

FACTORS INFLUENCING FAMILY FIRM INTERNATIONALIZATION

Dissertation Submitted to

The Business School of Worcester Polytechnic Institute by

Luis Jimenez-Castillo

Ph.D. Candidate
The Business School
Worcester Polytechnic Institute
100 Institute Road
Worcester, MA 01609
lakleinknecht@wpi.edu

August 3rd, 2022

Dissertation Committee Members:

Dr. Frank Hoy
(Co-Chair)

Professor of
Entrepreneurship
The Business School
Worcester
Polytechnic Institute
100 Institute Road
Worcester, MA
01609
fhoy@wpi.edu

Dr. Purvi Shah
(Co-Chair)

Associate Professor
of Marketing
The Business School
Worcester
Polytechnic Institute
100 Institute Road
Worcester, MA
01609
pshah@wpi.edu

Dr. Kimberly Eddleston

Schulze Distinguished Professor of
Entrepreneurship and Innovation
D'Amore-McKim School of
Business
Northeastern University
360 Huntington Avenue
Boston, MA 02115
k.eddleston@northeastern.edu

Dr. Kenny Ching

Assistant Professor of
Entrepreneurship
The Business School
Worcester Polytechnic
Institute
100 Institute Road
Worcester, MA 01609
kching@wpi.edu

ACKNOWLEDGMENTS

“If you want to go fast, go alone. If you want to go far, go together.”

– African Proverb

I want to take a moment to mention the people that have helped, inspired, and supported me through this journey. All my accomplishments would not be the same if I would not have the companionship of the people I have come across through this journey I started in August 2016.

First of all, I want to thank God for being with me since the beginning of my time. He is the one that has held my hand through this journey called life. He designed my path, and thanks to him, I am here. I don't know when my journey will end or where I will be. But I know for sure he will be with me.

My source of inspiration to study family firms is my family. First, my dad has taught me many life lessons as a family business leader. Thanks to him and our family business, I have fallen in love with this research stream, and I get my best ideas. My mom has had the patience to guide me in my personal life so I can be the best version I can offer in my professional life. Finally, my brothers who have joined our business, administer it, and work to make it grow. Because of this, I am allowed the luxury to choose to work in my passion, academia.

A special thanks to my mentor, Dr. Frank Hoy. Meeting him at the Family Enterprise Research Conference in Oregon on 2014 changed my life completely. It was his guidance that led me to WPI and entrepreneurship. I also want to recognize Dr. Purvi Shah because without her patience and guidance through the process; I would not have been able to finish my degree. It was thanks to her follow-up and advice that I was able to pull everything together. Finally, my other two dissertation committee members, Dr. Kimberly Eddleston and Dr. Kenny Ching thank you for your insightful comments and questions. Without them, I was able to take my dissertation research to a greater level—my utmost heartfelt appreciation to the four committee members.

I also want to thank the faculty and staff of The Business School at WPI, whom I had the privilege to work with. So many of you offered kind words, encouragement, and guidance when I felt frustrated and helpless. In addition, my cohort friends acted as my main support system. You have made my experience away from home enjoyable, and we have grown a lot together! I would especially like to thank Dr. Rosanna Garcia and Paul Rummel for opening their house and hearts during one of the most difficult times in my life. Thank you for providing a safe space for me to finish this project.

I want to make a special mention to the organizations that believed in this project. Without their financial support, I would not have been able to do my research—first, Oregon State University and its Center for Family Enterprise, Ted Paterson, and Dr. Violetta Gerasymenko. Universidad Panamericana, Campus Guadalajara and the Facultad de Empresariales, Dr. Carlos López Hernández and Dr. Omar Rojas. And finally, familybusiness.org and Dr. Giovanna Campopiano.

Finally, I want to acknowledge the people who helped me get here one way or another—my former professors, bosses, and coworkers at Universidad Panamericana. You were the first inspiration I had to start this journey. My friends (life-long and new) because it was through their words and love that I could gather the strength to keep going. And to B, because without his support, I would be in a different place. I am eternally grateful for all the life lessons you taught me, on what I wanted in my life and what I did not want.

Table of Contents

Table of Contents	4
ABSTRACT	5
INTRODUCTION.....	7
LITERATURE REVIEW.....	10
Theoretical Bases	10
Definitions and Scope	12
METHOD	23
Qualitative Research	23
Data Collection	24
Sample.....	26
ANALYSIS	31
Data Analysis	31
Trustworthiness of Findings	35
FINDINGS	40
External Factors	41
Internal Factors	55
Motivation to Internationalize.....	70
Family Business Internationalization.....	76
External Obstacles	94
Internal Limitations.....	98
CONCLUSION.....	102
Discussion	102
Theoretical Implications	105
Practical Implications.....	109
Directions for Future Research	110
Conclusion	113
REFERENCES.....	114
Appendix 1 – Topics from Literature Review on Family Business Internationalization.....	131
Appendix 2 – Interview Protocols.....	133
Appendix 3 – Recruiting letter.....	141
Appendix 4 – Interview Consent Form	142
Appendix 5 – Background, qualifications, and experience of the researcher	144

ABSTRACT

The internationalization of firms is a complex phenomenon (Fernández & Nieto, 2005), and it is just as important for family firms to achieve growth and long-term survival (Alayo et al., 2020). Internationalizing a family firm can be regarded as a form of corporate entrepreneurship (Birkinshaw, 1997; Dess et al., 2003; Keupp & Gassmann, 2009; McDougall & Oviatt, 2000; Yiu et al., 2007; Zahra & George, 2002; Zahra et al., 2000; Zahra et al., 1999). This qualitative study examines Mexican small and medium (SME) family firms with two generations working in the operations and have more than four top management team (TMT) members. The TMT members intend to internationalize their operations or have international operations already. The study analyzes the external and internal factors that motivate the internationalization of Mexican family firms. It also analyzes how family members influence the decision-making process to internationalize through the TMT members and act upon opportunities recognized beyond their national borders. TMT members are chosen as the key informants of the study because of their knowledge of the history, operations, and decision-making process of their respective family firms. The study presents findings using grounded theory as the methodology in the context of several industries in different companies in Mexico. A theoretical model is presented where external and internal factors influence the motivation to internationalize the family firm. This motivation impacts the family firm's internationalization, and external obstacles and internal limitations moderate this relationship.

The following dissertation is structured as follows. Chapter 1 presents the study's introduction, briefly describing what we know so far, the gaps in the knowledge on the topic, and how these gaps are filled. Chapter 2 is the literature review that presents the definitions of the basic constructs and the scope of the dissertation. Chapter 3 explains the methodology followed

in the study. Chapter 4 describes the analysis techniques and how the trustworthiness of the analysis is achieved. Chapter 5 presents the findings of the study and introduces the theoretical model. Finally, Chapter 6 presents the discussion of the findings, theoretical and practical implications are drawn, directions for future research are presented, and a conclusion is made.

INTRODUCTION

Family firms are the most common form of business around the world (Alayo et al., 2020; Claver et al., 2007; Howorth et al., 2010). There has been a growing interest in management and organization studies in family firm internationalization, especially in recent years (Alayo et al., 2020; Casprini et al., 2020; Pukall & Calabrò, 2014), and it is among the main concerns of family firm managers (KPMG, 2018). Internationalization can help firms grow and access foreign market knowledge (Kogut & Zander, 1992). This growth strategy is important specifically to family firms because they desire long-term survival (Dou et al., 2019) that can be achieved by discovering and exploiting opportunities (Shane, 2003). Family firm leaders want to ensure the firm's longevity and transfer the firm to the next generation (Alayo et al., 2020). Family firm internationalization research has increasingly studied the family's influence over the last few decades (Casprini et al., 2020; Dou et al., 2019). But the debate on the role and effect that the family has and its influence on business internationalization are far from conclusive (De Massis et al., 2018; Dou et al., 2019). Some research shows a family's positive influence on the firm's internationalization (Zahra, 2003). In contrast, some research argues that family firms prefer to remain in their domestic markets and adopt conservative behaviors (Gómez-Mejía et al., 2007; Kotlar et al., 2018), and because of this, family firms tend to internationalize less (Fernández & Nieto, 2005; Gomez-Mejia et al., 2010). Meanwhile, family firms' role in international entrepreneurship has also been recognized as important protagonists (De Massis et al., 2018). Still, others have found a non-linear relationship between the family's involvement and family firm internationalization (Liang et al., 2014). And yet, other studies have found no statistical significant difference between family and non-family firm's degree of

internationalization (Arregle et al., 2017). Because of all these mixed results, the effect of the family on the internationalization of the firm is still unclear.

Within the family business literature, research on internationalization has received more attention from scholars in recent years (Arregle et al., 2012; De Massis et al., 2018; Fernández & Nieto, 2006; Sciascia et al., 2012). Initial studies on family firm internationalization studied the differences between family and non-family firms. In the last few years, research has focused on the heterogeneity among family firms and specific behaviors that affect internationalization strategies (Alayo et al., 2020). Family firm internationalization differs from other firms because of the significant presence of family members in ownership and top management (Arregle et al., 2017; Casprini et al., 2020). The family's influence on the firm and how family involvement in the TMT are still topics that need to be researched (Alayo et al., 2020). Also, there is interest in knowing how incoming generations affect the family firm's internationalization process (Pukall & Calabrò, 2014). Also, research on family firm internationalization is still inconclusive and contradicting, and there is a need to understand better the heterogeneity of family firms (Alayo et al., 2020). At the national level, family firm internationalization varies across countries, influenced by the formal and informal institutions (Arregle et al., 2017). For this reason, studying family firms in Mexico, in different industries is important to gain more insight on the topic. There is also the need for more theory-integration and extension, especially related to paradigms in the international business literature (Pukall & Calabrò, 2014).

This dissertation will address the gaps mentioned above by analyzing how family members that are part of the TMT influence the decision-making process to internationalize the family firm and which factors do they analyze to make that decision? The study will be done through interviews with TMT members that are part of family firms in Mexico. TMT family

members will be the focus of the research because “family firms are characterized by a concentration of ownership, control and often key management positions among family members, even after the retirement of the firms’ founders” (Bertrand & Schoar, 2006, p. 74). That means that these members can have the most influence on the strategic decisions of the family firm. It can also be regarded as inter-generational entrepreneurship because the founding generation focuses on establishing the business, and the later generations focus on the firm's growth (Okoroafo, 1999). Also, family members' involvement in the TMT and international exposure of such members have been identified as heterogeneity sources (Chua et al., 2012). The concentration of family firms in Mexico is high (Segovia & López-Hernández, 2018). The family firm internationalization phenomenon is analyzed through upper echelons theory and the Uppsala model as theoretical lenses, extending these theories through a family business perspective. These theories can explain better the research question because these theories propose that organizational outcomes, such as the different stages that firms go through, which increases commitment to foreign markets (Johanson & Vahlne, 1977), are a reflection of the experiences, values, and personalities of the top managers (Hambrick & Mason, 1984).

LITERATURE REVIEW

Theoretical Bases

Uppsala Model

The Uppsala model presents the different stages that firms go through, which increases commitment to foreign markets (Johanson & Vahlne, 1977). The internationalization process in the model implies that “companies start to internationalize in neighboring markets (...), and also that in each market companies begin by using low-commitment modes (...) and subsequently switch to modes that suggest a stronger commitment” (Johanson & Vahlne, 2009, p. 1420). “The model focuses on the gradual acquisition, integration, and use of knowledge about foreign markets and operations, and the incrementally increasing commitments to foreign markets.” (Johanson & Vahlne, 1977, p. 23).

Figueira-de-Lemos et al. (2011) state that the Uppsala model considers uncertainty and risk management of firms' internationalization as central concepts. The internationalization process is an evolutionary process that emphasizes the role of novelty in new markets, but it is non-linear and discontinuous (Santangelo & Meyer, 2017). Paul et al. (2017) conclude that “although the Uppsala model was developed based on the internationalization process of relatively large size firms, it is equally useful for analyzing the exporting challenges and opportunities of SMEs as well” (p. 330). After 40 years of the model, it is proposed that the ongoing internationalization process evolves through proactively and entrepreneurially engaging in business exchange and not through production (Vahlne & Johanson, 2017).

The study supposes that most family firms behave like Johanson and Vahlne (1977, p. 23) propose: “on the gradual acquisition, integration, and use of knowledge about foreign

markets and operations, and the incrementally increasing commitments to foreign markets.” Companies will want to analyze the external and internal factors and may decide to follow the incremental internationalization that iterates between the company's state and the change that opportunity recognition brings, which the Uppsala model suggests.

Upper Echelons Theory

Upper echelons theory “states that organizational outcomes – strategic choices and performance levels – are partially predicted by managerial background characteristics.” (Hambrick & Mason, 1984, p. 193). In other words, organizational outcomes reflect top managers' experiences, values, and personalities, which can be psychological and observable (Hambrick & Mason, 1984). Upper echelons theory proposes a list of demographic characteristics that can influence the TMT. Such features can be operationalized as variables such as age, functional track, education, financial position, and other career experiences (Hambrick & Mason, 1984). The TMT is the focal point of upper echelons theory (Hambrick, 2007; Hambrick & Mason, 1984). The theory states that executives' experiences, values, and personalities influence their choices (Hambrick, 2007). This theory has been used to study if the family influences the firm (e.g. Casillas et al., 2010; Dekker et al., 2015; Ensley & Pearson, 2005; Wu et al., 2007). One of the main conclusions is that there is a need to know to what degree the family influences the firm (Lee & Park, 2008).

Studies in the family business literature that use upper echelons theory as the base have operationalized the influence of family members on the TMT by looking at whether the CEO is a family member (Casillas et al., 2010; Dekker et al., 2015), ratios of family members on the TMT

(Casillas et al., 2010; Dekker et al., 2015) if the strategy was designed by family members (Casillas et al., 2010), presence of family members as directors (Dekker et al., 2015) if daily operations were run by family members (Wu et al., 2007), and the relationship ties among family members part of the TMT (Ensley & Pearson, 2005). One of the main conclusions reached so far is that the TMT influences family business internationalization, but “a more comprehensive measure should be used to fully capture a TMT’s international exposure” (Lee & Park, 2008, p. 968).

Tretbar et al. (2016) pointed out that the weakness that most TMT research of family firms is that they focus on the CEO and less than two TMT members’ perspectives. One difference of this study is that it focused on more members of the TMT. This broader range of interviews can help to build a team perspective.

Definitions and Scope

Family Firms

In most countries, the majority of firms are considered family firms (De Massis et al., 2018; Howorth et al., 2010). “The spectrum of family businesses comprises old to new, local to international, artisan to high tech businesses. They are represented through global companies such as Ford, Samsung, and Tata and also through small- and medium-sized firms that proliferate across regions, cities, and towns around the world” (Cruz, 2014, p. 7). The family business field considers the different but overlapping actors of a family business system, the family members, the family as a team, and the family business (Bettinelli et al., 2014). Although this study's focus

is family business, it lies in the intersection of two different threads of literature, such as entrepreneurship and international business.

For this study, the terms family business and family firm will be used interchangeably. The type of family firm that this study analyzes is private, owner-managed firms. Family business is defined as “organizations where two or more extended family members influence the direction of the business through the exercise of kinship ties, management roles, or ownership rights” (Tagiuri & Davis, 1996, p. 199). Tagiuri and Davis (1996) have had an important impact on family business literature, with 2053 citations at the time of this study. An example of seminal works that have more than 1,000 citations and cite the definition are Arregle et al. (2007), Berrone et al. (2012), Gersick et al. (1997), Habbershon and Williams (1999), and Naldi et al. (2007). Because this dissertation focuses on private, owner-managed firms and the TMT family members’ influence on the decision to internationalize the family firm, the definition by Tagiuri and Davis (1996) is a good fit. Furthermore, in a study of the internationalization of wineries and olive oil family firms, Sanchez-Famoso et al. (2019) used the definition to talk about the overlap of the different systems within family businesses, such as family, business, and ownership. Therefore, this dissertation is following the definition by Tagiuri and Davis (1996).

Family businesses can be classified as a form of entrepreneurship. It has been stated that entrepreneurs do not operate in vacuums; they respond to their environments and industries (Gartner, 1985; Shane, 2003). One of those environments is often the family (Bettinelli et al., 2014). If the family also has a vast knowledge of the industry, their decisions could be informed by the industry (Shane, 2003). Family firms can internationalize, and it has been stated that internationalizing a company can be considered a form of corporate entrepreneurship (Birkinshaw, 1997; Dess et al., 2003; Keupp & Gassmann, 2009; McDougall & Oviatt, 2000;

Yiu et al., 2007; Zahra & George, 2002; Zahra et al., 2000; Zahra et al., 1999). Family firms can take advantage of technological changes, political and regulatory changes, and social/demographic changes, which can often show major sources of opportunity (Shane, 2003) to exploit in foreign countries.

Family firm research is linked to entrepreneurial families and families that own firms. Family entrepreneurship is a developing field that studies the entrepreneurial behaviors of the family, its family members, and family businesses and how they interact (Bettinelli et al., 2014). In the case of family firms, it can be through transgenerational entrepreneurship. When multiple generations are involved in entrepreneurial activities, the concept of transgenerational entrepreneurship emerges. Habbershon et al. (2010, p. 1) defined transgenerational entrepreneurship as “the process through which a family uses and develops entrepreneurial mindsets and family-influenced resources and capabilities to create new streams of entrepreneurial, financial and social value across generations.” For this study, the next generation can be defined as the company's founders' offspring, i.e., their children, grandchildren, and later generations.

Internationalization of Firms

The international business literature has evolved from theorizing the multinational enterprise (MNE) in the 1970s to newer forms of internationalizing firms for more robust theorization (Knight & Liesch, 2016), such as SME and family business internationalization. However, one conclusion the literature has reached is that internationalizing a business, family-owned or not, is a complex task (Fernández & Nieto, 2005).

It has been observed that the competition field has been evened for MNEs and SMEs by removing barriers and advancing technology, transportation, and communications (Dabić et al., 2019). The barriers can be liability of foreignness and liability of outsidership (Johanson & Vahlne, 2009), legal and trade barriers (Lee et al., 2012), and physical distances (Dabić et al., 2019).

There are some enablers for businesses to go across borders easier. The technological enablers that have helped overcome barriers are artificial intelligence, the internet of things, mobile apps, and social media (Dabić et al., 2019). Regarding transportation, the decrease in costs (Lim & Kimura, 2010) and globe-spanning transportation specialists help SMEs reach markets worldwide (Knight, 2001). As for communication tools, Electronic Data Interchange (EDI) systems, email, VOIP (internet voice calls), and lower costs in international calls have also helped SMEs and customers to communicate better and faster (Jaw & Chen, 2006). On the other hand, some current circumstances may seem like it is not easy to cross borders, like global pandemics, restrictions imposed by nationalist administrations, regulation over the internet, and social media control over totalitarian regimes.

A company in the developmental stage may need to grow due to its life cycle to revitalize its strategy. But if the power is on a locally oriented generation, it will be challenging to go through the critical changes needed for internationalization (Gallo & Sveen, 1991). The internationalization of firms has been defined as “a process in which the firms gradually increase their international involvement” (Johanson & Vahlne, 1977, p. 23). Welch and Luostarinen (1988, p. 36) defined it as “the process of increasing involvement in international operations.” In entrepreneurship, internationalization is defined as “a combination of innovative, proactive and risk-seeking behavior that crosses national borders and is intended to create value in

organizations” (McDougall & Oviatt, 2000, p. 903). Because of the entrepreneurial perspective adopted in this dissertation, this last definition seems to be the best suited to be adopted.

