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Internationalization and Innovation: the case of a Born Global from Brazil

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Introdução
The new global environment is controlled by a rapid pace of technological changes and aggressive global competition. In line with this, when we talk about the process of internationalization and innovation, is necessary to mention the role of the new type of firms in the market which follow a different internationalization pathway, they are represented by the concept of Born Globals. We adopt the definition, according to which BGs can be seen as early adopters of internationalization.

Problema de Pesquisa e Objetivo
The BG phenomenon has been studied and well documented, studies have found numerous factors which influence the internationalization of BGs. However, there is a lack of studies about these type of companies in emerging markets. BGs from emerging markets differ from the ones from developed ones. BGs have a preference for developed markets, where technology and strong institutions are present. BGs from emerging economies face many challenges, but the main is the issue of legitimacy.

Fundamentação Teórica
We begin our view of internationalization and innovation from the role of the entrepreneurship, which is associated with novelty, the promotion of change, and expansion into new markets. Internationalization permits the firm to exploit new opportunities outside its domestic market. BGs display specific pattern of knowledge and capabilities, such as entrepreneurial and managerial knowledge, the ones from emerging markets are attracted to developed markets because of the exploitation of resources.

Metodologia
We adopt a qualitative approach, based on a case study of a Born Global company from Brazil, located in the United States of America. It is a technology service company with its main businesses sites development and personalized system development for medical area and laboratory. We used an in-depth interview of two hours and other information analysis, one interview was conducted via Hangouts on air with the company´s founder in Fort Lauderdale and the administrative coordinator in São Paulo.

Análise dos Resultados
The comapny´s sales revenue in 2013 in Brazil was 245% and 2 years after in the USA it achieved 426% attesting the sales growth. Its credibility increased towards other companies, it has bigger clients in the USA, also it enlarged the knowledge and the quality of resources, also it conquered many competitive advantages. It innovated with remote work, automating services, human resource and recruitment, likewise the budget processes, the quality and process of the services also improved.

Conclusão
The main findings showed that the internationalization of a BG from an emerging market to a developed one benefits the company in different manners such: economic growth, exploition of resources, quality of resources and addition of value to its services; the access to knowledge, quality of services, the firm showed more credibility towards other countries because of the advanced resources it achieved, also the company obtained stability and reliability, and it is able to make future plans.

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Introduction

The new global environment is controlled by a rapid pace of technological changes; decreasing product life cycles, expanding customer demands, more productivity and quality necessities and aggressive global competition (Evanschitzky et al, 2012). As global economic competition becomes increasingly driven by technology and innovation, there has emerged a heightened interest in the technological advantage of nations (Porter, 1990). Moreover, global economic connection is modifying the competitive paradigm, demanding an international and innovation (Chetty; Stangl, 2010) extension strategy to influence long-term growth and survival (Karagozoglou; Lindell, 1998). The determining factor of competitiveness has become the capacity to extent business across borders (Narula; Hagedoorn, 1999).

When we study the process of internationalization and innovation, is necessary to mention the role of the new type of firms in the market which follow an important internationalization pathway, they are represented by the concept of Born Globals, especially because many studies portray BGs as a challenge to the traditional stages of internationalization models. We see BGs as early adopters of internationalization (i.e., organizations that seek superior international business performance and sell their outputs in multiple countries from or near founding) (Knight; Cavusgil, 2004). They are a part of the international business, and entrepreneurship subjects approach, their strategy is an association of innovative, proactive, risk-seeking behavior that go beyond frontiers and expect to generate value in firms (Mathews; Zander, 2007). Researchers on BGs claim that with the fast change in technology and liberalization of economies firms are forced to accelerate their internationalization process rather than to internationalize incrementally.

Chetty and Stangl (2010) establish that firms in the software industry are more prospective to internationalize rapidly (Bell, 1995; Chetty; Stangl, 2010; Majkga°rd; Sharma, 1998).The studies about BGs have been developed in different expectations for more than two decades, thus there is a lack of studies about these type of companies in emerging markets, in consequence of this, the aim of our research is to analyze how the internationalization affects the innovation in a BG from an emerging market.

