEs

In the following section we will observe the literature for the network influence on another main part of internationalization of SMEs – the entry mode selection.

Coviello and Munro (1997) indicated that small software firms could fast internationalize due to their international networks with larger firms which led not only to the market selection but provided them with a right entry mode. Case firms entered foreign markets through sales agents, set up distributors or signed a joint venture agreement. Their formal and informal contacts including family members facilitated the choice of the following entry modes.

Two software companies from the research of Zain and Ng (2006) used different types of entry modes for different foreign markets. One firm established a sales subsidiary in Australia, created a joint venture in Indonesia and signed an exporting contract to the UK. As it was mentioned in previous section this company aimed to enter the US market through Australian market. That is why it established a sales subsidiary in the USA after one year of activities in Australia. Setting up sales subsidiaries in these countries showed the commitment to the following markets and ability to provide the after-sales support. The entry mode choice in Australia and the USA was driven by market requirements. However the choice of joint venture in Indonesia and an exporting agreement with UK were facilitated by the requirements of the networks' members.

Another software company chose exporting through a sales agent to all of its markets due to requirements of its networks' member. The characteristics of its business with its customer did not require to apply other types of entry modes. However later it employed a sales agent in foreign markets in order to continue market penetration. Finally in some countries it established a sales subsidiary in order to increase penetration and R&D offices to hire cheaper labor in foreign markets.

The choice of a foreign market and an entry mode choice of a third software company, which set up a sales subsidiary, were facilitated by a relative of a decision maker (informal relationship). The fourth manufacturing company chose exporting due to its cost efficiency, which means that it was driven not by network relationships but by economic reasons.

So we can say that in the research of Zain and Ng (2006) entry mode decisions were taken mainly due to network relationships, however in some cases also due to market requirements.

In the research of Ojala (2009) however case firms used networks to reach market opportunities, they were driven by strategic reasons in the choice of entry mode.

Therefore can say that the influence of networks on the choice of entry mode is indicated in the literature. According to this the following hypothesis needs to be tested in the thesis:

Hypothesis 4: Network relationships are likely to influence the choice of entry mode of SMEs

2.8 Role of networks in the internationalization to psychic distant markets

Some scholars emphasized their attention on the internationalization of SMEs to psychically distant markets. According to the model of Johanson and Vahlne (1997) firms start domestic operations, then internationalize to close foreign markets and after continue internationalization to more distant markets reducing the psychic distance through increasing commitment and learning. Therefore it would be interesting to test if networks facilitate the reduction of a psychic distance during internationalization process.

Coviello and Munro (1997) indicated that small firms internationalize due to network relationships on every stage of internationalization. They penetrate close markets with a help of a larger firm, then create new networks in new markets, which help them to enter more distant markets.

Ojala (2009) investigated the internationalization of eight finish software firms to the Japanese market, which can be considered as a psychically and geographically distant market. He indicated that case firms chose the following market as well as entry mode due to strategic reasons, as they considered Japan as an advanced market for software industry. However the case firms utilized their existing relationships or were actively searching for new relationships in order to reach the following market. Those who did not managed to create any relationships by themselves created mediated relationships through consulting firms.

The study of Guercini and Runfola (2010) revealed that psychic distance is an important factor in the internationalization process. In their research vertically integrated medium sized Italian fashion company managed to enter Chinese market through its vertical network relationships. At first it started exporting operations with its single client in China. With a help of its relationship with this customer they received knowledge and experience of the Chinese market and later set up their own wholesale distribution center. They reshaped their relationships with initial customer and started to work direct with retailers. Finally they established their own 18 retail stores. From another side the case firm used its relationships with

an Italian supplier who had contacts with Chinese suppliers. Through this network they managed to contact Chinese suppliers directly. However here they faced some difficulties in managerial culture with suppliers. They had to increase their cost on quality control of suppliers' products. From this examples we can say that the case firm managed to penetrate a psychically distant market through its vertical network both through supplier and customer. Guercini and Runfola (2010) made a conclusion that networks play a key role in reducing a psychic distance to a foreign market.

According to this I would like to test the next hypothesis:

Hypothesis 5: Network relationships are likely to reduce a psychic distance in the internationalization of SMEs to physically distant markets

Summarizing the section with theoretical framework we can notice that the influence of network relationships on the internationalization process of SMEs was indicated in the literature. A relative impact on the research of the internationalization of SMEs was made by Johanson and Vahlne (1977) who developed the stage model, which was later revised by Johanson and Vahlne (2009) in context of networks. Starting point of the development of network approach was a study of Johanson and Mattson (1988). The influence of networks in the internationalization of SMEs was later indicated by Bell (1995) and Coviello and Munro (1997). Different scholars also emphasized on the influence of different types of networks on the internationalization of SMEs (Coviello and Munro, 1997; Carson et al., 2004; Zain and Ng, 2006; Ojala 2009; Guercini and Runfola, 2010; Kontinen and Ojala, 2011; Ibeh et al., 2011; Fernhaber and Dan Li, 2013; Ciravegna et al., 2014). Also some scholars determined some factors with influence network building in the internationalization of SMEs (Zain and Ng, 2006; Ojala, 2009; Ibeh et al., 2011; Ciravegna et al., 2014). The influence of networks on the internationalization process in terms of the target market selection and the entry mode selection was also determined in the literature (Coviello and Munro, 1997; Zain and Ng, 2006; Ojala, 2009; Kontinen and Ojala, 2011; Ibeh et al., 2011). Some scholars emphasized on the impact of networks in the internationalization to psychic distant markets (Coviello and Munro, 1997; Zain and Ng, 2006; Ojala, 2009).

Table 2 represents a summary of the hypothesis which are going to be tested in the thesis and theoretical background of the following hypotheses.

Author	Hypothesis
Ojala (2009), Ciravegna et al. (2014)	<i>Hypothesis 1: Proactive search of network relationships is likely to facilitate the internationalization of SMEs</i>
Zain and Ng (2006), Ibeh et al. (2011), Ciravegna et al. (2014)	<i>Hypothesis 2: Professional and international experience of a decision maker is likely to facilitate a creation of network relationships in the internationalization of SMEs</i>
Zain and Ng (2006), Ibeh et al. (2011), Ojala (2009), Kontinen and Ojala (2011)	<i>Hypothesis 3: Network relationships are likely to influence the choice of target market of SMEs</i>
Coviello and Munro (1997), Zain and Ng (2006), Ojala (2009)	<i>Hypothesis 4: Network relationships are likely to influence the choice of entry mode of SMEs</i>
Coviello and Munro (1997), Ojala (2009), Guercini and Runfola (2010)	<i>Hypothesis 5: Network relationships are likely to reduce a psychic distance in the internationalization of SMEs to physically distant markets</i>

Table 2. Summary of hypotheses of the thesis and their theoretical background

3. Methodology

3.1 Research method

In this work a single-case strategy is applied and is based on a SME – BlaBlaCar.

This study is determined as theory-testing research. Based on the propositions from the theoretical framework I derived my hypothesis to be retested in order to make my contribution to the following topic. By Coviello and Munro (1997) a further research of this topic but in other industries needs to be done. That is why in this work I would like to test the following hypotheses in the context of ridesharing business.

