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“Where to” Micromultinationals? A Tribute to Professor Pavlos Dimitratos

Abstract. This reflection serves as a tribute to Professor Pavlos Dimitratos by providing a state-of-the-art understanding of micromultinationals (mMNEs), an important term initially coined by Pavlos and his colleagues (2003) in their *European Management Journal* article “Micromultinationals: New Types of Firms for the Global Competitive Landscape” to capture the rising phenomenon of international small- and medium-sized enterprises (SMEs) with advanced modes of entry. Whilst underexplored, such firms have critical research, managerial, and policymaking implications for their increasing population and significant value-added activities in home and host economies relative to exporting firms. Based on a short analysis of existing mMNE studies, we appeal for more scholarly attention to their evolution, behavioural characteristics, and consequences, particularly in the area of SME internationalisation. We suggest several promising future directions to investigate this intriguing type of entrepreneurial firms and, using a Scottish context, show how they are appealing to policymakers.

Keywords: Micromultinationals; SME internationalisation; Pavlos Dimitratos

1. Introduction

This reflection on micromultinationals (mMNEs) as a subject of scholarly research is a tribute to Professor Pavlos Dimitratos. In January 2021, his sad passing was a great shock to the International Business academic community. As a prolific International Business and International Entrepreneurship scholar (Henry, 2009), he received over 5,600 citations on *Google Scholar* as of May 2021. There is little doubt that it is difficult to capture the complete scholarly contribution of Pavlos because of his broad publishing record, but we will attempt to highlight and illustrate how he initiated and developed the work on mMNEs. The term mMNE focuses on an increasingly important breed of small- and medium-sized enterprises (SMEs) with advanced (non-exporting) servicing modes orchestrating their cross-border value-added activities (Dimitratos, Johnson, Slow & Young, 2003). These firms represent a brigade of international SMEs with greater global ambitions than merely being exporters (Ibeh, Johnson, Dimitratos & Slow, 2004), and Jones, Coviello & Tang (2011) recognised mMNEs as a particular venture type of entrepreneurial internationalisation.

Eighteen years ago, Pavlos and his colleagues identified and conceptualised these interesting SMEs in the *European Management Journal*. Since then, we have witnessed a proliferation of empirical studies on a few aspects of mMNEs. Nevertheless, compared to other research themes of SME internationalisation, the topic of mMNEs has received relatively limited attention (Monaghan & Tippmann, 2018). This research insufficiency is surprising because by orchestrating their cross-border operations, mMNEs constitute a critical vehicle for transferring technologies and management skills, intensifying co-competition, and stimulating entrepreneurship in the global marketplace. The study of mMNEs is vital in reducing disconnect within international business and entrepreneurship theories and has great potential to bridge the

research streams of multinational enterprises and SME internationalisation. Indeed, Dimitratos (2020) envisaged that mMNEs should be a focal firm of interest in both fields of international business strategy and IE. Accordingly, we plan to ground this reflection in a concise review of the status quo of this important strand of studies in the fields of international business and international entrepreneurship and to identify future mMNE research directions and address associated policy implications based on this stocktaking.

We begin by providing a short biography of Pavlos, followed by a discussion of the mMNE concept. Next, we explain what we have learnt since the 2003 article on mMNEs' theories, antecedents, behaviours, and outcomes. Further, future research directions are suggested for advancing the knowledge of mMNEs. Finally, we illustrate the impact of such firms on policymaking by using the example of Scotland.

2. A short biography of Pavlos Dimitratos

Pavlos Dimitratos was Professor of International Business, Founding Member and Co-Lead of the International Business and Enterprise Research Cluster at Adam Smith Business School, the University of Glasgow. Moreover, he was the elected Chair of the Academy of International Business UK & Ireland Chapter. He received his undergraduate education in Greece and his MBA from the University of Rochester in the United States. His PhD was completed at Manchester Business School, the University of Manchester.

The first academic post he held was Research Fellow and then Lecturer at the University of Strathclyde between 2000 and 2004, where he met his lifetime colleagues and friends, Stephen Young, Kevin Ibeh, and Marian Jones. This was also when the first mMNE paper was published

(Dimitratos et al., 2003). Subsequently, splitting his time between Glasgow and Athens, Pavlos was a Visiting Research Fellow at the University of Glasgow and an Assistant Professor at Athens University of Economics and Business. In 2011, Pavlos became a full-time Professor at the University of Glasgow and never left. During his 20-year academic career, he was a long-standing contributor to leading academic journals and conferences in the areas of international entrepreneurship and international management, with more than 45 peer-reviewed journal articles, four guest editorials, one monograph, six edited books, more than 30 book chapters, and 95 mentions in international conference proceedings.

