

# JIMS

## Journal of International Marketing Strategy

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# *Journal of International Marketing Strategy* (JIMS)

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## PREFACE

We are extremely pleased to present the second issue of the Journal of International Marketing Strategy to our colleagues in the academic world and business community. The second volume of the journal is a continuation of our efforts to publish quality articles in the field of international marketing, which will be highly regarded and referenced by our colleagues.

This volume contains articles which are interesting and germane to international marketing. In the first article of this issue entitled, “Location Choice and Entry Mode of Emerging Market Multinationals: A Study of Chinese Firms,” the authors offer a very interesting analysis of the location choice and entry mode of manufacturing firms in China. The article suggests that while Chinese firms explore export opportunities in both developed and developing economies, they focus on many aspects of FDI in developed economies including marketing, production and research and development. This article contributes to our understanding of the international strategies of emerging multinationals in the Chinese environment.

The second article “Exploring Drivers of Internationalization of SMEs in an Emerging Economy – Case Studies from Malaysia” focuses on the motivations for internationalization of small and medium enterprises (SMEs) in Malaysia. The study examines the drivers of internationalization of these firms in terms of factors such as entrepreneur’s personality traits, network relations, innovation, R&D. It suggests that advancements in technology, government factors, domestic acceptance of high quality goods and the quality philosophy of the firm are all potential drivers of internationalization of SMEs in Malaysia.

The third article “Perceptual Mapping of Green Consumers: An Innovative Market Segmentation Strategy” focuses on the segmentation of Green Consumers in overseas markets. The authors analyze the impact of environmental concerns and influences on consumers and seeks to analyze the emerging dimensions of green consumers for segmentation strategies.

In our fourth article, “Service Perceptions in China” the journal revisits China and examines the issue of how Chinese consumers view services in the People’s Republic of China. The authors examine how Chinese consumers view generic services in their society. The study suggests that two important dimensions tend to explain most of their view of services. The study also allows the reader to see how services in China are viewed in relation to different types of services in the marketplace.

These articles reflect the continuing commitment to supporting the publication of peer reviewed studies in international marketing and the commitment of the editors to encouraging and publishing peer reviewed work of authors from developing nations as well as work from authors in developed countries. The editors have continually supported the view that there are many promising studies which, with the right encouragement, provide important contributions from non-European and non-North American perspectives.

While there is much to celebrate with the publication of the second volume of the journal, there is also reason for sadness among the editors and the editorial board. Professor Moonkyu Lee, a senior faculty member at Yonsei University in Korea passed away on January 27th, 2014 while on a business trip in Beijing.

Moonkyu Lee graduated from the University of Illinois at Urbana Champaign with an MS and Ph.D. in Marketing. He joined the marketing faculty at the University of Colorado Denver and made many contributions to the field of marketing and to our Business School. He was an exceptional colleague, a very valued co-author and most importantly a very close friend to those of us who had the pleasure of knowing him.

Moonkyu reluctantly accepted an offer from Yonsei University, his undergraduate alma mater, to assume responsibility for his aging parents. Moonkyu served in many roles and made many contributions to Yonsei University during his nearly 20 years at the institution.

Most recently, Moonkyu played a role in helping us develop the editorial board at the *Journal of International Marketing Strategy* as well as contributing an article to the first issue. The simplest way to comment on the passing of Moonkyu Lee is to say that he will be sorely missed.

In the coming months, we plan to move forward with new volumes. While we have discussed many potential volumes, we have decided to focus one or two issues on the intersection of international marketing and entrepreneurship and have developed some novel ways of addressing the topic. We felt that this volume will provide a platform for contributions from international entrepreneurship academic and business individuals from around the world. The call for this volume of the journal will be available shortly.

We have received substantial support from both Howard University and the University of Colorado Denver. Barron H. Harvey, the Dean at School of Business at Howard University provided encouragement and financially supported the publication of this issue. Sueann Ambron, Dean of the Business School, Jean Claude Bosch and Clifford Young, Associate Deans at the University of Colorado Denver, supported this issue of the journal with substantial resources in terms of student research assistants.