Following hypotheses can be referred to the hypotheses which express a sufficient condition. In our case in Hypothesis 1 it is tested whether “proactive search of networks” is a sufficient condition for the “internationalization of SMEs”. In Hypothesis 2 it is tested whether “professional and international experience of a decision maker” is a sufficient condition for “the network creation in the internationalization of SMEs”. In Hypotheses 3 and 4 it is tested whether “network relationships” is a sufficient condition for “the choice of the target market” and “the choice of the entry mode” in the internationalization of SMEs. In Hypotheses 5 it is tested whether “network relationships” is a sufficient condition in order to reduce “a psychic distance in the internationalization of SMEs to physically distant markets”. The results of the tests show if one factors are the sufficient conditions for another factors.

The qualitative method was applied in order to conduct measurement as it is the most appropriate method for the following study. The data was collected through personal unstructured interview with one of the manager from the central office of the case firm in Paris and complemented with secondary data including the presentations of BlaBlaCar by its CEOs at different conferences and meetings.

In order to conduct the measurement the following information was raised from the interview and the secondary data: the description of the case firm, its history and its concept, its internationalization process. Based on this information the hypotheses of the thesis were tested.

3.2 Selection of industry

Earlier studies on the following topics were mainly focused on manufacturing (Johanson and Wiedersheim-Paul, 1975; Johanson and Vahlne, 1977; Ciravegna et al., 2014) and software companies (Bell, 1995; Coviello and Munro, 1997; Zain and Ng, 2006, Ojala, 2009; Ibeh et al., 2011). In my work I would like to proceed with this research in another industry. That is why I focused on more modern type of business, which evolved recently – ridesharing business. In my work I want to determine the role of networks on SMEs internationalization with a focus on sharing economy and particularly ridesharing business.

In the following section I would like to describe the sense of sharing economy and ridesharing business and reasons why I chose this type of industry for my thesis.

Sharing is a very old phenomenon, while such terms as collaborative consumption and the sharing economy appeared just in the internet age (Belk, 2014). The development of internet opened new ways of sharing of different kind of information. It started from music and film sharing through such services as Napster. Nowadays such well-known services as iTunes, Spotify or web-pages like YouTube, Pirate Bay and Bit Torrent allow people to share large amounts of information between themselves.

This tendency caused an increasing number of internet startups. These companies are web platforms which brings together people who have unused assets with people would like to rent these assets for a short time (Cusumano, 2015). The assets vary from automobiles (Uber, Lyft) and extra rooms (Airbnb, Flip key) to different tools and household items (Street bank). Start-ups in sharing economy can be considered as an outgrowth of different social media platforms such as Facebook, Pinterist and Trip Advisor, which connect people with common interests in order to share information, ideas or personal observations (Cusumano, 2015).

Belk (2014) also defines such term as collaborative consumption as coordination and distribution of resources for a fee or for compensation among people. Compensation includes bartering, trading and swapping.

The reason why such type of industry is important to analyze is that the sharing economy has become a strong competitor for traditional industries. For example rental firm Zipcar has become a competitor for large auto producers such as Daimler or BMW, which had to adapt to growing popularity of car sharing business and develop their transportation services instead of selling cars. A platform Uber caused big protests among taxi drivers as it started to expand in their market share rapidly. Airbnb expanded in September 2014 to 800.000 rooms in 190

countries and announced that 17 million people had used their services, which made it competitive with such large hotel chains as Hilton, Marriott and InterContinental (Cusumano, 2015).

In my master thesis I will investigate sharing business in transportation field. Cohen and Kietzmann (2014) define following types of business models in this field:

- Car sharing Business Models
- Ride sharing Business Models
- Bike sharing Business Models

Car sharing Business Models

This type of business experienced a rapid development recently and now there are around 600 different car sharing providers in the whole world (Cohen and Kietzmann, 2014). Such companies usually provide their customers with turnkey solutions where customers are charged for a service which already includes gas, parking, maintenance, insurance and other fees.

Following models of car sharing business are distinguished:

- Business-to-Consumer (B2C) Car sharing
- P2P Car sharing
- Nonprofit/Cooperative Car sharing

In B2C Car sharing model companies acquire cars and provide customers with them at certain points in a city. Customers can use their smartphones in order to find the nearest car. Afterwards they can open it with their membership card and use a needed period of time. The B2C car sharing business is subdivided in roundtrip models and point-to-point models. In roundtrip models customer should bring a car to the same place where it was picked up. An example of such company is Zipcar. Point-to-point models allow their customers to leave a car at their final destination, for example Car2Go.

The P2P Car sharing model is a web platform which allows private owners of cars give their cars to the rent to other individuals. Examples of such companies are Relay Rides and Flightcar.

Nonprofit/Cooperative Car sharing models has its roots in Europe in 1960s and 1970s years when groups of people were sharing cars among themselves without an aim to receive a financial gain. Example – Modo.

Bike sharing Business Models

The same like car sharing bike sharing model considers the rental of bikes which allocated at special points in the city. There are also several bike sharing models but we will emphasize our attention in the thesis on the ride sharing model.

Ride sharing Business Models

The case firm of this thesis is a representative of ridesharing business, therefore we will emphasize our attention on the following business model.

Ridesharing appeared firstly during the World War II. Since that times technologies have developed significantly and today following types of ridesharing business are known (Cohen and Kietzmann, 2014):

- carpooling
- flexible carpooling
- cooperative carpooling
- vanpooling
- P2P ridesharing

Carpooling considers picking up a passenger by the owner of a vehicle who are travelling the same root. Earlier such service was done by the word of mouth or by some advertisement boards but nowadays with a significant increase of technologies this service is working much more efficient. Car owners usually don't aim to gain profit in this model but to share travelling costs which is also profitable for a passenger. Example: Carpooling.com

Flexible carpooling differs from the first model in that that two sides do not arrange meeting places but they already exist in particular points in a city and they need just to meet there. However this type can be seen quite rare today. Example: Seattle.

Cooperative carpooling considers sharing a ride without gaining profit and is done among members of a particular community. Example: Liftshare.

Vanpooling aims to provide a ride for a group of people. This model has roots from 1970s. Today is commonly used for transferring employees of a particular company, transferring tourists from airport to hotels and back or provided by public companies. Example: 3M.

P2P model enables real time ridesharing among members of a particular network with a use of internet technologies. Usually such models work inside a city. Examples: Uber, Lyft.

As for the importance of this industry the interest in mobility sharing models is growing in large cities. Sharing of cars or of rides can solve such problems as traffic jams, congestion and pollution problems (Cohen and Kietzmann, 2014).

As for our case firm it can be referred to a carpooling firm, as it provides a service of matching drivers who are going to drive a particular route and individuals who are searching for a place in a car to get to a certain destination. Such models consider intercity routes.

According to the method of planning a joint trip carpooling is divided into the following types:

- Classic - usually long (100 km) trip is planned in advance (from 1 day to several months).
- Dynamic - to move in the urban space in the small distance (1-100 km)
- Regular - participants, routes and schedule are constant

As for the case firm of the thesis it is referred to the classic carpooling company.

Now let's have a short overview of the development of carpooling.

This type of mobility sharing model appeared during World War II but had a decline afterwards. In 1970s this industry returned back due to oil crisis in 1973 and energy crisis in 1979 (Oliphant & Amey, 2010). During this time such companies as Chrysler and 3M organized firms vanpools for employees. During a long period between 1970s and 2000s it was again a big decline of this industry to 20,4% of a commute share and reaching 9,7% in 2011 (Nelson & Shaheen, 2012). It was caused by a significant fall of gas prices (45%) during the 1980s (Ferguson, 1997).

