***The International Marketing Business Model* of Long-Established Family Businesses: familism and determinants of internationalization.**

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Summary The globalization of markets has made international expansion a compulsory strategy for all businesses aiming for long lasting competitive advantages and survival over the long period, even for longstanding businesses and family firms. This study has investigated the influence of the degree of familism on the determinants and on the internationalization pathways of the long-established family business (LEFB), also considering the relations running between the determinants and the pathways themselves. The analysis, conducted on a multiple case study, has highlighted the relationship between different clusters of businesses for each of the chosen pathways and a specific *International Marketing Business Model.*

Keywords: Long-established family business . International Marketing Business Model . Determinants of internationalization . Internationalization pathways . Multiple case study.

1. Introduction

To date, the internationalization of family businesses has undergone very little investigation. The phenomenon of internationalization can be understood as "*an act of entrepreneurship"* (Lu, Beamish, 2001, p. 567) that translates into a strategy of expansion onto new markets, in the search for business opportunities abroad. Nonetheless, international entrepreneurship is a business process of "*discovery, activation and exploitation of opportunities – beyond national borders – for the creation of future goods and services"* (Oviatt, McDougall, 2006, p. 540). This study confines the investigation to a particular segment of family businesses, represented by the long-established family business (LEFB), which owes its ability to last over time essentially to the four Cs – continuity, community, command and contacts (Miller, Le Breton-Miller, 2005). In particular, in order to verify the influence of the degree of familism on the

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international development of a particular type of family business, a theoretical framework is used, constructed on the main scientific contributions found in the literature on this subject and applied to the universe of the centenarian businesses enrolled in the Association for "The Centenarians". Finally, the marketing orientation for each cluster of businesses is analysed.

2. Theoretical background

The importance that these issues have gradually assumed finds confirmation in the relatively recent contributions found in economic-business literature on the subject of internationalization determinants of family businesses (Cerrato, Piva, 2007). Most of these contributions identify the factors that can hinder or favour the propensity to internationalization of family businesses. To this regard, Gallo and Sveen (1991) identify the principal impediment to the enlargement of the geographic range of operation of the family firm in the fear of losing control of the business, causing reluctance to accept external expertise and new managers with international duties. In addition to these strictly organizational factors of impediment, Gallo and Pont (1996) add the resistance of management to internationalization due both to the lack of financial resources and the lack of adequate managerial training of the family members. On the other hand, long term orientation, rapid decision making and the possibility to construct alliances with other family businesses encourage the passage over the domestic borders. Okoroafo (1999) claims that it is the irregular monitoring of the evolutions of the global environment that limit the international expansion of family businesses, that according to Davis and Harveston (2000) receive positive impulses from investments in information systems, as yet underdeveloped in the family firm. Manolova *et al,* (2002) confirm the previous assertions of Gallo and Pont (1996) which state that it is the human capital of the firm which imposes itself as the selective factor for the passage of the firm onto the international scene.

Zahra (2003) adopts a different study perspective, taking into consideration the hindrance and/or driving factors to internationalization of the family firm as seen from the two rudiments of ownership and family involvement, so far treated indistinctively in the current literature. The results of the investigation, conducted on a sample of 409 manufacturing firms in The United States, can be synthesized in the positive effect of family ownership on the degree and on the geographic range of action of the internationalization; this effect is reinforced in the presence of family members on the management team.

On the contrary, Fernàndez and Nieto do not believe that there is any positive correlation between the internationalization of the family firm and family ownership. Without doubt it is a very strong claim, firmly supported by an empirical investigation conducted on a sample of nearly 6,000 small and medium family manufacturing businesses in Spain. However, the two authors share with Zahra (2003) the recognition of the role of family involvement in increasing the expansion abroad of the family firm. In particular, Fernàndez and Nieto (2005) refer to the presence of new generations in the family firm giving more incentive to growth abroad, in full agreement with Menéndez-Requejo (2005). On the other hand, Okoroafo and Koh (2010) believe that there is no positive correlation between internationalization of the family firm and the active presence of successive generations in the business.

The various contributions in literature on the role of family involvement in the management and internationalization of the family firm have found almost unanimously that the former has a positive contribution on the latter. The prospect of stagnation, however, brings to the attention the potentially negative effects of family ownership on international entrepreneurship. They are represented mainly by difficulties in growth and survival of the firm due to the scarcity of resources, above all financial (Landes, 1949, Chandler, 1990; Grassby, 2000), to the adoption of conservative strategies (Poza *et al.,* 1997; Allio, 2004) bent on the need for family stability, and to family conflicts and problems concerning succession (Levinson, 1971; Jehn, 1997; Schulze *et al.,* 2003). Following the same theoretical basis and using a sample of 1,035 American family firms, Sciascia *et al.,* (2010) come to the conclusion that there is a non linear relation between family ownership and international entrepreneurship. This means that the positive effects of family ownership on international entrepreneurship – the aforesaid prospect of stewardship – prevail over the negative effects of family ownership on international entrepreneurship – the aforesaid prospect of stagnation – up to an intermediate level of family ownership of 53%, above which the opposite situation applies.

Nonetheless, Casillas, Acedo and Moreno (2007) identify another series of factors that also significantly influence the international adventure of the family firm: for example, the degree of dispersion of the family members around the world, their level of education and experience, or the strength of the business' roots in the country of origin. Pinho (2007) enriches the contribution on the driving forces towards internationalization of the family firm, focusing on the capacity for innovation. Graves and Thomas (2008) examine the determinants of expansion abroad – commitment, financial resources, organizational skills – together with the specificity of the process of internationalization of the family firm, which can cross national borders very quickly, as in the case of succession, or through a sequence of phases. In this case, it is the initial phase which is the most critical as it regards overcoming internationalization barriers and finding the right people to facilitate foreign expansion. Once through this phase, the family firm is potentially capable of the same results as a non family firm (Graves, Thomas, 2004). To this regard, the field of study concerning the internationalization of family firms articulated around the Uppsala model includes among others Claver, Rienda and Quer (2007), Kontinen and Ojala (2010). Kontinen and Ojala highlight the preference of family firms for the indirect mode of entry into foreign markets where the perceived physical distance is reduced. The trend, however, is to move gradually towards markets that are physically more and more distant (Child, Ng, Wong, 2002). The literature has also carefully examined investments directed abroad in a close scrutiny of the processes of internationalization of family businesses. For example, Tsang (2002) believes that the approach to FDI by family firms is less formal and less structured than the non family approach both in the collection of information and in carrying out analyses.

Even though research on family firms is becoming gradually more refined in its models and conceptualizations (Sharma, 2004) leading towards a growing recognition of the managerial and strategic complexity of the phenomenon (Corbetta, 1995; Montemerlo, 2000), the investigations, especially the empirical ones, on internationalization issues (Chrisman, Chua, Sharma, 2003) and on the influence that the degree of familism has on the processes of expansion abroad are still very limited. The most recent contributions, in fact, talk about the effect that the family unit has on managerial behaviour and the financial performance of the business (Chrisman, Sharma, Taggar, 2007). There is also a lively debate in act on *familiness* as a variable resource over time and space, intrinsic in the family firm due to the involvement of the family members in the firm (Habbershon, Williams, MacMillan, 2003). The acceptance of the meaning was first amplified by Sahrma (2008) who identified the constitutive traits of families in their temporal aspects and their social, human, financial and physical capital; then by Zellweger, Eddleston, Kellermanns (2010), to whom we owe the introduction of the organizational identity among the dimensions of familism. The impact of the entrepreneurial family on internationalization decisions, however, is the focus of a very small number of studies – mostly on ethnical entrepreneurship – although the critical role notoriously undertaken by the entrepreneurial family in decision making (Mustakallio *et al.,* 2002) leads us to believe that the family holds this same centrality also in regards to internationalization.

It is evident, moreover, that the few existing contributions on the relationship between family ownership and propensity to internationalization have not produced univocal results, probably because the concept of family ownership has not always been appropriately separated from that of family involvement in the firm's management.

3. Hypotheses development

This literature review, therefore, shows space for further reflection and research on these issues that have not yet been fully explored.