3. Conceptualising and reviewing mMNEs

3.1. The concept of MNEs

An mMNE is defined as: ‘...a small- and medium-sized firm that controls and manages value-added activities through constellation and investment modes in more than one country’ (Dimitratos et al., p. 165). Although mMNEs do not necessarily establish foreign subsidiaries, contrary to exporting SMEs, they demonstrate greater international aspiration through their direct involvement in cross-border value-added activities such as sales, marketing, production, and research and development, through advanced servicing modes (e.g. licensing, franchising, and joint ventures).

mMNEs do not emphasise internationalisation *speed* or *pace* as do born globals and international new ventures. Born globals refer to those SMEs that achieve a global presence through undertaking fast processes of internationalisation (Lopez, Kundu, & Ciravegna, 2009), while international new ventures are defined as ‘business organisations that from inception seek

to derive significant competitive advantage from the use of resources and the sale of outputs in multiple countries' (Oviatt and McDougall, 1994, p. 49). However, the research on mMNEs is still often placed in the area of international entrepreneurship (IE). This is because the internationalisation behaviour of the mMNEs usually manifests key characteristics of international entrepreneurial orientation, including risk-taking, networking, and learning propensity (Dimitratos, Amoros, Etchebarne & Felzensztein, 2014). According to Oviatt & McDougall (2005), IE firms discover, enact, evaluate, and exploit opportunities across national borders to create future goods and services. IE research has been almost confined to the study of international new ventures and born globals (aka. IE firms). There are four types of international new ventures: export/import start-ups, multinational traders, geographically focused start-ups, and global start-ups (Oviatt & McDougall, 1994). While mMNEs focus on the *market servicing mode* of internationalisation, IE firms are concerned with internationalisation *timing and pace*. Moreover, another similar yet distinct concept is the global small firm that seeks and achieves market presence in its industry's lead countries (Dimitratos, Plakoyianaki, Pitsoulaki, & Tüselmann, 2010). Together, these firms capture characteristics of SME internationalisation.

Nonetheless, mMNEs sometime overlap with IE firms. For example, it is possible to have "born mMNEs" that internationalise immediately after incorporation using an advanced mode of entry (Vanninen, Kuivalainen & Ciravegna, 2017). Similarly, "global mMNEs" are SMEs that have entered their industry's primary national market using an advanced mode of entry. Global start-ups are also likely to correspond with mMNEs as they proactively respond to globalising markets (Oviatt and McDougall, 1994). That being said, many studies on international SMEs have not recognised the mMNEs in their sample due to this overlap. For example, Liu (2017) studied born globals adopting collaborative entry modes that are equivalent to born mMNEs.

Therefore, the mMNE research is likely to be undermined when IE scholars focus on the market presence or the speed of internationalisation.

3.2. Literature review

To understand the status quo of mMNE research, we conducted a search to identify existing relevant studies. We adopted the following criteria when selecting journal articles related to mMNEs, including subjective and objective considerations. We initially performed keyword search queries for published journal articles in the *ISI Web of Science (WOS)* database for the period between 2003 and April 2020 (inclusive). In particular, we used the terms ‘micromultinational’, ‘micro-multinational’, and ‘mMNE’. To consider the impact, we excluded any journals below 3* ranking by chartered *ABS Journal Guide 2018*. In addition, the research domain was limited to ‘social sciences’ and the research area to ‘business economics’ in the English language. Moreover, we selected book chapters that have been influential to the development of the thematic area. Finally, we cross-checked the result on *Google Scholar* and compared it with additional search results in *EBSCO* and *ScienceDirect* databases. The result in these sources was, nevertheless, highly consistent.

We have listed our selection chronologically in Table 1. The nine journal articles and three book chapters have attempted to portray the theoretical bases, determinants, and outcomes of mMNEs, which are explained next.