However recently the development of internet facilitated the growth of a commute share up to 10,7% in 2005 (Nelson & Shaheen, 2012). With an increasing access to the internet and development of mobile technologies it has become easier to share rides between people and it facilitated a rapid development of this industry.

Long-distance carpooling has become very popular recently due to such companies as German Mitfahrgelegenheit (carpooling.com) and French Blablacar (Oliphant & Amey, 2010).

We can identify following benefits of carpooling. They are as follows:

- The savings in fuel costs, repairs, parking and taxes.
- Reduction of traffic congestion, with combined travel in the same car.
- Reduce emissions of CO₂ that can reduce global warming.

- The passengers manage to avoid stress from traffic jams. Alternatively, carpool participants can take daily turns to assume the role of the driver.

- In the United States there are special dedicated lanes for public transport vehicles and passengers. Some companies offer special parking space, and moreover, in these terms it is easier to find space for one vehicle than for several vehicles of all participants

- In the near future dynamic carpooling or real-time ridesharing allow very quickly to find a car

Also we can distinguish following disadvantages of carpooling:

- Drivers are responsible for the delay in the event of an accident involving their car.

- Drivers sometimes have to pick up passengers, and hence to lengthen their time on the road.

- The risk to meet a participant with criminal intent.

To conclude this section Table 3 summarizes different mobility sharing business models and their representatives.

Car sharing business models		Companies
B2C	roundtrip	Zipcar
	point-to-point	Car2Go, DriveNow
P2P		Relay Rides, Flightcar
Cooperative/Nonprofit		Modo
Ride sharing business models		Companies
Carpooling	Classic	Blablacar
	Dynamic	Uber
	Regular	
Flexible carpooling		Seattle
Cooperative carpooling		Liftshare
Vanpooling		3M
P2P ridesharing		Uber, Lyft
Bike sharing business models		

Table 3. Mobility sharing business models and their representatives

3.3 Selection of case firm

As we discussed most researches in the literature focused on the network approach in the internationalization process of manufacturing and software firms. Coviello and Munro (1997) call for researches of the following topic in other industries. Therefore I decided to choose ridesharing business, which we observed in the previous section.

As for a case firm of my thesis I have chosen a leading company of ridesharing business – Blablacar.

In the following section we will observe history and business concept of Blablacar.

3.3.1 History

In 2006 Frédéric Mazzella established a society Comuto in Paris with the aim to set up a European network of carpooling (www.youninnovator.eu., 6.08.2014). His co-founders were Francis Nappez and Nicolas Brusson. In the same year Mazzella became director of a French carpooling company founded in 2004 by Vincent Caron - Covoiturage.fr. Shortly thereafter, a new version of the site was published that included already Google Maps features, a GPS coordinate management and the ability to specify preferences for passengers (animals, smoking, talks, driving style). In 2008 at Covoiturage.fr a new Web 2.0 community system was introduced. Since then, the user can also give feedback, upload portraits and biographies on the platform. The development of user profiles should lead to greater mixing of travel website and social network.

In 2009 the Spanish version of the carpooling started under the name Comuto.es which was renamed in 2012 in Blablacar.es.

In 2011 BlaBlaCar expanded to the UK.

In 2012 followed Italy, Portugal, Poland, the Netherlands, Belgium and Luxembourg. Meanwhile Covoiturage.fr, now market leader in France, reached the first million members. In 2012 Accel Partners, ISAI and Cabiedes & Partners invested ten million US dollars in BlaBlaCar. The largest investor, Accel Partners, had previously invested in companies such as Facebook, Spotify or Dropbox.

In April 2013 BlaBlaCar started competition in Germany and established its branch in Hamburg. At the same time Covoiturage.fr was renamed for consistency in Blablacar.fr. In August 2013 already about 80 employees of the company are working internationally.

Since 2014, Blablacar is active in Ukraine and in Russia and the same year it claimed to a total of more than nine million community members. On the 2d of July 2014, the company announced the completion of a capital increase of 73 million euros (100 million dollars) to further finance its international growth led by Index Ventures and due to the participation of the existing investors - Accel Partners, ISAI and Lead Edge Capital.

Since 2015, the company is also active in the Indian and Mexican markets. The same year BlaBlaCar took over carpooling.com GmbH, the operator of the mobility platforms mitfahrgelegenheit.de and mitfahrzentrale.de (www.sueddeutschezeitung.de, 30.06.2015).

The various country branches of BlaBlaCar provide different fee models. BlaBlaCar Germany is, for example, free of charge (Claire Bouleau, 14.01.2015). However users in France and Spain are charged (www.welt.de, 12.03.2015).

Now BlaBlaCar operates in 19 countries (Belgium, Germany, France, Great Britain, India, Italy, Luxembourg, Mexico, Netherlands, Poland, Portugal, Romania, Russia, Serbia, Spain, Turkey, Hungary and Ukraine) and has 12 offices worldwide. It reached 20 million members who shared over 3 billion miles. By firm's estimations drivers who used their service saved £216 million. Besides 700,000 tons of CO₂ were saved.

3.3.2 Concept

BlaBlaCar is a part of the sharing economy that combines the function of a travel search engine with a social network. In order to use the service BlaBlaCar, registration on the website is required. The functional principle of membership is that drivers who are planning to make a trip, can offer available places in their cars, denoting the route, distance and prices for members who are looking for a ride. Interested members contact a driver. Then they travel together and the rider pays the driver a cost share. BlaBlaCar offers a price for every rider, also for partial routes, which the driver can require depending on comfort of the car. As a rule, the prices of a trip differ few euros among drivers. Thus, the driver cannot make gains through their service and the prices per trip are capped.

In BlaBlaCar all users have a personal user profile. This should help to find a suitable driver or rider and assess the trustworthiness of the members better. The members here have the opportunity to upload photos of them and provide information such as age, music tastes and other interests. Within the profile further adjustments can be made, for example, willingness to

talk during a ride. In addition, drivers can describe their cars with information of brand and model, as well as upload an image.

In addition to the normal BlaBlaCar web-page there is since 2007 an optimized version for mobile browsers. In the end of 2009 the iPhone app and in 2010 the Android app were published. With the mobile application, users can access the mobility services online.

3.3.3 Internationalization process

In the following section I would like to represent my findings of the internationalization process of Blablacar. The following data was received from the interview with a manager from a central office in Paris and presentations of the CEOs.

The idea to create peer-to-peer mobility network appeared accidentally when its founder Frédéric Mazzella could not find a car to get from the city where he was studying to the French countryside where his family was living. It was Christmas time and all trains and busses were full. He couldn't find any web-site where it would be possible to find a driver who drives the same direction. After this the idea to create such web-paged appeared.

After setting up a web-page Mazzella met his co-founder and engineer Francis Nappez. After finishing MBA he started to develop carpooling business with his third co-founder and fellow student Nicolas Brusson, who has become later responsible for finance and scale of business in Europe.

At the beginning they were trying to create B2B service. They wanted to create a web platform where companies could find cars for their employees. This service would work for the trips inside a city. Then they decided to create a network for any individual who could share his ride with another one so that they could travel together.

The objective of Blablacar was to build a large European company. One of the founders Nicolas Brusson compares the US market and the European market affirming that Europe is big enough to build a large world-known company. Figure 6 represents the world GDP allocation where the US and the European markets are leaders. However according to Nicolas Brusson in order to reach their objective they need to consider Europe as one big market as working just in a single market such as Germany, France, the UK etc. will not let them build a big company. In this case the right internationalization strategy in Europe is very important. Brusson explains it by comparing the US market and the European market.