This is the basis of the cognitive objective of this work: to evaluate the influence of the degree of familism of the LEFB on the determinants of foreign expansion and consequently, on internationalization pathways, highlighting at the same time the relationship between internationalization pathways and the international marketing business model.

In coherence with the aforementioned objective, the following research hypotheses have been formulated:

H 1: *The degree of familism of the long-established family business influences the determinants of foreign expansion*

H 2: *The internationalization pathways are influenced by the degree of familism of the long-established family businesses* (LEFB)

Corollary 2.1: *The internationalization pathways condition the international marketing orientation of the long-established family businesses* (LEFB)

The question if and in what measure the degree of familism influences the determinants and the internationalization pathways of the long-established family businesses is examined using an empirical analysis that does not exclude the relations existing between determinants, the paths themselves and the international marketing orientation of the businesses.

This study has been carried out in the knowledge of the importance that family businesses hold throughout the world, representing the industrial-economic fabric of numerous countries (IFERA, 2003); Morck, Yeung, 2003; Cruz Serrano *et al.,* 2006) and guiding the economic growth of emerging markets (Pistrui, 2001).

4. Methodology and data

The ambitious objectives of the research inevitably come up against the obstacles of a complex phenomenon, difficult to analyze statistically and containing variables that are not easily translated into mathematical models. One possible solution to the problem seems to be the multiple case study (or comparative method) of the *embedded* type (Yin, 2009). This method, where the object contains several analytic units for each of the cases selected, is found to be more solid than the study of single cases (Herriot, Firestone, 1983; Eisenhardt, 1989; Gibbert, Ruigrok, Wicki, 2008) where the results can be reciprocally confirmed or denied. In fact, according to the logic of theoretic repeatability, the cases are inter-related in such a way as to foresee results that may differ, but for foreseeable reasons (Yin, 2009).

To this intrinsic characteristic of the method must be added the flexibility of each evolution of the phenomenon under investigation together with the possibility to explore qualitative aspects connected to the interference of values and institutional aims (Lansberg, 1983) of the entrepreneurial family in its decision making processes of the family firm. The resources of the family, in fact, interact and combine daily with the resources of the firm giving life to a dynamic type of link that conditions decisions, paths of development and orientation in international marketing of the family firm.

All this leads to a multi-disciplinary research, as well as the necessity to find and interpret data in their context of reference through a series of operative steps finalized to the discovery, rather than the verification, of a phenomenon.

To this purpose, the first phase of the collection of data is to insert questions in an initial version of a semi-structured questionnaire for on-line pre-testing.

In particular, the pre-test is circulated via two mass mailings to the twenty-four LEFBs in Campania from "The Centenarians" Association, to the purpose of identifying those firms characterized by international trade strategies, direct and/or indirect entry modes and a foreign trade turnover of at least 5% of the total[2]. Family firms are classed as "centenarian" if they have existed for at least one hundred years – already completed or in the hundredth year – under the ownership of the same family for at least three direct line generations, are active and/or have their head office in Campania (South Italy) and hold an important position in their line of business.

TAB. 1 – *The family firms of "The Centenarians" Association*

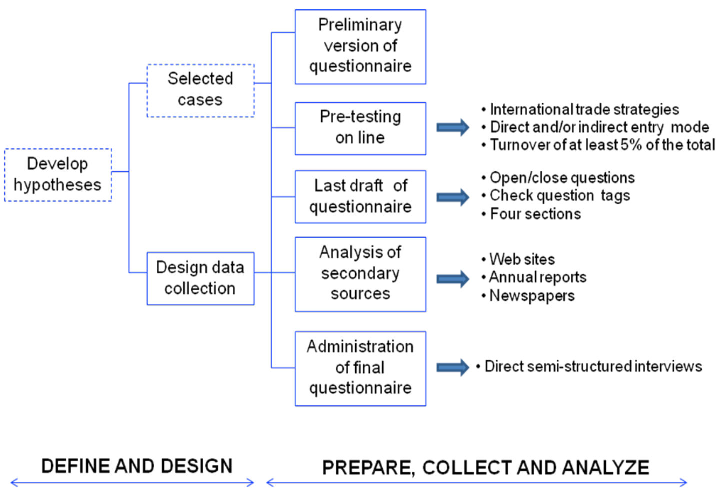
[2] The firms of the sample are identified by the names of trees in order to protect their privacy.

N.	Company name	Year Founded	N.	Company name	Year Founded
1	Ash-tree	1914	13	Juniper	1890
2	Sequoia	1731	14	Wattle	1850
3	Larch	1908	15	Maple	1890
4	Birch-tree	1836	16	Oak-tree	1780
5	Pine-tree	1815	17	Fir-tree	1781
6	Cherry-tree	1879	18	Walnut	1802
7	Cypress	1900	19	Plane-tree	1868
8	Poplar	1888	20	Palm-tree	1910
9	Elm-tree	1904	21	Linden-tree	1880
10	Olive-tree	1900	22	Citron-tree	1850
11	Lemon-tree	1911	23	Willow-tree	1820
12	Beech	1910	24	Chestnut-tree	1890

The first mass mailing received 8 replies (rate of reply 33.3%) while the second received 15 replies (rate of reply 62.5%). In other words, the number of pre-tests received is equal to 23, 14 of which in line with the selection criteria; therefore, the total rate of reply to the pre-test is 95.8%.

After the pre-test and selection of the firms to be studied, the questionnaire was then completed and the secondary sources (newspapers, internal documents, annual reports, press releases, web sites) were analysed.

FIG. 2 – *The principal methodology phases*



Source: our adaptation from Yin R. (2009), *op. cit.*, p. 57.

The questionnaire, articulated in open/closed questions and in question tags for verification – so as to reduce the risk of wrong interpretation – is made up of four sections. The first collects the personal data and the role of the interviewee's firm, along with the formal aspects of the business. The second – with responsibilities, experience and culture as sub-sections – detects the influence of the degree of familism on the internationalized business. The third – with commitment, financial resources and organizational skills as sub-sections – investigates the determinants of internationalization. Finally, the fourth section identifies the evolution of the international pathways of the sample businesses.

The questionnaire is administered by two researchers (Bryman, Bell, 2007) by means of semi-structured direct interviewing to at least one family member of the corporate tripod. The interviewees, therefore, were the principal exponents of ownership, the operative components of the Board of Directors and almost all the highest directors of the management, in that their position in the organization or the role they have had in the processes of change means that they are able to supply important information. This type of contact has allowed us to obtain, on one hand, greater homogeneity of data from the interviewees and therefore greater comparability of information, and on the other hand, access to the subjects in the firm who do in fact activate and influence the internationalization pathways.

No preliminary explanation however was given to the interviewees about the items of interest of the research project, in the aim of avoiding that such information condition their replies.

4.1. The conceptual model

In support of the multiple case study a *conceptual model* was used whereby the degree of familism was combined with the determinants and the internationalization pathways of the LEFBs.

A first key component of the model is the degree of familism which can be measured using the three dimensions of the F-PEC Scale: power, experience and culture (Astrachan, Klein, Smyrmios, 2002, 2005; Rutherford, Kuratko, Holt, 2008; Holt, Rutherford, Kuratko, 2010), adapted to the international profiles of the family firm.

Power is the expression of the degree of involvement of the family members in the ownership, government and management (*corporate tripod*) synthesisable in the following formula:

$$PF = \%\,EQ\,Fam + \%\,BoD\,Fam + \%Sb\,Fam$$

PF = power of the entrepreneurial family
% EQ Fam = percentage of stock capital of the family being the owner
% BoD Fam = percentage of family members being in charge of the governance
% Sb Fam = percentage of family members being in charge of business management

where:

The degree of familism, in fact, conditions not only the quota of ownership held by the entrepreneurial family, but also the strategic decisions capable of structurally influencing the evolution of the business (i.e. government) and the operative phases (Fazzi, 1982; Golinelli, 2005) which are carried out consequent to the choices and actions of men at the various organizational levels (i.e. management).

In this sense, the percentage ratio between the number of family members present on the board and the total number of subjects delegated to the government of the business allows us to define the percentage of family members who occupy positions of government while the percentage of family members who occupy positions of management is given by the ratio between the number of family directors and the total number of the components of the management team (Chua, Chrisman, Sharma, 1999).