This paper makes managerial and theoretical contributions, it shows that the entrepreneur´s vision and his network are fundamental to execute global strategies and innovation, the same as the personal experiences and industry knowledge. The theoretical contribution is related to the study of a BG from an emerging economy. The paper continues as follows. In the next section, we discuss the literature review and the propositions, which we intend to test. The third section describes the methods. The fourth section demonstrates the results of the empirical study. The concluding section presents the discussion of the results, and provides some conclusions and directions for future research

1 Literature Review and Propositions

1.1 Innovation

The knowledge-based economy is an expression created to define tendencies in the most advanced economies concerning more dependence on knowledge, information and high skill levels, and an increasing necessity for ready access to all of these. In the knowledge-based economy, innovation performs an essential role. At the macro-level, innovation is the main factor in national economic growth and international patterns of trade. At the micro-level (within firms) R&D make it possible to absorb and use all kinds of new knowledge. (OECD, 1997)

An innovation can be a new product or service, a new production process technology, a new structure or administrative system, a new plan or program pertaining to organizational members. (Damanpour, 1991). Therefore, the concept of innovation by Schumpeter (1934) – or the realization of new combinations - is broad. He detailed his concept in five items: (1) the introduction of a new good, (2) the introduction of a new method of production, (3) the opening of a new market, (4) the opening of a new source of supplies and (5) the establishment of a new organization in any industry, such as creating a new monopoly (Nelson; Winter, 1982).

Also Zhuang (1995) observes that it is a dynamic process, requiring the input of creativity to develop new ideas or assimilate the existing in a new way, with an emphasis on doing something better, which can be a physical product, a service, a process by which products are produced or services, or a process by which administrative activities are organized.

Tiwari and Buse (2007) affirm that innovations usually do not take place in a given, static environment. They are a result of a dynamic process in an organization that connects the interaction of several internal and external factors. Research and Development (R&D) is a major part of the innovation process, but not the exclusive one. As reported by Verworn et al. (2000/2006) it contains a few efficient steps such as requirement analysis, idea generation, idea evaluation, project planning, product development, product testing, and product marketing.

In the global and dynamic competitive environment, product innovation is becoming more relevant, for the three major relevant trends: intense international competition, fragmented and demanding markets, and diverse and rapidly changing technologies (Wheelwright; Clark, 1992). As Teece et al. (1997) comments, competitive advantage is increasingly resulting from knowledge and technological abilities and experience in the creation of new products.

1.2 Internationalization and Innovation

We begin our view of internationalization and innovation from the role of the entrepreneurship, wich is associated with novelty, the promotion of change, and expansion into new markets (Kyläheiko; Jantunen; Puumalainen; Saarenketo; Tuppura, 2010), their behavior, as defined by Slevin and Covin (1990), is composed of factors that inspire the "firm's risk-taking propensity, competitively aggressive action, proactive conducts, and confidence of frequent and extensive product innovation".

Entrepreneurial firms use the growth strategy of launching new products or attracting new customers, or combining both. From this perspective, the firms which operate with product and international diversification hold an entrepreneurial endeavor determined to exploit new opportunities and use their resources. Since both forms of diversification (innovation-related new products/services and internationalization-related new markets) are established on resources and competencies, we understand that they must be in some way interrelated (Kyläheiko et al., 2010).

Internationalization is considered as a strategy permitting the firm to exploit new opportunities outside of its domestic market. Therefore, both innovation activity and firm internationalization could be understood as Schumpeterian entrepreneurial activity determined by the skills, routines and capabilities assigned in the firm (Buckley, 2009a, 2009b; on the real-options-based strategy view in this context, see Li; Rugman, 2007). As Buckley and Casson (1976) and Lu and Beamish (2001) recognize internationalization such as a significant chance for growth and value creation.