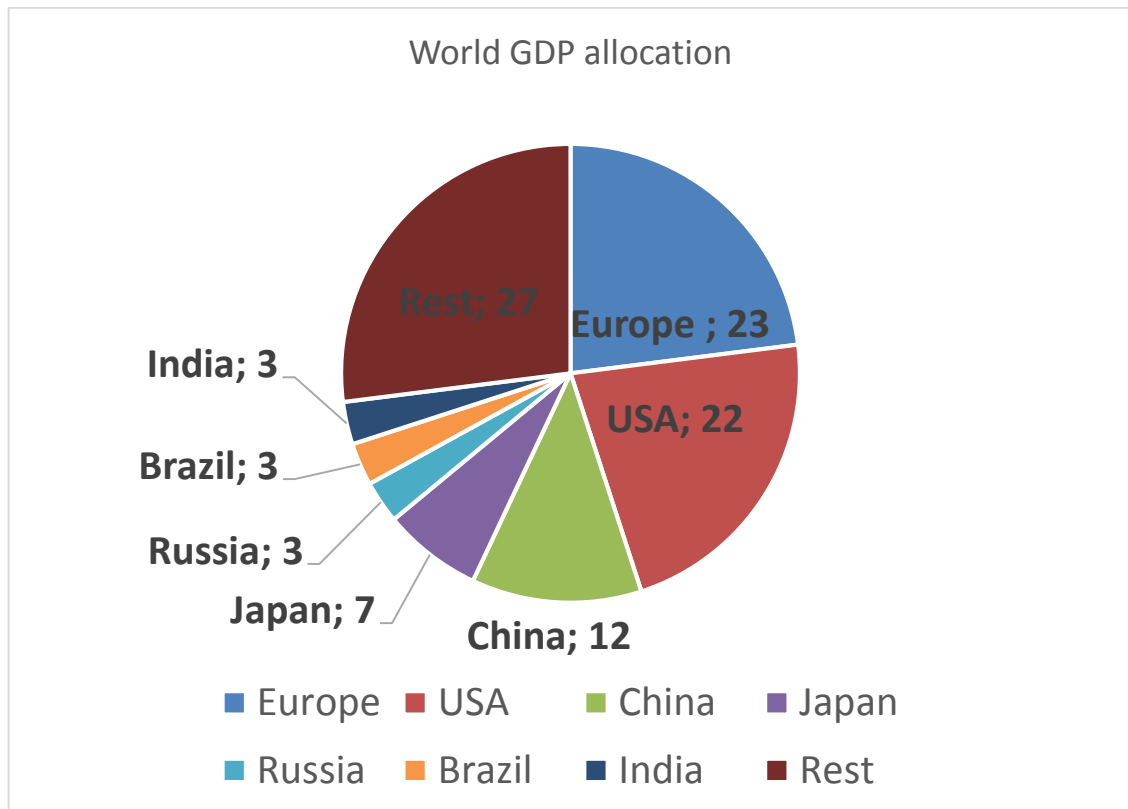


Figure 6. World GDP allocation in 2015 (www.worldbank.org)

We can say that these both markets are around equal in size. He says that in order to scale-up in the US a company should apply one strategy as it is a unified market with single language and culture and it is a very large market. Therefore you can already build a large company locally in the US before going international. But in Europe there are different cultures. That is why Blablacar started to adapt to every European culture rapidly in order to identify the whole Europe as a single market. They decided from the beginning that their market is not France but the whole Europe and the way you hire, the way you stuff and the way you build a company and product should considerate multicultural aspect very early.

By Brusson one of the incentives to build a big European company is to create some kind of European Google. He provides statistics that most large technology companies were established in the US. Figure 7 represents the disposition of largest technology companies.

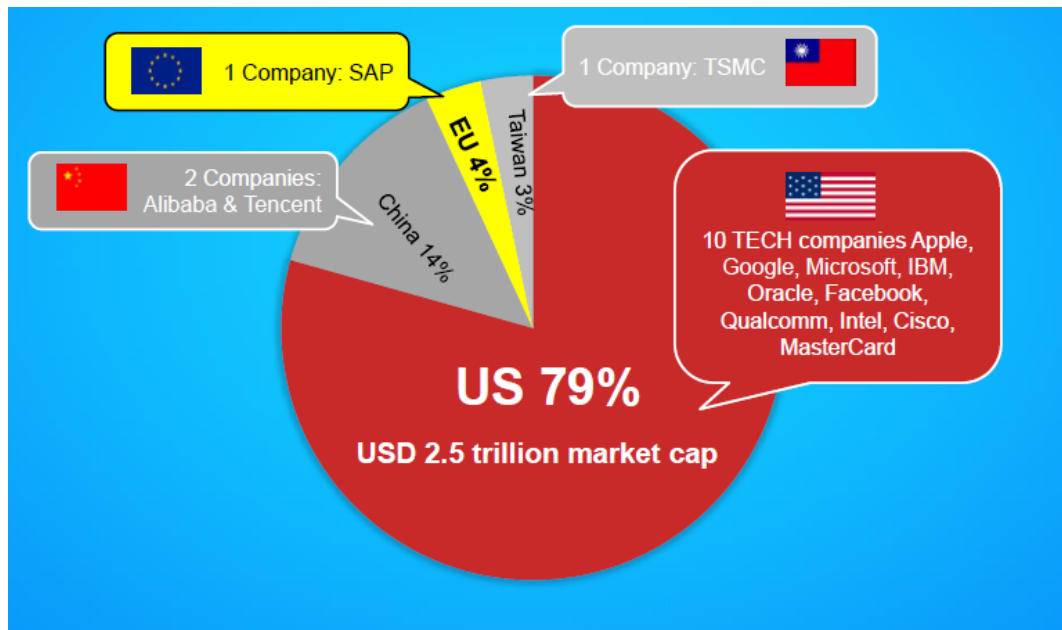


Figure 7. The disposition of largest technology companies (Blablacar)

Creators of Blablacar had intention to work internationally from the beginning but at first they wanted to test how it works in their domestic market – France. They needed to get a proof for investors that it works in domestic market in order to get investments for internationalization. Following investments were made in Blablacar during its internationalization process:

- 2009: 0.6m EUR from Angels/Founders
- 2010: 1.2m EUR from ISAI (Blablacar still remains tinny French company)
- 2011: 10m USD led by Accel Partners (Blablacar is a French company with European ambition)
- 2014: 100m USD led by Index Ventures, Accel Partners, LeadEdge and ISAI (Blablacar is a European company)

According to Brusson Blablacar would not be able to get such investments if they did not present themselves as European company who wants to internationalize globally.

The Table 4 illustrates the sequence of international markets which were entered by Blablacar by the year.

Year	Country
2009	Spain
2011	The UK
2012	Italy, Portugal, Poland, BENELUX
2013	Germany
January, 2014	Ukraine, Russia
September, 2014	Turkey
January, 2015	India
2015	Mexico, Hungary, Rumania, Croatia and Serbia

Table 4. Internationalization process of Blablacar

The first foreign market of Blablacar was Spain. It was entered in 2009, three years after activities in France. However Germany and the UK were also close markets to France, the first foreign market was Spain due to several reasons. This market is culturally and geographically close to France. Moreover legal regulations in this country are also similar. The UK was considered to be entered just after Spain because of larger differences in culture and different legal regulations. This market was also considered as basics for entering the USA due to culture similarities in these two countries. A big barrier for entering Germany was a strong competitor Carpooling.com, which already possessed millions of users in that time. So we can say according to this example that geographical and psychical distances play a relative role in the process of initial internationalization.