Another important dimension of the F-PEC is represented by experience, which identifies the degree of involvement – that grows less than proportionally – of several generations in the typical activities of the corporate tripod.

Each generational succession, in fact, contributes to a considerable growth in the resources of experience and knowledge (Cabrera-Suarez, De Saa-Perez, Garcia-Almeida, 2001) at its greatest in the passage from first to second generation, less notable in the successive passages.

Experience and the system of knowledge developed and passed on over time stimulate the creation and the consolidation of a set of common values and shared visions both in the business and in the family that contribute to the creation of competitive advantages in the process of a reconfiguration of the resources. *Experience*, therefore, measures both the degree of " *resource provision*"[3] and the intention to guarantee continuity to the *familyness* of the business (Corbetta, Salvato, 2004).

The value of experience in family ownership, government and management is determined by an exponential function of the type:

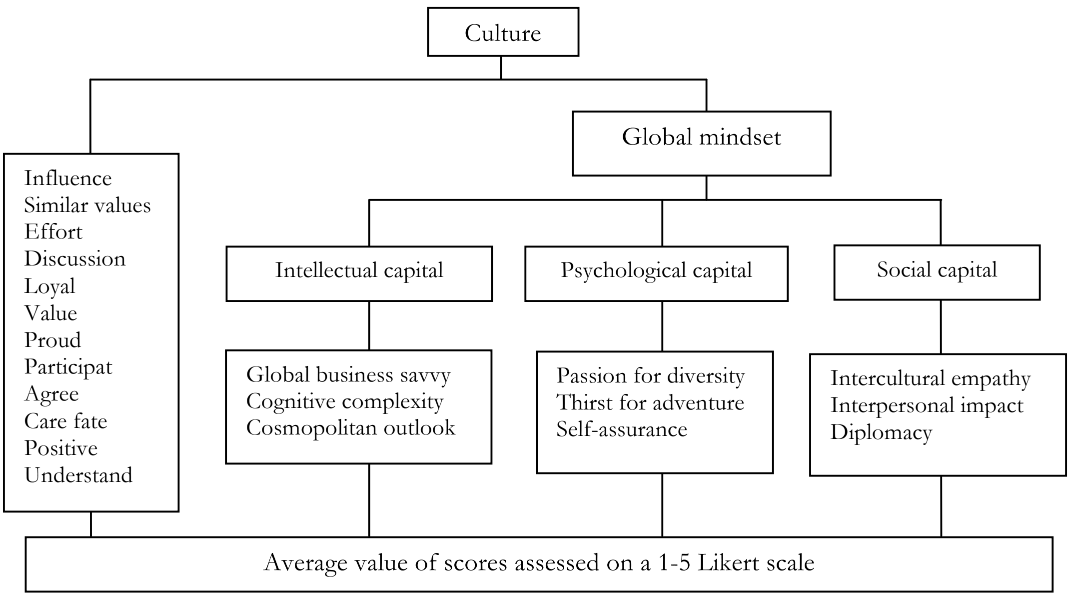
[3] Dialogue between parents and children, the possibility of starting relational networks with external subjects through family links, entrepreneurial activities of the children present in the business, are examples of how the multi-generation can bring an "added value" to the business and to the family itself.

$$y = \left(\frac{1}{2}\right)^x$$

where x represents the last generation present in the various components of the corporate tripod.

The last dimension of the F-PEC Scale is culture to which economic-business literature attributes multiple meanings (Smirchich, 1983; Davis, 1984; Schein; 1985, Gupta *et. al.,* 2004). According to Davis (1984), the culture of a business is the model of shared values and convictions that give meaning to what the members of an organization do and supply the rules by which their organization behaves. Schein (1985), on the other hand, believes that culture constitutes a model of assumptions, invented, discovered or developed by a certain group as they gradually learn to face up to their problems of adaptation to the external environment and internal integration – which has worked well enough to be considered valid and therefore to be taught to new members as the correct way of perceiving, thinking and feeling in relation to those problems. The elements that constitute culture are: artefacts, perspectives, values and assumptions[4].

FIG. 3 – *Cultural factors*



[4] According to Zahra *et al.,* 2004, *"culture"* is the result of the interaction of multiple factors among which we can note: values (personal and economical) to which the founders of the business aspire; the culture of the country of origin of the business and the family; the competitive conditions that the business has to face in its industrial sector etc. Zahra S.A., Hayton J.C. Salvato C., (2004). Entrepreneurship in family vs. non-family firms: a resource-based analysis of the effect of organizational culture. *Entrepreneurship Theory and Practice*, May, 363-381.

Source: our adaptation from ASTRACHAN J.H., KLEIN S.B., SMYRMIOS K.X. (2005), *op. cit*., p. 323 e ss.; JAVIDAN M., TEAGARDEN M., BOWEN D. (2010), *Making it overseas*, Harvard Business Review, April, p. 110 e ss.

For this study, however, culture represents the degree of overlap between business values and family values[5], as well as the degree of commitment of the family members both in following the business objectives and in guaranteeing the development of reciprocal inter-relations between the family, the business and the environment. Culture, therefore, can constitute a strong point for the entrepreneurial formula of the firm due to the contribution that it offers in terms of long term orientation, entrepreneurial formation, transmission of values such as commitment and personal sacrifice, cohesion and sense of duty and the dedication to work.

The so called expressive sub-dimensions of *"culture"* (Astrachan, Klein, Smyrmios, 2005) investigate, for example, the degree to which the family members are in agreement with the firm's objectives, plans and politics (agree); the family sharing of the company values (similar values); or how willing the family is to wait for the medium-long term results (participat).

In addition to these sub-dimensions there are also other factors that – synthesized in the concepts of intellectual capital, social capital and psychological capital – define the *"global mentality"* of the family firm.

As regards intellectual capital, or rather the knowledge of international business, the three fundamental factors are sense of global business, cognitive complexity and cosmopolitan perspective. On the other hand, intercultural empathy, interpersonal impact and diplomacy are the traits that help to construct relations based on trust (social capital). Finally, the predisposition for new ideas and new experiences (psychological capital), can be evaluated by focusing attention on the passion for diversity, on the thirst for adventure and on self confidence (Javidan, Teagarden, Bowen, 2010).

Culture, therefore, as a factor in the life span of a family firm, can be evaluated by using a 1-5 *Likert* scale in order to avoid an excessive concentration of results around the average. The

[5] Given that a unanimously shared definition of values does not exist, the literature offers various classifications. Tàpies and Fernández Moya identify three categories of values. In particular, values relative to family cohesion (respect, loyalty, honesty and reputation), to business sustainability (entrepreneurship, excellence, hard work, prudence, quality and profitability), to the transmission of the core value (social responsibility, accountability, transparency and especially, stewardship). In general, the values are fed, enriched transmitted and reinterpreted in the measure in which they are interiorized by adhesion that is convinced both in heart and mind and therefore becomes alive and operative in daily life and, especially, in the running of certain processes and decisions that are vital to the development of the family entrepreneurship. Tàpies J., Fernández Moya M. (2010). Values and longevity in family business: evidence from a cross-cultural analysis. *Eiasm, 6th Workshop on Family Firms Management Research*, Barcelona, Spain, June, 6-8; Coda V., Corbetta G. (2002). *La valorizzazione della imprenditorialità familiare*, Istituto di strategia ed economia aziendale "Gino Zappa", Università Bocconi. For further information refer to Klein S. (2008). *Embeddedness of Owner-Managers: The Moderating Role of Values* in Tàpies J., Ward J.L. (2008). *Family Values and Value Creation. The Fostering of Enduring Values Within Family-Owned Busines,* New York, Palgrave Macmillan, pp. 1-6; Garciá-Álvarez E., López-Sintas J. (2001). A Taxonomy of Founders Based on Values: The Root of Family Business Heterogeneity. *Family Business Review*, 14 (3), 209-230

calculation of the average score is, however, necessary for obtaining scores relative to the cultural dimension.