When a firm ventures into a world where competition is no longer contained within national borders, it can be advantageous to have skills, knowledge, and relationships that support the family firm's growth. These skills, knowledge, and relationships are important because of the complex nature of operating beyond national borders. Studies in the past have looked at how companies prepare for internationalizing their operations (Child & Rodrigues, 2005; Daszkiewicz & Wach, 2012; Rosnan et al., 2018; Senik et al., 2010; Wiedersheim-Paul et al., 1978). Executive development is one element that firms must be planned and prepared for before internationalization is implemented (e.g. Bloodgood et al., 1996; Cerrato & Piva, 2012; Chetty, 1999; Fernhaber & Li, 2013; Hutchings & Weir, 2006; Lee & Park, 2008; Ruzzier et al., 2007; Welch & Welch, 1997). In the case of family firms, the family members' development may be necessary to internationalize operations. Zhao et al. (2020) have found that based on generational differences between founders and successors, the succession-strategic change relationship is positively moderated by a successor's international education. Two key factors identified for internationalization are knowledge and international networking (Oviatt & McDougall, 1994; Oviatt & McDougall, 2005). These two factors are also variables in the Uppsala Model (Johanson & Vahlne, 1977, 2009). Particularly in family firms, this can mean accessing abilities and knowledge through family members (Fernández & Nieto, 2005). Also, family firms can take advantage of the international network that family members may have built through their international exposure.

Top Management Team

The shortage of family members prepared for internationalization, the lack of international cultural awareness, and no international exposure within the family can constrain a family business from going beyond its borders (Gallo & Garcia Pont, 1996). Steier (2009) concluded that families incubate the entrepreneurial spirit in their members. Therefore, if the family fosters family members' interests and preparation, international exposure could facilitate the decision-making process to internationalize the family business (Gallo & Garcia Pont, 1996). Gomez-Mejia et al. (2010) concluded that firms with more robust knowledge and relationships are more likely to enter international markets. That is one of the main premises of the Uppsala Model (Johanson & Vahlne, 2009).

Calabrò et al. (2016) argue that the next generation can drive growth through internationalization. Family leaders sometimes use the incoming generation strategically, sending them to study in a country they may want to enter, providing human and social capital to help the business's connections in the future (Ratten et al., 2017). Also, empirical results have shown that family members use their exposure and education to generate new ideas that lead to entrepreneurial opportunities (Sardeshmukh & Corbett, 2011). Bettinelli et al. (2014) argue that individual characteristics can fundamentally explain entrepreneurial behaviors. Because of this, we could assume that the next generation members who have had international exposure and want to work for the family business can pursue internationalization as a growth strategy. In family firms, the founder needs the support of the top management and the next generation of family members to decide to go international (Zhao et al., 2020), and firms can take advantage of the knowledge and relational capital of the top management (Lee & Park, 2008).

International exposure has been defined by Fernhaber and Li (2013, p. 316) “as the extent to which a venture’s management team comes into contact with international knowledge through prior experiences or network relationships.” The definition is given for a new venture context. Gallo and Sveen (1991, p. 188) state that “obtaining this international knowledge might be difficult, but it is easier when the family members are internationally exposed from the beginning.” Because the internationalization of family firms is considered a corporate entrepreneurial venture, it is believed that the definition given by Fernhaber and Li (2013) is well suited for this investigation.

Family Business Internationalization

Internationalization of firms is a construct well developed in the literature. It comprises three dimensions: scale, scope, pace, and rhythm (Boellis et al., 2016; Calabrò & Mussolino, 2013; Cesinger et al., 2016; Claver et al., 2009; Fernández & Nieto, 2005; Fernández & Nieto, 2006; George et al., 2005; Graves & Thomas, 2004, 2006; Liang et al., 2014; Merino et al., 2015). “The scale of internationalization indicates the extent to which a firm’s activities depend on foreign markets” (George et al., 2005, p. 213). The second dimension is scope, which refers to the international geographic reach or, in other words, the number of countries in which a family business conducts its business (Cesinger et al., 2016; George et al., 2005; Lin, 2012). The third dimension is pace, defined as the internationalization process's speed (Lin, 2012; Vermeulen & Barkema, 2002). It is a time-based measure that indicates how much time has passed before reaching the specific foreign market (Lin, 2012). The last dimension is rhythm, defined as “the (simultaneous) regularity of the process, (...) at which new subsidiaries are established.”

(Vermeulen & Barkema, 2002, p. 641). This dimension is the function of the number of foreign subsidiaries over time and the number of expansions over time (Vermeulen & Barkema, 2002).

The internationalization process in family firms seems to follow the Uppsala Model, where the process is gradual, and firms rather start it in nearby countries known to them (Claver et al., 2007; Pukall & Calabrò, 2014). This gradual process happens as knowledge and resources accumulate, allowing firms to expand to other markets (Claver et al., 2007; Kontinen & Ojala, 2010; Pukall & Calabrò, 2014). In their literature review Pukall and Calabrò (2014) state that family firms tend to choose market entry modes that do not threaten their independence, such as exports or greenfield operations, and seem to avoid strategic alliances and JVs. This study will analyze the internationalization process Mexican companies have gone through in the past or are managing international ventures in the present time of the study.

Global markets and public policies encourage family firms to take advantage of unique opportunities outside their national borders (Galvagno & Pisano, 2021). In the case of family firms, the family members who are part of the TMT influence the decision-making process. Alayo et al. (2019) argue that the international entrepreneurship process is hindered when more family members are concentrated in managerial positions. However, Lee and Park (2008) suggest that exposure of TMT members can positively influence the formation of international alliances. Furthermore, when family members have elite international education, the TMT may feel supported by the successors and decide to internationalize the firm (Zhao et al., 2020). Therefore it can be concluded that family involvement in the top management team can be a source of competitive advantage and heterogeneity in the behavior of the internationalization process (Alayo et al., 2019).

Research Question

Despite the attention that family business internationalization has had since the 1990s with Gallo and Sveen (1991), the family dimension of family business still needs to be researched more. There is a need to consider the “mechanism through which family involvement influences family firm internationalization” (Zhou et al., 2019, p. 15). Studies have found that families can play an important role in international entrepreneurship (De Massis et al., 2018) but also a non-linear relationship between the family and the firm's internationalization (Liang et al., 2014). These conclusions may explain why in previous research, studies have shown that families have a positive influence on the internationalization of the firm (Zahra, 2003), and others have concluded that families prefer to stay domestic, and therefore family firms internationalize less (Gómez-Mejía et al., 2007; Gomez-Mejia et al., 2010). This lack of knowledge is surprising since the family is crucial to all family businesses. There is a knowledge gap that addresses the factors that may motivate the firm's internationalization but also the obstacles and limitations that could make family firms decide to keep their operations national, even when they are motivated to internationalize. Therefore, this study focuses on the family members who are part of the TMT, to discover the factors, motivations, obstacles, and limitations to address this gap. Appendix 1 shows the topics this dissertation addresses based on a literature review.

Löhde and Calabrò (2019, p. 847) state that some questions remain unanswered in the literature, such as: “how and why do family firms internationalize? Why do they enter some markets and not others?” This dissertation will try to answer these questions through the following guiding question: how do family members that are part of the TMT influence the

decision-making process to internationalize the family firm and which factors do they analyze to make that decision?

Scope of Research and Limitations

Family firm internationalization has gotten more attention from scholars in recent years (Alayo et al., 2020; Casprini et al., 2020; Pukall & Calabrò, 2014), the role of the family, the effects, and influence on internationalization processes (De Massis et al., 2018; Dou et al., 2019). This study's purpose was a further in-depth exploration of the role that family members that are part of the TMT play in deciding to internationalize the family firm.

The scope of this study was limited to small and medium family firms from Mexico. The company's size is important to study the family's influence on such firms. In addition, the firms that were part of this study needed at least two generations in ownership and management (Schulze et al., 2003; Shen & Su, 2017). Through this dissertation, information was gathered on how TMT members influence the internationalization of the family firm. The people interviewed were only those who worked in positions within the TMT or were considered part of the TMT. This is because of some of the SME family firms' informal structures. They expressed that they did not have a hierarchical organization, but the people interviewed influenced the decision-making processes. The individuals were contacted through a local university in Mexico, and my own network. This recruitment period lasted from May/2021 to November/2021, a total of 6 months. Each interviewee was asked to answer a series of questions in a semi-structured interview (see Appendix 2).

SME non-family firms were excluded from the sample because those companies are not part of this investigation's scope. Although they may have been international, this also included startup companies that did not fit the definition of a family firm by Tagiuri and Davis (1996) mentioned in the literature review section. Large companies were also excluded because the family's influence could already be diluted. Finally, another group of companies that were not part of the study may have fit the definition of family firms but did not have two or more generations in ownership and management.

The main limitation of data collection was that it had to be conducted remotely, which challenged potential interviewees' responses. With the physical distance and use of technology to conduct the interviews, some rapport was lost between the researcher and the interviewees. Creswell (2007) highlights the importance of the relationship and rapport between interviewer and interviewee. To overcome this limitation, the personal contacts of the researcher were asked to act as a liaison. These contacts were the researcher's superiors at different times, family members, and professional and personal friends. With these individuals' help, the companies' response was more open to helping with this investigation. Family business members were contacted via email, WhatsApp, Facebook Messenger, and LinkedIn, and 18 respondents agreed to be interviewed.

Technological issues were another limitation since there were challenges with communications software or internet disconnections. In addition, a malfunction or a weak connection was a challenge in recording a few interviews. The interview protocol was formatted and printed to overcome this limitation so that the interviewer could take notes for each question asked to inform the transcriptions (Creswell, 2007).

METHOD

Qualitative Research

The epistemology followed for this study was constructivism. Although it has been argued that constructivism is a departure from empirical research (Mir & Watson, 2001), this epistemology can address the interactions of processes (Creswell, 2014). The process addressed is the interaction of processes that TMT members go through to decide to internationalize the family business. Constructivism is typically seen as an epistemology to qualitative research (Creswell, 2014). Therefore, this dissertation's goal was to rely as much as possible on the interviewees' views of TMT family members and family business internationalization.

“Qualitative research is an approach for exploring and understanding the meaning individuals or groups ascribe to a social or human problem” (Creswell, 2014, p. 4). Because of the exploratory nature of the research question that drives this study, this report used inductive logic to build knowledge from particular to general themes. This approach can be “ideally suited to explore further new areas for potential theory-building on this subject” (Paul et al., 2017, p. 338).

Qualitative methods do not rely on statistical and mathematical techniques to analyze and interpret the data (Glaser & Strauss, 1967; Strauss & Corbin, 1998). Instead, qualitative methods rely on text and image data, have unique data analysis techniques, and draw diverse designs (Creswell, 2014). Furthermore, these methodologies aim to discover concepts and relationships from data and organize them in a theoretical framework (Shah, 2013).

The most appropriate methodology to answer the research question of this study was a qualitative methodology. There are different types of qualitative research methods and

procedures in social sciences, such as participation action research, discourse analysis, narrative research, phenomenological research, grounded theory, ethnographies, and case studies (Creswell, 2014). Neergaard and Leitch (2015) also present comparative techniques, metaphor methodologies, critical incident techniques, focus groups, and repertory grid techniques as qualitative research types and procedures.

This study used grounded theory to analyze the data gathered. Grounded theory is a research design from sociology, and the researcher derives a general, abstract theory of a process, action, or interaction from the views and experiences of participants (Creswell, 2014). The process involves refining the data and interrelationship of categories of information (Strauss & Corbin, 1998). Glaser and Strauss (1967) state that the central components of grounded theory practice are:

1. Collecting and analyzing data simultaneously.
2. Create analytic codes and categories from the data and not from previous hypotheses.
3. Constant comparison throughout the analysis.
4. Theory development at all stages of the data collection process.
5. Sample with the goal of theory building and not population representativeness.
6. Review the literature post-analysis.

Data Collection

There are three forms of research interviews: (1) unstructured/conversational interviews, which allow data to be analyzed inductively, (2) semi-structured interviews that also allow an inductive analysis of the data, and (3) structured interviews, in which analysis is more deductive

(Neergaard & Leitch, 2015). This study used semi-structured in-depth interviews, as there is a questionnaire guided by themes or critical terms that is informed by previous literature (Neergaard & Leitch, 2015). “Semi-structured interviews unfold in a conversational manner offering participants the chance to explore issues they feel are important.” (Longhurst, 2003, p. 103). Appendix 2 shows the interview protocols used.

Creswell (2007) recommends that during the interviews, the interviewer should “stay to the questions, complete the interview within the time specified (if possible), be respectful and courteous” (p.134). Yin (2009) recommends pilot testing the interview protocol to refine data collection plans, improve questions, and delete those that can be redundant. When the interview protocols were tested, it was found that some respondents could exceed the 90 minutes that were expected to answer the whole questionnaire. The test was conducted with one family-owned company, and it was found that some questions needed improvement and that there were redundant questions that were deleted. After the test, it was refined and the interview phase started. Interviews were done from May to November 2021.

Professional language services were needed because the study was done with Mexican family firms, and data collection was conducted in Spanish. Therefore, the interview protocols and letters were translated from English to Spanish by translation software and validated by a third researcher whose mother tongue is Spanish but is fluent in English. This process guaranteed transparency and verifiability of the data among both languages (Nikander, 2008). The transcripts were also translated from Spanish to English by a professional translator.

Sample

Interviews

I interviewed 18 TMT members (Founders, CEOs, COOs, CMOs, and Managers) of 7 family-owned SMEs from Mexico from several industries (alcoholic beverages, construction, agro-industrial products, medical devices, processed food, industrial equipment). The main characteristics of the companies can be seen in Table 1.

These 18 TMT members included fifteen family and three non-family members. The characteristics of the informants can be seen in Table 2. The participant number represents the company they belong to (e.g. Participants C1 through C3 represent three participants of company C in Table 1).

Table 1: Characteristics of Family Firms in Sample

Company	Turnover	Number of Employees	Founding Year	Internationalization Status	Industry
A	\$6 M	28	1996	Not internationalized	Construction
B	N/A	140	1977	Not internationalized	Processed Food
C	\$20 M	100	1977	Internationalized but failed	Agroindustrial Products
D	\$1.3 M	4	2000	Internationalization but failed	Construction
E	\$17.5 M	110	1989	Not Internationalized	Medical Devices
F	\$1.35 M	6	2016	Successfully internationalized	Industrial Equipment Commercialization
G	\$5 M	30	1986	Successfully internationalized	Alcoholic Beverages

Table 2: Description of Interview Respondents

Participant	Position	Family Member	Generation	International Experience	Interview Length (mins)
A1	CEO / Founder	Yes	1st	No	81
A2	Special Projects Director	Yes	1st	No	63
A3	Management Intern	Yes	2nd	No	54
A4	Project Manager	No	-	No	61
B1	Deputy CEO	Yes	3rd	Yes	56
C1	CEO	Yes	2nd	No	52
C2	Marketing and Sales Manager	Yes	3rd	Yes	73
C3	Sales Manager	No	-	No	70
D1	Sales Manager	Yes	1st	Yes	69
E1	COO	Yes	1st	Yes	50
E2	Marketing and Sales Manager	Yes	2nd	Yes	30
E3	PR Manager and Regional Manager	Yes	2nd	Yes	42
E4	Sales Manager	No	-	Yes	63
F1	CEO / Founder	Yes	1st	No	60
F2	CMO	Yes	2nd	Yes	50
F3	Comptroller	Yes	2nd	No	70
G1	Co-CEO / Founder	Yes	1st	Yes	85
G2	Exports Manager	Yes	2nd	Yes	108

TMT members of Mexican family firms were a relevant sample because 1) the proximity to the U.S. and the Free Trade Agreement signed between these two nations open numerous possibilities to family firms and can be strategic for supply chain issues in the U.S., 2) the importance of SMEs for the Mexican economy, and 3) TMT members may have a greater influence on the decision-making process on most companies.

Convenience sampling was used for this study which is a type of nonprobability sampling where members of the target population meet certain criteria like accessibility, geographical proximity, availability, and willingness to be part of the study (Dornyei, 2007). The advantage is

that it is affordable, easy, and the availability of subjects (Etikan et al., 2016). This is the case of this study, where convenience sampling was used because of the easy access through contacts through a Mexican University with a Family Business Program and my personal network.

Mexico has 14 Free Trade Agreements signed with 50 different countries and belongs to international organizations such as the World Trade Organization (WTO), the Asia-Pacific Economic Cooperation (APEC), the Organization for Economic Co-operation and Development (OECD), and the Latin American Integration Association (ALADI) (Secretaría de Economía, 2021). Because of the proximity to the largest economy in the world, the most important Free Trade Agreement is the United States–Mexico–Canada Agreement (USMCA), also known as NAFTA 2.0. This new agreement has maintained some provisions negotiated in the 1994 agreement and updated some others that were negotiated in this new agreement (Swanson, 2020). A survey of family firms in the U.S., Mexico, and Canada showed that the number one priority for 87% of family firms was the growth and diversification of markets in the next 24 months (PWC, 2021).

In the latest census, the National Institute of Statistics and Geography reported 6.3 million companies or economic units (INEGI, 2021). In a private study, KPMG estimated that 90% of public companies in the country were family firms and that private family firms are 99% of all companies (KPMG, 2013). Furthermore, 99.8% of all companies in Mexico are considered SMEs (IMCO, 2021). That can lead us to conclude that most economic development relies on SME family firms in this country, which is why it is important to study Mexican family firms. We can also conclude that most family firms in Mexico are SMEs.

This sample was selected purposefully to focus on each case's depth (Patton, 2007). Hambrick (2007) explained that more explanatory power on the TMT could be achieved when it

is focused on the team rather than individuals. Research on family firms can benefit when studying the entire team, not just the CEO or some TMT members (Tretbar et al., 2016). For this reason, the objective was to interview more than one person, which is the case for five of the seven companies interviewed.

Theoretical sampling's general procedure is to elicit codes from raw data from the start of data collection through constant comparative analysis as the data pour in (Glaser, 1978). This study consists of a total of eighteen interviews. The codes were fully theoretically developed concerning their various properties and connections to other codes until saturated (Glaser, 1978).

Theoretical Saturation

The sample of 18 interviews was considered enough to attain the goal of theoretical saturation. According to Strauss and Corbin (1998), theoretical saturation is reached when: 1) no new data is surfacing in any category, 2) the properties and dimensions of the categories are well developed, 3) the relationships of categories are well developed, and 4) new data does not offer novel theoretical insights.

When coding the first 15 transcripts, the codes that emerged were novel, and the last three transcripts offered no new nodes and only added to the already established nodes (Glaser, 1978). The lack of new nodes indicated that further interviews would not generate new insights into the phenomenon under study.

Secondary Data

The interview data were supplemented with secondary data sources. These data sources comprised the company's webpage, social media, and archival data that few respondents were willing to share. A summary of the secondary data sources can be seen in Table 3.

Ensuring credibility is one of the most important aspects of ensuring the trustworthiness of data (Lincoln & Guba, 1985). Diversity in data sources enables triangulation, avoids shortcomings of using only one method, and improves the credibility of the data and the analysis (Guba, 1981). For example, archival data, companies' web pages, and social media were used to triangulate the information the interviewees spoke about in their interviews. The secondary sources also support the data from interviews reducing the effects of the investigator's bias (Shenton, 2004).

Table 3: Description of secondary sources of data

Company	Web Page	English Version of WebPage	Online Store	Social Media Platforms	Other Data Sources
A	Yes	No	No	Facebook, LinkedIn	No
B	No	No	No	LinkedIn	No
C	No	No	No	No	No
D	No	No	No	Facebook	No
E	Yes	Yes	Yes	Facebook	Corporate PowerPoint Presentation
F	Yes	No	No	Facebook, Twitter, YouTube, Instagram	Import and Export Certificates
G	Yes	Yes	Yes	Facebook, Twitter, YouTube, Instagram	Discovery Channel Documentary

ANALYSIS

Data Analysis

The raw data of the 18 interviews consists of 1,137 minutes of audio recording, 262 pages of transcription, and 153,191 words. NVIVO 12 was used to code, organize, and analyze the data. The grounded theory approach was used when analyzing the data. Grounded theory is a methodology developed by Glaser and Strauss (1967) to construct theory (Creswell, 2007). “Grounded theory can help to forestall the opportunistic use of theories that have dubious fit and working capacity” (Glaser & Strauss, 2017, p. 4). Through this approach, data and theory are continuously compared and contrasted during the data collection and data analysis stages (Shah, 2013).

Grounded theory provides a structure to sort through data that frees the researcher to fully dive into and explore the happenings in the data and discover the stories the data tell (Thornberg et al., 2014) through codes. Coding is the classification and grouping of data through labels, which enable the categorization and summarizing of each data point (Shah, 2013). According to Strauss and Corbin (1998), there are three different types of coding: open, axial, and selective.