Insert Table 1 here

3.3. Theories, antecedents, behaviours, and outcomes

3.3.1. Theoretical frameworks underpinning mMNE studies

As a new species of international opportunity-seekers with advanced modes, mMNEs can be probed from varied angles and at different system levels, ranging from individual to cluster one (Allison & Browning, 2006). Moreover, mMNEs are adaptive to strategic options such as resource-augmenting collaborations and alliances with multinational enterprises in order to overcome their smallness (Ibeh, Borchert & Wheeler, 2009). Related important research topics such as mMNE formation, strategic behaviours, and internationalisation pathways and outcomes are multifaceted in nature and in favour of a multidisciplinary approach (Dimitratos et al., 2014). Our review has identified several research frameworks in the provision of theoretical reasoning for extant mMNE studies, which include networking theory (Prashantham, 2011; Stoian, Rialp, & Dimitratos, 2017), opportunity-based view (Dimitratos, Johnson, Plakoyiannaki, and Young, 2016), learning theory or knowledge-based perspective (Stoian, Dimitratos, & Plakoyiannaki, 2018; Sinkovics, Hoque & Sinkovics, 2018), international entrepreneurial orientation (Dimitratos et al., 2014), effectuation theory (Magnani & Zucchella, 2017), and relevant theoretical combinations (Dimitratos et al., 2014; Shin, Mendoza, Hawkins, & Choi, 2017; Vanninen et al., 2017). These frameworks were exclusively drawn from IE or entrepreneurship and were used to analyse mMNEs primarily at the firm level. It may not be a surprise for the absence of disciplinary and unit of analysis diversity, given the infant stage of the mMNE research.

3.3.2. Which international SMEs are more likely to become mMNEs (antecedents)?

According to the conventional notion, SMEs are best suited to internationalise via exporting given their limited resources (Dimitratos et al., 2014). Thus, a prerequisite to understand the idiosyncrasies of mMNEs resides at which international SMEs are more likely to become mMNEs instead of being exporters alone. However, despite the appeals for examining the alternative modes beyond exporting of international SMEs (Jones et al., 2011), our review has identified only four pertinent empirical studies.

To begin with, Prashantham (2011) attested that international SMEs with higher stocks of cross-border coethnic social capital are prone to adopt higher commitment entry modes based on a sample of 102 Indian software SMEs. It was argued that this type of social capital could facilitate SMEs to overcome resource insufficiency in establishing advanced modes by providing them with the necessary knowledge, attractive opportunities, and potential partners. In a similar vein, Dimitratos et al. (2014) also confirmed the criticalness of networking to Chilean internationalised SMEs' adoption of advanced modes, in addition to these firms' risk attitude. Risk-taking SMEs tend to undertake substantial and risky resource commitment to overseas markets decisively and rapidly. Collectively, this study suggests that international SMEs that carry a risk-taking attitude and engage in intensive networking are more likely to be mMNEs.

Another interesting finding comes from Sinkovics et al. (2018) who explored how two Bangladeshi SMEs eventually grew into mMNEs. An analysis of these two firms signifies the role of absorptive capacity. Evidently, the focal SMEs designed their strategies, executed coherent routines to develop skills, and performed appropriate functional activities through their various stages of capability upgrading. Finally, by positing knowledge as a catalyst of firm internationalisation, Stoian et al. (2018) classified the knowledge bundles particularly required by mMNEs. They indicate that SME exporters need to upgrade in-depth worldwide network

knowledge, hands-on foreign market knowledge, and international set-up knowledge to become mMNEs.

Our brief analysis concludes that those international SMEs persistently upgrading their capabilities, inherently having a risk-taking propensity, intensively engaging in networking, and readily equipping themselves with necessary foreign market, network, and international set-up knowledge are more likely to become mMNEs.

3.3.3. *Internationalisation behaviours of mMNEs*

The second stream of mMNE research has depicted the unique behaviours of these firms in their international expansion. Compared to the aforementioned ‘antecedent’ studies, this stream of research has shed light on the activities of these international SMEs after their adoption of advanced servicing modes. This review located five empirical studies that have analysed mMNEs’ networking, uncertainty-coping strategic actions, core rigidities, market selection, and governance structure adjustment.

First, Dimitratos et al. (2016) intriguingly observed that mMNEs engage in alliances with *competitors* more intensively than exporting SMEs. According to their case analyses, there are several significant benefits enjoyed by mMNEs through such alliances, including acquisition of insider experience and know-how, generation of royalties, and cost-sharing. By comparison, it was found that both mMNEs and small exporting firms form relationships with noncompetitors at moderate levels. Second, for the influence of inter-organisational networks on international SMEs’ innovative behaviours, Stoian et al. (2017) confirmed a significant and positive impact for mMNEs and an insignificant one for exporting firms. This divergence may attribute to an

increase in collaborative interactions due to high levels of resource commitment or access to complementary resources provided by equity-based alliances.