Unlike the international growth of non-family firms (Fernández, Nieto, 2005; Abdellatif, Amann, Jaussaud, 2010), the foreign expansion of family firms, including the long-established ones, suffers from the influence of the degree of familism over the whole process of internationalization, starting from the internal and external drivers of international entrepreneurialism. In particular, the former are attributable to organization factors,– in this case the availability of human ((Burgel, Murray, 1988; Gomez-Mejia, 1988; Oviatt, McDougall, 1995; Manolova *et al*., 2002) and financial capital (Bloodgood *et al*., 1996), networks (Zahra *et al*., 2000) and inter-company relations (Dana, 2001), background and international experience in management (Reuber, Fischer, 1997; Carpenter, Fredrickson, 2001), company dimension (Bloodgood *et al*., 1996) and localization of the firm (Steensma *et al*., 2000; Fernhaber *et al*., 2008), degree of external ownership (George *et al*., 2005), access to information (Autio *et al*., 1997) on foreign markets (Welch, Wiedersheim-Paul, 1980) – that reinforce the LEFBs in terms of international entrepreneurship (Zahra, George, 2002). The external drivers, on the other hand, are represented by environmental factors – intensity of global competition (Coviello, Munro, 1995), saturation of the domestic marketplace (Karagozoglu, Lindell, 1998), favorable institutional factors (Goerge, Prabhu, 2000) – that also have a positive influence on the LEFB's foreign expansion (Zahra, George, 2002). However, environmental uncertainty moderates the impact of the internal factors, amplifying the effects of international entrepreneurial drivers linked to heterogeneity in management[6] (Sciascia *et al.,* 2010).

The success of the family firm in the global marketplace, therefore, depends on the consideration of the principle determinants of internationalization (Graves, Thomas, 2008), to be found in the profuse *commitment* to the international adventure, in the availability of *financial resources* and in the ability to develop *organization skills* specific to foreign expansion.

More specifically, besides the growth opportunities of the domestic marketplace, the commitment of the family firm to internationalization (Johanson, Vahlne, 1977; Ripollés-Meliá, Menguzzato-Boulard, Sánchez-Peinado, 2007; Casillas, Acedo, Moreno, 2007) depends on the vision and the objectives of the family firm – arising from the ambitions and the propensity for risk taking of the entrepreneurial family – on the perspective adopted by the

[6] High levels of heterogeneity in the formative background of the managers and low levels of heterogeneity in their functional background activate international entrepreneurship (Carpenter, Fredrickson, 2001).

family in terms of financial return and on the characteristics of the successor (Ling, Kellermanns, 2010). In fact, we can usually recognize a more global mentality in the successor, a higher cultural preparation – both in languages and IT studies – more willingness to travel and a greater predisposition to innovation compared to his predecessor (Gallo, Sveen, 1991; Fernández, Nieto, 2005). In this sense, the new generation can significantly influence the company vision towards a change of direction (Wierserna, Bantel, 1992; Tihanyi, Ellstrand, Daily, Dalton, 2000; Sánchez-Peinado, Escribá-Esteve, 2007; Cesaroni, Sentuti, 2010), which also translates into a potential impact on the levels of family commitment to the path of international expansion. In particular, succession is the driving force of the family firm's international expansion, as long as there are particular conditions such as agreement between new generation ownership and management (Graves, Thomas, 2008), the possession of qualified managerial skills (Hall, Nordqvist, 2008) and work experience abroad or outside the family firm (Segaro, 2009). Also worthy of note are the contrasting opinions of those authors who state that no positive correlation exists between the presence of new generations and internationalization of the family firm, in that the successor steps into the continuity of his predecessor and does not act as a catalyser for change (Kellermans *et al.*, 2008; Claver, Rienda, Quer, 2009; Okoroafo, Koh, 2010).

The availability of financial resources for foreign expansion is also influenced by the degree of familism. It is an aspect not to be underestimated as the planning and implementation of internationalization processes create heavy financial obligations for the firm (Cooper, Nyborg, 1998). The entrepreneurial family should ask themselves at the outset how they are going to handle and overcome two main problems: how much information on the instruments available for internationalization financing do they possess and how to access the funds with which to finance the international operations (European Commission, 2008). Having said this, the influence of the degree of familism is exercised in terms of attitude towards external financing sources, regarding which internationalization, therefore, could prove itself to be "an excellent *opportunity for finding third party capital"* (Carnevale-Maffe, Venzin, 2005, p.59). The use of external resources coming from institutional investors, new partners or managers, in fact, allows the family firm to share the risks, to broaden foreign relations and to widen their managerial culture. However, most family firms adopt a conservative orientation, much preferring self financing to sharing the decision making power with a potential external financer (Basly, 2007). The attitude towards external financing resources is closely linked to the propensity to risk, which in family firms tends to be low due to the fact that ownership and management coincide. With reference to the process of internationalization, the level of risk perceived by the family is connected to various factors, such as the dimension of the family firm, the commitment to foreign expansion activities and the number of generations in command (Claver, rienda, Quer, 2008). This attitude towards external financing resources also stems from the objective of maintaining control in the hands of the family owners. The nomination to CEO of a member of the family and the pyramid structure are among the mechanisms that the family uses to maintain control over the family firm, conditioning its generated value (Peng, Jiang, 2010). The mechanisms for maintaining family control are also supported by mechanisms for its reinforcement – dual class stock, voting agreements, governing mechanisms – bent on preserving the "equity positions" of the entrepreneurial family (Villalonga, Amit, 2006). The influence of the degree of familism on the availability of financial resources for foreign expansion is also exercised in terms of family equity – broken down into the two constituent items of patient capital and dividend policy – which is influenced by family harmony, in the presence of which the firm is more willing to wait for financial returns over the long period and to reinvest the dividends into internationalization. The economic-financial performance obtained on the domestic marketplace and the access to industrial and government grants are also considered as factors which condition the determinant of financial resources and are, in turn, conditioned by the willingness of the family owner to take on business risks.

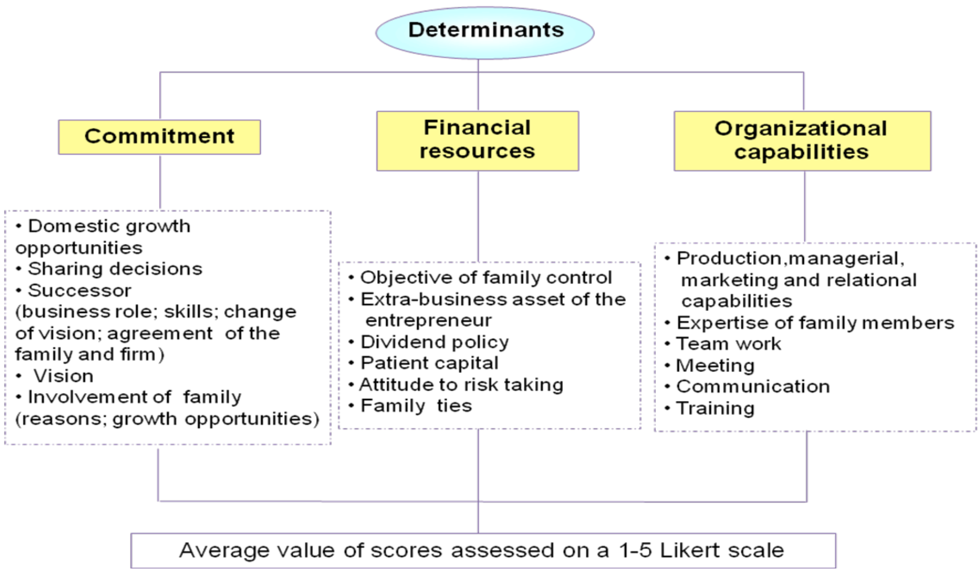
Finally, the degree of familism influences the business' capacity to develop critical organizational skills for its expansion abroad. These skills are to be found in the ability to respond to the needs of the domestic and international markets, to make high quality offers at globally competitive costs, and to develop new lines of products or adapt existing ones (productive skills); the ability to recognize and handle internationalization as a precious opportunity for longevity (managerial skills); the ability to recognize the centrality of the customer and to satisfy its needs (marketing skills); the ability to cultivate pre-existing international relations and to create new relational networks by organizing business missions abroad and taking part in trade fairs (relational skills). The degree of familism influences the determinant of the organizational skills through the expertise of the family members active in the firm and the willingness, dependant on the objective of maintaining family control, to use external professionals[7]. Family firms usually present a paternalistic orientation when

[7] In reality, being open to professional contribution from outside the family ownership, is fundamental for the integration of the internal business skills and competencies and is an efficient response to the challenge of international competition. Pearson and Ensley have found that a family based managerial team has more cohesion and a shared strategic vision and, at the same time, presents less conflict compared to the non family managerial team. Pearson A.W., Ensley M.D. (2005). An exploratory comparison of the behavioral dynamics of top management teams in family and nonfamily new ventures: cohesion, conflict, potency, and consensus. *Entrepreneurship Theory & Practice,* (29), 4, 267-284.

recruiting new staff. The father or the head of the family in fact, is more concerned with guaranteeing the occupational preferences of the family members, and allows himself to be guided by altruism, by "family values and personality issues" (Basley, 2007, p.13) rather than by an objective evaluation of the human resources potentially available. Nepotism provokes negative effects on business performance above all in international markets, where human resources are as critical a factor as financial ones.