Open coding is the first step. In this stage, data is compared, and there is room for an open examination of what is going on in the data (Thornberg et al., 2014). While doing open coding, we identify details and become familiarized with the data, shed new light on the details already known, avoid forcing preconceptions, think outside the box, gain distance from assumptions, and think abstractly (Glaser, 1978; Strauss & Corbin, 1998). During this step, I summarized individual ideas in the interview English transcripts using the subjects’ own words. This step resulted in the sorting and clustering of initial codes, revisions of codes, and

constructions of new, more elaborated codes through the merger or integration of initial codes (Thornberg et al., 2014). In this study, there were 1,032 codes from all interviews.

Axial coding reconnects data into groups and categories (Birks & Mills, 2011). Once open coding was done, I categorized the open codes into related groups creating categories and sub-categories. The goal was to integrate large amounts of data and bring them back together so the data would make sense. The grouping of the codes resulted in 478 axial codes. Table 4 shows two examples of the initial codes grouped in the axial coding stage. Table 5 illustrates an example of the final coding categories that enabled a theoretical model to emerge.

Table 4: Examples of Axial Coding Formation

Initial Categories	Examples	Final Coded Categories
Access to Better Prices	Having a greater reach towards other new markets, being able to establish ourselves in more markets and at the same time have greater negotiation power with suppliers when a larger market opens because we can access better prices and better market conditions for us.	Financial
Income in Foreign Currency	The plan has always been to operate in the United States, for starters we would earn in dollars which is a currency that in a way is very, much more stable than the peso.	
Opportunity Recognition	I think each market has a good opportunity to enter it, all you have to do is know how to regionalize it, that is the question, and know where to enter.	Strategy
Company Growth	If our international market grows, the company as such grows.	

Table 5: Example of Final Coding Categories (based on Table 4)

Initial Categories	Representative Quote
Family (Axial Code)	
Helping the operation	<i>I feel that regarding family, the fact that my sisters live there could be the source of connections where you could say, “hey, well I know this person who has x supermarket chain, I could introduce him to you, we will go to have lunch and you can tell him about the company’s project that you have, about the plans that you have.” - C2</i>
Shared vision	<i>We have all the vision to continue growing and some steps to arrive to that undoubtedly is internationalizing in the future, no doubt. - A3</i>
Non-competition among other family firms	<i>The family already came from a tequila family. The founders did not want to compete directly in the same market so that they wouldn’t have problems with the family. Then, it was decided that we were going to focus in other markets where the family’s first company would not be present to avoid problems. - G2</i>
Source of Pride	<i>And being able to take it to other places, to other extents or to other countries, well, it's a source of pride. - C3</i>
Finance (Axial Code)	
Access to better prices	<i>Having a greater reach towards other new markets, being able to establish ourselves in more markets and at the same time have greater negotiation power with suppliers when a larger market opens because we can access better prices and better market conditions for us. - E2</i>
Income in foreign currency	<i>The plan has always been to operate in the United States, for starters we would earn in dollars which is a currency that in a way is very, much more stable than the peso. - D1</i>
Increase of Revenue	<i>The benefit is that it is a product that leaves us more profit than many other products. - F3</i>
Human Resources (Axial Code)	
Job Creation	<i>You give more work, you give more opportunities to people. - C3</i>
Marketing (Axial Code)	
Product known in other markets	<i>Well, the first is that they get to know our products, and I think that is the most important thing. - B1</i>
Learn about the industry	<i>Internationalization can bring ideas to implement things that you can see in other places. - A2</i>
National market is small	<i>Several years ago we even evaluated the possibility of setting up a small manufacturing plant and some specific products in Mexico, but we realized that for it to be really profitable, you have to sell outside of Mexico because the demand in our country does not justify the setting of a factory. - E1</i>

Word of mouth	<i>In this building where we already have some clients who live outside of Mexico. They tell their family and friends who they bought their house from, so, of course that is a way to reinforce what we have worked for. - A2</i>
Strategy (Axial Code)	
Backup in case of national market collapse	<i>I thought it was a good time to start seeing other markets. I thought of going for a week and investigate and check and start with one house and then I would buy two and so on. I was not planning on internationalizing, but as a backup plan in case something happens. I hope not, and I think it is not going to happen now because the President already lost the control of Congress. I hope that things will become more stable. I have a lot of faith in my country, but if things go in a different direction, I think I would have to do it. - A1</i>
Company growth	<i>If our international market grows, the company as such grows. - G2</i>
Increase of negotiation power	<i>Having a greater reach towards other new markets, being able to establish ourselves in more markets gives us greater negotiation power with suppliers and better market conditions for us. - E2</i>
Opens possibilities	<i>Internationalizing always opens scenarios and it opens business opportunities that perhaps you don't notice being in your comfort zone. - D1</i>
Opportunity recognition	<i>I think each market has a good opportunity to enter it, all you have to do is know how to regionalize it, that is the question, and know where to enter. - B1</i>
Suppliers	<i>What happened is that this product, that our suppliers sell, works with our machines. We have asked them for that part. Also, a company in Guatemala bought something that works with the same device; it's just that that piece is Swiss. But the American supplier is the ones that distribute here in Latin America. So, we have been requested to supply that part to their Guatemalan customer. - F3</i>

After being done with axial coding, I used selective coding to build a theoretical framework. “Selective coding is integrative in nature and enables the researcher to tell a logical, analytic story and lend a theoretical direction to the axial codes” (Shah, 2013, p. 25). The emerged data from the interviews informed the theoretical framework.

Trustworthiness of Findings

The quality of findings depends on the data's trustworthiness and authenticity (Elo et al., 2014). For quantitative studies, the criteria used to test rigor include validity, generalizability, reliability, and objectivity, but in qualitative research, similar criteria are trustworthiness and authenticity (Lincoln & Guba, 1986). Qualitative researchers can employ four criteria according to Shenton (2004):

- Credibility is the promotion of confidence that the researcher has accurately recorded the phenomena under scrutiny.
- Transferability ensures sufficient contextual information about the fieldwork to enable the reader to relate the findings to their positions.
- Dependability refers to the detailed process report that enables future researchers to repeat the work and allows readers to assess the practices followed.
- Confirmability is comparable to objectivity, where findings result from the interviewee's experiences and ideas rather than the researcher's characteristics and preferences.

These four criteria can be achieved through actions described in Table 6. These actions will be explained further in the next paragraph.

Table 6: Trustworthiness criteria and actions based on Shenton (2004)

Criterion	Actions
Credibility	Triangulation through supporting data, diversity of informants, and other documents. Tactics to help ensure honesty in informants in the language of the interview. (Appendixes 2, 3 & 4) Background, qualifications, and experience of the investigator. (Appendix 5)
Transferability	Thick description of the phenomenon under investigation. Provisions of background data to establish the context of the study.
Dependability	In-depth methodological description to allow the study to be repeated.
Confirmability	Triangulation of supporting data to reduce effects of investigator bias. Admission of researcher's beliefs and assumptions (see Appendix 5). The audit trail shows the research steps (see Figure 1).

Ensuring credibility is one of the most important aspects of ensuring the trustworthiness of data (Lincoln & Guba, 1985). Triangulation was done through cross-checking interviewees who were interviewed and archival data that consisted of companies' web pages, social media, and some documents. To ensure the honesty of informants, the interview protocol (Appendix 2) included a statement that affirms the interviewee's confidentiality of the answers and that they will be kept in a secure location and no mention of names so they can speak truthfully and freely. Also, there was language in the recruiting e-mail (Appendix 3), and on the interview consent form (Appendix 4) explaining to individuals that quotes would not be associated with their name directly and the commitment to keep answers confidential, the conversation is voluntary, and finally that if they felt uncomfortable with any question, they could skip it or stop the interview. All of these statements are tactics that ensure the honesty of informants (Shenton, 2004). In addition, there were frequent debriefing meetings with committee members. The researcher's

background is important because the researcher is the major instrument of data collection and analysis (Patton, 1990). The background, qualifications, and experience of the researcher are disclosed in Appendix 5. Thick descriptive data is reflected through direct quotations and narration “about the context so that judgments about the degree of fit or similarity may be made by others who may wish to apply all or part of the findings elsewhere” (Lincoln & Guba, 1986, p. 19). The next chapter will show vast examples and direct quotes from the interviews.

Transferability is another criterion for the trustworthiness of data. “It is the responsibility of the investigator to ensure that sufficient contextual information about the fieldwork sites is provided to enable the reader to make such a transfer” (Shenton, 2004, pp. 69-70). The information for transferability can be consulted in last chapter's Sample and Data Collection sections. Six issues need to be disclosed, according to Shenton (2004, p. 70), which are disclosed in the previously mentioned sections (Sample and Data Collection):

- Number of organizations taking part in the study and where they are based.
- Restrictions in the type of people who contributed data.
- Number of participants involved in the fieldwork.
- Data collection methods employed.
- Number and length of data collection sessions.
- Time period over which the data was collected.

As was explained previously, dependability is related to the study's replicability. “The process within the study should be reported in detail, thereby enabling a future researcher to repeat the work, if not necessarily to gain the same results” (Shenton, 2004, p. 71). This chapter achieves this criterion by thoroughly explaining the methods followed for this study. The

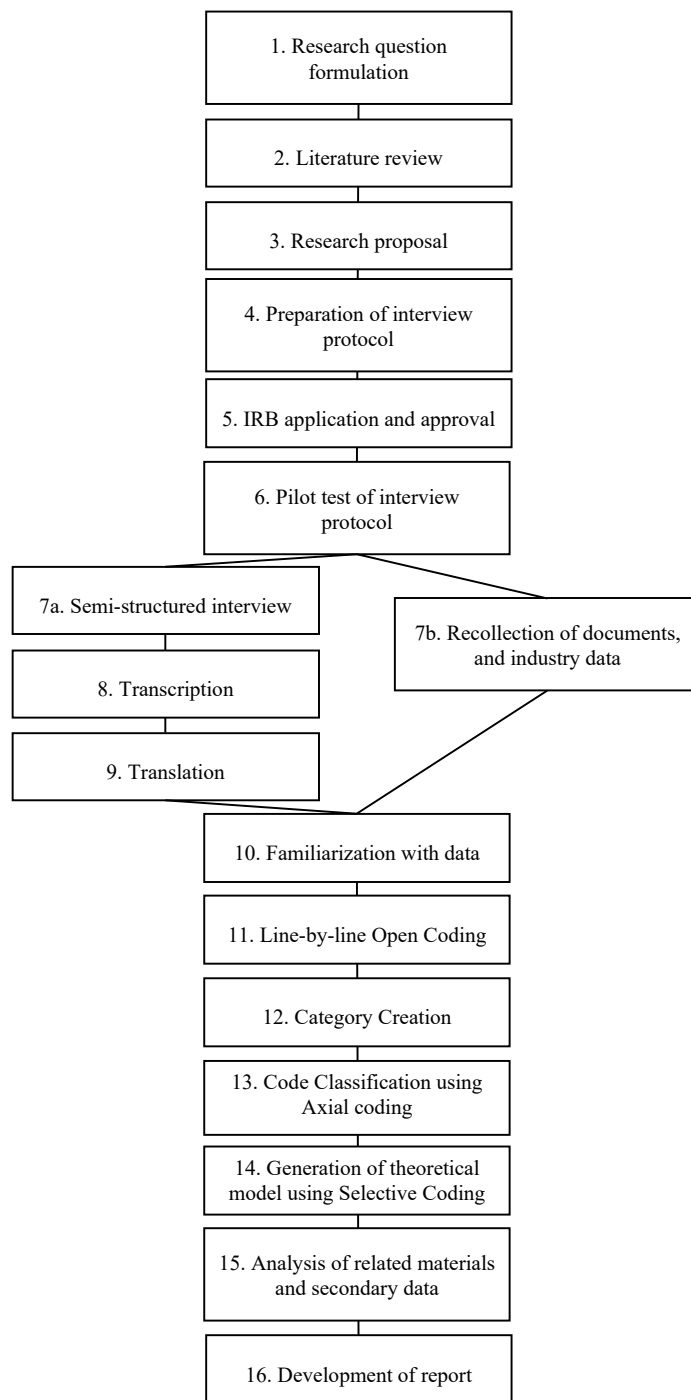
information that should be included to reach an in-depth methodological description is (Shenton, 2004):

- The research design and implementation describing the plan and the execution.
- The operational detail of data gathering addressing the details of what was done in the field.
- Reflective appraisal of the project evaluating the effectiveness of the process of investigation.

To achieve confirmability, steps must be taken to demonstrate that the findings reflect the data, not from predispositions (Shenton, 2004). Triangulation and in-depth methodological description have been described previously in this section. The beliefs and assumptions of the researcher (Shenton, 2004) are disclosed in Appendix 5. An audit trail has been elaborated (Bowen, 2009). Based on Halpern (1983), Figure 1 shows the audit trail diagram.

In the next chapter, the findings of the research are presented. It also presents a theoretical model and connects the findings with previous literature.

Figure 1 – Audit trail diagram



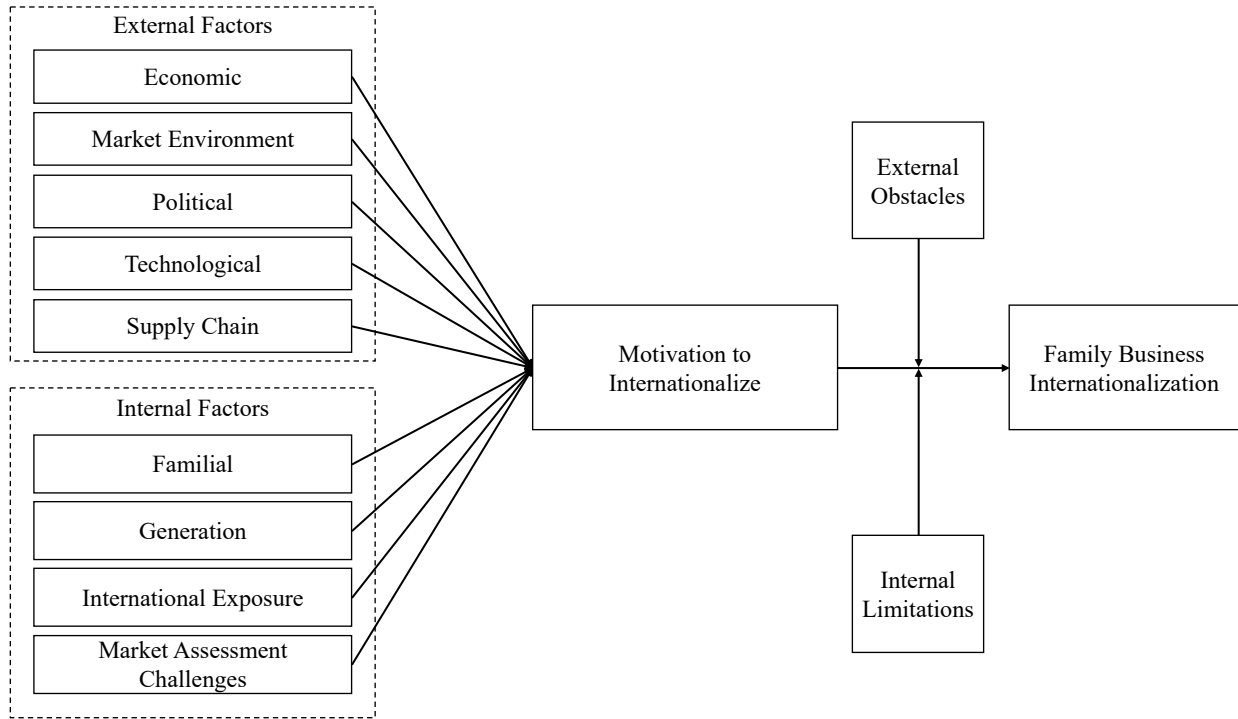
FINDINGS

This chapter presents the findings from the grounded theory analysis of the data from the interviews and secondary sources. In this case, I looked for patterns using the individuals' stories to illustrate points rather than portray a generalizable reality (Murphy et al., 2019). The quotes presented in this section represent the answers from all the companies because it is important to give voice to both angles (the ones that are internationalized and those that are not internationalized).

The emergent theoretical model of this study explains how external and internal factors influence the TMT's motivation to internationalize the family business (see Figure 2). The external factors that were identified in the model were economic, market environment, political, technological, and supply chain factors. The internal factors that emerged in the model were familial, generation, international exposure, and marketing challenges. These factors impact the motivation to internationalize before the decision to internationalize is made. This is why this factor is theorized to impact the motivation to internationalize.

Internal and external factors influence the motivation to internationalize the business, and then the decision-making process to internationalize the family firm is made. The sources of motivation can come from different aspects of the family firm, such as familial, financial, human resources, marketing, and strategy.

Figure 2: Theoretical Model



However, the impact of the motivation to internationalize is hindered by external obstacles from the environment and internal limitations of the company. The external obstacles that emerged from the study were market environment, political and socio-cultural obstacles. On the other hand, the internal limitations that emerged were familial and social. These elements impact the implementation after the firm has already decided to internationalize. These differentiate from the internal and external factors because their influence happens after the firm is motivated to internationalize in the first place.

External Factors

Firms emerge in an environment with forces from different stakeholders outside of their control, and these forces may present opportunities and threats that may affect the decision-

making process and performance of the firm (Njeru, 2013). These stakeholders can be customers, suppliers, competitors, governments, industry associations, and other economic and social forces that impact the organization (Ansoff, 1965; Hitt & Tyler, 1991; Porter, 1980). The influence of external factors on firms' decision-making processes varies in importance in different situations (Erramilli, 1992). In an analysis conducted by Whitelock and Jobber (2004), it is demonstrated that social, economic, market environment, and political factors significantly affect the decision-making process of firms when evaluating new non-domestic market ventures.

The literature states that family firm resilience and long-term family firm survival are impacted by changes in the external environment (Fernández-Moya et al., 2020). It has also been concluded that the external environment's influence may uncover growth opportunities that family firm leaders could take advantage of (Cruz & Nordqvist, 2012). Therefore, it is important to identify which factors influence the process and how family businesses can ensure international success (Gallo & Sveen, 1991). Gallo and Garcia Pont (1996) state that external factors to the family business have relevant influence, either aiding or hindering the internationalization process. In this study, the decision-making process is related to the sustainability of the firm through the growth of the business when pursuing international operations. Furthermore, it is found that the external environment can be a source of opportunity recognition and exploitation (Shane, 2003) and it changes depending on which generation leads the company (Cruz & Nordqvist, 2012).

Five categories formed the emergent theme of external factors: economic, market environment, political, technological, and supply chain. These categories will be explained in more detail in the following subsections.

Economic

The global economy could impact whether the family firm's TMT is motivated to internationalize the company or not. Economic implications are the financing sources, foreign exchange fluctuations between the Mexican Peso and the U.S. Dollar, costs, and duties (see Table 7).

Table 7: Economic factors and selected quotes

Factor	Quote
Financing	<i>D1: If there were some subsidies and some financing, it would make it easier. (...) If you are going to take the money from your country somewhere else, your country should have some benefit.</i>
Foreign Currency Exchange Rate	<i>B1: We depend a lot on the exchange rate, our raw material comes from the United States, and the exchange rate hits us very hard. You know that the dollar goes up and hits us in our costs, so I think that would also be a very important factor to see if we move or not.</i>
Costs	<i>C2: The price practically doubled. Then, what did happen was that all our operations of imported rice were stopped at the beginning of the COVID pandemic. Then 25% of our operations were completely stopped, because before rice cost was thirteen pesos, but now its cost is twenty-six. We also have to pay in advance, and they deliver it within three months</i>
Duties	<i>F3: For example, if it has a general importation tax of 30% or 40%, I am already more expensive in the market. I will not be able to sell because perhaps my competitors have better prices, which will be the problem.</i>

When a family firm decides to internationalize, it must carry out a financial analysis of the present and future situation so the TMT can choose the best option to finance the investment required for the international venture (Claver et al., 2009). The literature has concluded that family firms prefer financing through mechanisms that do not dilute the family's control over the

firm (Croci et al., 2011). Also, family firms would retain control of the firm at the expense of the firm growth (Molly et al., 2012). Nonetheless, it is found in this study that family firms will seek financing sources to be able to internationalize, and these sources will play a role in the decision-making process. Financing can come from national or foreign banks, government subsidies, other international organizations, and investors.