After Spain next foreign markets were the UK, Italy, Portugal, Poland, BENELUX and Germany. We can say that the company was gradually internationalizing to the markets with a higher psychic distance which is consistent with a stage model of Johanson and Vahlne (1975). But still this internationalization was done inside Europe.

The first foreign market where risks were relatively higher than in previous foreign markets and the market was quite different from previous ones was Russia. The idea of entering

Russian market was to start internationalize outside Europe. Here we can determine again the proof of a stage model when a company starts to internationalize to more distant markets after entering its close markets at initial steps of internationalization. According to this we can say, this process started in eight years after creation of the company in France in 2006.

In couple of months after launching a web-platform in Russian the management realized that everything is going well and they immediately decided to enter Turkey and in half a year launched a web-platform there. In half a year after Turkey they entered much more distant market – India. Actually India was already planned during expansion to Turkey. At the same time while having India in plans Mexico was already planned as well. Within Mexico a company was planning to close Europe with rest of the countries such as Hungary, Rumania, Croatia, and Serbia. Entering Mexican market started in 2015 and it is supposed to facilitate the internationalization to Latin America. At the same time entering Indian market is supposed to be a starting point for internationalization in Asia.

Starting with Russia and Turkey the firm begins rapid internationalization to more distant markets as India and Mexico. The internationalization to distant markets started in 8 years after creation of the company and proceed with internationalization to more distant markets very fast entering each new market every several months. According to this we can say that a stage model impacts the internationalization process of the carpooling companies.

The USA is also considered for internationalization but it is supposed to be entered at the last step due to considerably higher marketing expenses in this market.

The way which Blablacar used to enter new markets was acquisitions. By 2015 they acquired 7 companies. The way of these acquisitions was acqui-hire which means recruitment of the competitors' managers without necessary showing the interest in the products or services of the competitors. The company analyzes if some key managers of their competitors have professional and personal skills which they need and then recruit this person. In the case with ridesharing business all firms are start-ups possessing one or few key managers who are usually founders of these firms. Therefore it's reasonable to hire the founders of these firms, convince them to merge their start-ups with Blablacar and to work under Blablacar brand.

The first acqui-hire was made in Italy. After this case they started to apply the following strategy in other markets searching for passionate entrepreneurs who created ridesharing start-ups and offering them to merge in order to scale faster. In such a way they entered Polish market, Russian and Ukrainian markets where they acquired Ukrainian company in order to internationalize to Russia. The same strategy they applied in much more distant markets as

Mexico. These strategy helped them to expand very fast and increase the number of their potential members more than a half. One of the problems which they needed to solve is cultural differences. They wanted to create the unified set of values of their company but with a respect to the culture of each market. Therefore they gathered all country managers together for a meeting where they discussed which values can be common and what differs in different markets.

It is important to mention about potential competitors in the internationalization process. There are similar carpooling companies in different parts of the world:

- North America: Zimride i covoiturage.ca
- Central America: Rides
- India: Ridingo
- Pacific: JayRide

Observing competitors of Blablacar it is interesting to mention about so-called rocket-internet companies. In carpooling business they are web-platforms which aim to enter the markets where their competitors do not operate yet in order to capture these markets and sell themselves later to their competitors. Such firms are characterized with a fast penetration to the new markets usually providing its customers with a low level of service.

In carpooling business Blablacar considers Tripda as such a rocket-internet company. Tripda operates in the countries where Blablacar still does not presented, as for example Singapore, Malaysia, Brazil etc.

According to the acqui-hiring strategy of Blablacar, when they recruit high professional managers from their competitors in order to enter particular markets, they are not interested to take over rocket-internet firms, because they do not consider their employees with a necessary professional level who could offer high level of service for their customers.

To test the hypotheses of the master thesis I decided to choose the following markets for the analysis which were entered by Blablacar starting from close markets and continuing with more distant markets: Spain, Italy, Germany, Ukraine and Russia, India, Mexico. I decided to choose several close markets which were quite relevant in the internationalization process – Spain, Italy, Germany, first distant markets which can be subdivided in one group – Ukraine and Russia, more distant markets – India, Mexico.

4. Empirical findings

Observing the internationalization process of Blablacar we can notice a particular role of networks.

Already during activities in the domestic market one of the cofounder's friends offered to set-up this business in Israel but in this case it didn't work out. Thus we can say that in the case of success this informal relationship could be a reason for choosing the following market.

Analyzing European markets such as Spain, Italy, Germany we can test Hypotheses 1-4. Hypotheses 5 which concerns psychically distant markets will be tested with analysis of distant markets such as Ukraine and Russia, India and Mexico.

First foreign market - Spain was entered due to strategic reasons. Therefore Hypothesis 3 that network relationships facilitate the choice of a foreign market cannot be supported here.

However the main step in entering Spanish market was to find people. At the beginning two employees were hired: country manager and marketing manager. Employees were found among personal networks from business schools where founders were studying. Now the office in Spain is organized as a subsidiary and consists of ten people.

In order to penetrate the market Blablacar were setting up relationships with web-pages which were offering tickets for flights, trains and buses. These web-pages were expected to bring customers for carpooling service as an alternative for traditional bus, train and flight transportation. Such formal relationships were found through an active search. Therefore we support Hypothesis 1 that proactive search of networks facilitates the internationalization process. We can also identify here horizontal type of network relationship because company entered the market through partners in the foreign market.

Hypothesis 2 that professional and international experience facilitates the creation of networks in order to internationalize is not supported in this case.

Hypothesis 4 is not supported because the firm established a subsidiary without any influence of networks.

Italy was a first foreign market where the company started to internationalize through aquisition of competitors, in the case of Blablacar through acqui-hire strategy. They found out that one German entrepreneur created similar start-up as Blablacar in Italy. They offered him to create a joint-venture. They explained him that they think that if all of such start-ups would work locally in each European country like Germany, France, Italy, the UK etc. they would always remain small tinny local companies and would not be able to internationalize. Still the

founder of Italian company did not accept their offer and wanted to work separately. But in a one year after more several negotiations they convinced him to merge with Blablacar.

In the case with Italy we identify horizontal network relationship with a competitor in order to enter the market.

Hypothesis 1 is supported in this case as Blablacar was actively searching for similar start-ups in Italy in order to merge with it and enter the market.

Hypothesis 2 is not supported as the network relationships were found not due to professional and international experience but due to market analysis.

Hypothesis 3 is not supported as entering Italy was a strategic decision of case firm.

Hypothesis 4 is not supported in this case as the choice of entry mode which was acquisition was chosen due to a strategic reason.

After Italy the next market was Germany. A barrier to enter Germany was an existence of a strong competitor there. But in the result this competitor was acquired. CEO of Italian branch has become a CEO of a German branch as well. The web-platform of carpooling is still working but all data is synchronized with a platform of Blablacar, new banners with logo of Blablacar are created on the web-page of carpooling and subsequently this page will be closed and all customers will use web-page of Blablacar.

In this case we see how Blablacar apply aquis-hire strategy with gradual acquisition of the competitor with transferring all users of their web-pages to the web-page of Blablacar.

Hypothesis 1 is supported as the company was actively searching for competitors in the market in order to acquire them and enter the market.

Hypothesis 2 is supported in this case as professional and international experience in previous markets helped Blablacar to use their network relationships in order to enter Germany.

Hypothesis 3 is not supported in this case as the choice of this market was a strategic reason.