The value of each of these three determinants of internationalization is obtained by calculating the arithmetic mean of the score assigned by the interviewee, called upon to reply to a set of questions on a 1-5 Likert scale (with 1 as minimum value and 5 as maximum value).

FIG. 4 – *The variables relative to the determinants of internationalization*

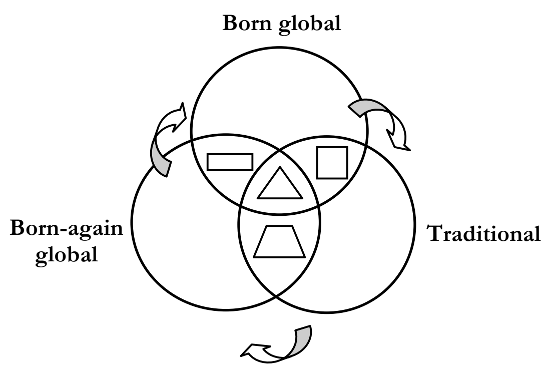


Source: our adaptation from GRAVES C., THOMAS J. (2008), *op. cit.*, p. 157-163.

The triad of the determinants defines and characterizes articulated and heterogeneous internationalization pathways of family firms, the choice of which is determined essentially by the tangible and intangible resources available to the entrepreneur. A taxonomy of the evolutions of the international pathways of family firms could possibly contextualize the moment of internationalization, the motivation behind the foreign expansion and the relative critical points and potential evolutions connected to the chosen path (Caroli, 2008). One of the possible pathways is that of the born-global firm (Knight, Cavusgil, 1996; Moen, Servais, 2002), typical of businesses that operate from their foundation in areas of global business independently of their firm's dimensions. Motivations are to be found in the characteristics of the sector, in the presence of global products, or the discovery of transversal segments of the market in different countries. The international vocation of the entrepreneur, his ability to manage the financial variables and the intangibles, together with the positive combination of the contextual factors, constitute the minimal conditions required for a supranational orientation. The born global firm could let its innate international projection evolve in decisive organizational changes and/or in an acceleration in the rhythm of foreign expansion towards any country in the world. The born-again global firm (Bell, McNaughton, Young, 2001) represents the international pathway of a firm that is passing from a local orientation to a global one following a business opportunity abroad or the desire of the entrepreneur, after having evaluated the firm's potential to compete abroad and to undertake the organizational changes necessary for this change of route. Other motivations could be innovation development, know how, high production costs, over production, availability of human resources and access to the labour market. The planned internationalization can evolve, moreover, in the search for new trade opportunities abroad or by the focalization of the business in certain geographic areas and/or businesses. The traditional firm (Bell, McNaughton, Young, Crick, 2003), however, rapidly undertakes the road to internationalization as it is forced or induced to do so by external forces that cause a "drag effect" on the business. For example, an internationalization dragged by customers, suppliers, competitors or other industrial and/or institutional partners. The traditional firm needs productive skills, know-how and eventual organizational development for the global scene.

However, nothing excludes that businesses can become international by following hybrid routes, characterized by elements common to several pathways, or that they change paths along the way.

FIG. 5 – *Internationalization pathways of family firms*



Source: our adaptation from CAROLI M. (2008), *op. cit.*

To this end, consider the area marked by the triangle, which includes the born global family firm with clear signs of external driving forces and a definite plan for international expansion. Equally interesting are the firms represented by the rectangle: these are born global family firms that have undertaken a born-again global type of internationalization pathway. The combination of the pathways of the born global family firms that continue to expand abroad dragged by external forces is, on the other hand, represented by the square. Finally, the trapeze represents the family firm that is not born global but internationalizes by taking on the characteristics typical of the born-again global and the traditional firms.

Finally, the internationalization pathways of family firms are investigated through the managerial aspects linked to international marketing and using the construct of the business model. It is, in fact, a model which synthesises the functions and processes capable of creating values for the business and the consumers by differentiating from its competitors (Watson D., 2005). For specific cases the analysis is limited exclusively to the actions of international marketing (*International Marketing business model*).

5. Discussion and findings

The analysis of the socio-economical, attitudinal and psychological characteristics of the long-established businesses belonging to the Association for the Historical Family Firms in Campania "The Centenarians" allows us to identify three strategic groups of businesses: born global, born-again global and traditional, made up respectively by 4, 7 and 3 units of observation.

More specifically, the elements which maximize the intra-group similarities and minimize the inter-group[8] similarities are: degree of familism, determinants of internationalization, number of generations that the firm has operated abroad, geographic area of action (EU countries, Extra EU countries, Asia, America, Rest of the world), activity under internationalization, foreign turnover, entry mode, pace of expansion, objectives of the expansion abroad, type of foreign customer. We will now proceed to describe the single groups without neglecting the logical relations between the various factors.

5.1 The born global firm

[8] BARILE S., METALLO G. (2002). *Le ricerche di mercato. Aspetti metodologici ed applicativi*. Torino: Giappichelli

Born global firms present a medium-high degree of familism (average value 8.46), which significantly influences the determinants of internationalization. In particular, commitment assumes an average value of 3.18, expression of a high level of commitment on behalf of the entrepreneurial family in extending its range of operations. These businesses are born with a global *vision* that has facilitated the transfer to a global culture, and has avoided making decisions based on the logic of emotions in the phase of recruitment of new generation human resources.

TAB. 1 – *Characteristics of the born global firm*

CHARACTERISTICS		COMPANY NAME			
		Pine-tree	**Oak-tree**	**Fir-tree**	**Poplar**
Degree of familism		9,46	9,16	8,53	6,69
Determinants of internationalization	**Commitment**	2,48	3,27	4,13	2,83
	Financial resources	3,67	3,17	3,17	2,67
	Organizational capabilities	2.79	2,26	4,18	2,27
No. of generations abroad		4	6	4	3
Geographic areas served		World	World	World	World
Pace of expansion		Rapid	Rapid	Rapid	Rapid
Internationalized activity		Sales Sourcing	Sales, Sourcing.	Sales, R&D, Sourcing.	Sales
Type of foreign customer		B2B, B2C	B2B, B2C	B2B, B2C	B2B, B2C
% Foreign turnover (year 2010)		60%	10%	30%	7%
Entry Mode		Direct	Direct	Direct	Direct, Indirect
International objectives		Turnover, Experience, Network	Turnover, Experience, Network	Turnover, Experience, Network	Turnover, Experience, Network

Furthermore, the entrepreneurial family shows a clear desire to make use of long standing assets for reinvestment as financial resources for internationalization (average value 3.17). In the same way, it is to be noted that the organizational skills of the business abroad have an average value of 2.88 which is reduced to 2.44 if we exclude the incidence of the "fir-tree" business from the cluster (average value 4.18). Particularly notable is the high propensity for the current generation to transfer *organizational capabilities*. However, the latter, in particular managerial and interpersonal skills, offer much room for improvement as regards the capabilities necessary for dealing with the international adventure.

Born global firms operate throughout the world from their foundation, serving many markets at a time and internationalizing their sales, sourcing and research and development activities. The product is collocated without any kind of adaptation onto the international market of consumer and industrial goods, producing an average foreign turnover of 26% (year 2010).