C1: Well, I don't know if the government of the United States or the World Trade Organization, one of those organizations that are so broad and so big, can have a program, some support, a support fund, that we could count on that.

C3: Credits would help us a lot, bank credits to be able to take the product abroad.

E1: Perhaps one of the most complicated factors that can stop us would be an investment. Definitely, according to what we were investigating, to be able to set up a factory that would allow us to sell outside of Mexico, the investment is substantial.

F1: We are looking for the best investor who shares the vision of how this works because investment is needed to export. Strong financial support is needed.

Finally, the respondents talked about what they are doing now or things they would like to see so their family firms could have access to better costs to internationalize. The costs of raw materials seem to be in the mind of the respondents, especially during the pandemic when the world economy seemed to have taken a hit. It has been shown that cost pressures can be a reason whether to internationalize or not in standardized products (Reiner et al., 2008). Another cost that is in the mind of the respondents is labor costs. This cost is especially important for developing countries, like Mexico, when the product has reached maturity in its life cycle (Reiner et al., 2008). Finally, import duties are meant to be a barrier for companies to purchase foreign goods, adding an extra cost and making them less competitive in the home market (Rahman et al., 2020).

D1: One of the biggest risks is the workforce issue. Obviously, the costs are different between the U.S. and Mexico. However, it is clear to me that the profit should also be different in relation to Mexico.

Firm internationalization can be linked with exposure to risk arising from foreign currency fluctuations, and domestic firms can be influenced by exchange rates (Lee & Jang, 2010). As part of the negative aspects of economic factors for companies that source their products or raw materials from other countries, an adverse movement in foreign exchange rates is linked to a dent in the performance of their operations (Luo & Zheng, 2018). Other case studies have illustrated how emerging market companies, such as Haier, exported goods to countries to have foreign currency sales, stating that it was necessary for growth (Yang et al., 2009). This study finds that when family firms establish sales operations abroad, foreign currency fluctuations can play in their favor because the firm experiences an increase in revenue without adjusting prices or selling more products. On the other hand, some companies do not sell their products in foreign markets and source their raw materials outside the national boundaries. Therefore, when you operate in a country whose currency is not strong, it becomes a factor that impacts the decisions of firms. It all depends on what side of the supply chain the company is and whether you will get positive or negative outcomes from currency exchange fluctuations.

F1: I had an experience in the past where we bought in dollars and sold in pesos, and you know that there was a 100% devaluation with (President) Miguel de la Madrid (1982-1988), so we were about to go bankrupt because we had made the commitment in dollars, and we had sold in pesos. We decided to sell the product in dollars from that moment if we bought it in dollars.

F2: The exchange rate does have an impact. Fortunately, right now, it has been stable.

Therefore, family firms will be motivated to internationalize if they can find low-interest financing, regardless of whether it comes from a national or an international source. The family firm will also be motivated to internationalize if they can keep costs down, whether financial, manufacturing, or duty costs.

Market Environment

The market and industry environment can influence a family firm's decision-making process (Shane, 2003). Customer needs and expectations constantly evolve, and family firms must create and deliver superior value to succeed (Beck et al., 2011). Value creation starts with suppliers and all the companies that form the supply chain. Therefore, when firms generate, disseminate, and utilize market intelligence, it can positively influence their performance (Han et al., 1998; Hult & Ketchen Jr, 2001; Kohli & Jaworski, 1990; Narver & Slater, 1990) because all the value created can be captured. Respondents identified four factors that are part of the market environment that influence the motivation to internationalize: customer demand, customs agencies and brokers, national business partners in foreign markets, and business development assistance programs (see Table 8).

Table 8: Market environment factors and selected quotes

Factor	Quote
Customer Demand	<i>A1: If my countrymen from Tlajomulco or Michoacán in Los Angeles or San Francisco told me: “look, here is a piece of land where you can build fifty houses, and we will buy them from you,” I would go there without any problems. Why? Because I knew that the houses would be already sold, it would be about exploring a market where I had already sold fifty units. Then, after that is done, I would build another hundred.</i>
Customs Agencies and Brokers	<i>C1: When the breweries started selling in the United States, they didn’t do it directly. They did it through a broker. So all these Mexican products that get to the United States sometimes must depend on someone who knows the market, the way of working, distribution, etc. That is very different from our way. Here we have a very direct process; there, brokers are used for purchases and sales. So you must have somebody who is making that link. Here we are used to dealing directly with everything, and there everything is more institutionalized.</i>
National Business Partners in Foreign Markets	<i>G2: To be honest, most of the clients they worked with already were Mexican and lived in other countries such as Switzerland or California. That is why they started exporting to California. Later, that Mexican guy went to live in Chicago. So then, the second market they opened was in Chicago, but the same Mexican guy who had looked for them moved to Chicago and took the business with him. So the only business relationships we had were with Mexican people, making all the negotiations in Spanish, Mexican to Mexican. When I entered the company and saw that, I told asked them: “what pace are you moving? What are you playing at? At this pace, we are going to open a market every ten years!” and that is when everything started changing and speeding up from 2013, 14, 15 and so on.</i>
Business Development Assistance Programs	<i>A2: We worked with a very interesting program. It’s about to end. We worked with them, I think, during two or three developments. Its name is Nama, a program financed by German banks; they are German banks. The program would help the final buyer have ecotechnologies in their house, so it is self-sustainable.</i>

There is a saying that “the customer is always right.” Therefore, when the customer asks for a product or service, the family firm leaders can discover the opportunity to do business

attending to that need because they possess the information (Shane, 2003). Nonetheless, the demand for the product or service should exist.

G1: Unfortunately, China is a complicated market for us; it is a country with many inhabitants. Once you penetrate their market, there is no other bigger market than theirs, but their palate was not used to or educated for tequila consumption. They consume many spirits and many distillates, but tequila is a different product from what they were used to. I saw that the labor to be able to enter that market was a lot and a lot of capital.

A group of savvy people on the market and the regulations in each territory are brokers and customs agencies. Brokers contribute to the speedier internationalization of firms since they know the institutional hurdles and possess sufficient networks to aid their clients (Kiss & Danis, 2010). The amount of this type of intermediaries varies from one country or territory to the other (Quintens et al., 2005). Customs agencies contribute to a more efficient exporting process and facilitate the dialogue between the firm and the government (Ribeiro & Carmo, 2013). The respondents recognize that agents and brokers are necessary because of their knowledge and contacts. They also speak of the importance of their role because they help or be an obstacle when trying to sell products abroad.

F3: When importing, which could be the same concept when exporting, the woman who was in the process was changed to another woman, and this person wasn't even aware of the case. You instantly notice when someone is changed, and you see that the person is not aware, well, she didn't know what documents you must bring or what information is needed to proceed with the importation. I mean, that's a factor that could help us or fail us, for example, when exporting.

People from the same country may know the product and understand the value proposition to the market. Lecraw (1977) observed that relatives of business owners and other fellow citizens in Thailand and other developing countries helped exploit opportunities in foreign markets and made ideal partners so the company could start operations in foreign countries. Moreover, products and brands from foreign markets can be strongly associated with cultural

products and brands, sometimes stronger than in their home markets (Elango, 2006; Guzmán & Paswan, 2009; Luo & Tung, 2007). Therefore, these business partners and compatriots can be advocates and facilitators of opening new markets. Nonetheless, this study finds that international expansion can be slow if a company relies only on them.

Business development assistance programs can help motivate the internationalization of the family firm. Although foreign embassies and consulates have lost much of their role in promoting international business between host markets and their home country due to the loss of communications costs, it has been studied that these governmental representations do have a significant impact on the increase of trade among nations (Gil et al., 2008; Rose, 2007). Diplomatic representations and other organizations promote trade among nations by gathering market information and promoting exports of their home countries (Martincus et al., 2011). Programs by diplomatic agencies and export promotion agencies tend to be used more by emerging markets to promote trade with developed economies (Lederman et al., 2010; Quaye et al., 2017; Volpe Martincus et al., 2010). In the interviews, the organizations that are recognized as aides to the decision-making process are embassies and development programs.

G1: When I started opening the market in Europe, I got a lot of support from the (Mexican) embassy in Madrid and London. They would lend me offices because I was Mexican, not because I was a company. I was a Mexican, and they would tell me that I could use an office. They let me use a meeting room, and they would lend me an interpreter if I didn't speak the language. Lent! I would sit and make the negotiation with my clients. I would feel sheltered by them.

The motivation to internationalize the firm will be impacted if international customers actively seek the company's products and services and if people from their own country want to take the product to the place they live abroad. Also, some facilitators that may motivate the firm to internationalize are brokers and customs agents, especially if they have experience and help

the firm. Finally, diplomatic representations, such as embassies and consulates, may have programs that can motivate the firm's internationalization.

Political

Governments are subject to political forces within their territories and therefore create policies that can help or hinder businesses within their national boundaries. These policies can be duties (e.g., ad-valorem or most favored nation duties), regulations (e.g., tariff quotas, health regulations, standards, and import licenses) (Sarquis, 2002), or programs to incentivize international trade. In this study, respondents identified factors that stem from their national governments and recognized foreign governments' actions and policies (see Table 9).

Table 9: Political factors and selected quotes

Factor	Quote
National Government	<i>G2: Before, we used to work with Pro-Mexico before our President ended it. Pro Mexico helped us a lot with the expos and commercial fairs. At the expos, Pro-Mexico acquired pavilions, big pavilions for Mexico, and they would give the stands to different industries: textile, shoes, agriculture, tequila, mescal, and jewelry. A stand without their support would cost us one hundred thousand, two hundred thousand pesos to have a small stand, literally almost three by three (meters). Imagine ten thousand dollars! We would not be able to pay for it, or we were not willing to pay so much. Well, Pro-Mexico could get it for you for free. They would tell us to pay for the costs of your trip, hotel, flight, and meals, but the stand was given to us by Pro Mexico completely free. You had to apply and go through a registration and approval process. That was a big help! Those resources could be better invested in developing and opening the market or traveling. Unfortunately, the President eliminated Pro-Mexico.</i>
Foreign Government	<i>C2: We have received calls from many companies from Central America asking for half-grain to produce dog food or make a certain product for a line they have. Then, the government of Guatemala speaks to the government of Mexico and asks, “Hey, look, Mexico, I know that you have a strong rice industry. I have a demand for that product that my rice plants in this country cannot supply, so help me. Is there a way you can send me a product? And Guatemala could send a product that we have a surplus of”.</i>

The Federal Government changes every six years in Mexico, and the incumbent President does not have the option to run for reelection (Gobierno Federal de México, 2001). In the past 30 years, the country has gone through radical changes in the government where different political parties from different sides of the aisle have risen to the Presidency (CIA, 2021). It seems like governmental support changes in different aspects with new administrations. For example, policies can be translated into promotion bodies, bureaucracy, and paperwork.

C2: Regarding the government, it could contribute by giving us the know-how, showing us the way, and introducing us to the right people for us to be able to manage the importing and exporting processes correctly. That way, we won't have trouble with paying duties. Also, they could make the entrance and exit barriers very simple.

E1: Well, today, there are already agreements. We are doing some tests through the FDA. As you know, the FDA is a body like COFEPRIS and registers products that we will test or test for the first time through what they call FDA equivalence codes. So then, in theory, if a product is already registered, it has a registration with the FDA, and you can process your registration under the shadow of the FDA. So, in theory, it should be very fast because there are international agreements. Oddly enough, we also have agreements with Japan with Europe, but until now, we have not seen much progress in this regard, so I know that there are agreements among international organizations. I know that they are willing to give support; we are currently experiencing it; the obstacle continues to be our country.

Usually, foreign governments serve as barriers to protect their national industries through regulation (Welch & Luostarinen, 1988). However, in this study, it was found that foreign governments can also be a factor that motivates family firms to do business in their countries. This relationship between internationalization and foreign governments was studied by Hitt et al. (2006), who showed a strong positive effect on the internationalization of firms in this relationship. That can be done through their policies to attract investment abroad or facilitate the relationship among companies (such as easier regulations, facilitating spaces for international companies to do business with national companies, or offering land at a preferential price). In addition, the general sentiment of respondents on foreign governments was more positive than toward their national government.

G2: In 2017, the world expo was in Kazakhstan, in Astana, and there the government of Kazakhstan and the government of Astana paid for ten Mexican companies to go. Ten companies from ten different industries. Lucky for us, we got to participate as the only tequila company, and there were people from the textile, jewelry industry, etc. It was very impressive because literally, they paid for our flight, the expo, the hotel. I mean, the accommodation was in some villas. We were given an apartment at a villa, flight, expo, and they even gave us one hundred dollars to spend on food. We got there, and they gave us the cash like that, and the government of Kazakhstan paid all that. It was amazing for me at that moment; I wondered how the government of Kazakhstan had just paid for ten Mexican companies to travel to their country for the expos, which was incredible for me. That is not so common; it does not happen so often. When I got the email with that invitation, I did not believe it. I thought, "how?" I had to call at that moment. So, I called and said I was looking at the email stating they would pay for everything. She said yes, and that I should hurry and send all my documents because otherwise, someone else would take my spot. Well, that same day, I think I hung up the phone, and an hour later, I already had all my

papers and the forms filled, and we got it. That happened once in the seven years I have been working, when another government paid for everything. Usually, it is Mexico, the one that supports you, Mexico, the one that wants to help with exportation, and this had never happened; another country paid us to go.

Political factors will motivate the family firm if the administration in their national government is pro-business, whose policies include creating or maintaining governmental agencies that promote international trade (e.g., Pro-Mexico) and work towards less bureaucracy and paperwork that slows down licenses and permits. And also when foreign governments facilitate trade through regulations that firms find easy to comply with due to less bureaucracy, paperwork, and requirements.

Technological

Technology can influence a company to internationalize. The technological enablers that have helped overcome barriers are artificial intelligence, the internet of things, mobile apps, and social media (Dabić et al., 2019). Technology has allowed for more integrated supply chains and faster contact with suppliers, contractors, and partners (Mangematin et al., 2003). It has also reduced physical distances, allowing SMEs to reach better markets, users, and potential customers that were only reachable to big multinationals (Musteen et al., 2014). As for communication tools, Electronic Data Interchange (EDI) systems, email, VOIP (internet voice calls), and lower costs in international calls have also helped SMEs and customers to communicate better and faster (Jaw & Chen, 2006). In this study, the main technology mentioned was the internet. However, this term can be broad and may involve some of the previously mentioned enablers and tools (see Table 10).

Table 10: Technological factors and selected quotes

Factor	Quote
Internet	<i>G2: I mean, right now, I can check on the internet, and I can google and find any country, any distributor, and their website. However, if I send them an email, there is like 90% chance that they won't even answer it. It is most likely sent to the spam folder, or they will delete it if they see it. Nowadays, I don't feel that that works anymore, though. (...) I think that right now, you might say that a website via google can connect; sure, but he will have to contact ten thousand clients to get five.</i>

C1: Previously, you wanted to contact buyers and sellers personally, and now it happens that with a click, they give you the order. They give you a number, and if you want to grow, you have to look through all these mechanisms because personal contact was lost, and now I am seeing it. For me, it was very difficult before, I had to go to the field and talk with the producers, and now because of COVID, we already have Zoom meetings. The farmers also log in, and we see each other virtually; nothing happens. We will keep in touch. For example, the farmer came to Guadalajara for his settlement and would pick up his check and bring the family. Now he sends the electronic invoice, and we deposit through e-transfers, and you start losing all that face-to-face contact. However, the internet is also making us more agile, and you see that things are going in that direction, and it's ok.

Therefore, we can conclude that the internet can motivate the firm's internationalization by enabling communication between the family firm, customers, and suppliers. Furthermore, email and video-conferencing tools are enabled by the internet, which makes communication tools factors that motivate the firm's internationalization. Nonetheless, family firm managers must know how to use them to be more effective.

Supply Chain

Family firms that produce tangible products need to have a competitive supply chain. Since SMEs cannot internalize the supply chain like large MNEs for exporting their products, this factor becomes central to their internationalization strategy (Caiazza, 2016). Companies must try to align the fulfillment of products in quality and quantity, making supply chains a key

element to understand and manage in the internationalization process (Andres et al., 2022). The COVID-19 pandemic has caused major supply chain disruptions due to a lack of preparedness, shortcomings of current response plans, and the need for greater resilience in the supply chain (Remko, 2020). The only issue the respondents raised regarding the supply chain is the availability of raw materials. Managing suppliers can be an important obstacle to servicing foreign markets (see Table 11).

Table 11: Supply chain factors and selected quotes

Factor	Quote
Raw Material Availability	<i>C1: Our main challenge in internationalizing is to have the raw material available.</i>

G2: I think that the main challenge would be the raw material, agave. The plant takes seven years to grow, and now there is a scarcity crisis where there is almost no agave, and agave is very expensive. So now, what we must do is the plan regarding agave, that there is enough.

A well-replenished supply chain can motivate the internationalization of the firm. Being able to produce enough products for all markets (present and potential) is something that can motivate the firm to internationalize.

Internal Factors

Previous research has shown that company characteristics influence the motivation to internationalize a company (Hutchinson et al., 2007). In the SME literature, a number of facilitating factors that drive internationalization include previous experience of decision-makers, international contacts and orientation, firm-specific competencies relating to planning orientation, adoption of innovative technologies, foreign market information, and managing

channel relationships (Ibeh, 2003). Hutchinson et al. (2007) find in their study that the decision maker's experience created awareness of international market opportunities, which led to the internationalization of the business. However, the factors that enable or limit the internationalization of family firms are internal to the organization (Gallo & Garcia Pont, 1996). Gallo and Sveen (1991) identify internal factors such as the company's strategy, organizational structure, family, and international characteristics. Fernández and Nieto (2005) later study the effects of generational changes on the internationalization of family firms in Spain. The emergent themes from the interviews about internal factors were grouped into four different categories: the family's influence, the generation that the leadership belongs to, the international exposure of the TMT members, and market assessment challenges. In the following subsection, these factors will be explained further.

Familial

When it comes to family firm internationalization, family involvement matters even if it is unclear what the consequences are for the company, which is why it is relevant to study this particular influence (Arregle et al., 2017). If the family has an ample stock of knowledge and attitudes, then the family will be a supporting agent of the internationalization process of the family firm (Gallo & Sveen, 1991). The family influences the firm's internationalization through ownership and management roles (Pukall & Calabrò, 2014). Familial aspects can certainly be an asset when it comes to business. In this case, respondents saw that convincing the CEO, the family *per se*, the willingness to relocate to another country or region, the education of the next generation, and their personal networks can help the firm's decision-making process (see Table 12).

Table 12: Familial factors and selected quotes

Factor	Quote
Convincing the CEO	<i>A4: Regarding the family part, feelings and empathy are involved a lot. When presenting a project, you need to show how problems will be handled and make him fall in love with the idea. Convince him that it is a successful option - being able to make this type of investment abroad. And then you can have management's support and the CEO: "go ahead, you have all my support, and let's begin. What should we do?". That's when projects start developing in a realistic way. That would be the key part, convincing selling the project by showing success.</i>
Family's support and encouragement	<i>A1: Thank God, I have my family that has always supported me in all the projects that I have started, and I've told them, "In this company, we are like farmers. Builders are like farmers. We take the plunge in every harvest," so, well, you put your heritage into everything.</i>
Family Members Willing to Relocate	<i>D1: A family member would have to be there, at least while it starts.</i>
Next Generation's Education	<i>A1: He is 21 years old and has two semesters to go. He is precisely majoring in administration of family firms, and he is looking for the institutionalization of the company, and he has everyone on a tight leash. "Hey, dad, this; let's see, do you think I am capable of overseeing this? I am in the day-to-day operation of things like this". So he has a very different vision, and I think that right now, I have a lot of faith in the fact that he is going to take our company from being small to make it big.</i>
Personal Networks	<i>F1: My son attended an automotive detailing course in Chile. There, he contacted companies from Guatemala, Chile, and Uruguay. I think he also sent something there through his presence at one of these automotive detailing events. (...) What happened is that my son went to the show with his products, he showed them, and we had a sale almost immediately.</i>

Graves and Thomas (2008) conclude that the ability of the CEO to bring about a commitment to internationalization depends on the ability to gain the family's consensus. That conclusion with this study's finding opens an interesting topic to be researched because, in a previous study, it was observed that when a CEO has a high degree of narcissism, business activities such as internationalization tend to intensify (Oesterle et al., 2016). Furthermore, in the

family business literature, it has been concluded that the CEO's academic level influences the firm's internationalization (Ramón-Llorens et al., 2017). Therefore, a closer look at the CEO's psychological characteristics may be needed. Usually, the head of the family is also the company's CEO, and they have the final decision (Tsang, 2001). However, in this study, a non-family member brought up this factor. Although he is part of the Top Management Team, he sees the CEO as the gatekeeper of the decisions, but once the CEO is convinced, the decision-making process can be easier.