Another mMNE behavioural aspect that has been explored is uncertainty-coping strategic activities. Magnani & Zucchella (2019) found that mMNEs from the United States use an effectual logic or a combination of causal and effectual logics to cope with uncertainty. These mMNEs concentrate on global clients, work closely with their clients to co-create customised solutions, and control production processes to reduce encountered uncertainties. Echoing the importance of flexibility in the effectual logic, Dimitratos, Johnson, Ibeh & Slow (2009) discussed the transformation of core competencies into core rigidities that may inhibit the growth of mMNEs. They identified six organisational rigidities that reduce the competitive advantage of the mMNE and lead to incumbent inertia. These rigidities are associated with mMNEs' failure to monitor external changes, prioritise market opportunities, and acquire access to financial resources as well as the existence of production orientation, opportunistic and reactive management style, and a centralised organisational culture in mMNEs.

With regard to the location choice and governance structure of *born mMNEs* – those which start international expansion shortly after their inception, Vanninen et al. (2017) found that these firms pay great attention to strategic markets, where they can approach their key clients and collaborators, acquire visibility, and build a good reputation; born mMNEs consider both opportunity and strategic elements in choosing an appropriate market, but the weight of strategic consideration increases with the progress of multinationalisation. Noteworthy, the study also showed that born mMNEs do *alter* their governance structures in order to serve clients better, achieve the desired level of control on operations, or even attain the personal objectives of entrepreneurs.

Overall, these studies indicate that mMNEs value and interact intensively with customers and other key actors, including competitors, in the processes of innovation and multinationalisation. These firms are likely to use an effectual logic or a blending of effectual and causal logics when addressing uncertainties; they sometimes even change their governance structure for optimising overseas operations; and eventually, they act as both opportunists and strategists when deciding on foreign locations, while the latter occupies an increasingly significant role when the course of multinationalisation proceeds.

3.3.4. Organisational outcomes

Organisational outcomes constitute a crucial topic in international business, enabling investigation of why some international enterprises thrive, while others struggle to survive (Hult, Ketchen, Griffith, Chabowski, Hamman, Dykes & Cavusgil, 2008). This research strand is of particular importance to mMNEs as these firms are seemingly susceptible and vulnerable to operational failures because of their high overseas commitments, substantial exposure to uncertainties, and constrained resources. We analysed four mMNE studies that had incorporated organisational consequences in terms of international growth, degree of internationalisation, and organisational performance in their investigations.

First, according to Magnani & Zucchella (2019), international growth could be due to reduced perceived uncertainty through continuous identification of new global customers as well as enhancing relationships with existing ones by mMNEs. With regard to the degree of internationalisation, Prashantham (2011) confirmed higher levels of internationalisation possessed by mMNEs relative to SME exporters. Advanced servicing modes of mMNEs help to

yield threefold benefits that lead to a higher percentage of international sales. These benefits include direct interactions with key local actors that attenuate cross-cultural misunderstanding, facilitation of insidership acquisition, and access to technological know-how. Moreover, Stoian et al. (2017) also showed that the inter-organisational network-effectiveness association is bridged by foreign market knowledge and innovative activities. However, Shin et al. (2017) confirmed sectoral differences in the association between multinationalisation and performance. They found an inverted U-shaped relationship for knowledge-intensive service mMNEs, but a U-shaped one for capital-intensive service counterparts. The result may attribute to the sectoral divergence in initial investments and follow-up service standardisation.

To sum up, limited available evidence can only ratify some preliminary conclusions of mMNE outcomes. The relationships with global customers and other key actors play an essential role in mMNEs' international growth and degree of internationalisation, which nevertheless can promote organisational performance only if they lead to an improvement in mMNEs' market knowledge and innovative activities. The multinationalisation-performance association is not likely to be linear among service mMNEs and is also subject to sectoral differences. On the basis of the analysis of extant mMNE research, we offer some suggestions on future studies in the following section.