In terms of growth strategies, Kyläheiko et al. (2010) suggest that the most rapid-growth rate will be achieved through internationalization with new products, i.e., by using a combination of innovation and internationalization strategies. BGs and international new ventures are typical examples of companies that have achieved rapid growth with new innovative products (Nummela et al., 2004; Pearce; Papanastassiou, 2006). However, this kind of innovation-based growth strategy is not feasible for all companies because of innovation-related resource and capability limitations.

Kotabe (1990) suggests that firms can improve the capacity to innovate because of the better technologists and the access to expert technical know-how they can hire (Cheng; Bolon, 1993). Moreover, Hitt et al. (1997) mentioned that, internationalization besides allowing a firm to enhance its sources of knowledge is able to capture ideas from a bigger number of new and dissimilar markets, and as well from a wide variety of cultural perceptions. Stronger technological capabilities (March, 1991) generate new methods of developing things, which raises innovation (Mezias; Glynn, 1993; Hult et al., 2002). Additionally, they can stimulate innovation with the use of specific advantages of different countries (Hitt et al., 1997), also making contact and establishing alliances with local suppliers, universities, research centers and competitors (Santos et al., 2004). Network relationships as well are responsible for the variety of knowledge, essential to identify potential innovations (Möller et al., 2005), and opportunities in international markets (Johanson; Vahlne, 2006).

The innovation and international business´ subject discussed also that not all firms acquire benefits from innovation. Kafouros (2008) proposed that the innovation–performance relationship is moderated by a firm's degree of internationalization (DOI), i.e. the extent to which it works outside its national borders (Kotabe et al., 2002). Specially, it is necessary for firms start the internationalization and to have access to a wide range of markets in order to acquire enough benefits for their new products and processes.

Proposition 1 – Internationalization makes possible for the firm to exploit opportunities, resources, to learn new abilities, and different benefits including the ones from innovation.

Caves (1982) was one of the first to discuss that firms which expanded to other markets possessed greater returns to innovation. Smallbone and North (1995) indicate that the reason for a firm to expand its international business is to enlarge the profitability and likewise its survival, as well, many researchers have shown that managers depend on international market penetration strategies to ensure growth sustainability (Bell, 1997; Craig; Douglas, 1996). Besides this, internationalization gives the opportunity to learn new abilities in foreign markets (Hitt, Hoskisson; Kim, 1997). For Buckley (2009a; 2009b) internationalization could be interpreted as a strategy allowing the firm to exploit new profitable opportunities out of the domestic market.

Cohen and Levinthal (1990) expose that innovation improves and uses external knowledge capability to capture, assimilate and use external knowledge. Kotabe (1990) exposes that internationally diversified firms can better use the resources available globally. In line with Kafouros et al. (2008) the internationalization induces the firm´s skills to produce technological innovation (innovative capacity), developing better products and processes, faster and at lower prices, it also helps exploiting technological development, protect and appropriate the innovation.

Internationalization is also able to promote innovative capacity by upgrading the knowledge accumulation process and increasing organizational learning. Consequently, highly international firm has the opportunity to innovate and at the same time learn (Hitt et al., 1997). The firms with the ability to develop and launch new products, services, or innovative processes which are superior to their competitors attest a competitive advantage, preserving a return on investment and a strategic advance in long term (Allocca; Kessler, 2006).

In addition to this, Kotabe (2002), confirms that a highly international firm has access to different markets around the world, so it can minimize the costs related to innovation, likewise, buy materials and R&D inputs from a cheaper available source.

1.3 Born Globals of Emerging Markets

The gradual internationalization model developed by Johanson and Valhne (1977) recommends that a firm should develop itself in the domestic market, establish a solid home base and after these steps, with a later stage of life cycle, internationalize. This model also makes a distinction between psychic and physical distance including diversity in languages, cultures, political system (Johanson; Vahlne, 1990, p.11). However, some companies assume a different way of internationalization; they do it right after their launch. In 1993, a research about Australian manufacturers delineated the first phenomenon (Rennie, 1993) which indicated that some firms were being born global.

According to Oviatt and McDougall (1994) it is an entity that 'from inception, seeks to obtain significant competitive advantage from the use of resources and the sales of outputs in multiple countries'. Knight and Cavusgil (1996) describe them as firms which have globalized their business activities by the use of methods that bypass the traditional approach to international business commitment.