Support and encouragement from the family impact the motivation to internationalize the family firm. Because of this support, members feel confident enough to internationalize the firm. This finding is contrary to what Arregle et al. (2017) found in their study, which states that the presence of family members in ownership and management roles can limit decisions on developing the foreign direct investment portfolio. To add to that finding, Jin et al. (2021) state that family involvement has a negative effect on the internationalization of small family firms.

G2: The family has not limited the internationalization of the firm. It's the opposite. What has been encouraged and what has been promoted are growth, expansion, and internationalization! (...) Perhaps I would not have been able to open the markets that were opened or grow in the way we grew if I had not had the family's backup.

F3: I think we are open to internationalizing. I mean, when we get together and have the board meetings, my brother has mentioned it, and we are open to exporting.

Respondents also saw the willingness and availability to move to that location as a motivator to open new markets. It is important to select who will become a family expatriate because they are agents of knowledge transfer and learning responsible for transferring management practices from the headquarters to the subsidiaries (Tsang, 2001). This action leverages the mistrust of partners and employees who may want to take advantage of the

company, supervise that the operations run as they should, and have a first-hand understanding of the new market. However, family members must be willing to relocate to other nations because their family must adjust to a new country, and can play a significant role in the operation's success (Erogul & Rahman, 2017).

A4: If a relative were abroad, internationalization would be a very good viable idea. They would need to feel that there is trust there is safety; they are not going to take advantage of it.

E3: The entire management group is the family. They already sent me to Mexico City, and well, they should have had more children. I think that if it were a very important investment, they would probably ask Pedro or me to go to, well now, to be present and understand the new market there.

The education of the next generation of family firm heirs was studied by Zhao et al. (2020), who found that when the next generation has an elite foreign education, they can access a wide network of people that can be valuable for the internationalization of the firm. González and González-Galindo (2022) found that emerging market family firms' internationalization processes are related stronger to CEO attributes such as international experience, education attainment, and international education. It's been observed in the Asia-Pacific region that family members can spur their family firm's interest when returning from abroad to gain work experience or because of education reasons (Eddleston et al., 2020). In this study, it is found that the heirs' formal education can impact the family firm's decision-making process and strategy.

It has been concluded that network relationships were important for the internationalization of the family firm, particularly the personal family networks (Graves & Thomas, 2008). A solid international network significantly affects the relative growth of exports in family firms (Kraus et al., 2016). As mentioned previously, in the social factors in this study, international friends and contacts can influence the decision-making process. However, it is the

network of the family, whether they work in the company or not, that can also be an internal factor for the company, and their ability to make connections and nurture them to their advantage.

C2: I find it very funny that less than a year ago, a very good friend of my brother-in-law who has a company in the United States contacted me. He is the one that sells canned beans, and he called me and told me that he needed beans, and I told him: "Ah, well, I have these beans, I have these prices, I have this quality." The issue was that he was able to get much cheaper beans somewhere else, and I told him: "Hey, that's cool. I understand that this is a company, and it is about looking for profit and earning more". However, we established a possible business relationship, and he told me: "The moment you can reach my price, I would gladly buy from you without any problems."

The CEO's support is just as valuable as the family's, and these factors can influence the motivation to internationalize the firm. Also, the family's characteristics, such as the next generation's education, their willingness to live in another region, and their networks can motivate the firm to internationalize.

Generation

The involvement and reasons for new generations joining their parents' and grandparents' firms can significantly affect the firm's future (Stavrou, 1998). Calabrò et al. (2016) have argued that one way the incoming generation drives growth in the firm can be through internationalization. In his seminal study, Okoroafo (1999) concludes that if the firm does not start international operations by the second generation, it would be unlikely to expand internationally. Each generation brings new strategic ideas and is expected to be more qualified than the previous generation (Brush, 1992; Fernández & Nieto, 2005; Ward, 1997). This study found that this is true because of the support that the next generation gives to the older generation, but also that support happens mainly from the older generation to their heirs. The intergenerational dynamics may also create agreements and differences regarding

internationalization. All these factors influence the motivation of whether the family firm will internationalize or not (see Table 13).

Table 13: Generation factors and selected quotes

Factor	Quote
Intergenerational Support	<i>A1: If they presented a project that I consider feasible, I would not have any problem supporting them in exploring international markets. But once the project was well analyzed and well planned in all things, they have already understood the game's rules because it is not the same to do business in Mexico as in the United States.</i>
Intergenerational Dynamics	<i>D1: No, I believe that my dad is more open (to internationalizing) since he has always believed that we would earn more if we built a house there (in the United States). (...) Compared to what it is earned here. Then, I believe that it is more than the romantic side also from the social reputation point of view.</i>

Support in the company's different activities is important in any company regardless of family firm or not. In the case of family firms, the next generation contributes to the firm and is willing and able to take strategic risks, depending on how the next generation is autonomous (Eddleston et al., 2020). In the case of the younger generation giving support to the older generation, they can do so in three ways, go to the international market, through their knowledge, and with the older generation's retirement process.

D1: Going there, supervising, and calling the new project shots would be more complicated for the first generation to go there continuously. First, because of the time, second, because of the age, and third of all, because of the pandemic. There is much more risk for a sixty-year-old to travel than a twenty-something-year-old.

A2: If I had asked myself thirty years ago if I thought about internationalizing, I would say, "no way! My product (houses) is here; I mean, it has a foundation. How am I going to send it to you there?" It would seem like something impossible. I did not have that part very clear, and now I do. My nephew has been telling us, and all that is clear to me now, that internationalization is not sending your product or exporting it but bringing the foreigner here.

F1: I must accept my limitations. As I get older, I give my trust to those who know. For example, my son just told me, "I'm not going to involve you in this project because honestly, we want to handle it," so we (his wife and him) will give it up to those who know best. In this case, my children are the ones who handle a lot of the day-to-day nowadays.

Parental support and control are needed to influence the next generation's engagement in the family firm (Garcia et al., 2019). The degree and involvement of the older generation in the activities, needs, and goals of the next generation is a reflection of the degree of their involvement between them (Cabrera-Suárez et al., 2014). This study supports these previous studies through the way the older generation supports the next generation. They encourage the next generation to look for growth opportunities and groom them to be the next leaders of the family firm. The way that this support is realized is by allowing them to test their abilities, presenting a plan for a project, and guiding the planning of such project; empowering them, giving them financial support and helping with the control of such finances; and finally, they also can help with clients and partners and passing knowledge to the next generation.

A4: Giving the new generations some freedom to experiment as long as the product is profitable and tests their abilities.

B1: Well, I think my dad is one of those people who always sees the good side of things, and if he sees that it is a benefit for the company, he will obviously support us. I think the first thing where he would give us support is the plan, what we are going to do, and from there also be able to map the initial path and the final path of where we want to get to. So it is not only about going to open factories to the whole world. It is about having a path, knowing where we are going and the purpose of going there.

C2: I feel that the key is empowering us. The third generation, or the generation below, knows how to present the project well and that they know the KPIs so that the project that you want to carry out is really a success.

A4: I think that the part that would help the most is financial control. There is very good control regarding finance and commercialization.

E3: He would probably have to support us with capital because if he doesn't, we are not going to open anything without his presence.

F1: As CEO, I give support with clients, and due to the years I have the knowledge of the clients, I support them in that aspect. When there is a delay, or they want to see an important large client, I support them in that, and I am practically here for support in whatever is necessary.

E2: Well, I believe he has a lot of expertise, and although he has a slightly different vision, he knows a lot about the market. He continues to know people, and he continues to be a figure that, when we deal with the suppliers, they know who he is. The company has developed the way it has, thanks to him. So, I think this continues to be his greatest support as the brand he built.

The next generation may feel pressure to join the family firm (Goldberg & Wooldridge, 1993). It has been observed that when family firms start the succession process, in the early stage of the succession, the firm's strategy may take a form of a shared vision for the future (Meier & Schier, 2016). The interaction between the members of different generations can create an intergenerational dynamic which can create agreements and differences. The agreement on points of view among generations can create synergies that motivate TMT members toward a common goal. This study confirms what Meier and Schier (2016) found because informants stated that the points they agreed on could be a good starting point when negotiating the company's future growth. The respondents found three points that elder and next-generation members converge, being open to the idea, having the same vision, and overseeing the same challenges.

D1: I believe that the same because both the first and the second generation think relatively in the same way regarding that issue. Here, I am going to say not fears but challenges that the first generation sees; I share them 100%. So it is not an issue of them saying no and I yes. C1: Well, I am of the idea that first, we must consolidate ourselves locally and regionally here, but I am not against that. My vision is very focused there as well. Maybe the business will have a size, and that size in the future depends on how you segment your market; say, 30% is going to be sold in the self-service, 30% in the traditional market, and let's leave 10% for export, and that's ok. I think it is a shared vision.

C2: It is a topic that has been discussed, that there is interest from both parties to start sometime in the future, but currently, they are only plans. There has not been anything concrete that would indicate we are getting ready to do that (internationalize).

However, contrary to the last point, when offsprings decide to join the family firm, they may want to escape the shadow and stigma of being the owner's child or grandchild, and they

feel pressured to establish a professional reputation by making radical changes (Stavrou, 1998). Kellermanns and Eddleston (2004) propose that when different generations are involved in the family firm, the conflict impacts performance, but altruism can mitigate the negative effects. Therefore, differences in opinion can also create an opportunity for TMT members to discuss the company's strategic direction. For example, in this study, respondents identified differences between generations: breaking paradigms, only one generation being open to internationalization, the difference in vision, the fact that the next generation members need to learn first, and the older generation needs to delegate more.

B1: Internationalizing the company would be taking the reins elsewhere. It would be needed that all of us agree on how it will work and, overall, how communication is going to be. We would need to decide what line we will follow and who will go to that market.

C1: Generational differences play a role by breaking schemes and paradigms. As I said, you were used to the fact that the business was buying and selling nationally, and then the North American Free Trade Agreement came and changed the rules. Now with the internet or COVID, and more unforeseen factors that we did not even know existed many years ago, changing how we do business.

C2: The first generation was not interested in international operations. The second generation has started to negotiate. For example, in the case of Nestlé, which is one of our main customers, we have had meetings where we talked about the possibility of supplying half-grain to their plants in the United States. We have said that it is possible for us to supply half-grain to their U.S. plants with the only condition that we need to get paid in dollars. The third generation is more prone to think about the opportunity of establishing a brand there. To position ourselves and make people know us even when perhaps at the beginning it is going to cost more. But, in the long run, it is going to generate more profits.

E1: With the joining of my niece, communication is very good, very fluent. With the joining of my nephew, too. However, a little of what we have been starting to face right now is that they don't ask if we have already an established path. Fortunately, my communication with them is very good. I will give you a very simple example, but it is a bit with what I am starting to get across. They have a hard time, for example, asking human resources to hire someone. The girl from human resources does not dare to tell them, "Hey, the path to hire someone that we have established in the company is the following. If you want to modify it, it is ok, but let me know" Then, it has not been anything serious. I insist that my communication with them is very good, and people trust me. Then, people come to me, so I go to them and tell them that there is a channel for everything, there are policies, a procedure, check it, know it. If you want to change it, perfect; we will do it, but we need to communicate it officially.

A3: The CEO is also the one who is responsible for everything. We are trying to make him delegate because he is the one who is on the construction site supervising, managing, and administrating.

In conclusion, when there is intergenerational support, and there is agreement on the vision of the company, the family firm will more likely be motivated to internationalize.

International Exposure

International exposure is a factor that can motivate the internationalization of the family firm. It has been studied that it can play a crucial role when a family firm chooses how it will enter a foreign market, but the influence varies across firms (Kuo et al., 2012). Gallo and Sveen (1991) state that through these experiences, international knowledge is gained, and the earlier a family member is exposed to it, the easier it is to gain knowledge. In addition, the more international experience a firm accumulates, the less a firm relies on partners' help (Claver et al., 2007; Kuo et al., 2012). The factors mentioned about international exposure by respondents were the impact of such exposure and the types of exposure (see Table 14).

Table 14: International exposure factors and selected quotes

Factor	Quote
Impacts of International Exposure	<i>C3: I think there is more confidence in international operations because you have already been to other places at the end of the day. Being sure of your product does not guarantee that you will sell it, but the experience is useful and gives confidence. (...) Although maybe he (the CEO's son) has not worked, only studied, he has seen more scenarios.</i>
Academic Experiences	<i>E3: Well, in Boston, I met my husband at Tufts University. That's probably quite important, and from then on, academically, it was probably the one that changed the course of my life. I also really liked it if I had to return to a normal labor market one day. I feel very comfortable that I can do it with my resume without much problem. So yes, I can show I went to a well-known university. I feel confident in competing with those who have made a career locally.</i>
Business Trips	<i>C1: Well, there have been tours that I got an invite from the American Rice Council and American Beans. They also invited us to visit production rooms, and we purchased machinery. They invite you to see processes or machines already installed in certain parts of the world.</i>
Entrepreneurship Programs Abroad	<i>F2: I was in Boston for about two months (...). In "Reto Zapopan" (local entrepreneurship challenge), we had an approach, participated in that challenge, and were among the finalists. Then "Reto Zapopan" looked for us when there would be an international experience (MassChallenge). They said, "Hey, we will choose five companies that are going to pitch in Boston," and we were chosen to be in the accelerator program for six months.</i>
Fairs and Expos	<i>G1: We try to participate in global exhibitions. There is one very important in Berlin once a year of everything related to the wine and spirits industry, and there, as an example, we have opened new markets.</i>
Previous International Ventures	<i>C3: I have a company where we export tequila, independent of this company where I am an employee. I am a partner with my brother-in-law, and we have other partners. The company was born a short time ago. It is five years old and started exporting almost two years ago.</i>
Visiting Relatives	<i>A2: There are some nieces of my husband who are married to European men: an Irish and another one to an Austrian. We visited them and met the family, the family environment, and how the common people live. As an architect, I have learned a lot from those experiences.</i>
Work for Another Company Abroad	<i>E2: The Baltimore experience is a funny story because we work with a supplier, I told you that they're Danish, and their offices for Latin America are really in Madrid. So, they had implied that the position was going to be in Madrid, and then they told me it was in Baltimore. Oh well, I worked with them anyway.</i>

Respondents mentioned impacts that can be capitalized towards the motivation to internationalize the family firm such as: bringing new knowledge to the company, obtaining foreign market knowledge, increasing confidence in international operations, meeting business partners, sparking innovation and creativity, and understanding foreign suppliers.

A4: International experiences of the family have had an impact in regards to looking for a way to stimulate international sales as much as possible through all this knowledge; what you can invest, where you can invest. Also, you can invest abroad with a wider range of benefits with the experience of having been to those places.

C2: I think there would be more confidence because you lived in that area or in that country. You know how culture is; you know perfectly how people are and consumer behaviors. So you know many factors that the fact that it is not the same to say: "Hey, I am going to go sell to that country where I have no idea about it." to "Hey, I am going to sell to that country because I know that there is a demand of that product that they need. When I was living there, I noticed that they didn't have it, and there was a demand that could buy it."

B1: I would maybe do business with a former classmate from my university. There, I think I met very honest people. Well, look, I met all kinds of people in Madrid, just like here in Mexico, especially local and family businesses, such as the famous tapas bars and pintchos bars. They are places that have been operating for thirty or forty years. We also have contact with my acquaintances or friends from the university that also managed to have the vision of expanding or innovating in their family businesses. So I think that could also enable us to do business with someone from there.

C2: In my experience in Germany, I went to global size companies, small companies, and medium companies, and the one lesson that I took the most advantage of is that just because you are a small business does not mean that you cannot be sustainable or not because you are a big company, that means you have everything, and you don't need to do anything more. It is about consistency because you need to keep innovating, doing, and trying. You cannot stand still; otherwise, the market will eat you up.

E3: I think it (our international experience) helps us a lot to understand more than anything how our suppliers think. The vast majority, not the vast majority, but many reports to people that manage Latin America. We understand very well the numbers that they are going to ask us, what they are thinking, and why they make us hurry for some things and not for others. I think that knowing a little about how that works helps you give the correct answers and provide the information they are looking for. Also, not providing what is not so important. The reality is that relations in Mexico are handled differently, and you don't understand that until you come and are here.

The literature has previously mentioned vague and generic types of international experiences. For example, Gallo and Sveen (1991) mention types of exposure: learning

experiences, travel for leisure or work, or spending some time in another country. In their study, Lee and Park (2008) add international assignments, spending time on the international division of an international company, and being born in a foreign country. This study confirms the previous typology and expands it. Respondent identified the following types of international experiences: academic experiences, business trips, entrepreneurship programs abroad, fairs or expos, previous international ventures, visiting relatives and working for another company abroad.

Family firm leaders must proactively try to capitalize on the impacts of international exposure, so the exposed members are a source of motivation for the firm to internationalize. The two new experiences uncovered because previous literature had not mentioned them were: entrepreneurship programs abroad (i.e., MassChallenge) and previous international ventures independent from the family firm they work in.

Market Assessment Challenges

As such, the organization has strategies related to the market, and those decisions can be developed further with time, money, or people to overcome the limitations. Nonetheless, some companies may not possess certain assets and capacities to face the hurdles of this type of project (David & Cariou, 2014), which limits the innovation and adaptation of the product. Just as companies may look for new markets for their product because the current markets are already saturated (Anderson, 2011; Sekliuckiene, 2013; Vásquez & Doloriert, 2011), some can choose not to internationalize because they already have a presence in the markets they planned to target. Respondents discussed the product's need to be ready for the international market and are

present in target markets as their main marketing challenges influencing the motivation to internationalize the family firm (see Table 15).

Table 15: Market assessment challenges and selected quotes

Factor	Quote
Product Not Ready for International Market	<i>F3: It is a product that is not easy to bottle. It is a product that contains a pigment; the pigment is very volatile and stains a lot, so we have seen ways to make the processes simpler, but we have not yet achieved how to bottle quickly. So, everything is done manually. It is as if it were a craft because everything is manual, so it takes time.</i>
Already in Target Markets	<i>E2: My dad, although he is still active and continues to manage some of the day-to-day. I think that in recent years, the more we get involved, the less he oversees. As we grow, I think he simply resists the idea of internationalizing a little bit by saying, "first, we're going to cover all of Mexico and establish it (the company) here before we really start looking elsewhere.</i>

Companies must prepare their products and services to better serve the market in foreign markets. Product development for global markets is a permanent issue for international companies that compete based on innovation, product launch, and time to market (Porter, 1985). In addition, companies must tropicalize their products, which means that small features should be introduced to adapt the product to local customers' needs (Santin & Marx, 2009). Most of the responses were related to the product or service not being ready for the international market, such as the need for certifications, modification requirements, or that the market needed a higher quality to be sold in that country.

C3: The main issue is to be able to have certifications to start exporting. They (customers) make you take the plunge if you are not certified. It is very difficult for you to be able to sell in the United States.

C2: Mainly, the challenge is related to quality and keeping the product homogenous. I hope the product is top quality, but it often does not depend on us. It depends on the weather, the field, the

type of harvest, whether the farmer planted well, if herbicides were correctly applied, etc. All those types of things can make homogeneity complicated.

Companies may be already in the target international markets or want to strengthen their presence in the national market. Ansoff (1958) proposes the low-risk strategy of market penetration when the company does not develop new products and does not open new markets. Therefore, they chose to increase sales in the already established markets. Such family firms are thus not motivated to internationalize or innovate.

