

**International Market Selection (IMS): a hybrid method using an improved multicriteria framework.**

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### **Introdução**

In the field of IMS, the use of mathematical models that support the decision-making steps during the internationalization process, primarily through exports, is scarce. The ones that include firm/sector-specific variables are almost non-existent. However, some have proven relevant for organizations to assess risks and opportunities, standardize the evaluation process, and have better returns when seeking new markets. In this study, a more robust and complex model to support the decision-making process of selecting markets with greater potential for exports was built up and implemented.

### **Problema de Pesquisa e Objetivo**

Previous papers have developed decision-making frameworks using different MCDM models to address the IMS problem. However, most of these studies focused on external and macro-level variables, either ignoring or minimizing the industry-specific and firm-specific dimensions into the market selection process. This study aims to improve previous decision-making models for International Market Selection (IMS), including firm/sector-specific dimensions in a multicriteria framework to screen the most suitable markets for a particular company.

### **Fundamentação Teórica**

Ozturk, Joiner, and Cavusgil (2015) developed an empirical tool for assessing foreign market opportunities and identifying the most promising international markets. In this work, the author presented that a country may appear prosperous in many ways but may have industry-specific advantages or disadvantages that are not noticeable in a macro analysis of the market. Vanegas-López et al (2021) developed a systematic methodology to evaluate international markets for companies of the textile-clothing sector in Colombia. These authors also applied the AHP and TOPSIS methods for IMS.

### **Metodologia**

A hybrid approach using AHP (Analytic Hierarchy Process) and TOPSIS (Technique for Order Preference by Similarity to Ideal Solution) decision-making methods is employed to define selected factors' weights and to obtain a ranking of market attractiveness for an export company. This model is adapted and applied in the automotive sector.

### **Análise dos Resultados**

The new model of International Market Selection shows that among thirty-two countries, the United States of America has great attractiveness for case study's company, followed by the United Arab Emirates. The findings support applying the improved systematic decision-making method to define the firm's export-target markets, focusing their efforts and investments on the screened countries.

### **Conclusão**

The use of the study's model by a company in the Brazilian automotive sector demonstrates its effectiveness. Considering multiple variables and participating as a group of decision-makers, managers of this company were able to define new target markets, devoting their efforts and company's investments to new businesses. Applying this study's decision model in different firms and sectors and employing other MCDM methods for selecting International Markets to continue improving them is a promising agenda for future studies.

### **Referências Bibliográficas**

Ozturk, A., Joiner, E., & Cavusgil, S. T. (2015). Delineating Foreign Market Potential: A Tool for International Market Selection. *Thunderbird International Business Review*, 57(2), 119-141. <https://doi.org/10.1002/tie.21686>. Vanegas-López, J. G., Baena-Rojas, J. J., López-Cadavid, D. A., & Mathew, M. (2021). International market selection: an application of hybrid multi-criteria decision-making technique in the textile sector. *Review of International Business and Strategy*, 31(1), 127-150. <https://doi.org/10.1108/RIBS-07-2020-0088>