Born Globals rely on unique product offerings, they are directing market segments that traditional multinational firms are not capable to attend because of the emerging nature of such segments and flexibility essential to rapidly gain market share within these segments (Autio et al., 2000; McDougall; Oviatt, 2000). This favors smaller firms with innovative product offerings due to their flexibility in serving the emerging segments (Knight; Cavusgil, 2004).

This companies which arrived late in the global market place involve themselves in aggressive, proactive and risk taking measures to match competitors (Lou; Tung, 2007). BGs from emerging markets hardly get involved in path dependent, evolutionary methods of foreign market entry or entry mode choice (Mathews, 2006). Mathews (2006, p. 9) argues that they are not cautious when entering, but they have a tendency to consider they are part of a highly integrated world from the beginning. Their main strategy is to raise their stock of critical resources instead of exploiting existing advantages. They possess high-level network competences and as a result, they quickly overcome outsidership. (Johanson; Vahlne, 2009)

BGs display specific pattern of knowledge and capabilities, such as entrepreneurial and managerial knowledge (Autio et al., 2000; Penrose, 1959), competencies that cause early internationalization and sustainable, superior performance in foreign markets. Kuivalainen; Sundqvist; Puumalainen (2004) detected that international entrepreneurial orientation is a driver of the scale and scope of BG strategy, which is connected to stronger export performance.

Advanced economies are very attractive to emerging market firms, since they look for resources opportunities for their accelerated international expansion (Bangara et al., 2012). The political, legal, social and economic development of the host-country is very relevant, and it can influence the entering and operating choices in this foreign context. They also often lack the OLI advantages of established firms; legitimacy is a key resource needed to gain access to needed resources (Bangara et al., 2012).

BGs of emerging market need to have considerable ''aggressiveness'' to survive their domestic market and succeed ongoing pressures in the highly competitive and institutionally structure advanced economy context. Networks are essential in the emerging market circumstance where institutions normally have a lower level of institutional infrastructure (Hoskisson; Eden; Lau; Wright, 2000; Wright et al., 2005).

Proposition 2 – BGs use their networks to target many countries at the same time using aggressive risk taking and proactive strategies.

The internationalization process of BGs is determined by the knowledge provided by their network ties, the network ties supplies them knowledge on markets and clients abroad (Cavusgil; Knight, 2009). Sharma and Blomstermo (2003) have argued that the internationalization process of BGs is a matter of learning through networks. BGs´ competitive advantages are defined by their knowledge intensity. Their network of relationships enables them to recombine knowledge to develop new products and makes their knowledge base codified and hard to reproduce.

One of their key resources is their access to international networks (Håkansson 1982; Thorelli 1990), such as distributors, subcontractors, buyers, and sellers (Knight; Cavusgil, 1996). People who have prior international experience and extensive international personal and business networks (Madsen; Servais 1997) often form this type of company. Knight and Cavusgil (1996) state that networks are a source of information to firms about what goes on in the market. The same information is not available to all the firms in the market. firms' ties, likewise, provide channels for sharing knowledge as well as the motivation to do so. As Born Globals are engaged in weak ties they are in a better position to pursuit for new knowledge, enjoy superior autonomy, and to adapt.

Their ties influence the timing of when a particular piece of information will reach a particular firm. The ties that firms have may help them to go international by supplying information about clients and markets. Firms that operate in an international network may enjoy a ''learning advantage'' and find it ''easier'' to go abroad than firms whose exchange partners are domestic firms (Majkga˚rd; Sharma, 1998; Bell, 1995).

Referrals are also significant, they imply that firms' interests are represented in a positive light, at the right time, and in the right place. Firms placed centrally in a network receive more, better, and early knowledge compared to their competitors. This may influence the internationalization process of firms. Such long-term networks have market and experiential knowledge that BGs benefit from instead of waiting to accumulate the knowledge themselves.