G2: Our strongest challenge now is to supply the purchasing orders because we have a procurement problem. These days we are having the problem of not delivering on time. So therefore, right now, my greatest stress today is not opening a new market anymore, getting a new client, or getting more clients. No, my stress right now, every day, is to fulfill the orders that are arriving from the United States, Europe, and Asia.

B1: Yes, there are plans to internationalize. Obviously, a stronger investment is required. We need certifications, and certifications cost, and they are expensive. At this moment, we are not yet putting them on the table, but it is a fact that we want to internationalize in the future. Now we want to dominate the national market to be able to leave the country. I think that is the key that we have set for ourselves. So that first we dominate here, and then we can dominate other countries.

When a company does not have the necessary certifications, or the product needs a lot of modifications for the new market, then the family firm could be less motivated to internationalize. Also, when the firm already has a presence in the markets the TMT wants to be in, then there will be no motivation to pursue the internationalization of the family firm.

Motivation to Internationalize

In their study, Yamakawa et al. (2008) propose that SMEs venture from emerging economies to developed economies when there is access to new capabilities. Therefore, evaluating the firm's readiness to internationalize should go beyond assessing its assets and

liabilities throughout its functional areas (e.g., finance, human resources, marketing, etc.) (David & Cariou, 2014). Respondents identified various reasons or motivations to internationalize the family business throughout the interview. Internal and external factors impacted the motivation to internationalize the family firm, which impacted the decision to internationalize the family firm. This finding supports Pett, Francis, and Wolff (2004), who state that internationalization is motivated by favorable perceptions of the environment and the company's current performance. According to the respondents, there were five motivations to internationalize the family business: familial, financial, human resources, marketing, and strategic (see Table 16).

Table 16: Motivation to internationalize and selected quotes

Motivation	Quote
Familial	<i>G2: The family already came from a tequila family. The founders did not want to compete directly in the same market so that they wouldn't have problems with the family. So then, it was decided that we were going to focus on other markets where the family's first company would not be present to avoid problems.</i>
Financial	<i>E2: Having a greater reach towards other new markets, being able to establish ourselves in more markets, and at the same time have greater negotiation power with suppliers when a larger market opens because we can access better prices and better market conditions for us.</i>
Human Resources	<i>C3: You give more work. You give more opportunities to people.</i>
Marketing	<i>B1: Well, the first is that they get to know our products, and I think that is the most important thing.</i>
Strategic	<i>D1: Internationalizing always opens scenarios and business opportunities that perhaps you don't notice being in your comfort zone.</i>

Familial

The family can motivate the TMT to internationalize the business. This emergent theme is aligned with previous literature that states that the family influences the internationalization of

the family firm (Casprini et al., 2020; Dou et al., 2019). In these types of firms, the family seems to give the organization more intrinsic motivations (Davis et al., 1997), which means that it comes from within the family and its members. The literature seems to be reaching a consensus that family firms may deviate from profit-seeking behaviors, and individual motivations may seek the maximization of family utility when internationalizing (Arregle et al., 2021). However, it is found in this study that it is important for a family to share the same vision, so the family members working in the company can get help from those who are not part of the company.

Furthermore, using the contacts and physical location of family members in foreign countries can motivate the TMT members to explore that market more confidently. This finding supports some firms' motivation to exploit new networks gained from experiences (Bell et al., 2003). What was interesting in this study was that internationalization can also be seen to safeguard the wellbeing of the family in case there is a need to leave the homeland, something that can be caused by a political uprising that is not friendly towards entrepreneurs (e.g., the case of Venezuela), economic instability (e.g., hyperinflation), or a war (e.g., the Russian invasion of Ukraine). Also, avoid competing in the same market against other family ventures in entrepreneurial families. And finally, it is also considered a source of social prestige and pride among all family members when the company has international operations.

C2: I feel that regarding family, the fact that my sisters live there could be the source of connections where you could say, "Hey, well, I know this person who has x supermarket chain, I could introduce him to you, we will go to have lunch, and you can tell him about the company's project that you have, about the plans that you have."

A3: We have all the vision to continue growing, and some steps to arrive at that undoubtedly are internationalizing in the future, no doubt.

D1: If there were something that provoked instability in the country to the point that we would have to flee, like a war, there would be no other option but internationalize.

C3: And being able to take it to other places, to other extents, or other countries, well, it's a source of pride.

G2: Perhaps I would not have been able to open the markets that were opened or grow in the way we grew if I had not had the backup of the family and the company.

Financial

Most firms' motivations revolve around firm growth and increasing sales volume, to name a few (Bell et al., 2003). These motivations ultimately translate into more revenues and increase the bottom line. Financial motivations seemed less important to respondents since there were only three categories in this group of motivations. This finding is not a surprise; as stated before, family firms may deviate from maximizing profits (Arregle et al., 2021). However, this does not mean that family firms are not financially motivated to internationalize the firm.

Accessing better prices seems to benefit motivation that is attractive to the firm. Because of this, the gross profit margins can be increased. The fact that they have international sales, products, and services can be quoted in a stronger currency than the national currency, which can be attractive for family firms, especially in an economy like Mexico, where the Mexican Peso is weaker than the U.S. Dollar or the Euro. Finally, expanding to a foreign market entails more sales, and therefore the revenue increases.

G2: Our expenses are in pesos: payroll, supplies, bottle, glass, cap, box, agave, rent, electricity bill; we pay in pesos. But our sales are in dollars, so that makes it easier. I think that also we are among the few companies that can be happy when we see that the dollar goes up. The dollar goes up, and we get happy. Everyone else suffers, and we do not. So when the dollar goes up, we are like, oh, good! It is as if it were a price increase without even raising the price.

F3: The benefit is that it is a product that leaves us more profit than many other products.

Human Resources

A motivation that entrepreneurial families have when internationalizing is that they are creating jobs. In the last three decades, SMEs have played a crucial role in national economies, and they seem to be predominant in job creation, influencing their operations' internationalization (Anand, 2015). However, respondents are unclear if they created jobs in their home country or abroad. It was also unclear if they spoke about jobs for family or non-family members. However, job creation is a benefit for which family firms internationalize.

Marketing

The family firm's motivations for its operations' internationalization can also be from marketing and commercialization. When SMEs use a differentiation strategy based on their marketing skills and compelling circumstances, they would be more likely to internationalize (Pett et al., 2004). SMEs have entered the global marketplace through internationalization, that is, the exploitation of their unique products and knowledge globally from a domestic base (Graves & Thomas, 2006). It is found through the respondents that when the product is known in other markets, they take it as a reason to take it abroad. Some firms want their product to be known in other markets because the national market is small; this can help achieve profitability faster in these type of operations. In addition, some businesses can decide to internationalize because the foreign market already knows them through word-of-mouth advertising, which they got from international customers that told family and friends abroad. Finally, something that are also motivations to internationalize are learning about the industry, its innovation, and what are the latest happenings. This last motivation confirms what Johanson and Vahlne (2009) theorize when speaking about overcoming the liability of outsidership.

A2: In this building, we already have some clients who live outside of Mexico. They tell their family and friends who they bought their house from, so that is a way to reinforce what we have worked for.

E1: Several years ago, we even evaluated the possibility of setting up a small manufacturing plant and some specific products in Mexico, but we realized that for it to be really profitable, you have to sell outside of Mexico because of the demand in our country does not justify the setting of a factory.

A2: Internationalization can bring ideas to implement things you can see in other places.

Strategic

The strategic motivations to internationalize the family firm is more linked to the firm's future. Such reasons can be seeking the company's growth (Cerrato & Piva, 2012), recognizing and exploiting opportunities (Shane, 2003), increasing the negotiation power with suppliers, or the suppliers pushing them to send some products to international markets. One aspect of the possibility that the family must leave their homeland due to economic, geopolitical, or economic unrest is that internationalizing can be a backup if the national market collapses.

A1: I thought it was a good time to start seeing other markets. I thought of going for a week and investigating and checking and starting with one house, then buying two, and so on. I was not planning on internationalizing, but as a backup plan in case, something happens. I hope not, and I think it is not going to happen now because the President has already lost control of Congress. So I hope that things will become more stable. I have a lot of faith in my country, but if things go in a different direction, I think I would have to do it.

G2: If our international market grows, the company as such grows.

E2: Having a greater reach towards other new markets and establishing ourselves in more markets gives us greater negotiation power with suppliers and better market conditions for us.

B1: I think each market has a good opportunity to enter it. All you have to do is know how to regionalize it, that is the question, and know where to enter.

F3: What happened is that our suppliers' product works with our machines. We have asked them for that part. Also, a company in Guatemala bought something that works with the same device; it's just that that piece is Swiss. But the American supplier is the ones that distribute here in Latin America. So, we have been requested to supply that part to their Guatemalan customer.

Family Business Internationalization

The literature on international entrepreneurship has defined internationalization as “as a combination of innovative, proactive and risk-seeking behaviors that crosses national borders and is intended to create value in organizations” (McDougall & Oviatt, 2000, p. 903). Johanson and Vahlne (1977) theorize that the process gradually increases as the company learns about the market, feels comfortable, brings knowledge to the company, ventures to other markets, and commits to them with more capital.

The family business internationalization literature has operationalized these definitions through four dimensions: scale, scope, pace, and rhythm in which a family business has international sales through exports, strategic alliances, and greenfield operations (Boellis et al., 2016; Calabrò & Mussolino, 2013; Cesinger et al., 2016; Claver et al., 2009; Fernández & Nieto, 2005; Fernández & Nieto, 2006; George et al., 2005; Graves & Thomas, 2004, 2006; Liang et al., 2014; Merino et al., 2015). Therefore, the companies that fit this description at one point in time were companies C, D, F, and G. Companies C and D failed in their international operations. Still, they stated that it is in their plans to try to internationalize the firm again. Both companies internationalized through a JV with local partners to reach the foreign market while reducing risk and costs. Company C had a JV with two American partners and had to exit the partnership in 1987. However, this led them to seek international customers within their territory. The company also sources raw materials from Vietnam, Thailand, and the U.S. Company D is a small company that diversified its activities in the U.S. It also internationalized through a JV with a local partner. The venture lasted about two years and was not a good experience for the family firm. Nonetheless, the first generation has plans to try again to internationalize but now through a wholly owned operation.

Company C

Company C is in the agriculture products processing industry. Specifically, this company mainly commercializes and processes rice and derivative products from this grain. In addition, the company also commercializes other seeds and cereal products. This company was internationalized in 1985 through a Joint Venture. However, the economic conditions in Mexico pushed the company to sell its share of the factory it had invested in.

CI: We had an alliance with a company from the United States and in fact we made an investment in Louisiana from a rice factory there, and we participated with 33% being local producers, another 33% being this broker and 33% being us. We lasted two years really nothing more with that alliance, but we already had a first attempt to do something, which really is a lot of learning. It helped us; the devaluation came, and we had to size up; we had to get rid of that investment, but well it is something that can be done, and there are conditions and experiences.

The external factors that motivated the internationalization of this company were economic, political, and technological.

This company mentioned using credits from banks and financial support from organizations that promote foreign trade. They mentioned getting aid from other countries' agencies and NGOs regarding organizations that promote trade. The market environment factors mentioned were customs agents and brokers as relevant. They did business in the past with American companies through brokers.

In the political factors, local and foreign governments seem to influence the motivation to internationalize. Regarding the national government, the company talks about the previous administration being more supportive (2012-2018 term of President Enrique Peña Nieto) and the current administration as less supportive towards their economic activities. Also, the state's local government has more solid programs that companies receive financial support for growth projects. The company is aware of those programs, but does not benefit from them.

Internationally, there is mention of the commercial offices of other countries that may ask the local government contacts on certain industries and exchange information between suppliers and customers.

Lastly, technological factors could influence the motivation to internationalize the company. The respondents mentioned the ease of doing business nowadays, and contacting buyers and sellers is just one click away on a computer. Communication tools like email and Zoom are now widely used by farmers and companies to do business. The COVID-19 pandemic pushed them to adopt these technology tools so that they could do business as usual.

The internal factors that influenced the company's motivation were the family members, the generation of those members, the international exposure of the TMT members, and the organizational factors.

The family has members living in the market they want to target, and they stated that the firm is confident to start operations there because of this. These members have built networks that the TMT members see as beneficial for the company. It was the friend of the brother-in-law of the TMT member of the third generation that they could start an export project. Unfortunately, the project was not done because of pricing, but the TMT members expressed that they believe there is a possibility for future businesses with this contact.

Regarding generational factors, it was expressed that there must be support from both generations when it comes to internationalizing the company. In this case, the younger generation can capitalize on the fact that they already live abroad. Also, the younger generation feels that they have the opportunity to explore the possibility of growing internationally. Furthermore, an agreement between generations was mentioned, especially sharing the same

vision for the company. And finally, there were also differences between generations where the older generation would rather focus on growing the local market. Still, the younger generation has started to pitch the idea to the older generation. Both generations have been working on reconciling the differences by setting up rules and conditions to be met by the younger generation.

Regarding the international exposure of the TMT members, they expressed that the impact of international experiences has been positive for the company because they provide different points of view and expectations. Among the experiences that the TMT members have had in this company are academic experiences, business trips, commercial tours, fairs and exhibitions, living abroad, and experiences with previous international ventures of the TMT members.

The organizational factors that influenced the motivation are related to how prepared the company is for international operations, especially regarding quality standards, so it is easier to export. That is also related to the company's production process, which is related to training employees and TMT members. As a result, the daily operations are strengthened, and certifications and quality standards are met.

All these factors were reflected in the different dimensions of the motivation of company C, which were the family, financial, human resources, marketing, and strategy motives. In the following paragraphs, they will be explained in more detail.

The family motives cited were related to the help from family members to the organization. As stated in the family factors, family members already live abroad and have a network in that foreign market. Through those relationships, the company was able to start

building a relationship that has not yet rendered any fruits. However, the “door is open” with that person. Also, taking the company’s products elsewhere is a source of pride, not only to the family members but to the employees.

The financial motivation that the firm is pursuing is increasing its revenues. This increase is not done through price increases. Still, because the company would sell the product in US dollars, the fluctuation of both currencies may result in a better price per ton when converted to Mexican pesos.

On the human resources dimension, the company’s motivation is the creation of new jobs. The benefits of growth can be reflected by having more work. Because of the increase of work from the company, then they would create more opportunities for people to work with them.

The marketing motivation is that the brand and product are known in other markets. That is especially true with the nostalgia market in Mexican communities that live worldwide, especially in the United States. Therefore, it is within their plans to be a niche product for international markets, where the predominant Latino population comes from Mexico.

Finally, strategic motivation is related to the company's size. When the company internationalizes, the company grows as a whole. Therefore, they state that growth can be achieved through internationalizing the firm.

Company D

Company D is in the construction industry, specifically residential construction of lower, middle, and high-income residencies. This company does house flipping and construction from

zero to finish. In addition, this company diversified the logistics industry abroad in the United States.

DI: Here is what the business was like. I don't know how many trucks we bought, and that company [the local partners] worked precisely on that. It was a merchandise transportation company. The plan was that our company would rent those trucks to that company in exchange for some monthly payment.

The external factors that influenced the motivation for the company to internationalize were economic and political.

The main economic factor that the company talked about was financing. For them, subsidies and financing would make it easier to decide to internationalize. The company also considered in their venture that they would receive a secure monthly income from the foreign partner.

In the political factors, governments from their own country seem to influence their decisions on where to internationalize. On the one hand, they want to return the support from their government, bringing the earner profits from abroad so the company can grow and benefit their nation. But on the other hand, they can also keep building low-income housing at fair prices.

The internal factors influencing the company's motivation were the family members, the generation each member belongs to, and the international exposure of TMT members.

For this family firm, family members must be willing to relocate to a foreign market. They feel more secure with the internationalization project if they can supervise it, at least at the beginning stage. It is more likely that someone from the younger generation is relocated because, in their eyes, it is easier and less dangerous due to the COVID-19 pandemic conditions.

The generational factor expressed was the support to the older generation especially complementing their vision with structure from their education. The younger generation members are recent college graduates, so they have a new vision and new ways of seeing the world. That is a two-way street because the support that the next generation gets from the older is through their mentoring and passing through their experience about the industry and the company. One strong factor is the agreement between both generations; both generations agree on the company's challenges. However, there are differences in the amount of effort and hard work that entails opening a new market. It was interesting hearing the new generation wanting to be more cautious about starting operations in a new country. In contrast, the older generation wants to do it and solve problems as they arise with less planning.

Regarding international exposure of TMT members, they expressed skepticism about the impact of these experiences on the company. That is because they still have not yet been able to perceive it tangibly. However, the TMT members have had academic exchanges, lived abroad, worked in another foreign company, and represented Mexico at international summits in Colombia and the U.A.E.

The internal and external factors have influenced the motivation to internationalize this company in different dimensions, such as the family, financial and strategic motivations.

A family motivation that this firm has to internationalize is that they will have some stable income to depend on if they need to flee the country. The cited reasons to leave Mexico would be cases like war or something that would make the country unstable, pushing the family to flee. Another motivation is the social prestige this business operation would give the family. The fact that the company is international would give the image that they earn more money and

that the “romantic” side is appealing socially to the family. In other words, it would give social prestige to the family.

Linked to that, are the financial motivations because the firm would be earning income in a more stable currency than the Mexican peso, and you would not risk a devaluation of the firm’s income. Also, the fact that they have more operations would make the company expand its revenue source.

A strategic motivation linked to the family's need to flee the country is that having international operations creates a logical backup in case the national market collapses. The company would still have a source of income, so it does not go bankrupt. It also opens possibilities through opportunity recognition and taking the TMT members out of their comfort zone. Finally, there was mention of company growth, although the risk will also increase because it is a foreign market.

Company F

Company F is a group of companies that are in two industries. However, the division that is internationalized is the cleaning equipment commercialization branch. This company imports the equipment from Italy and sells the equipment in Mexico and other Latin American countries. The country that started the international operations was Peru due to a direct invitation.

F2: (...) we exported a machine for a chocolate factory, and in South America, I was there; there was an event in Peru. So, I had to go to Peru to train my clients on the use of dry steam in detail. And well, some sales started to come from there.

Economic, market environment, and political factors influenced their motivation to internationalize.

The economic factor influencing the company's motivation to internationalize comes from currency exchange rates. The family had a bad experience with the main branch of their company. For this reason, regardless they sell abroad or in the national market, the pricing of the products is in U.S. dollars. This pricing strategy shields them from currency devaluations, which in the 1980s almost caused the company to go bankrupt.

Regarding the market environment, customs agencies and brokers impact their motivation to do business abroad. They stated that agents and brokers are constantly changing, and they never know what documents and processes will be required for them to be able to export. Therefore, working with these entities used to make the family think it is not worth exporting the products to some foreign markets.

The government was also mentioned as a political factor that motivates the company's internationalization. The aspect that motivated the company is that they do not have to pay import taxes for most of the products they bring from abroad because the general import tax law exempts them from duties. Therefore prices can keep being competitive because the firm can export the products with no added costs for some parts. However, some products must pay an import tax of 20%, which is then passed to the end customer. Other governmental actions that have motivated the company is the support program the state government has given the company in the form of a low-cost loan.

The internal factors that influenced the company's motivation were the family members, the generation they belong to, and the international exposure of the TMT members.

The family members seem aligned regarding the vision, and they all support the youngest brother in the decision-making process. In this family firm, it seems like the older sisters and the

older generation trust the second generation's youngest to make the firm's best decisions. That was not just given to him; he has had good ideas and a good track record regarding the projects he has implemented in the company. It is also the network that he has built, the one that has allowed them to internationalize.

When it comes to the generational factors influencing the motivation to internationalize, the younger generation speaks of the support of the older generation as being “very open to everything.” The next generation (second generation) also supports the older generation by being more proactive in the business and trying not to have disagreements among siblings. The younger generation is getting prepared to lead by being the leaders, while the first generation is still willing and able to be around the company. The family proactively works hard not to have conflict within the family, caused by business problems.

The influence of the TMT members' international exposure is a positive aspect of the family firm. These experiences are regarded as sources of new ideas for the company and a way to build the network from which they have done business with international suppliers and customers. The international experiences that the TMT members of the company have had are an entrepreneurship program abroad (participating in the MassChallenge competition) and going to fairs and exhibitions.