Hypothesis 4 is not supported in this case because as in previous case with Italy the choice of an acquisition mode was made due to aquis-hire strategy of Blablacar.

Next foreign markets are characterized with relative higher geographic and psychic distance. In this case we additionally test our Hypothesis 5.

In order to enter Russian market Blablacar was searching for a carpooling company operating there in order to acquire it. After the analysis of Russian market they could not find any appropriate firm but they found it in Ukraine.

The company named Podorozhnik was a start-up carpooling firm already possessing around three hundred thousand users in Ukraine and in Russia. Blablacar found this firm

through one of its main investors Accel Partners. At this time Podorozhnik was looking for investors and met Accel Partners. In this way Accel Partners connected these two companies and in the result Podorozhnik was acquired by Blablacar. At first the branch office was established in Russia with two employees. Now there are ten employees in Russia and a new office in Ukraine.

Hypothesis 1 is supported in this case as the company was actively searching for relationships in Russian market in order to internationalize.

Hypothesis 2 is supported as Blablacar found networks in Ukraine through the relationship with its investors which were created from previous professional experience.

The decision to enter Russia was a strategic reason but entering Ukraine was facilitated by creation a relationship so the Hypothesis 3 is partially supported.

Hypothesis 4 is not supported in this case because the choice of an acquisition mode was made due to acqui-hire strategy of the case firm.

From the speech of one of the founders of Blabacar Nicolas Brusson they did not know how to work in Russian market and it was considered as psychically quite distant market. However they managed to create good relationships with founders of Ukrainian start-up which were very interested to work together. It opened them a way to both Ukrainian and Russian markets. Therefore Hypothesis 5 is supported in this case as network relationships with founders of Ukrainian start-up helped Blablacar to reduce the distance with following markets. From the speech of a country manager of Blablacar Russia and former founder of Podorozhnik, it is very important to have a marketing campaign adapted to the particular market. The environment, culture, values, interests, tastes and habits of customers in Russia and Ukraine are different from that ones of European customers. That is way it was very important to create a network relationship with local partners in order to make this campaign in a right way and to internationalize successfully.

Next foreign markets are considered to have considerably higher geographical and psychical distance.

First of such distant markets was India. The idea to enter India appeared from different professional conferences and meetings where the founders of Blablacar always take part. In such meetings they communicate with different entrepreneurs and they found out that many businesses invest in India.

Therefore Hypothesis 1 is supported in this case as managers of Blablacar were actively searching for relationships in order to internationalize to India.

Hypothesis 2 is supported because the professional experience of managers helped them to create networks which brought them an idea to enter India.

Hypothesis 3 is supported as network relationships created at such meetings facilitated the choice of Indian market.

In order to enter this market Blablacar created relationships with a web-page for searching of tickets for trains. The situation with train transportations still remains critical in India. Trains are always full and demand for trips is much higher than capacity of trains. Moreover the level of comfort and service in trains is very low. That is why it was a good decision to create a banner of Blablacar on the following web-page offering carpooling as an alternative to train tickets.

Hypothesis 4 is not supported in this case because the choice of an acquisition mode was made due to aqu-hire strategy of the case firm.

Hypothesis 5 is supported in this case as such relationships with partners in India reduced the psychic distance to this market.

Indian market is considered to be much more psychically and geographically distant and management also took it into consideration in its marketing campaign. Here they are offering another values for the consumers. Instead of offering to share a ride in order to save fuel costs they suggest to share a ride because it is funnier to drive with someone and it is safe as well. They emphasize on this value because fuel costs in India are not relevant in this case.

Another distant market after India was Mexico. At first management of the company was not interested to set-up Mexican web-platform. But one market analyst from their team found out that one carpooling company called Rides is already operating in this market. She contacted this company and established good relationships with them. Finally she convinced CEOs of Blablacar to enter this market. In the result Blablacar acquired Rides. Contrary to the acquisition of Podorozhnik in Ukraine, where Ukrainian web-page was closed and Ukrainian and Russian customers had to register again at web-page of Blablacar, on the web-page of Rides they just posted a banner with a call to change for Blablacar.

Hypothesis 1 is supported in this case as the active search for networks of the firm's manager helped to create the relationship with Rides.

Hypothesis 2 is not supported here as experience did not play a key role in this case.

The relationship with competitor influenced the decision to internationalize to this market. Therefore Hypothesis 3 is supported.

Hypothesis 4 is not supported in this case because the choice of an acquisition mode was made due to acqui-hire strategy of the case firm.

Hypothesis 5 is supported as the network relationship with acquired company reduces the psychological distance to the market as it was already mentioned with Ukrainian and Russian markets.

Concluding this section I would like to summarize supported and not supported hypothesis in the Table 5.

Country (group of countries)	Hypothesis 1	Hypothesis 2	Hypothesis 3	Hypothesis 4	Hypothesis 5
Spain	supported	Not supported	Not supported	Not supported	—
Italy	supported	Not supported	Not supported	Not supported	—
Germany	supported	supported	Not supported	Not supported	—
Russia, Ukraine	supported	supported	partially	Not supported	supported
India	supported	supported	supported	Not supported	supported
Mexico	supported	Not supported	supported	Not supported	supported

Table 5. Summary of supported and not supported hypotheses

To conclude the following section we can say that Hypothesis 1 was supported in all cases. Hypothesis 2 was supported in three of six cases. Hypothesis 3 was supported in two cases and was partially supported in one another case. Hypothesis 4 was not supported in any case. Hypothesis 5 was supported in all respective cases.

5. Discussion and Conclusion

The purpose of this thesis is to determine the influence of network relationships on the internationalization of SMEs.

The following research questions have to be answered:

- 1) Do active search of network relationships have a positive effect on the internationalization of SMEs?
- 2) Does professional and international experience of a decision maker have a positive effect on the internationalization of SMEs?
- 3) What types of network relationships influence
 - a) Selection of a target market in the internationalization process of SMEs?
 - b) Selection of entry mode in the internationalization process of SMEs?
- 4) Do network relations impact the internationalization of SMEs to physically distant markets?

Most researches in the literature focused on the network approach in the internationalization process of manufacturing and software firms. Coviello and Munro (1997) call for researches of the following topic in other industries. Therefore I decided to choose ridesharing business. As for a case firm of my thesis I have chosen a leading company in this field – Blablacar.

In this work I analyzed six relevant market of the case firm. I have chosen three close foreign markets: Spain, Italy and Germany, two more distant markets which can be grouped in one market – Ukraine and Russia and two quite distant markets: India and Mexico.

Five hypotheses were tested in the thesis. Hypotheses 1-4 were relevant for all case countries and Hypothesis 5 was relevant for distant markets which are Ukraine and Russia, India and Mexico.

With hypothesis 1 which was supported in all cases it was found out that proactive search of network relationships facilitates the internationalization of SMEs. In all case countries the management of case firm was actively searching for partners in foreign countries in order to internationalize successfully to the markets. Usually such partners were web-pages which offer tickets for different kinds of transportation: buses, trains, flights. Carpooling was considered to make an alternative for these kinds of transport by setting up a banner of Blablacar at such web-pages.

In other cases case firm was actively searching for similar carpooling firms in foreign markets in order to acquire them. This gave it an opportunity to internationalize in the following markets very quickly as these firms were already committed to their foreign markets, already had their market share with particular quantity of users and possessed experience and knowledge of the market.