Besides the benefits acquired from networks, BGs employ other entrepreneurial strategies to enter and survive in the selected markets. As McDougall (1989) explains, the international start-ups emphasized aggressive foreign market entry. Cavusgil and Knight (2009) say that, in general, BGs are entrepreneurial firms that emphasize innovativeness, aggressiveness, and a proclivity for risk-taking.

Among BGs, Chetty and Campbell-Hunt (2004) noticed a relatively aggressive learning style that actively seeks engagement and experimentation in international markets, tolerates initial failure, and aggressively seeks solutions to problems as they arise. A proactive learning style helps firms deal effectively with the uncertainty and turbulence of rapid and early internationalization.

BGs tend to have an organizational culture that supports active exploration and pursuit of international opportunities, with management adopting a relatively aggressive posture abroad. In this way, "international entrepreneurial orientation" represents the firm's overall proactiveness and aggressiveness in the pursuit of international opportunities. It reflects the firm's propensity to engage in "innovative," "proactive," and "risk-seeking" behaviors in order to achieve competitive and strategic objectives (Knight; Cavusgil, 2004). The proactive dimension relates to aggressive posturing relative to competitors, with emphasis on execution and follow-up of tasks in pursuit of the firm's objectives. Broadly speaking, proactive is the opposite of reactive. BGs business activities are proactive, almost by definition, as these firms take the initiative to pursue new opportunities in foreign markets, at or near the firm's inception. Proactive implies being aggressive in the pursuit of opportunities. In their conceptualization of entrepreneurial orientation, Lumpkin and Dess (1996) state that "aggressiveness" reflects a willingness to be unconventional rather than relying on traditional methods of market entry. They cite as examples of such approaches the focusing on specific product categories and "doing things differently" by means of product differentiation (Porter, 1985).

Aggressive firms tend to challenge industry leaders, to outspend the industry leader, or to spend aggressively compared to competitors on strategic initiatives (Lumpkin; Dess, 1996). The risk-seeking dimension of entrepreneurial orientation involves the planning and implementation of projects entailing significant chances of costly failure (e.g., Davis, Morris; Allen, 1991). Given the complexities of operating in foreign markets, being BG is inherently risky. Venturing into the unknown is a critical component of risk (Lumpkin; Dess, 1996), which appears to characterize BGs well.

Proposition 3 – Born Globals of emerging markets seek for developed economies to acquire legitimacy.

The host-country plays a significant role for firms form emerging markets in sustaining political, legal, social and economic development, and so can induce the conduct of firm's entering and acting in this foreign context. The role of social, political, economic and legal system is addressed by the Institutional theory that configure the organizational behavior (Wright et al., 2005). Institutions are categorized into regulatory, normative and cognitive elements/ pillars and every one of these is able to influence firm legitimacy and so their survival (Scott, 1995).

Emerging markets seek stability in advanced economies, because of the resources opportunities that facilitate their accelerated international expansion (Bangara; Freeman, 2012). However, new ventures need to learn how to overcome the costs of doing business abroad and mitigating the potential liabilities of newness (Mudambi; Zahra, 2007), foreignness (Zaheer, 2002) emergingness (Madhok, 2009) and outsidership (Johanson; Vahlne, 2009). Young companies are not well known in foreign markets, they encounter a liability of newness and consequently must establish their legitimacy to customers, intermediaries, and competitors (Lumpkin; Dess, 1996).

The liability of newness can challenge a firm's survival, necessitating the need to build legitimacy in the host country as a means of gaining access to resources (Zimmerman; Zeitz, 2002). Legitimacy commonly refers to ''a social judgement of acceptance, appropriateness, and desirability [that] enables organizations to access other resources needed to survive and grow'' (Zimmerman; Zeitz, 2002, p. 414).

In order to establish legitimacy, the emerging market needs to be resilient to survive in its domestic environment, and to be persistent in order to adapt to an advanced economy environment with its unfamiliar norms and practices. For emerging market, this will require considerable aggressiveness to survive their domestic market and manage ongoing pressures in the highly competitive and institutionally structure advanced economy context.