These factors had an impact on the motivation of company F. These motivations were financial and strategic. The financial motivation was to increase the company's revenue, and they state that the international operations left them more profits than other operations. Regarding strategic motivations, the first one is closely related to financial motivation: company growth. The suppliers also asked them to send some products to their customers because the suppliers could not fulfill those orders. For this reason, the company accepted, and the international

operation happened, although the client remains their supplier. Finally, they have recognized an opportunity between two of their firm's branches, where the products are complementary and, therefore, have synergy among both divisions.

Company G

Company G is a company in the alcoholic beverage industry, and in more detail, it is a company that produces tequila. This company was internationalized from the beginning of its operations in 1986. This family firm is a born global company (Knight & Cavusgil, 2005; Oviatt & McDougall, 1994). This company started as a new venture of two brothers who were 4th generation in a parent tequila company that was already professionalized. Because of this reason, they would not be allowed to work for that company. In addition, they did not want to compete directly in the same market since they would still be shareholders of the older company.

G2: It starts with my dad and my uncle making a tequila in the old factory where the family used to produce tequila. I introduce myself as the fifth generation of tequila producers; not speaking specifically from this company, but more as my dad, my grandfather, my great grandfather, and all have been tequila businesspeople, and so my family started five generations ago. My dad and uncle were like the fourth generation of the company, and they were not allowed to work there. Nobody from that generation was allowed in, and so they founded their own company, and they were always very focused in exportation. They did not want to compete with the family in the national market in Mexico, and so definitely since it was founded, their objective was always exporting.

The market environment, political, social, and technological factors influenced the motivation to internationalize this family firm.

This company stated that the market environment factor that motivated the firm's internationalization was that the business partners in foreign markets were from Mexico. Before the second generation joined, the founders would only do business with Mexicans living abroad. When the business partner would move to another market, then it would be a market they would start selling. This strategy lasted for several years.

The political factors that motivated them to internationalize are the national and other countries' governments. Their support from organizations within the Mexican government, such as the trade offices of embassies and consulates, helped them conduct negotiation meetings abroad. Also, promotion programs from agencies in the government would help them with subsidies to attend fairs and exhibitions of the industry. However, they state that with the current president's administration (2018-2024), the support from the government for any entrepreneurship or economic program has completely disappeared. Regarding foreign governments, the company was invited to go to the world expo in Kazakhstan, with all the expenses covered by the Kazakhstani government. This kind of program where governments try to promote more trade between two states could motivate a company to do business with that country.

One country's influence on another was the social factor that influenced the company's motivation. They were able to capitalize that tequila is popular already in the United Kingdom when they toured Australia and New Zealand. It was very easy for them to penetrate those markets because the bartenders in the UK influenced the bartenders of the other two countries.

Lastly, the technological factor that influenced the motivation of company G was the use of the internet and online tools. The fact that the world is interconnected through the internet is powerful for any company. However, you need to know how to approach clients and business partners. The respondents state that this factor is not a substitute for human and personal connections but a complement. Therefore, the company still relies more on the other factors and follows up with emails and video calls.

The internal factors that influenced the company's motivation were the family members, the generation of those family members, the international exposure of TMT members, and organizational factors.

The family is a growth factor for the company because they encourage it to keep growing and opening new markets. The respondents state that the family backs up the family members of the company. Also, it was through the family members' network that the company could internationalize from the beginning. This family believes that human relations are important and that trust must be built through a personal relationship.

This family expressed that they actively support the next generation, and it is a factor that has motivated the internationalization of the firm. The company was founded because the two founders could not work in their own company. Both generations agree about the company's vision concerning the international markets. When the younger generation wanted to open new markets, they felt the support from the founding generation and felt they were working towards the same objectives. Nonetheless, there are differences between both generations, especially when spending money on expositions, exhibitions, and commercial tours. The next generation needed to convince the older than these activities were an investment and not an expense because there is a return after they have had those trips. The older generation members have tried to support by letting the next generation present a financial and commercial plan, and they must approve it before going on these business trips.

Regarding the international exposure of the TMT members, it was expressed that there were some negative aspects of the international experiences to weigh in the motivation to internationalize. Specifically, the older generation spoke about when you go to an expo fair and meet with many possible clients, but your competitors are also presenters. Then the customers

get confused about who is who, and you invest time and money on a trip that did not render any benefits. However, international exposure has more benefits, and the older generation supports the younger generation. Still, they must try to sell the idea with a solid and analyzed plan to capitalize on those experiences. The international experiences that the TMT members have are academic, commercial tours, fairs and exhibitions, living abroad, and working in another company in a foreign country.

The second generation stated that the organizational factors motivated them to take the company's international operations to the next level. That means that before the second generation could decide on the company, the first generation was contemptuous of the two international markets open because they did not need to expand them. But the second generation opened more markets, but they would not have done it if the company had not had the resources, infrastructure, and communication channels already in place to expand the international operations. They state that the second generation was able to work with a platform that already existed and took advantage of it. That made it easier for the second generation to open new markets.

These factors influenced the motivation for the family to internationalize and expand its international reach to other markets. The dimensions of motivation that were influenced were family, financial, and strategic.

As stated at the beginning of this section, the family's motive was not to compete with their own family. Instead, they wanted to avoid problems with their family, which motivated them to look for clients abroad.

The financial motivation is that the company has revenue in foreign currency. In addition, they state that the foreign market pays for tequila better than the Mexican market. People in the United States, for example, are willing to pay more for the same bottle of tequila. In addition, the company's finances benefit because its prices are set in a stable foreign currency (the U.S. dollar), and its expenses are in Mexican pesos.

The strategic motivation for the firm to internationalize is company growth. They stated that if international sales grow, the company also grows. They are convinced that the objective of any company in any industry is to achieve growth.

Although these four companies could internationalize, not all were successful in their operations. Therefore, these four companies are analyzed and classified in the next two sections according to whether the international operations are still ongoing.

Internationalized Successfully

The two companies that can be classified as internationalized successfully are companies F and G. Both were spinoffs from previous family firms and had the support from the family because they would not be competing in the same market. Information on both companies can be seen in Table 17. In addition, both of these companies have ongoing international operations.

Table 17: Internationalized companies.

	Company F	Company G
Turnover	\$1.35 Million	\$5 Million
Industry	Cleaning Equipment	Tequila
Employees	6	30
Founding Year	2016	1986
Number of Product Lines	15	8
Number of Generations on TMT	2	2
Scale	Direct Export	Direct Export
Scope	Latin America	Africa, Asia, Europe, Latin America, North America, Oceania
Pace	It depends on the regulation of new markets	It depends on the regulation of new markets
Rhythm	One by one	One by one, except for Australia and New Zealand, which were opened at the same time
Web Page	Yes	Yes
English Version of WebPage	No	Yes
Online Store	No	Yes
Social Media Platforms	Facebook, Twitter, YouTube, Instagram	Facebook, Twitter, YouTube, Instagram
Other Data Sources	Import and Export Certificates	Discovery Channel Documentary

Using the secondary data sources to complement the previous analysis, it is found that both these companies had an online presence through a webpage and social media. It seems to be a correlation between being internationalized and having more social media presence. Both companies have accounts on Facebook, Twitter, YouTube, and Instagram.

The difference is that company F does not have a webpage in English and does not have an online store. The social media of company F is also exclusively in Spanish. They do it only in

Spanish makes sense with the scope of their operations since their clients are solely in Latin America.

Company G's online presence is the most complete of the seven companies in the sample. They have versions of their webpage in Spanish and English. The company also has an online store where you can buy their product. The four social media platforms were run and curated in English and Spanish.

Internationalized but Failed

The two companies that attempted to have international operations but had bad experiences were companies C and D. Both companies have not attempted to open themselves to international markets since then. Table 18 shows more information on both companies.

Table 18: Companies that internationalized in the past but failed.

	Company C	Company D
Turnover	\$20 Million	\$1.3 Million
Industry	Agriculture Products Processing	Construction
Employees	100	4
Founding Year	1977	2002
Number of Product Lines	9	3
Number of Generations on TMT	2	2
Reason of failure	They invested in a factory in the U.S., but in the second year the Mexican '94 economic crisis hit, they had to sell their investment.	They invested in a logistics and transportation business and got scammed. They lost the investment.
Web Page	No	No
English Version of WebPage	No	No
Online Store	No	No
Social Media Platforms	No	Facebook
Other Data Sources	No	No

Company C expressed that it is in their plans to internationalize in the future. Although they do not export directly, they have multinational companies in the food industry as clients. Because of this, they are already working on getting the certifications required to sell to their multinational clients. Unfortunately, the company has no online presence, neither through a web page nor social media accounts.

Company D expressed that because of their bad experience losing the investment in the international spinoff company, the second generation was reluctant to try internationalizing the company again. However, what was interesting was learning that the first generation was open to

trying to internationalize the company again. This company's only online presence was a Facebook page run in Spanish.

External Obstacles

A family firm's TMT can be motivated to internationalize the family firm. However, external obstacles can affect the international operation on either side of the border, the home or the host markets (Arranz and De Arroyabe (2009). However, there may be certain obstacles that can be foreseen that will moderate the relationship between the motivation and the internationalization of the firm. That will happen after they have decided to internationalize the company; therefore, these obstacles that the external environment presents can obstruct the internationalization process. SMEs that are not yet exporting but have decided to engage in this operation seem to underestimate the external environment's barriers (Lloyd-Reason & Mughan, 2008). The obstacles are external to the company and the family; therefore, the TMT should prepare to decrease their effects if they decide to internationalize the family business. In this study, the obstacles that impact the internationalization of the family firm are: market environment, political, and socio-cultural obstacles (see Table 19).

Table 19: External obstacles and selected quotes

Obstacle	Quote
Market Environment	<i>C2: We have been talking to companies in Guatemala and El Salvador. The main problem to reach them, what affects us mainly, is the freight or how to send the product there.</i>
Political	<i>G2: Countries in Latin America have been very problematic. It has been difficult to enter countries like Colombia, Peru, and Brazil. Those have been the worst regarding all the regulations we need to comply with, the paperwork, contracts, etc. They ask you for a thousand things, and the purchase orders are not even that big. Sometimes it is not even worth the trouble we go through to comply with their governments, we waste time and effort. Hours are invested for just one pallet a year, and we have to invest months for licenses, paperwork, and contracts, and it takes a long time.</i>
Socio-cultural	<i>D1: There is a Mexican saying that says: "livestock fattens under the gaze of its master ." [meaning that employees will not steal from the company]</i>

Market Environment

The industry and the market can pose obstacles to family firms after they decide to start international operations in new markets. In addition, the market's condition can influence whether to keep a decision going (Shane, 2003). Among the obstacles to selling products abroad, authors have distinguished the (national and international) markets (Sekliuckiene, 2013). In this study, results show that some of these barriers that arise after the decision to internationalize have been made are related to accessing the target customers, dealing with big competitors, finding that the market needs to be educated so they can adopt the product, making sure that the needs of the consumers are met, and finally, finding out that the size of the new market is smaller than what they originally had calculated.

G1: Low-quality tequila does not mean that they are bad, but it is more complicated to enter when you go to a quality niche tequila like ours. Most people in the world know about tequila that is mixed, which is of low price.

A2: Well, we are competing with big, really big brands. Our challenge has a greater quality than those big brands, and well, by having a presence outside of Mexico, the challenge is double. You must double your effort to make your brand a synonym for quality

G2: We are already in China since 2018. It is still a very small market and difficult for us because the Chinese culture does not drink a lot of tequila. So we need to teach them.

A3: If we have something excellent, but people won't buy it because it is too expensive, because it is not to their liking, then all that effort, in the end, I consider that it was pointless.

Political

Like the political factors that influence the motivation to internationalize the family firm, respondents identified governments as a factor that can be an obstacle after deciding to internationalize. Regulations influence a firm's behavior in the case of internationalization and affect the value proposition and creation in foreign markets (Descotes et al., 2007). The political obstacles in this study seem to be mainly the host market (foreign) governments. A previous study argued that low-income countries exhibit more regulatory barriers than high-income ones (Fernández-Serrano & Romero, 2014), which was also identified in this study. This argument supports this argument in the answers presented by the respondents in this study. The people interviewed recognized mainly two aspects: geopolitical uncertainty and the regulations to enter a foreign market.

A4: Well, perhaps strong political problems that involves all investments being completely blocked, or if, for example, there are new economic problems within the market. Another one could be if there was a natural catastrophe. Events that completely break security and comfort, and then, uncertainty and fear are created.

E4: Medical devices have a series of important regulations that benefit users' health. But many times, these regulations are in place because they also want to limit your possible participation in their market. So when you decide on having a global operation, you have to understand that this operation will not be successful. When you have to go to each market, you must comply with very particular regulations that the market is going to have. It seems incredible, but it is not the same to sell in El Salvador as in Guatemala. It is very different, and you can have a successful

operation in Colombia. Then you try to replicate it in El Salvador and have terrible setbacks there.

Socio-cultural

Social aspects can be important limitations for family firms that want to go international. Three sociocultural limitations mentioned in the interviews were theft and insecurity of the firm's property, language barriers, and the inability to meet face to face.

Security seems to be a social issue that respondents are worried about when internationalizing. Some foreign markets offer poor protection for property rights, and countries that offer no recourses against theft can make companies exit such markets (Acs et al., 1997). That is not a problem that affects emerging markets but also developed nations such as Ireland, Belgium, France, and Germany, according to Scharf et al. (2004). The fact that raw materials are stolen from the workplace is problematic for respondents, especially because it impacts the company's bottom line.

DI: Something else that is important is material theft. At least in Mexico, you need to take care of it a lot so that material is not stolen from you because profit can be diminished. If there is a possibility of having the same situation in another country, you must have someone checking that you are not robbed. Us, being far from there, it is more complicated.

Language barriers and lack of technology abilities can limit a business when they want to expand to other markets, because they can only access a limited number of customers (Grönroos, 1999). When discussing language barriers during the interviews, it was obvious to the respondents that these barriers can arise when two people do not share the same native language. In previous studies, it has been concluded that language barriers can be a major limitation of internationalization (Toulova et al., 2015). Interestingly, this study found that language barriers

can arise even when both parties speak the same language but have different dialects (e.g., Spanish from Mexico vs. Spanish from Spain).

B1: I think that the first challenge could be even the language. It could be our first barrier, and we must be prepared for that kind of thing. I think that the first challenge may be the language. Even see it as a language barrier from people that we speak the “same” language.

Having to rely on alternative ways to meet partners other than face-to-face was aggravated due to the COVID-19 pandemic. Part of the disadvantages of videoconferencing instead of face-to-face is microphone and camera issues, eating and meeting management issues, and work-from-home issues (Karl et al., 2022). These disadvantages can be perceived by the counterpart and, therefore, not form solid bonds, which may result in the cancelation of the operation.

G2: We had already met, and many times that is like the most important barrier. Sometimes it is the trust of meeting the person face-to-face. It is not the same to meet in person, face to face at an expo as meeting virtually through email, or some service, an electronic platform, so that was the first barrier.

Internal Limitations

The internal limitations of the company can be associated with the resources and capabilities of the firm regarding its ability to internationalize (Lloyd-Reason & Mughan, 2008). Family firms have internal limitations that can keep them from implementing, postponing, or withdrawing from the internationalization strategy. Regardless of their motivation to internationalize the family firm, these limitations may prevent them from doing so. Inexperienced SMEs are found to be poor at self-assessing their limitations and believing that most of the barriers will be external to the company (Lloyd-Reason & Mughan, 2008). In all firms, internal limitations can be associated with the different functional areas of the company,

the information flow, and the marketing barriers (Leonidou, 2004). Since these limitations are internal, they can be directly managed and addressed to overcome them. In family firms specifically, the family becomes an internal factor that adds to the complexity of the business. Respondents' limitations were grouped into three themes: familial, organizational, and social (see Table 20).

Table 20: Internal limitations and selected quotes

Limitation	Quote
Familial	<i>C3: The family has limited the internationalization. But oh well, when it's a family business, you can't decide by yourself. Although, the CEO would stop it. What I see is that we are going step by step, but sometimes time does run out, and things stay the same.</i>
Organizational	<i>E4: I don't know if, at some point, it seems to me that the conditions would have to change, many conditions for us to be able to do this. We are not producers, so we do not have any element that would allow us to try to penetrate the market in other countries and start operations. We would go there to compete with other distributors that very possibly are already developed. We could maybe compete, possibly in Central America, maybe in some other country in South America, but I don't think there would be a possibility.</i>

Familial

Families can influence the firm's decision-making process because they are family members (Tagiuri & Davis, 1996). This study finds that the family influences the motivation to internationalize the firm (Arregle et al., 2017). Still, it is also a limitation to overcome after the decision to internationalize has been made. Some may limit the internationalization because the operation may create uncertainty (Bianco et al., 2013), and families want to be cautious about uncertain moves. However, they may be motivated to pursue foreign expansion. One not surprising answer was that internationalization entails change, and the family has difficulty

changing their vision for the firm. Also, personal interests play a role, where the family may have different interests from the TMT members.

A4: I was asked to conduct international market studies about the industry. We had to analyze housing development in countries like Peru and Costa Rica. I found out that there is a way to develop, but I don't see it within their vision here in the company.

B1: I think that the family is not limiting the company's internationalization as such. Though in the end, we are human, and everyone has their own interests, whether we're family or not. So I think it's a decision that has to be made together, and even so, you also have to prioritize.

Organizational

The organization per se can limit internationalization, even when the TMT is motivated and has decided to internationalize the firm. Modifications to the organization are needed to overcome the issue. The expansion strategy can influence the corporation (Leonidou, 2000). Structural reasons like the company not being a producer, the company's history and tradition, and the logistics and supply chain were cited. The respondents also talked about the lack of innovation within the company or the absence of a structure to have international operations. That is not surprising because innovation and internationalization go hand in hand (Bass & Ernst-Siebert, 2007). Problems with foreign partners and customers are another reason why international operations did not flourish beyond a decision and a plan, which was also observed in Moore et al. (2004). And finally, previous bad experiences of failed international operations (in the current company or others) were a reason companies either did not want to internationalize or decided to stop their international operations.

A4: I think that the first basis is the beginning, the root of the company as such, where it started, its specialty, which is low-income housing. Then, they (founder and siblings) focused a lot on the product of the region's buyer, who did not want it to go on vacation. It is a guy with a family who really needs a place to live immediately due to more basic needs than luxury, comfort, investment, etc.

D1: The issue is related to material logistics and delivery times. Here in Mexico, if we need rods, perhaps you call the supplier, and he might deliver it on the same day because he already knows us, but perhaps there with a local supplier, you must program an order. Maybe the costs of the product being delivered are higher where the construction site is, and there are many things that you need to consider.

C3: If we export, we need to transform that rice into a cookie, horchata, a concentrate, into some flour with proteins, into something and give it added value. Those are the challenges that I have right now in the short term.

F2: It was a lack of preparation to do it well because I think a lot of planning is needed to do it well. That time we tried to do it, it was because they invited us to a course and because there was someone interested in distributing. Sometimes, when they look for you, they say, "Hey, I want to distribute," and if they want to distribute, "oh well, that's good, we sell to you, we train you and everything." But in the end, if the distributor is not willing to work, we cannot get anywhere.

G2: A client that was in England who was really trusted, he was given a lot of credit, well, because the brand was growing in London. So, he would ask to have a container sent to him, and he would pay as soon as he sold it and asked for a second one. Then, the first one was sent. I think he had paid like half of that one, and he asked for the second container, and we asked him to pay for the first one. He claimed that he had many clients and was about to get paid but asked to have the second one sent because otherwise, he would be left without product. And he wanted a third. I was told he still 30% of the first one and 100% of the second one. He was paying little by little, and I am talking about years. This went on for four years. Then we reached the point that he was told we were not going to send absolutely anything, not even a bottle until he would finish paying all the due payments, the overdue credit. Although the guy did not have his administration well set, unfortunately, he did go bankrupt. He still owed one container that, to this day, was never recovered. He never paid, and that has been the biggest blow we have had.