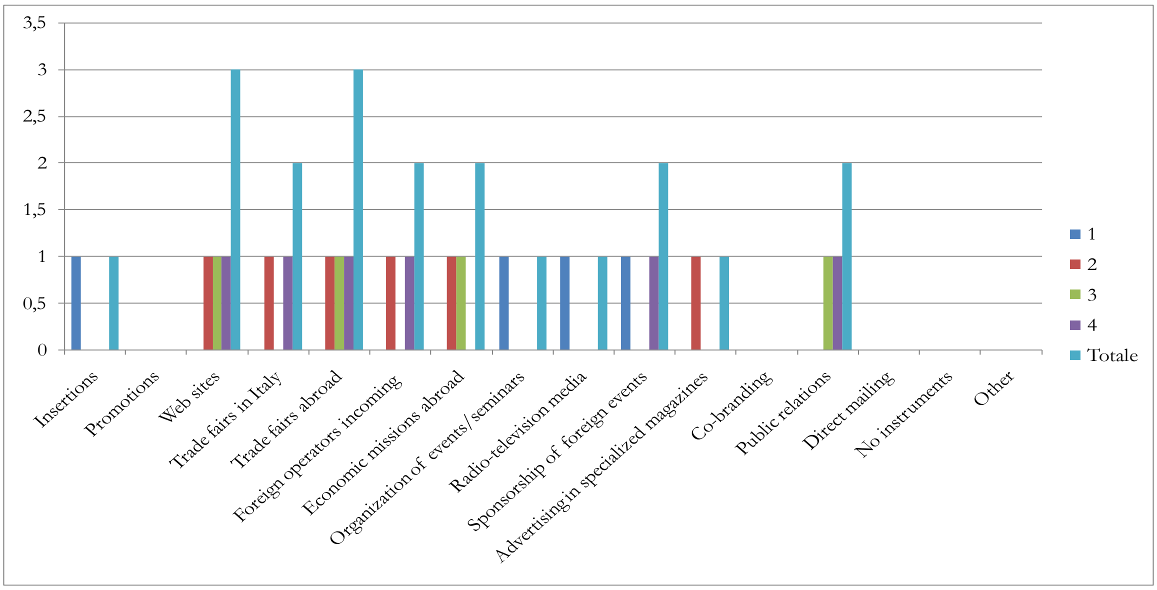
5.1.1 ***The International Marketing Business Model of the born global firms***

The international marketing orientation of the born global can be defined as "constitutional/genetic". They are, in fact, businesses that are set up with international genes and that enjoy a global visibility thanks to the "Made in" effect and to strong investments in communicating the name, history and longevity of the business. The businesses belonging to this cluster operate in full awareness of the fact that the foreign perception of their image, linked to country of origin and family brand, represents a marketing lever similar to a "status income" that consolidates a medium-high positioning on the international scene. For this reason no action is taken by the businesses of the cluster to amplify the "Made in" effect, in that it is considered an autonomous promotional driving force, while we can see a wide use of traditional marketing instruments to reinforce their presence on the international markets. In fact, the results do not show significant groupings around the central values: the "widespread and homogeneous" use of the whole range of international marketing instruments seems more plausible (Fig. 6).

The most important orientation of the *born global*, both on local and international markets, is the quality, design and extent of the product range. The majority of the businesses interviewed constantly monitors consumption in the various countries and proposes partial adaptations in its offer in relation to each foreign country. This confirms the will to "stabilise" its presence in the foreign country and to make its product and services adhere as closely as possible to the local consumer tastes.

Direct exportation, through the prevalent forms of distributor and direct sales, is the entry mode most widely adopted. The choice to export directly depends mainly on the objectives set out by the LEFB. To this regard, the results of the empirical investigation reveal that the acquisition of knowledge and the singling out of areas for trans-cultural cooperation are the principal objectives of foreign expansion alongside the increase in turnover.

FIG. 6 – *Instruments of International Marketing - Born global*



5.2 The born-again global firm

Like the born global, the born-again global have a medium-high degree of familism (average value 9.47), that influences the determinants of internationalization. Commitment assumes an average value of 3.45 which means that the profuse commitment to internationalization of the entrepreneurial family assumes a medium-high level. This result is influenced by the fact that the family members take strategic decisions that are very coherent with the business *vision* for international expansion. It is very probable that the high commitment is also due to the scarcity of opportunity in the domestic marketplace and to the saturation of internal demand. Financial resources serving the international activity come mostly from the family (average value 3.38), who take on the investment risk in order to avoid recourse to external financing or to the entrepreneur's extra-business patrimony. Finally, as regards the organizational capabilities (average value 3.72), the cluster presents high interpersonal, managerial, productive and marketing skills, coming mostly from the family members.

The born-again firms operate in the EU and extra EU countries, serving only a few markets at a time. The activities of the internationalized value chain are in sales for the whole cluster and sourcing in only two cases.

The firms became global following the deliberated choice of the entrepreneur: his awareness of their capability to compete and exploit business opportunities abroad has motivated his decision to amplify their strategic horizons. For many of them (4 firms out of 7) it was the emerging generation to lead the family business onto the international scene.

TAB. 2 – *Characteristics of the born-again global firm*

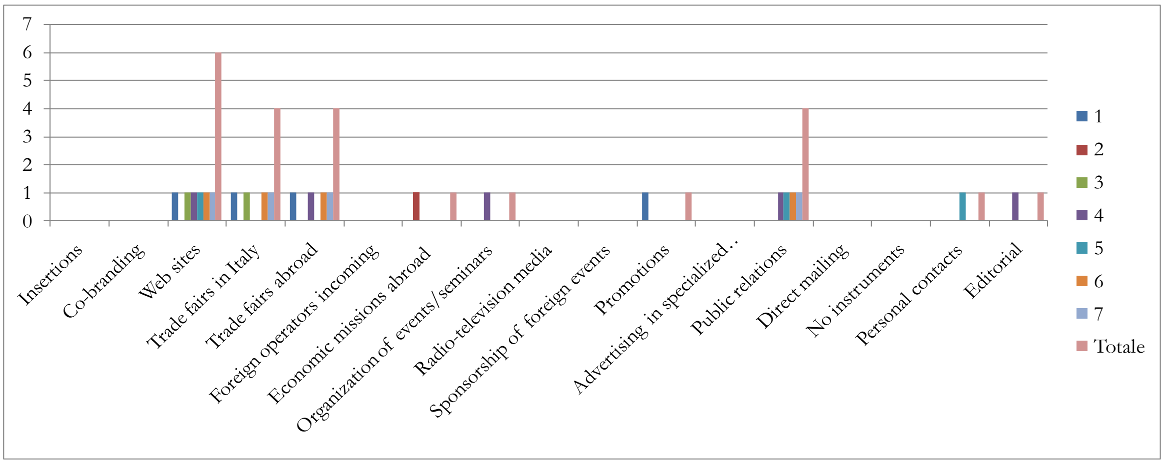
CHARACTERISTICS		COMPANY NAME						
		Sequoia	Chestnut-tree	Olive-tree	Palm-tree	Beech	Larch	Elm-tree
Degree of familism		10,47	10,46	10,08	9,39	9,21	8,57	8,07
Determinants of internationalization	Commitment	3.93	4.02	4.26	3.54	2.60	2.82	2.98
	Financial resources	3.00	4.17	3.83	3.33	3.17	3.17	3.00
	Organizational capabilities	4.63	3.93	4.84	3.71	2.80	2.72	3.43
No of generations abroad		6	1	2	1	1	3	1
Geographic areas served		EU, extra EU	EU, extra EU	EU, extra EU	EU, extra EU	EU	EU	Africa, EU, extra EU,
Pace of expansion		Gradual	Gradual	Gradual	Gradual	Gradual	Gradual	Gradual
Internationalized activities		Sales	Sales	Sales, Sourcing.	Sales	Sales	Sales	Sales, Sourcing.
Type of foreign cumstomer		B2B, B2C	B2B	B2B	B2B	B2B	B2B	B2B, B2C
% Foreign turnover (year 2010)		20%	10%	60%	40%	30%	30%	25%
Entry Mode		Direct, Indirect	Direct	Direct	Direct	Direct	Direct	Direct, Indirect
International objectives		Turnover, Exper.	Turnover, Exper.	Turnover, Exper.	Turnover	Turnover	Turnover	Turnover

5.2.1 The International Marketing Business Model of the born-again global

The marketing model used by the born again global is orientated to the maximization of efficiency in terms of international performance. It is an orientation strongly "concentrated" on results, as we can see from the data, that find their motivation in the precise will of the family to tag their business with international "traits". This is why the born again global use an international marketing model that is more aggressive and sophisticated than other clusters. The majority of the interviewed sample does not trust the impact of the "Made in" effect to luck but takes on a very proactive role in the handling of this important international marketing lever. The use of communication instruments is finalized to the strengthening of the awareness of Italian excellence in each specific sector, the family character of the business and, in particular, its longevity. To do this they participate in cultural events and shows that are not necessarily directly orientated to sales but that also exalt the link between Italy and the brand in question and amplify the impact of the *Italian sound* of the business and the family. In support of the strong motivation towards internationalization, all the born again global firms confirm their *consumer orientated* policy in the way they adapt their offer to the various foreign markets in order to adhere to the ever more place-specific consumer trends. This policy has allowed these firms to produce an average foreign turnover of 30% in the year 2010.