An entrepreneurial posture helps internationalizing firms dominate the resource limitations that frequently constrain an international expansion (Lu; Beamish, 2001) and establish legitimacy and credibility, likewise facilitate the development of new capabilities for international expansion at lower risks (Zaheer, 1995; Zaheer; Mosakowski, 1997).

2 Description of Methodological Procedures

In this section, we present the method and describe the process in which this research is approached.

2.1 General Research Approach

In order to achieve the aim of this study, the research method used in the study is the qualitative. In addition, this method will provide superior flexibility to conduct data assembly, research analysis and interpretation of the information. We adopt a case study method as stated in Eisenhardt's (1989) and Yin's (1989) approaches and based on an interview of a BG company from Brazil, thus nowadays it is located in the United States of America. Eisenhardt (1989) indicates the case study method especially for new researching topic areas. Although, BGs have already been researched from different perspectives for two decades, its approach from the emerging market aspect has still been done with a little proportion.

The advantage of using case studies method is that it contributes with novelty to the field of the study that has been limited researched. It is not a delineating method of the fact regarding a phenomenon; it is a strategy to understand the phenomenon and to present the world the most credible result (Merriam, 1988). The strength of the case method is the opportunity to result in theory improvement (Eisenhardt, 1989), also this method is in particular appropriate to answer "how" and "why" questions.

In accordance to Patton (2002) there are three methods to gather precise qualitative data: interviews, observation and documents. We will adopt only two of them, which are interviews and documents. Interviews are open questions intending to get depth responses about experiences, opinions perceptions and knowledge. One of the most important sources of the case study information is the interview. Yin (2009) asserts that there are three types of interviews for case studies. We chose the in-depth interview, the respondents are questioned concerning the facts of matter; likewise, their opinion and it may happen in an extended period, also possibly more than just one time. The most important intention of these interviews might be to confirm certain facts.

In the documents written resources are encountered in the organization, surveys or official publications. It includes the company´s administrative documents, internal records and reports. These documents can be the articles and news found in the mass media such as printed media and Internet (Yin, 2009). All the examples of documents referred above are helpful to understand the company and its environment; however, they sometimes can be inaccurate.

For the successful achievement of our research purpose, this study used an in-depth interview and documents analysis. The interview was guided conversations, we used an interview guide to avoid missing information. Documents helped to verify information and it could provide extra details or support information from other sources. The companies' information was obtained on the company´s internet site and videos.

One interview was conducted via Hangouts on air with the company´s founder in Fort Lauderdale and the commercial/administrative coordinator in São Paulo, we used this online tool because of the participant´s availability and the distance, this applicative also recorded the interview, it took approximately two hours for the interview. The data acquired from the interviews were complemented with secondary material as videos and site´s information. The interview focused on how the internationalization affects the innovation in BGs of emerging markets, also analyzing the role of networks, strategies used, knowledge, risks, uncertainties and trust towards the developed market.

In table 1, we will expose the categories approached to develop this study.

Table 1: Categories of analysis

Propositions	Categories of Analysis	Sub categories
Internationalization makes possible for the firm to exploit opportunities, resources, to learn new abilities, and different benefits including the ones from innovation.	Internationalization Innovation	Opportunities exploitation Resources Learning new abilities Benefits from internationalization Benefits from innovation
BGs use their networks to target many countries at the same time using aggressive risk taking and proactive strategies.	Networks Entrepreneurial Strategies	Previous Networks Networks in the internationalization Process The importance of Networks Networks contribution Knowledge Aggressiveness Reactiveness Risk taking
BGs of emerging markets seek for developed economies to acquire legitimacy	Legitimacy Credibility	The role of political, legal, social and economic development. Liabilities

Source: Authors

3 Thematic Analysis and Findings

The case study was based on a company founded in Joinville, Brazil, established in 2008 and went international in 2014, on average, within 6 years after firm establishment. It is a technology service company and based on six services such as design, development of sites, software and mobile as well as video and automation. Thus, the main company´s businesses currently are sites development, also personalized system development for medical area and laboratory.

