Essays on Internalization Theory and MNE Internationalization Patterns.

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ABSTRACT

Entry mode research has grown substantially during the last four decades. Recently, some scholars have challenged the need for conducting further entry mode studies and have expressed their concerns about the research’s current trajectory. I therefore focus on what could constitute a genuine advance in entry mode research and investigate internationalization patterns in the context of modern strategic governance thinking. More specifically, I focus on applying an asset bundling approach, embodied in the internalization theory perspective, in various organizational circumstances, from developed country to developing country MNEs, and in relation to focal, contemporary areas of interest in international business, such as regional integration, the global factory, and bottom of the pyramid markets. I explore optimal governance choices as a function of external market efficiency in these particular contextual settings. The purpose of this approach is to demonstrate that sound, mainstream international business theory, namely internalization theory, is easily applicable (subject to some creative extensions) to a broad range of business phenomena since it is particularly well equipped to analyze the costs and benefits of entering and operating in foreign markets.

This dissertation has the potential to contribute to more effective international strategic decision-making by senior MNE managers and to the continuous evaluation of the status of international operations, in terms of optimal governance mode and location choice.