As with the first issue of the journal, the process of encouraging manuscript submission, review and editing is a long one. There are so many people who are deserving of our thanks. First, we would like to thank Dr. Kamal Agarwal of MTMI for his constant support. The journal is only possible because of the authors that support us, the reviewers who sacrifice their time to carefully examine the papers and our editorial board who make many contributions.

The editors wish to particularly thank Nancy A. Reed, who is Director of International Admissions at the Business School at the University of Colorado Denver, for her continuing help as the Assistant Editor of the journal.

We are deeply indebted to all the above people and institutions for continuing to help us take a journal from concept to a product.

Pravat Choudhury  
Lawrence F. Cunningham

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# LOCATION CHOICE AND ENTRY MODE OF EMERGING MARKET MULTINATIONALS: A STUDY OF CHINESE FIRMS

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**ABSTRACT:** This study explores the location choice and entry mode strategies of emerging market multinationals. Based on the data from 301 manufacturing firms from China, the results suggest that their location choice and entry mode strategies vary significantly across foreign markets and the type of foreign direct investment (FDI) operations. While Chinese firms pursue export opportunities in both developed and developing economies, they are more likely to engage in FDI operations in developed economies, including marketing, production, and research and development (R&D). Moreover, firm background variables and the host and home country institutional factors also affect their entry mode decisions. The findings have meaningful implications for understanding the internationalization of emerging market multinationals.

Keywords: foreign direction investment, location choice, entry mode, multinational corporations, China

## EXPLORING DRIVERS OF INTERNATIONALIZATION OF SMES IN AN EMERGING ECONOMY – CASE STUDIES FROM MALAYSIA

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### ABSTRACT

This paper is an exploratory study of the drivers of internationalization of Malaysian Small and Medium Enterprises (SMEs). The primary impetus for the study is the divided opinion of the influence of the size of the Malaysian market on internationalization efforts. In discussions with people in industry, the Malaysian market is perceived by some as being large enough for a domestic market based strategy. Alternatively some others feel that it is not large enough. There are numerous SME's in the country that operate in the international market in different sectors, in technology services, consumer and business products. Four case studies of Malaysian SMEs active in international markets were developed to focus on the drivers of internationalization for SME's in particular. The analysis of the cases revealed common drivers such as the entrepreneur's personality traits, network relations, and innovation as well as R&D in the firm that was specifically related to product and process technologies. In addition, unique and interesting drivers were revealed in the study including advancements in technology particularly the Internet, the role of the government and domestic market characteristics specifically low market acceptance of high quality goods, and the quality philosophy of the SME as drivers of internationalization. These findings indicate the need for further inquiry into the internationalization process and an examination of the implications for policy development.

Keywords: Internationalization drivers, small and medium enterprises, Malaysia.

# PERCEPTUAL MAPPING OF GREEN CONSUMERS: AN INNOVATIVE MARKET SEGMENTATION STRATEGY

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## ABSTRACT

There is growing interest among the consumers all over the world regarding protection of environment. Worldwide evidence indicates people are concerned about the environment and are changing their behavior. As a result of this, a philosophy of green marketing has emerged which addresses a growing market for sustainable and socially responsible products and services. The main purpose of this study was to weigh the environmental concerns and influences on consumers. The study provides the emerging dimensions of green consumers and provides the opportunity for developing market segmentation strategy for the product offerings of the marketers. The study further analyzed the gender and age effect of consumers on their revealed preferences for Green Marketing Issues.

Keywords: Green Consumer, Perceptual Mapping, Market Segmentation

## Service Perceptions in China

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## Abstract

This study investigates customer-based views of generic services from a Chinese consumer perspective. The data for the study were collected using students in a university setting as surrogates for Chinese consumers and were analyzed using a multidimensional scaling technique. The study indicates that only two dimensions, customization/standardization and person/object are responsible for most of the variance in the classifications. The paper discusses the implications of the findings in both the context of theory and for service businesses operating in the Chinese environment. The study is limited by the use of university students as surrogates for consumer and the limitations of multi-dimensional scaling. Despite these limitations, the study is useful to Chinese managers of service organizations because it provides information on how Chinese consumers view generic services in general and in relation to each other in the Chinese environment. Chinese managers may gain insight into the possible ways that these managers may reposition their service in relation to other services. For Chinese service managers, this information may lead to the formulation of better strategy especially in the area of non-technical services.

Keywords: Services, services marketing, China services