It had the experience of being incubated at softville (Brazil) for 1 year and the founder affirmed it was interesting because of the network attained, the relationship was built with the members of the other firms. Nowadays the company has 18 employees, the founder and five more employees live in Florida and the others in Brazil.

Its average international sales ratio 2 years after company establishment was 426% with a purpose to double in 2016. The firm´s first international market was the United State of America and system development outsourcing was the first entry mode to this market. Different companies contract this company to develop a specific system for their necessities, the contact starts in the USA, it repasses to Brazil and they export these services again to the United States.

In table 2, we present the firm´s internationalization path and its growth.

Table 2: Internationalization path

Date	Countries	Entry Mode	Sales Growth
2008/2013	Brazil	Home country	245%
2014/2015	United States of America	System development outsourcing	426%

Source: Authors

In 2013 the founder went to the USA and detected the business opportunities in this area, he did not plan this internationalization; and did not have any knowledge about the process. His main idea since the beginning was to open a company that could be global, although he always thought about quality of life, too. The country selection was based on the culture, language, economy and the need of IT services.

He realized that the credibility of a company located in a developed market increases, so he selected Florida to establish the company. Emerging markets seek stability in advanced economies, in order to explore opportunities that are not present in the home country, facilitating their accelerated international expansion (Bangara; Freeman, 2012).

The internationalization process took 3 days, the fact of being an IT company, the founder explained that the risk he could have, would only be to waste the money invested in that process in dollars, around two, three thousand reais more than the usual per month, nothing else. The company adopted a proactive and aggressive strategy to enter the market, it selected the market and in short time it moved to Florida to test the experience, already spreading the services. BGs are entrepreneurial firms that give emphasis to aggressiveness, proactiveness innovativeness, and a proclivity for risk-taking. (Cavusgil; Knight, 2009)

Before the process it had technical knowledge (previous knowledge and projects), human resources and labor Knowledge, management knowledge (videos and tutorials about training, so when they contracted someone, the person could study the material, without having anyone to teach) and the language. These type of companies present specific knowledge and competences, for example entrepreneurial and managerial knowledge (Autio et al., 2000; Penrose, 1959), aptitudes that induce early internationalization and sustainable, superior performance in foreign markets.

The founder suggested that capital, investment fund, strong networks and knowledge about the accounting rules, would be more helpful in this process. He faced barriers in the accounting and immigration aspects, he had to find the legal means to stay in the USA and manage the company in both countries, as well as to be aware of the accounting processes. He did not find a helpful accountant to surpass this barrier, yet.

Today it has bigger clients being in the USA, it increased the knowledge and the quality of resources that it would not be able to have in Brazil, with the achievement of this knowledge and quality, it can repass to the Brazilian costumer with a lower price.

The company conquered many competitive advantages with the internationalization process, as the revenue growth; credibility towards the Brazilian companies; the quality and process of the services; more knowledge, especially because in the US the technology moves faster; more experience; they attained stability and reliability. The coordinator explained that, as the market is reliable, it brings the possibility of prospecting new plans and markets. Another advantage of internationalization today is the exchange rate, as it is so high in Brazil. The internationalization provides the chance to gain new expertise in foreign markets (Hitt, Hoskisson; Kim, 1997).

The founder mentioned that Brazilian network in Florida is very strong because of the language, these networks were clients giving reference to other firms, also he was invited to participate to the BNI foundation which is the world's largest business networking and referral organization and the friendships he made with the Brazilian community, as well helped the business, so these are other advantages, besides the technical service differential. However, he did not have any network in the USA before the process. He commented that he uses the network sites facebook and meet up to get involved in networks. He advises the importance of networks about clients, the accounting process, information about taxes, and bureaucracy before the process.

They consider it innovated after internationalizing using remote work, which brought a differential to the company. They are also automating services through videos, human resource and recruitment, likewise the budget processes, since the projects are personalized. Hitt et al. (1997) remarks that innovation can be inspired using specific advantages of different countries. They added that these advantages are possible because of the IT field, not all the fields would be able to obtain these advantages and innovations. These types of innovations brought cost benefits for the company as cost reduction in salaries.

