

THE ROLE OF HOME-COUNTRY INSTITUTIONAL FACTOR IN THE INTERNATIONALIZATION OF BRAZILIAN BORN GLOBALS

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Introdução

The internationalization of young firms, known as born globals, is often influenced by their home country's institutional environment. While factors like corruption and bureaucracy can hinder expansion, they can also drive firms to seek international markets ("institutional escapism"). This is notable in Brazil, where a mix of support programs and significant bureaucratic hurdles creates conflicting incentives. This study analyzes these home-country influences on Brazilian born global startups, addressing a research gap concerning emerging economies.

Problema de Pesquisa e Objetivo

The study addresses the fragmented understanding of how a home country's institutional environment affects the internationalization of born globals, particularly in emerging markets like Brazil. The guiding research question is: how do home-country institutional factors influence the internationalization of Brazilian born global startups? The primary objective is to analyze the role of the home-country institutional environment in the international trajectory of these firms.

Fundamentação Teórica

The study is based on three pillars. First, the concept of "Born Globals," young firms that internationalize rapidly, leveraging networks to overcome resource limitations. Second, the "Home Country" perspective, which argues that domestic institutional factors like weak institutions and government policies directly and indirectly shape a firm's international expansion. Third, the SCOPE framework (Strategies, Challenges, Opportunities, Problems, Exporting) is used as an analytical tool to structure the analysis of the internationalization process.

Metodologia

This study employs a qualitative, exploratory approach, using a multiple case study method to investigate 12 Brazilian born global startups. The firms were selected to represent diverse sectors and maturity levels, with data collection ceasing at the point of theoretical saturation. Primary data was gathered through 10.5 hours of in-depth, semi-structured interviews with key executives, and the transcripts were analyzed using content analysis supported by Atlas.ti software, based on the SCOPE framework categories.

Análise dos Resultados

The home-country institutional environment has an ambiguous influence. Strategies are often shaped by "institutional escapism" to avoid high taxes and bureaucracy. Challenges include a lack of government support, tax complexities, and currency volatility. Opportunities arise from turning institutional inefficiencies into competitive advantages and leveraging limited public support programs. Persistent problems include regulatory barriers and legal rigidity forcing complex operational structures.

Conclusão

The internationalization of Brazilian born globals is not a linear process but one of constant adaptation to the domestic institutional environment. These firms often expand abroad to circumvent national regulatory inefficiencies, a strategy known as "institutional escapism." While some institutional support exists, it is perceived as limited, fragmented, and unstructured, functioning more as a learning mechanism than an effective enabler of global expansion, reflecting policy fragmentation typical of emerging economies.

Contribuição / Impacto

This research contributes by theoretically refining the understanding of home-country effects, showing their direct and indirect influence on born globals' strategies, challenges, and opportunities. It reveals how factors like bureaucracy, regulatory instability, and currency arbitrage shape internationalization. It also offers practical implications for policymakers by highlighting the need to adjust support programs and for entrepreneurs by emphasizing the importance of a strategic institutional outlook.

Referências Bibliográficas

The study is primarily grounded in the literature on born globals and institutional theory. Key references include the foundational work on born globals by Oviatt & McDougall (1994) and Cavusgil & Knight (2015). The concept of home-country influence and "institutional escapism" draws heavily on studies by Cuervo-Cazurra (2006, 2011, 2016) and Yamakawa, Peng, & Deeds (2008). The analytical structure is provided by the SCOPE framework, as proposed by Paul (2020).