Hypothesis 2 was supported only in three of six cases as not in all markets managers used their professional and international experience in order to create networks. In some cases just market research helped without using any previous experience helped Blablacar to create network relationships. It can be explained that carpooling business which usually consists of start-ups is quite young and managers usually do not have any previous experience in this field.

Hypothesis 3 was fully supported just in two cases and was partially supported in one another case because in most cases the choice of foreign market was a strategic reason of case firm. Blablacar had an intention to internationalize from the beginning. They considered Europe as one big market which they should capture rapidly in order to start global internationalization. That is why internationalization to all European countries was a strategic decision of Blablacar. However in case with Ukraine they had a strategic decision to enter Russia but relationship with a Ukrainian competitor facilitated them to enter Ukraine and opened a way to enter Russia. With such distant markets as India and Mexico the choice of these markets was fully facilitated by network relationships created at professional meetings or initiated occasionally by the company's employees.

Hypothesis 4 was not supported in any case. The entry mode choice was not facilitated by the network relationships. The aim of Blablacar is to build a large global company. In the opinion of its founders it is not possible to reach it without merging of small companies in different countries under one brand. That is why Blablacar chose acquisition strategy from the beginning of its internationalization process. They applied acqui-hire strategy where they were offering entrepreneurs in foreign markets to merge with Blablacar and become a country manager of the Blablacar in a foreign market where they were operating. In this case we can say that network relationships did not influence the entry mode choice, however Blablacar needed to create tough relationships with the following entrepreneurs in order to convince them to merge and to build good relationships for future coworking.

Hypothesis 5 concerns distant markets which are Ukraine and Russia, India and Mexico in our case. For all of these case markets the hypothesis was supported. In all cases network relationships with partners were able to reduce the psychic distance with the following markets.

According to founders of case firms Ukrainian and Russian markets seemed to be very unknown and distant at the beginning. But the acquisition of local carpooling start-ups enables them to penetrate the market. Through knowledge and experience of local entrepreneurs they managed to make a right marketing campaign and internationalize successfully. The same situation with Mexico through acquisition of local carpooling firm Rides. In India Blablacar managed to reduce psychic distance through hiring of local managers and relationships with local firms which are selling train tickets.

According to the results of our hypothesis we can conclude that active search of network relationships have a positive effect on the internationalization of SMEs which is consistent with Ojala (2009) and Ciravegna et al. (2014).

Professional and international experience of a decision maker is not always likely to facilitate a creation of network relationships in the internationalization of SMEs which is not fully consistent with Zain and Ng (2006), Ibeh et al. (2011), Ciravegna et al. (2014). But contrary to these studies in our case we have quite new type of industry which usually consists of start-ups. That is why professional and international experience of a decision maker does not always help in network creation for the internationalization process.

Network relationships are not always likely to influence the choice of target market of SMEs which is not fully consistent with Zain and Ng (2006), Ibeh et al. (2011), Ojala (2009), Kontinen and Ojala (2011). In our case the management decided to enter most of case markets mostly due to strategic decision to build a large global company. They considered Europe as one market which should be captured rapidly in order to start global internationalization. Therefore network relationships were not the reasons to enter most of case markets. However such relationships were useful in order to internationalize to the following markets. Cases where network relationships facilitated the choice of target markets were distant markets such as India and Mexico and partially Ukraine and Russia.

Network relationships are not likely to influence the choice of entry mode of SMEs in our case which is not consistent with Coviello and Munro (1997), Zain and Ng (2006), Ojala (2009). In our case strategic reason to build a large global company facilitated the choice of acquisition mode. *Aqui-hire* strategy was applied due to some characteristic of carpooling business. Therefore network relationships did not influence the choice of entry mode in our case.

Network relationships are likely to reduce a psychic distance in the internationalization of SMEs to physically distant markets which is consistent with Coviello and Munro (1997),

Ojala (2009), Guercini and Runfola (2010). In all cases with distant markets network relationships enabled case firm to reduce the psychic distance and internationalize successfully.

Concerning the network types we can summarize from al hypothesis that horizontal network types with partners, competitors and investors which can be also referred to formal relationships facilitated the internationalization to foreign markets.

According to this we can say that network relationships do have influence on the internationalization process of SMEs and proactive search of these relationships facilitates the internationalization. International and professional experience of a decision maker can facilitate a creation of networks during internationalization. However internationalization in terms of target market selection and entry mode selection are more influenced by strategic reasons. Concerning the internationalization process to distant market we can admit that network relationships facilitate the internationalization to distant markets.

List of figures and tables

Figure 1. Establishment chain by Johanson and Wiedersheim-Paul (1975)

Figure 2. The Basic Mechanism of Internationalization - State and Change Aspects (Johanson and Vahlne, 1977)

Figure 3. The internationalization process of small software firms Coviello and Munro (1997)

Figure 4. The business network internationalization process model (Johanson and Vahlne, 2009)

Figure 5. Position in a focal firm viewpoint (Möller & Halinen, 1999)

Figure 6. World GDP allocation (World Bank)

Figure 7. The disposition of largest technology companies

Table 1. Summary of networks' types

Table 2. Summary of hypotheses of the thesis and their theoretical background

Table 3. Mobility sharing business models and their representatives

Table 4. Internationalization process of Blablacar

Table 5. Summary of supported and not supported hypotheses

Literature

1. Bell, J., 1995. The internationalization of small computer software firms – A further challenge to “stage” theories. *European Journal of Marketing*, 29(8), 60-75.
2. Blablacar.de
3. Boyd Cohen and Jan Kietzmann, 2014. Ride On! Mobility Business Models for the Sharing Economy, *Organization & Environment*, Vol. 27(3) 279 –296.
4. Carson, D., Gilmore, A., & Rocks, S., 2004. SME marketing networking: a strategic approach. *Strategic Change*, 13 369-382.
5. Chan, Nelson D. & Susan A. Shaheen, 2012. Ridesharing in North America: Past, Present and Future. *Transport Reviews* 32 (1): 93–112.
6. Coviello N., 2006. The network dynamics of international new ventures *Journal of International Business Studies*, 37, 713–731.
7. Coviello, N. & Munro, 1997. H. Network Relationships and the Internationalization Process of Small Software Firms. *International Business Review*, 6(4), 361-386.

8. Cusumano Michael A., 2015. Technology Strategy and Management, How Traditional Firms Must Compete in the Sharing Economy.
9. Ferguson Erik, 1997. The rise and fall of the American carpool: 1970–1990. *Transportation* 24.4.
10. Guercini, S., & Runfola, A., 2010. Business networks and retail internationalization: A case analysis in the fashion industry. *Industrial Marketing Management*, 39(6), 908–916.
11. Jan Johanson and Jan-Erik Vahlne, 2009. The Uppsala internationalization process model revisited: From liability of foreignness to liability of outsidership. *Journal of International Business Studies*, 40, 1411 -1431.
12. Johanson, J. & Mattsson, 1987. L-G. Internationalization in Industrial Systems – A Network Approach, *Strategies in Global Competition*, London: Beckham.
13. Johanson, J., & Vahlne, 1977. J-E. The Internationalization Process of the Firm- A Model of Knowledge Development and Increasing Foreign Market Commitments. *Journal of International Business Studies*, Vol 8(1), 23-32.
14. Johanson, Jan; Wiedersheim-Paul, 1975. Finn The internationalization of the firm: four Swedish cases, *Journal of Management Studies*, Vol.12(3), pp. 305-323.
15. Kevin Ibeh, Laila Kasem, 2011. The network perspective and the internationalization of small and medium sized software firms from Syria, *Industrial Marketing Management* 40, 358–367.
16. Luciano Ciravegna, Sara B. Majano, Ge Zhan, 2014. The inception of internationalization of small and medium enterprises: The role of activeness and networks *Journal of Business Research* 67, 1081–1089.
17. Marc Oliphant & Andrew Amey, 2010. Dynamic Ridesharing: Carpooling Meets the Information Age.
18. Möller, K.K. & Halinen, A., 1999. Business Relationships and Networks: Managerial Challenge of Network Era. *Industrial Marketing Management*, 28 413-427.
19. Ojala, A., 2009. Internationalization of knowledge-intensive SMEs: The role of network relationships in the entry to a psychically distant market. *International Business Review* 18 50-59.
20. Reid, S. and Rosson, P., 1987. Managing Export Entry and Expansion: An Overview. New York, pp. 3-18.
21. Root, 1987. *Franklin Entry strategies for international markets*. Lexington, Mass.: D.C.