4. Future directions for mMNEs

Building on the seminal work of Dimitratos et al. (2003), future research could attempt to re-conceptualise the mMNE by focusing more explicitly on and beyond the typical dimensions of size, time, pace, and mode of internationalisation to better establish how this specific type of

firm compares/relates to other international firms. Further studies could examine how mMNEs differ in terms of their main motives for internationalisation and degree of multinationality. Are mMNEs driven by the same set of objectives when entering foreign markets? Why do they opt for more advanced servicing modes despite their smallness? What is the magnitude of their foreign commitment (in terms of the number of foreign countries entered early on, key activities performed in foreign markets, foreign sales to total sales, foreign employees to total employees, foreign assets to total assets)? Lastly and importantly, how do they make such commitment decisions?

Following a similar line of thinking, future studies could focus closer on the idiosyncratic characteristics of this particular type of firm. Adding to the scant existing research that encompasses networking, risk-taking, and learning orientation for the mMNE, additional work could embrace multiple levels of analysis, including the industry (sector), firm, and individual level. Are there other firm-related factors and/or characteristics of entrepreneurs or management teams that lead to a higher probability of an SME becoming an mMNE? Portraying the particularities of the mMNE within but also across industries could offer enriched understanding. Exploring mMNEs across traditional and non-traditional sectors could capture potential industry effects and depict additional heterogeneity amongst mMNEs.

In further addressing the effect of context, future studies may consider incorporating the role of the external environment. Organisational activities are essentially a reflection of the characteristics of the environment in which they occur. Home and host country environments incorporate opportunities and threats that affect the behaviour of any type of international firms. Exploring mMNEs from both emerging and developed markets could help reveal the specificities of mMNEs within various settings and further enhance the generalisability of findings. In

addition to the two dimensions of munificence and uncertainty, the ‘three pillars’ of national institutions typically used in international business research could be employed by studies seeking to examine the environmental effects on the emergence and evolution of the mMNE. Pertinent questions to investigate further are related to the specific types of institutional environments under which mMNEs can predominantly flourish. Moreover, considering that mMNEs may deploy more networking, alliance, and even collaborative equity modes, it would be relevant to understand the influence of external stakeholders in both home and host countries on mMNE activities.

Research depicting the unique behaviour of the mMNE in its international expansion could further incorporate the effect of time. Questions to explore under this issue include the following: How do mMNEs evolve in terms of growing their foreign commitment? How do they identify and exploit opportunities in foreign markets? Why and how have some mMNEs eventually grown into giant MNEs? Longitudinal studies might provide fruitful insights to explore the evolution process of the mMNE. Moreover, the research scope of mMNEs’ activities could be substantially extended. For instance, although mMNEs are seldom involved in cross-border acquisitions, little is known about why and how a few exceptions adopt this entry strategy relative to other advanced modes (Kiessling, Vlačić & Dabić, 2021). Furthermore, the existing mMNE studies are highly likely subject to ‘survivor bias’, i.e. focus on mMNEs that have managed to survive over time and exclude failed ones. However, there are reverse examples of prior mMNEs which turned back into exporters or domestic firms. Questions to explore therefore include why and how these small firms *de-internationalise*. Another largely ignored behavioural aspect resides in mMNEs’ corporate social responsibility (CSR) activities. Unlike MNEs, mMNEs are not seemingly able to set the CSR standard for their whole supply chains because of

their smallness. It would be of great value to explore how mMNEs interact with their international partners or other actors to formulate their CSR practices and organisational identification (Lythreathis, Mostafa, Pereira, Wang, & Giudice, 2020).

Furthermore, the relationship between mMNEs and business outcomes requires further investigation. Future research may examine different performance indicator variations that exist across groups of internationalised SMEs to examine whether firm-specific characteristics of the mMNE and the multinationality factor are linked to better international performance. The impact of multinationality on performance has a temporal dimension. Through time, the benefits of internationalisation tend to prevail over liabilities and costs in the presence of significant firm-specific advantages (Thomas & Eden, 2004), such as accumulated experience and learning in the host country (Lu & Beamish, 2004). It would thus be relevant to explore important differences in high-performing versus low-performing mMNEs. Both financial and operational indicators may be used to evaluate performance (Gerschewski & Xiao, 2015). To accentuate the importance of mMNEs to practitioners and policymakers, the spillover effects of mMNEs should be researched, which remains to be a current gap. For example, mMNEs' technology spillover may facilitate knowledge transfer to local SMEs and enhance their knowledge base and technology. Qualitative studies may be initially conducted to examine the phenomenon. A pertinent example can be European mMNEs clustering with local SMEs and MNEs in science parks or economic development zones in China (e.g. Filatotchev, Liu, Lu & Wright, 2011; Liu, 2008).