The replies relative to the marketing instruments used to reinforce their position on international markets delineate two areas of concentration. The web and on line visibility together with the participation in trade fairs both in Italy and abroad represent the most used modalities for the acquisition of new customers. The second area of concentration is represented by public relations through which the entrepreneurial family activates personal and institutional channels to increase its visibility in the country of destination. (Fig. 7).

FIG. 7 – *International marketing instruments – Born-again global*



As regards distribution policies the main entry mode is direct exportation in the forms of distributor and agent. There are no significant differences to the born global cluster. The choice of this entry mode depends mostly on those international objectives regarding the increase of market share and turnover, alongside the development of know-how for 3 firms.

5.3 The traditional firm

Traditional firms, like the other sample firms, have a medium-high degree of familism (average value 8,60) that influences above all the willingness of the entrepreneurial family to use the family's financial resources for internationalization (average value 3.00). On the contrary, the commitment and organizational skills necessary for the international adventure are not influenced too much by the family. In particular, the commitment to internationalization settles on medium-low levels (average value 2.23), reflecting the traditional nature of these firms and the lack of planned processes of internationalization with a strong propensity to create roots in the territory of origin. This does not exclude their willingness to respond to solicitations - accurately selected - from trigger factors, mainly resorting to family capital. Moreover, the score relative to organizational skills settles around an average value (2.40), which is quite low, giving further confirm of the scarcity of distinctive international skills and competencies among the family members employed in the firm and the low investment of knowledge concerning the project of internationalization.

TAB. 3 – *Characteristics of the traditional firm*

<table>
<tr><th colspan="2" rowspan="2">CHARACTERISTICS</th><th colspan="3">COMPANY NAME</th></tr>
<tr><th>Ash-tree</th><th>Cypress</th><th>Willow-tree</th></tr>
<tr><td colspan="2">Degree of familism</td><td>9,33</td><td>8,63</td><td>7,85</td></tr>
<tr><td rowspan="3">Determinants of internationalization</td><td>Commitment</td><td>2,15</td><td>2.67</td><td>1.88</td></tr>
<tr><td>Financial resources</td><td>3.50</td><td>3.17</td><td>2.33</td></tr>
<tr><td>Organizational capabilities</td><td>2.13</td><td>2.37</td><td>2.70</td></tr>
<tr><td colspan="2">No. of generations abroad</td><td>1</td><td>1</td><td>2</td></tr>
<tr><td colspan="2">Geogrpahic areas served</td><td>EU</td><td>EU</td><td>EU</td></tr>
<tr><td colspan="2">Pace of expansion</td><td>Gradual</td><td>Gradual</td><td>Gradual</td></tr>
<tr><td colspan="2">Internationalized activities</td><td>Sales</td><td>Sales</td><td>Sales</td></tr>
<tr><td colspan="2">Type of foreign custmer</td><td>B2C</td><td>B2C</td><td>B2C</td></tr>
<tr><td colspan="2">% Foreign turnover (year 2010)</td><td>6%</td><td>5%</td><td>7%</td></tr>
<tr><td colspan="2">Entry Mode</td><td>Direct, Indirect</td><td>Direct</td><td>Direct</td></tr>
<tr><td colspan="2">International Objectives</td><td>Turnover</td><td>Turnover</td><td>Turnover</td></tr>
</table>

This cluster shows firms just as interesting as the others in that they continue to follow the road to longevity, keeping the focus on domestic business, in a historical moment where the challenge of globalization has become an essential requirement for continuity. However, these firms are very new to the international experience.

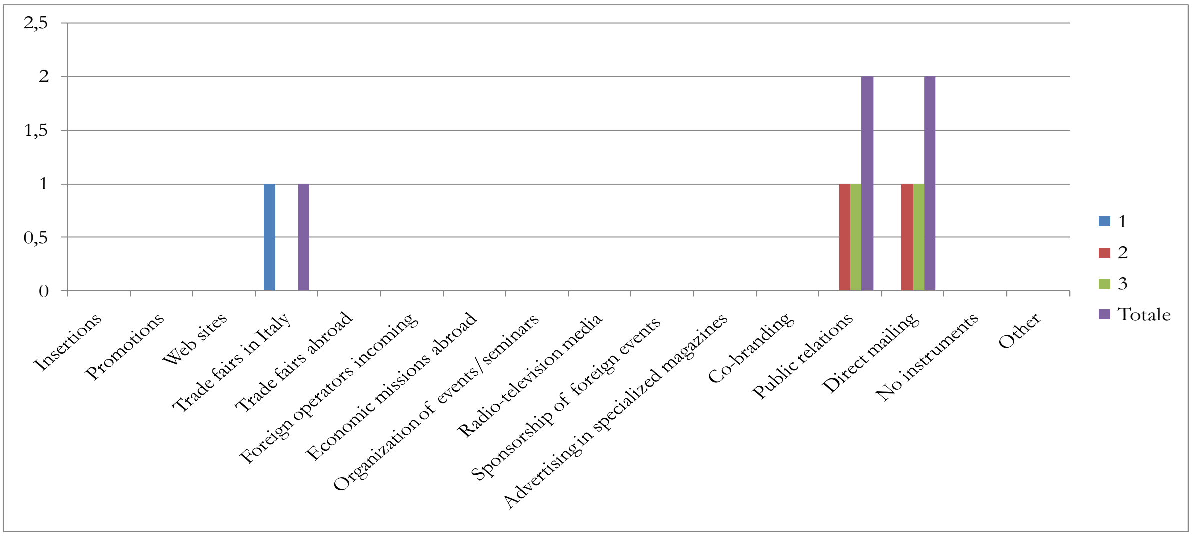
5.3.1 The International Marketing Business Model of the traditional firm

International marketing orientation in traditional firms is still a very new and non-structured process, spontaneous and fundamentally induced by exogenous forces. The majority of the interviewees did not start up the internationalization processes intentionally but only after unsolicited orders from foreign stakeholders. The business model, therefore, does not yet have a definite form but is rather work in progress.

The traditional firms, orientated towards areas of geographical and cultural proximity, have amplified their area of action in the European countries, serving only a few markets at a time.

Trade internationalization occurs when a quality national product is offered, sometimes with minor adaptations, through direct sales and distributors. The customers come from the consumer goods marketplace and have created an average foreign turnover of 6% (year 2010). Like the born global, this cluster of firms also rides on the long wave of the "Made in Italy" effect, towards which they assume a passive attitude. Furthermore, the traditional firms use their name and family history for international communication but without any kind of planned or structured process of differentiation. As regards marketing instruments, direct mailing appears to be most used showing that the path of international development is still poorly defined and not incisive in its random search for contacts and potential clients. (Fig. 8).

FIG. 8 – *International Marketing Instruments - Traditional*



6. Conclusions, limitations and future implications

The LEFBs belonging to "The Centenarians" are collocated in a restricted territorial context, where they boast a strong identity and a solid reputation.

