

Digital artifacts boost internationalization of platform businesses, finds study

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A new study from the University of Eastern Finland and the University of Vaasa sheds light on how digital-based start-ups, and especially platform businesses, can make use of digital artifacts in their international endeavors and business development. The study is published in the *Global Strategy Journal*.

The model developed in the study provides businesses with a toolkit to



identify the options they have to leverage the characteristics of digital artifacts to bring their <u>digital services</u> to <u>international markets</u> and support the evolution of their business over time.

"Our research is among the first to examine the role of digital artifacts in enabling early and rapid internationalization," University Lecturer Sara Fraccastoro of the University of Eastern Finland says.

Digital artifacts are digital commodities whose various characteristics, such as editability, interactivity and reprogrammability, open up new opportunities for companies' internationalization endeavors. Some of them can be leveraged in full in the early phases, while requiring more adaptation to the market context in later on. According to the study, their use should be dynamic and systematic throughout the company's lifespan. Entrepreneurs' networking and learning capabilities play a role in how well they respond and adapt to changing <u>customer needs</u> and market conditions.

The model developed in the study helps to understand the phases in which certain characteristics of digital artifacts are more useful than others in relation to internationalization. They will need to match the required degree of adaptation, which tends to increase as the platform is extended to more distant countries, new user groups, and applications.

"The research topic of how digital international new ventures may leverage the characteristics of digital artifacts is truly novel," Professor Mika Gabrielsson of the University of Eastern Finland notes.

More information: Arto Ojala et al, Characteristics of digital artifacts in international endeavors of digital-based international new ventures, *Global Strategy Journal* (2023). DOI: 10.1002/gsj.1483



Provided by University of Eastern Finland

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