Another relevant aspect in the IT area is the credibility and trust process, but the founder does not think the lack of them is because the company comes from an emerging market, he argues it is in virtue of the IT field. To overcome the lack of credibility and gain trust, the company shows the previous projects and portfolio to the clients, explaining the services. The founder is the first contact in the firm, he takes care of the internationalization and R&D aspects of it. When the company internationalize and possess an entrepreneurial posture, it benefits with legitimacy and credibility, equally facilitates the development of new capabilities for international growth at lower risks (Zaheer, 1995; Zaheer; Mosakowski, 1997).

The company´s proposal is to have representatives in new developed markets as Australia and England, these countries because of the economy, which have a great demand for its services and a strong currency, besides the language, in the future the ideas are to enter in other similar countries as Germany, Switzerland, and Japan with the same aspects.

The founder recommends studying about the immigration of the country and finding people who may help with the accounting process to have a safe internationalization.

The study´s evidences are presented in table 3 as it follows:

Table 3: The study´s evidences

Proposition	Evidences
Internationalization makes possible for the firm to exploit opportunities, resources, to learn new abilities, and different benefits including the ones from innovation.	The company conquered many competitive advantages with the internationalization process, as the revenue growth; credibility towards the Brazilian companies; the quality and process of the services; more knowledge, especially because in the US the technology moves faster; more experience; they attained stability and reliability. Another advantage of internationalization today is the exchange rate, as it is so high in Brazil.
BGs use their networks to target many countries at the same time using aggressive risk taking and proactive strategies.	The company adopted a proactive and aggressive strategy to enter the market, it selected the market and in short time it moved to Florida to test the experience, already spreading the services. Brazilian network in Florida is very strong because of the language; however, it did not have any network in the USA before the process. The company uses the network sites facebook and meet up to get involved in networks.

BGs of emerging markets seek for developed economies to acquire legitimacy	The company noticed the difference about the credibility acquired towards the Brazilian companies; though the founder does not think the lack of it is because the company is from an emerging market, he argues it is in virtue of the IT field. To overcome the lack of credibility and gain trust, the company shows the previous projects and portfolio to the clients, explaining the services.

Source: Authors

4 Conclusion

The studies of BG phenomenon have had an increase in the 1990s, in distinct aspects and countries. When studying their determinants there is a diversity between developed and emerging countries, although the main activity of these kind of firms have been the market knowledge built, that they have gotten from their network ties.

These companies perform an interesting kind of business in consequence of their unique characteristic that are manifested in their early and fast internationalization, favoring especially smaller and innovative firms. They prefer to have personal contact to conduct their relationship with the relevant costumers and be able to perceive their costumer need. These firms provide an impulse to the innovation and economic growth in any type of economy.

This study analyzed how the internationalization affects the innovation in a BG from an emerging market. The main findings of this research are that the internationalization of this BG from an emerging market to a developed one benefits the company in different manners such as: economic growth, we could see that the company had a significant sales growth after the process; in exploiting resources, it had access to qualified resources and added value to its services; the access to knowledge, increased the quality of services, the firm showed more credibility towards other countries because of the developed economy and the advanced resources it achieved; in addition, the company obtained more stability and reliability, and so it is able to make future plans.

Although we believe that the entrepreneur and his previous global vision are the main factors of this business. In consequence of these benefits, it is able to innovate in internal procedures and with better services to the clients. In this case study was observed that even if the BG is from an emerging market the lack of credibility and trust is a consequence of the IT field and not the market economy. Other aspects as networks, finance, in this case service strategies, innovation, experience and knowledge are crucial issue for this process, we noticed that the BG innovativeness is the key element which expand firm performance.

It is possible to affirm that the network after the internationalization process was relevant for the development and financial growth of the company, since the company did not have any network with the host country before the internationalization. In conclusion the immigration and accounting were the hardest process the company found in the process.

This study attempted to contribute to the literature in the expansion of knowledge about this field in emerging market which is still little explored. Finally, the limitations of this work depended on the lack of literature about emerging markets and the case analysis of only one company.

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