Finally, new theoretical approaches beyond the fields of international entrepreneurship and entrepreneurship could add considerable value to the systematic study of the mMNEs. Theories from the fields of strategy, innovation, and leadership could be particularly applied to complement existing analytical approaches. While the resource-based view and dynamic

capabilities perspectives could facilitate analyses at the firm level, the investigation of regulatory, cognitive, and normative dimensions of the institutional environment (e.g. Busenitz, Gomez & Spencer, 2000) in which the mMNE operates could shed new light on the creation and further development of the firm. Questions to explore further include whether and how different country institutional profiles, depicting government regulations, affect the development of the mMNE. Ecosystem theories could offer a fresh approach to explore mMNEs as part of their broader environment. Ecosystem-specific advantages and context-specific advantages could potentially play a significant role in supplementing existing internationalisation theories (Nambisan, Zahra & Luo, 2019), with respect to the type of the mMNE. The theoretical perspectives in the field of innovation, such as the open innovation model, can also be utilised further in conjunction with the existing networking theory to investigate how mMNEs accumulate innovatory capabilities by spanning firm boundaries via international intermediates in multinationalisation (Lee, Park, Yoon, & Park, 2010). Furthermore, as top management team plays a dominant role in SMEs, the implications of leadership styles (e.g. transformational leadership) (Engelen, Gupta, Strenger, & Brettel, 2015) in mMNEs to their international growth and organisational outcomes could also be explored.

5. Impact on policy: the Scottish case

The principles underlying the work on mMNEs lend themselves well to both the development of policy and, potentially more importantly, practical steps to support the international development of small businesses and, by extension, the economy. Concepts behind

mMNEs reflect changes that are occurring in the way firms do business internationally, for example:

- The growth and development of international value chains and the linked concept of just-in-time production call for specialisms that can sometimes only be delivered by small, dynamic businesses that can adapt their products/services to add value at key stages.
- As large businesses seek to optimise their global, or at least, international footprints, local supply considerations become important – this provides opportunities for small dynamic businesses.

These examples alone, however, do not necessarily imply that mMNEs will be the solution to any particular policy situation, but aspects of current and potential mMNEs' characteristics and behaviours identified in this reflection make it a feasible option. From a policy stance, *forward-looking management* is particularly relevant. Businesses that adopt such management style are likely to be exploring ways to grow the business at home and abroad; they are also, therefore, likely to consider the potential of having an overseas operation at an early and/or small stage – the critical 'tick' for being an mMNE. Seeing more businesses thinking this way influenced the development of international support for businesses in Scotland. The ACE framework: ambition & awareness, capacity & capability, and expansion & exploitation (Slow, 2014; Slow & Fletcher, 2017; Slow & Fletcher, 2018), incorporated the potential for mMNE activity (specifically in the expansion & exploitation stage) and underpinned Scottish Government policy (Scottish Government, 2019, see section 7.1).

Furthermore, deeper exploration of the modes through which businesses can become international beyond exporting - a prime criterion for being an mMNE - has outlined a number of routes that can be adopted (Slow, 2013; Slow, Fletcher & Slow, 2019); many of these are

readily open to small businesses that either are, or could become, mMNEs. The UK Business Impact and Conditions Survey (ONS, 2020) and Scottish Government Business Insights and Conditions Survey (BICS) (Scottish Government, 2020) suggest that more businesses are considering setting up facilities overseas. Because of the COVID-19 pandemic and the changing nature of the UK's relationship with the European Union, smaller businesses are likely to consider overseas operations beyond exporting and earlier than they might have done historically. Being able to support those businesses effectively as part of their development and growth is already a priority of the Scottish government.