22. Russell Belk , 2014. You are what you can access: Sharing and collaborative consumption online. *Journal of Business Research*, 67, 1595–1600.
23. Sanjeev Agarwal and Sridhar N. Ramaswami, 1991. Choice of foreign market entry mode: impact of ownership, location and internationalization factors.
24. Stephanie A. Fernhaber , Dan Li, 2013. International exposure through network relationships: Implications for new venture internationalization *Journal of Business Venturing* 28, 316–334.
25. Süddeutschezeitung, 30.06.2015. BlaBlaCar übernimmt Mitfahrzentrale.
26. Tanja Kontinen, Arto Ojala, 2011. Network ties in the international opportunity recognition of family SMEs *International Business Review* 20, 440–453.
27. Welch, L.S and R.K. Luostarinen, 1988. “Internationalization: Evolution of a Concept.” *Journal of General Management*, 14 (2) 36-64.
28. Welt.de, 12.03.2015. BlaBlaCar soll in Deutschland kostenlos bleiben.
29. Worldbank.org
30. Younginnovator.eu, 06.08.2014. Success Story of Frédéric Mazzella.
31. Zain, M. & Ng, S.I., 2006. The Impacts of Network Relationships on SMEs’ Internationalization Process. *Thunderbird International Business Review*, 48(2), 183–205.

Abstract

In this work it was investigated how different types of networks impact the internationalization of SMEs in the context of target market selection and entry mode selection. It was also tested whether active search of new relationships as well as professional and international experience of a decision maker in creating new networks facilitates the internationalization of SMEs. In addition it was tested whether networks impact the internationalization to psychically distant markets.

Due to the necessity to investigate the impact of networks on the internationalization in new industries I chose quite modern type of business – ridesharing business. The research was based on a French company which is currently world leading company in this industry. I observed how networks impact the internationalization of the case firm from close markets to distant markets in such countries as: Spain, the UK, Italy, Germany, Ukraine, Russia, India and Mexico.

This study showed that different types of networks influence the internationalization process of SMEs, proactive search of these relationships facilitates the internationalization and international and professional experience of a decision maker in some cases can facilitate a creation of networks during the internationalization. However internationalization in terms of target market selection and entry mode selection are more influenced by strategic reasons rather than by networks. The study also showed that network relationships impact the internationalization to distant markets.

Zusammenfassung

In dieser Arbeit wurde untersucht, wie verschiedene Arten von Netzwerken die Internationalisierung von KMU im Rahmen der Zielmarkt Auswahl und Eingabemodus Auswahl beeinflussen. Es wurde auch geprüft, ob aktive Suche nach neuen Beziehungen sowie professionelle und internationale Erfahrung der Entscheidungsträger bei der Schaffung neuer Netzwerke die Internationalisierung von KMU erleichtert. Darüber hinaus wurde geprüft, ob Netzwerke die Internationalisierung der psychisch entfernten Märkte beeinflussen.

Aufgrund der Notwendigkeit, die Auswirkungen von Netzwerken auf die Internationalisierung in neuen Branchen zu untersuchen, wählte ich recht moderne Branche – ridesharing business. Die Untersuchung wurde auf einer Französischen Firma, die derzeit ein weltweit führendes Unternehmen in dieser Branche ist, basiert. Ich beobachtete, wie Netzwerke die Internationalisierung der Fall Firma von der nahen Märkten zu entfernten Märkten beeinflussen, in solchen Ländern wie: Spanien, Großbritannien, Italien, Deutschland, die Ukraine, Russland, Indien und Mexiko.

Diese Studie zeigte, dass verschiedene Arten von Netzwerken die Internationalisierung von KMU beeinflussen, proaktive Suche dieser Zusammenhänge die Internationalisierung erleichtert, und professionelle und internationale Erfahrung der Entscheidungsträger in einigen Fällen eine Schaffung von Netzwerken während der Internationalisierung erleichtern kann. Allerdings Internationalisierung in Bezug auf Zielmarkt Auswahl und Eingabemodus Auswahl mehr von strategischen Gründen und nicht durch Netzwerke beeinflusst. Die Studie zeigte auch, dass Netzwerke die Internationalisierung zu entfernter Märkten beeinflussen.

Curriculum Vitae

Volodymyr Osheiko

Schrankenberggasse 18-20/1/11, A-1100 Wien

+43 (0) / 699 170 208 07

vovaos@ukr.net

Geburtsdatum: 11.01.1990

Geburtsort: Kiew, Ukraine



Ausbildung

2012 – 2015

Universität Wien

Masterstudium Internationale Betriebswirtschaft (IBWL)

Kernfach Transportation Logistics

2007 - 2011

Kiew Handels- und Wirtschaftsuniversität

Bachelorstudium Finanzwirtschaft

Arbeitserfahrung

April 2015-heute

Assistent Disposition/Einkauf

Groupe CAT, Wien

- Vorbereitung von Transportunterlagen für die Fakturierung von Kunden
- Datenerfassung und Datenkontrolle in Excel und Atlas
- Allgemeine administrative und organisatorische Unterstützung der Geschäftsführung

März-August 2014

Praktikant als Transportmanager

LKW Walter, Wiener Neudorf

- Aufnahme der Kundenaufträge
- Kalkulation und Verhandlung von Preisen und Konditionen mit Transportpartnern

- Koordination und Organisation von Transporten
- Kontrolle der Auftragsabwicklung
- Beantwortung von Kundenanfragen hinsichtlich Transportstatus
- Kommunikation mit internationalen Geschäftspartnern und Kunden des Unternehmens

November 2011-
Januar 2012

Praktikant als Transportmanager

Hellmann East Europe, Kiew

- Aufnahme der Kundenaufträge
- Kalkulation und Verhandlung von Preisen und Konditionen mit Transportpartnern
- Koordination und Organisation von Transporten
- Kontrolle der Auftragsabwicklung
- Beantwortung von Kundenanfragen hinsichtlich Transportstatus
- Kommunikation mit internationalen Geschäftspartnern und Kunden des Unternehmens

Sonstiges

Sprachkenntnisse

- Deutsch - verhandlungssicher
- English - verhandlungssicher
- Spanisch - konversationssicher
- Russisch - Muttersprache
- Ukrainisch- Mutersprache

EDV-Kenntnisse

- Gute Kenntnisse von MS Office Applications
- Gute Kenntnisse von Excel-Solver
- Grundkenntnisse von CPLEX Optimizer
- Grundkenntnisse von SAP APO (Advanced Planning and Optimization)

27.11.2015