

Hybrid strategy works best when high-technology companies go global

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Following a hybrid competitive strategy leads to superior financial performance in the internationalisation of high-technology companies, shows a new Finnish study in the field of marketing. The study challenges the traditional viewpoint according to which companies can successfully go international by adhering to a single competitive strategy alone.

The study by Professor of International Business Mika Gabrielsson from the University of Eastern Finland, Senior Researcher Tomi Seppälä from Aalto University and Professor of Marketing Peter Gabrielsson from the University of Vaasa was published in the April issue of *Industrial Marketing Management*.

The study used empirical data to analyse companies' implementation of a hybrid competitive strategy and their achievement of financial profitability while internationalising in the high-technology [market](#). The study analysed the competitive strategies of 259 Finnish and Swedish companies.

Earlier studies in the field of marketing research have proposed inconclusive viewpoints relating to the conditions that are suitable for multinational companies to realise a hybrid competitive strategy. This new study now shows that the realisation of a hybrid competitive strategy is dependent on the globalisation stage and key resources of the [company](#). Furthermore, a hybrid strategy observes environmental factors and creates the preconditions for internationalising companies to achieve

the best possible financial performance.

The Finnish study challenges the theory by Michael Porter, a Harvard Business School Professor and consultant, according to which a company should adhere to a single competitive strategy, either differentiation or cost leadership, when going international.

Professor Gabriellsson is excited about these novel results.

"Globalisation and the specific conditions of the home markets of the firms have received too little attention in the strategy work. Particularly dangerous it is for a firm originating from a small country to rely on the American research, books, and consultants who approach this question from a large country perspective," he says.

More information: Mika Gabriellsson et al. Realizing a hybrid competitive strategy and achieving superior financial performance while internationalizing in the high-technology market, *Industrial Marketing Management* (2016). [DOI: 10.1016/j.indmarman.2015.07.001](https://doi.org/10.1016/j.indmarman.2015.07.001)

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