6. Conclusion

By embracing advanced servicing modes, mMNEs represent an important but underexplored type of international SMEs. This paper reviewed existing mMNE studies and discussed the directions for future research as a tribute to Professor Pavlos Dimitratos whose groundbreaking work (Dimitratos et al., 2003) paved the way for this stream of research. Our analysis concludes that despite recent progress, the research on mMNEs is still largely at the early stage and thus has provided relatively limited knowledge of mMNEs' evolution, behavioural characteristics, and consequences. Accordingly, we make a plea for increased research efforts to offer a fuller account of mMNE phenomena. For future studies, there is significant room for further developing the concept of mMNE, capturing additional idiosyncratic firm characteristics, incorporating the effects of context and time, and improving performance indicators. To provide fresh insights into this strand of inquiry, it is imperative for mMNE scholars to look on additional theoretical perspectives beyond IE and entrepreneurship frameworks, particularly including institution-based view and ecosystem theories that capture

broader external influences, and innovation and leadership models that shed light on additional internal impacts. Pavlos' mMNE legacy has not only strong theoretical significance but also great policymaking implications because these firms could play a key role in just-in-time and local supply chains, as we have demonstrated through the case of Scotland.

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Table 1. Important journal articles and book chapters on micromultinationals (2003-2020)

Year of publication	Author(s)	Journal	Country(-ies)	Methodology	Outcomes examined
2003	Dimitratos, P., Johnson, J., Slow, J., & Young, S.	EMJ	Greece, UK, US	Case study	mMNEs constitute a distinct body of internationalised firms different from large multinationals and other types of internationalised small businesses, such as 'global small firms' and 'international new ventures'.
2009	Dimitratos, P., Johnson, J.E., Ibeh, K.I. & Slow, J.	Book chapter	Scotland (UK)	Case study	Six interrelated areas of organisational rigidities were identified.
2009	Ibeh K., Borchert O., Wheeler C.	Book chapter	N/A	Conceptual	mMNEs tend to transcend size-related limitations on their global ambitions by exploring and embracing feasible strategic options, including resource-augmenting collaborations and alliances.
2011	Prashantham, S.	BJM	India	Mixed method	Higher stocks of cross-border coethnic social capital facilitate the adoption of higher-commitment entry modes by micromultinationals.
2014	Dimitratos, P., Amorós, J. E., Etchebarne, M. S., & Felzensztein, C.	JBR	Chile	Logistic regression	Because of the positive association between mMNEs and international performance, the suggestions for the management of internationalised firms are to nurture a risk-taking propensity and cultivate a networking orientation.
2016	Dimitratos, P., Johnson, J. E., Plakoyiannaki, E., & Young, S.	IBR	Greece,UK, US	Case study	To explore possible attitudinal differences regarding exploitation of opportunities within firms in each of three internationalisation dimensions that are previously identified in the literature, notably time to internationalisation, country market presence, and international mode.
2017	Shin, J., Mendoza, X.,	IBR	Spain	Regression	Knowledge-intensive service mMNEs increase their performance in the initial stage of multinationality, encounter a threshold of

	Hawkins, M. A., & Choi, C.			modelling	internationalisation at relatively low levels of multinationality and have a propensity to over-internationalize. By comparison, capital-intensive service mMNEs experience negative performance effects at low levels of multinationality and positive ones as they further internationalise.
2017	Vanninen, H., Kuivalainen, O., & Ciravegna, L.	IBR	Finland	Case study	The multinationalisation process of born mMNEs consists of commitment decisions; reconfigurations of the value chain; and learning from, and creating and building trust with internal sources.
2017	Stoian, M. C., Rialp, J., & Dimitratos, P.	JSBM	UK	Structural equation modelling	Interorganizational networks have an indirect influence on international performance, but differences are found among the two groups of internationalised SMEs.
2018	Stoian, M. C., Dimitratos, P., & Plakoyiannaki, E.	JWB	UK	Interpretive interview study	A framework that enhances the knowledge-based perspective by showing that micromultinational expansion is led by tacitly dominated knowledge of internal actors related to products, industries, and markets and facilitated by functional knowledge provided by external actors.
2019	Magnani, G., & Zucchella, A.	IMR	US	Qualitative exploratory study	The global niche strategy emerged as a successful path to address uncertainty in smaller firms' internationalisation.
2020	Dimitratos, P.	Book chapter	N/A	Conceptual	The mMNE is a salient international entrepreneurial firm that has been neglected from most empirical work.

Abbreviations for journals in the table:

BJM – British Journal of Management; *EMJ* – European Management Journal; *IBR* – International Business Review; *IMR* – International Marketing Review; *JBR* – Journal of Business Research; *JSBM* – Journal of Small Business Management; *JWB* – Journal of World Business