The exceptionality of these businesses is not in their dimensions (mostly micro and small), nor in the fact that they are family run, but rather in their extraordinary longevity. In fact, many of them are between two and three centuries old, and still manage to keep their “young soul”; not by chance, they follow objectives that are strongly traditional (keeping family control, patrimonial solidity, financial autonomy) with their eyes kept firmly on the present and the future (continual product innovation, development of new skills, female leadership, internationalization), relying on the ancient values to guide them (responsibility towards business continuity, respect for the human person, links with the territory of origin, artisan vocation) (Giaretta, 2004).

A comparative reading of the single clusters allows us to affirm that the firms have taken up internationalization driven by the particular nature of the merchandise, by the ability to compete and take advantage of foreign business opportunities and also by the absence of space for further growth in the domestic market. The emerging generation, in fact, has taken on a collaborative attitude with the current generation, bringing new specialized competencies that are fundamental for rethinking and orientating the business towards foreign expansion. In other words, the competencies acquired both with experience in the family business and in national and foreign businesses, together with training courses have often supplied the *humus* with which the new generations can face up to the challenges of modern times, in full respect of the values wisely handed down to them from father to son.

The degree of familism influences the determinants of internationalization and the paths of international evolution of the LEFB.

The first hypothesis of the research is verified in that a medium-high degree of familism corresponds to medium-high values in the determinants. In fact, the arithmetic mean (μ) of the degree of familism of each cluster is found in the high range, indicated in the table. The high value of the arithmetic mean (μ) of the degree of familism corresponds to the medium-high arithmetic mean (μ) of the determinants of each cluster.

TAB. 4 – *Comparative analysis of the clusters*

Characteristics	Range (μ)	Born global		Born-again global		Traditional	
		μ	□	μ	□	μ	□
Familism	$\mu < 4$ (low) $4 \leq \mu < 7$ (medium) $7 \leq \mu \leq 11$ (high)	8,46	1,07	9,46	0,86	8,60	0,60
Commitment	$\mu < 2$ (low) $2 \leq \mu < 3$ (medium) $3 \leq \mu \leq 5$ (high)	2,92	0,86	3,45	0,60	2,56	0,51
Financial Resources	$\mu < 2$ (low) $2 \leq \mu < 3$ (medium) $3 \leq \mu \leq 5$ (high)	3,17	0,35	3,38	0,41	3,00	0,49

Organizational Capabilities	$\mu < 2$ (low) $2 \leq \mu < 3$ (medium) $3 \leq \mu \leq 5$ (high)	2,85	0,79	3,72	0,76	2,17	0,15
Geographical area served		World		EU, extra EU		EU	
Pace of expansion		Rapid		Gradual		Gradual	
Internationalization activities		Sales, R&D, Sourcing		Sales, Sourcing		Sales	
Type of foreign customer		B2B, B2C		B2B		B2C	
% Average Foreign Turnover (year 2010)		26%		30%		6%	
Entry Mode		Direct, Indirect		Direct, Indirect		Direct	
International Objectives		Turnover, Experience, Network		Turnover, Experience		Turnover	
International Marketing Business Model		Congenital/genetic		Concentrated		Emergent	

This conclusion is confirmed both by the dispersion of the results around the average (standard deviation 6) and the presence of the two firms (poplar and willow) with a lower degree of familism compared to the others (6.69 and 7.85), which corresponds to a lower value in commitment (1.83 and 1.88), in financial resources (2.67 and 2.33) and organizational skills (2.00 and 1.70).

With reference to the second hypothesis of the research, the degree of familism influences the internationalization pathways. More specifically, the LEFB prefer the path of the born-again global firm; it is not by chance that these firms constitute the strategic grouping with the highest number of businesses from the sample. The corollary of the second hypothesis also seems to be confirmed according to which each cluster of firms delineates a possible model of approach to international marketing.

The commitment and organizational skills of the born global firms and born-again global firms take on average values higher than those of the traditional firms because the former govern the change through the participation and competencies of the people involved in the internationalization project. To this we must add the conservative attitude of the traditional firms, further reinforced by a succession of generations where the managerial formation is cultivated exclusively inside the family business. The orientation to marketing of these firms also confirms an "emerging" model in which instruments and strategies are not yet well defined and are still rather spontaneous and haphazard. The family character is considered to be a lever for international communications, capable, that is, of influencing positively the perceptions of the foreign customer, who, according to the interviewees, is sensitive to the history, traditions and roots of the territory boasted by the entrepreneurial family (Merrili et al., 2010).

The availability of financial resources for internationalization does not discriminate the firms in the sample as they have all expressed a precise wish to invest capital in the internationalization project, fleeing from the typical attitude of family businesses who want all the wealth produced by the business to go to the entrepreneurial family. This is also confirmed by the extremely low presence of third party financers for international projects and above all by the almost non-existing recourse to government funds, used mostly for the participation in international trade fairs.

The born global firms are those that present the strongest international inclinations in terms of geographic areas, an expression of their wider global mindedness. This is also applicable to the objectives of their presence on international markets which is due not only to the finalities of trade but also and above all to develop knowledge, experience and a network of relations capable of maximising the competitive advantage of the business. In fact, they operate all over the world for reasons that are essentially tied to the typology of the product offered on the foreign markets, directing the offer both to the consumer market and the industrial market with a rapid pace of internationalization. As regards communication, the “family” character that denotes these businesses is considered to be an instrument of differentiation from their competitors. Building a unique and unrepeatable identity based on the history, the tradition and the longevity of the family firm is the logic that these firms follow in the processes of international communication. The family resources (name, values, history, reputation) become, therefore, a variable capable of influencing positively the perceptions of the foreign customer and concur to attaining long-lasting competitive positions.

The born-again global firms, on the other hand, serve the EU and extra-EU countries acting on a strategic decision taken by the entrepreneur through a process of gradual knowledge of the international markets. It is this very objective of reducing the gap in knowledge of the foreign market that represents one of the main driving forces to internationalization through the preference of the BtoB market. This is confirmed by the use of marketing instruments “concentrated” on performance objectives. In fact, we can see a full awareness of the marketing orientated model aimed at exploiting every possible positive effect linked to the image of Italy as a country and the longevity of the business. Finally, the range of operations of the traditional firm is limited to those countries belonging to the EU, geographic areas chosen as export markets because of their cultural and geographic affinities through a gradual approach to the BtoC market. For this type of business, the most important motivation to internationalization is represented by maximization of the turnover.

The activities of the chain of internationalized values of the born global firms are sales, sourcing and research & development, limited to the first two for the born-again global firms and to the first one only for the traditional firms.

The firms that have developed a process of internationalization that is programmed and well pondered can boast better operative efficiency and efficacy, which can be translated into an average foreign turnover (30%) nearly equal to that of the born global firms (26%) and very far removed from the traditional firms (6%).

In terms of entry mode into international markets, the sample firms tend to prefer a direct entry mode (distributor, agent, direct sales) that does not require the use of excessive financial and technical-specialised resources. No firm chooses collaboration agreements with the FDI, nor do they modify the entry mode they have adopted, not even after stabilizing their position in the foreign markets they have penetrated. The elements of differentiation that these forms use as leverage are the quality of the offer, the wide range of products and the *Made in Italy* effect. No firm considers price an element for a differentiation strategy on the competitive global scene.

The above stated contributions to research have inevitable limitations. First of all, the questionnaire was submitted to only one family member of the corporate tripod, so consequently the same phenomenon could not be analysed from other points of view (for example, non family employees). Subjectivity in the evaluation of the dimensions (think of culture, commitment, organizational skills) and the influence that the presence of the interviewer may have on the interviewee's replies is another of the limits of the research. To this we must add that we have not taken into consideration the fact that internationalization does not only concern sales activities but also the other activities of the chain of value (production, research and development etc.).

Finally, another limit regards the necessity to confirm a theoretic structure for a larger number of family firms, possible, not only with the support of institutional data bases, but also with the creation of collaboration networks between businesses and universities.

In the future, the research could be repeated for a sample of firms with similar characteristics (e.g. sector, dimension, number of generations operating abroad), but different in their geographic localization. In this way it will be possible to identify the local factors (e.g. public institutions, transport infrastructures, local suppliers, quality of human resources, conceptual image of the territory) that have facilitated or hindered the internationalization pathways of the LEFB. In conclusion, the LEFB must inspire new perspectives for research, as it constitutes a fascinating universe of the dreams, ideas, projects and achievements of entrepreneurs who have challenged the times.

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