A1: The number one house developer from 2000 to 2010 went broke in 2009. They built here in Mexico fifteen thousand houses per year, and they expanded their market to Brazil and India. Ah, well, it went terrible for them; they lost control. For example, they went broke because they lost the quality of their construction, and they only saw numbers (spreadsheets). They were very skilled people because they accomplished financing in the stock market of Mexico. They also got screwed in the United States, and they reported numbers that were not real. They must have ended up extremely wealthy, but they led the company to bankruptcy.

The next chapter will present the conclusions of the findings of this chapter. This next chapter will expand on the learnings through this study that expands on what we already know from the literature and surprising findings. Finally, theoretical contributions and practical implications for practitioners, family firm members, and policy makers are discussed.

CONCLUSION

Discussion

Family firms must assess their external and internal environments to determine whether they can be competitive and if their products and services add value in foreign markets. The assessment must be done before the family firm decides whether internationalizing is a plausible strategy to achieve growth.

Regarding the external environment, they should pay special attention to the economic, market environment, political, technological, and supply chain factors. This assessment should determine if the company's macro-environment conditions are suitable for pursuing the international venture. An interesting finding regarding the market environment was that business development assistance programs are just as important for established companies, such as family firms, to venture into new markets. If more of these programs were known to Mexican family firms, these companies could have a larger presence in international markets worldwide. Another interesting finding within the external environment was that the national government was regarded mostly as an everchanging factor that sometimes can help the firm's internationalization through policy, programs, and departments and agencies' actions. However, because of its political nature, those actions that may help the internationalization of family firms can become obstacles when the political party in control is not pro-business. Also, just as national governments, foreign governments can help through some of their policies, but also be an obstacle for family firm internationalization. It is curious how government actions are supposed to protect their people's national interests, which can also benefit foreign firms with their programs. This finding expands the Uppsala Model (Johanson & Vahlne, 1977) because it states

that market knowledge and market commitment affect the decision-making process but does not consider the external environment's effects, which does affect the decision-making process of family firms.

When it comes to their internal environment, the influence of both converging systems of the family firm (the family and the business systems) have factors that the TMT members should also assess so they can make the best decision possible when internationalizing the firm. The family-related factors are the familial and generational factors. The factor that relates to the business system is the market assessment challenge. Finally, the factor in the convergence of both systems is the international exposure of the TMT members. This last factor is in the convergence of both systems because the TMT members are business employees, and in the case of family firms, most are family members. It was interesting to observe how the family plays a big role in the firm's internationalization throughout the decision-making process. The family is a major factor that influences motivation, but it also can be a major limitation for the firm's internationalization. This happens in an orderly manner because each family member shows that they respect and follow the authority dynamics of the family system. It is also interesting to see how much the TMT members consider and seek the family's approval for the business decisions. In exchange, TMT members consider the family's resources available for the company's strategy. Something else that was surprising was that understanding foreign suppliers (and business partners at large) could impact international exposure. Business cultural awareness is something that had not been explored in the family business internationalization literature that may be worth exploring. These findings expand on upper echelons theory (Hambrick & Mason, 1984) because the theory lacks the family firm perspective where the decision-making process is heavily influenced by family members, regardless if they are part of the TMT. The

aforementioned results help us understand better the protagonist role that the family plays on the firm, which is something that upper echelons theory does not consider.

Family firms have various reasons to internationalize related to the two systems (family and business systems). Familial motivation, as its name says, belongs to the family system. Financial, human resources, marketing, and strategic motivations belong to the business system. As observed in the findings section, the business motivations also have a lot of influence from the family. This last point is important because, in family firms, we can conclude that motivations are not as rational as upper echelons theory states (Hambrick & Mason, 1984). One of the most surprising findings of this study is how constraining and limited the literature is about the operationalization of firm internationalization. This study's definition of firm internationalization calls for more comprehensive measures beyond international sales. Company E is one example of this point. The company can be considered an internationalized company, and the members self-defined it as an international company because they source all their products from abroad and commercialize them nationally. This argument can also be supported by definition used in this study because the company combines innovative, proactive, and risk-seeking behaviors that cross national borders and create value (McDougall & Oviatt, 2000). However, they do these activities on the value chain's supply chain side, not through international sales. Similar measurements of internationalization of sales can be used (scale, scope, pace, and rhythm), but instead of measuring with customers or clients, it can be measured with suppliers.

Finally, obstacles and limitations also influence internationalization after deciding to internationalize. First, the TMT may assess the external and internal environment before they decide to internationalize the family firm and find reasons to do so. Some factors can arise after

the decision has been made; therefore, these obstacles and limitations can stop the internationalization process or even make an ongoing operation fail. These factors can also be internal and external. The external obstacles are the market environment, political, and sociocultural factors. As for the internal limitations, these are familial and organizational. Because of these obstacles, the sampled companies have decided to hold on to the firm's internationalization (firms A and B) or have failed to exit the international markets they once served (firms C and D). One surprising finding was that company C's main reason they pulled from the American market in 1987 was merely economic. This factor did not appear to be a major external obstacle after the family had decided to internationalize the firm. Perhaps there is a need to study this particular obstacle as a factor that influences the exit of a firm from a market. The Uppsala model (Johanson & Vahlne, 1977) states that firms deciding to commit resources to a market are made in response to opportunities, but does not consider a mechanism that may prevent the company from committing those resources to start activities, keeping the status quo of the operations.

It is interesting, throughout the study and the model, observing the family is a protagonist in all steps in the model. This leads to the following theoretical and practical implications presented in the following sections.

Theoretical Implications

This study's first theoretical contribution is a model, which is a comprehensive proposition on the different factors influencing the motivation to decide to internationalize, which can be regarded as risky and uncertain for the firm. Theoretical implications can be drawn

from the study, extending upper echelons theory and the Uppsala model regarding the combination of the entrepreneurship, family business, and international entrepreneurship perspectives.

Tretbar et al. (2016) point out that future research should focus on the interface between the family and the TMT. Upper echelons theory (Hambrick, 2007; Hambrick & Mason, 1984) can expand its perspective with family firms looking at their interactions. The theory states that the managerial perspective can predict companies' strategic choices and performance levels. The literature has concluded that the family's involvement in the TMT is a source of heterogeneity in family firms (Chua et al., 2012). The limitation of upper echelons theory is apparent because it isolated the decision-making process as if the decision-maker would only consider business reasons for their decision-making process, and this study shows that this is not the case. This study proposes in the theoretical model that the family is an internal factor that influences the motivation to internationalize, it is also a factor that the TMT must consider, and an internal source of limitations once the process is ongoing.

Unlike Zhao et al. (2020), who conclude in their studies that education in international elite schools is important for strategic change in family firms, such as internationalization, this study finds evidence to conclude that this is not always the case. Although it can be a facilitator in making that decision, it is found that there are family firms that have international exposure but do not have plans to internationalize. Nonetheless, it is a factor that gives confidence to the family firms that want to internationalize or those that already have international operations. Zhao et al. (2020) limited their international exposure variable to only education experiences in international elite schools, and the scope of these experiences can be broadened. The ten different experiences that this study proposes are academic, business trips, commercial tours,

entrepreneurship programs in a foreign country, fairs and exhibitions (trade shows), living abroad, previous international ventures, representing one's country abroad, visiting relatives, and working in another country for another company.

Another important contribution of this study is the discovery that international exposure and internationalization of the family firm has a two way relationship. This means that some international exposure activities happen before the internationalization of the firm, and some happen because of the firms activities. The international exposure activities that happen before the TMT member joins the family firm are academic, living abroad (in some cases), entrepreneurship programs in a foreign country, previous international ventures, representing one's country abroad, visiting relatives, and working in another country for another company. The international exposure activities that happen after the TMT member has joined the family firm are business trips, commercial tours, fairs and exhibitions (trade shows), and living abroad (when assigned by the company as an expat).

The Uppsala Model (Johanson & Vahlne, 1977, 2009) can analyze deeper how external and internal factors influence the decision of which market to venture into and with what level of commitment. That is shown in the family firms that still have international operations. Both of these firms use export as a way to penetrate international markets. These two family firms want to keep the international strategy through exporting, not through operations that commit more resources and equity (JVs or greenfield operations). The two family firms that internationalized and failed started their international operations with a JV strategy. Those companies stopped their international operations due to an economic crisis or not having a reliable business partner in the international market, which led them to be scammed. The Uppsala model does not consider both of these factors. This study also adds to the Uppsala model of the family as owners

and TMT members and how their knowledge, experience, and networks play a role in the state-change relationship Johanson and Vahlne (1977) proposes in the model. Just as with upper echelons theory, the Uppsala model needs to add the family as a factor of influence. The deployment of family members in the international market allows the firm to capitalize on its knowledge, experience, and networks. In the case of one family firm, this situation happens even when the family members are not part of the firm.

Okoroafo (1999) concluded that if a family firm does not internationalize within the first or second generations' tenure, the firm would not internationalize at all. That study also concluded that the second generation usually internationalizes the family firm. Later on, Calabrò et al. (2016) propose that the incoming generation's involvement positively influences international entrepreneurship activities. Findings in this study contradict these previous conclusions since there is evidence of a younger generation of members unwilling to support the firm's internationalization because of previous bad experiences with international partners. The risk aversion of the second generation has turned them more conservative than their parents, since there was already an attempt and failure, making the second generation an internal limitation for the internationalization of the firm. It would be interesting to analyze this phenomenon further in a future study with a larger sample.

Finally, the operationalization of the internationalization of the firm is too narrow. It should consider that firms can internationalize through their supply chain and not only through foreign sales. The measures that the literature has typically used are scale, scope, pace, and rhythm (Boellis et al., 2016; Calabrò & Mussolino, 2013; Cesinger et al., 2016; Claver et al., 2009; Fernández & Nieto, 2005; Fernández & Nieto, 2006; George et al., 2005; Graves & Thomas, 2004, 2006; Liang et al., 2014; Merino et al., 2015) should also be used for sourcing

and not only for foreign sales. Company E is a clear example of a company that does international business, but its sales are constrained to its national territory.

Practical Implications

The model proposed in this study can be a roadmap for practitioners to help family firms internationalize. Family firm managers can use the model to identify which elements need strengthening, so the TMT is motivated to internationalize the firm and implement the strategy. If they have obstacles and limitations, this study can help them identify them so the TMT can plan actions to overcome such roadblocks. The external roadblocks, according to the model, can be the market environment in the foreign market which includes accessing the target customers, dealing with the competition, finding that the market needs to be educated about the product, and finding out that the market is smaller than what it was originally thought—also political actions taken by foreign governments that can create geopolitical uncertainty or regulatory barriers. In addition, family firms should consider sociocultural aspects such as insecurity issues, language barriers, or inability to meet face to face. The internal roadblock that practitioners can work on is related to the family and the organization systems of family firms. Within the familial limitations are change management, uncertainty management, and overcoming the differences in the interests of the family members vs. the TMT members. The organizational limitations include the fact that the firm is a commercializing company and is constrained by its suppliers, the history and tradition of the company itself, the logistics and supply chain, the lack of innovation within the company, or the absence of a structure that supports international operations.

Policymakers can also benefit from this study since it is shown how political, governmental, and bureaucratic agents can impact the internationalization of family firms. It is important that policymakers design legislation and regulations that aid companies in doing business abroad. Also, the host economy's policymakers should consider the process in which family firms participate, legislate and regulate in a way that is friendly toward small and medium-sized firms. If policymakers consider it, the benefits to their host economies can be seen through the commitment level of the firms. Family firms can go from exporting to a higher form of foreign direct investment in other countries creating jobs in their home economy.

This study can be valuable for developed economies' family firms to understand how family firms from emerging economies make decisions and the factors that influence internationalization, and more particularly in Mexico. Family firms from developed economies can create stronger business ties with their emerging economy counterparts.

Family firm exchange programs can be designed so family members can experience and be exposed to international markets. Although experiences will not be a determinant factor that motivates the firm's internationalization, they can certainly support the internationalization process because the family will feel less uncertain when the decision is made. As one respondent stated, these exposure opportunities should not be regarded as an expense but an investment that family firms make in their future.

Directions for Future Research

Current theories used in the family firm internationalization literature do not consider the family as a major actor at the core of the decision-making process. To study the influence of the

family in depth, theories from family science, family psychology, family therapy, and sociology must inform future research.

Some selected theories from family science that can better inform studies include systems theory, life course theory, social exchange theory, structural functionalism, and symbolic interactionism (Jennings et al., 2014). In addition, family psychology and family therapy can also contribute to family firm research through family systems theory, family development theory, social conflict and family stress theory, and family communication theory (von Schlippe et al., 2014). Finally, sociology theories that can enlighten family firm internationalization research are network theory, new institutional theory, and evolutionary theory (Martinez & Aldrich, 2014).

The vision of the family firm could be complemented by enablers of the internationalization process, such as international business consultants and family business consultants. These perspectives can complement the family firms' TMT members' point of view on this phenomenon since consultants are involved in the process without being a central actor. Therefore, their perspective can be more objective and contribute interesting findings in future research.

The first limitation of this study is that the model seems general and broad. The external factors seem general and open to a lot of interpretation. Future studies should narrow down and study each factor in more detail and their interaction with each other. Nonetheless, this study presents the factors working together in the external and internal environments of family firms in Mexico. More studies should focus on studying how the external environments of emerging market family firms affect the decision-making process of such firms.

Another limitation of the study that should be recognized is the lack of exploitation of the differences between the companies. It is acknowledged that the study groups the seven companies as a homogeneous group when there are notable differences among them. Future studies should exploit the different characteristics of the family firms that add to the family firm heterogeneity literature.

This study has methodological limitations that are recognized. The sample size and methodological approach limit the ability to generalize the findings of the family firm internationalization phenomenon. Although this study aims to describe this phenomenon in small and medium enterprises in Mexico, further studies can test this model to draw conclusions that can be generalizable.

Several research questions arise from this study that could be explored, such as why do family firms choose not to internationalize? Maybe Kano and Verbeke (2018, p. 158) can shed some light on answering this question since they concluded that “*bifurcation bias*, defined as the *de facto* differential treatment of family or *heritage* assets versus nonfamily assets, represents a critical family firm-specific barrier to achieving efficiency in international operations.” Studying this question using the bifurcation bias as a theoretical lens would be interesting. Also, one of the non-family members of the TMT of one of the companies that had not internationalized expressed that the family firm had all the potential to be an international company and that he had presented a study for the firm to do so. However, the family did not want to internationalize the firm.

Other questions that arise are how do family members convince the TMT members to decide to internationalize the firm? What is the succession and professionalization process's effect on the firm's internationalization strategy? And finally, how do family dynamics affect the

firm's overall internationalization process? To answer those questions, more theories highlight the family as the protagonist over the business system, such as intergenerational solidarity theory, family systems theory, and family communication patterns theory, to name a few.

Conclusion

This study aimed to explore the factors that influence the internationalization of family firms to seek operations and sales growth. Using grounded theory as the methodology to explore this phenomenon, it is found that external and internal factors impact the motivation of the TMT members to internationalize, which is a mediator between these factors and the firm's internationalization. It is also found that family firms will come across external obstacles and internal limitations as moderators after the TMT is motivated and has decided to internationalize the firm. This study has brought to light ten different independent factors, one mediator, and two moderators that play a role in the internationalization of family firms. This study also uncovers the triple role the family may play before and after the decision to internationalize the family firm and act as a motivation and moderator.

REFERENCES

- Acs, Z. J., Morck, R., Shaver, J. M., & Yeung, B. (1997). The internationalization of small and medium-sized enterprises: A policy perspective. *Small Business Economics*, 9(1), 7-20.
- Alayo, M., Iturralde, T., Maseda, A., & Aparicio, G. (2020). Mapping family firm internationalization research: bibliometric and literature review. *Review of Managerial Science*, 1-44.
- Alayo, M., Maseda, A., Iturralde, T., & Arzubiaga, U. (2019). Internationalization and entrepreneurial orientation of family SMEs: The influence of the family character. *International business review*, 28(1), 48-59.
- Anand, B. (2015). Reverse globalization by internationalization of SME's: opportunities and challenges ahead. *Procedia-Social and Behavioral Sciences*, 195, 1003-1011.
- Andres, B., Poler, R., & Guzman, E. (2022). The Influence of Collaboration on Enterprises Internationalization Process. *Sustainability*, 14(5), 2843.
- Ansoff, H. I. (1958). A model for diversification. *Management science*, 4(4), 392-414.
- Ansoff, H. I. (1965). *Corporate strategy: An analytic approach to business policy for growth and expansion*. McGraw-Hill Companies.
- Arranz, N., & De Arroyabe, J. C. F. (2009). Internationalization process of Spanish small firms: Strategies, transactions and barriers. *International Small Business Journal*, 27(4), 420-441.
- Arregle, J.-L., Chirico, F., Kano, L., Kundu, S. K., Majocchi, A., & Schulze, W. S. (2021). Family firm internationalization: Past research and an agenda for the future. *Journal of International Business Studies*, 52(6), 1159-1198.
- Arregle, J.-L., Duran, P., Hitt, M. A., & Van Essen, M. (2017). Why is family firms' internationalization unique? A meta-analysis. *Entrepreneurship theory and practice*, 41(5), 801-831.
- Arregle, J. L., Hitt, M. A., Sirmon, D. G., & Very, P. (2007). The development of organizational social capital: Attributes of family firms. *Journal of management studies*, 44(1), 73-95.
- Arregle, J. L., Naldi, L., Nordqvist, M., & Hitt, M. A. (2012). Internationalization of family-controlled firms: A study of the effects of external involvement in governance. *Entrepreneurship theory and practice*, 36(6), 1115-1143.
- Bass, H.-H., & Ernst-Siebert, R. (2007). SME in Germany's maritime industry: innovation, internationalisation and employment. *International Journal of Globalisation and Small Business*, 2(1), 19-33.

- Beck, L., Janssens, W., Debruyne, M., & Lommelen, T. (2011). A study of the relationships between generation, market orientation, and innovation in family firms. *Family Business Review*, 24(3), 252-272.
- Bell, J., McNaughton, R., Young, S., & Crick, D. (2003). Towards an integrative model of small firm internationalisation. *Journal of international entrepreneurship*, 1(4), 339-362.
- Berrone, P., Cruz, C., & Gomez-Mejia, L. R. (2012). Socioemotional wealth in family firms: Theoretical dimensions, assessment approaches, and agenda for future research. *Family Business Review*, 25(3), 258-279.
- Bertrand, M., & Schoar, A. (2006). The role of family in family firms. *Journal of economic perspectives*, 20(2), 73-96.
- Bettinelli, C., Fayolle, A., & Randerson, K. (2014). Family entrepreneurship: a developing field. *Foundations and Trends® in Entrepreneurship*, 10(3), 161-236.
- Bianco, M., Bontempi, M. E., Golinelli, R., & Parigi, G. (2013). Family firms' investments, uncertainty and opacity. *Small Business Economics*, 40(4), 1035-1058.
- Birkinshaw, J. (1997). Entrepreneurship in multinational corporations: The characteristics of subsidiary initiatives. *Strategic Management Journal*, 18(3), 207-229.
- Birks, M., & Mills, J. (2011). *Grounded theory: A practical guide*. Sage publications.
- Bloodgood, J. M., Sapienza, H. J., & Almeida, J. G. (1996). The internationalization of new high-potential US ventures: Antecedents and outcomes. *Entrepreneurship theory and practice*, 20(4), 61-76.
- Boellis, A., Mariotti, S., Minichilli, A., & Piscitello, L. (2016). Family involvement and firms' establishment mode choice in foreign markets. *Journal of International Business Studies*, 47(8), 929-950.
- Bowen, G. A. (2009). Supporting a grounded theory with an audit trail: An illustration. *International Journal of Social Research Methodology*, 12(4), 305-316.
- Brush, C. G. (1992). *Factors motivating small companies to internationalize: The effect of firm age* [Boston University].
- Cabrera-Suárez, M. K., Déniz-Déniz, M. d. L. C., & Martín-Santana, J. D. (2014). The setting of non-financial goals in the family firm: The influence of family climate and identification. *Journal of Family Business Strategy*, 5(3), 289-299.
- Caiazza, R. (2016). Internationalization of SMEs in high potential markets. *Trends in Food Science & Technology*, 58, 127-132.

Calabrò, A., Brogi, M., & Torchia, M. (2016). What does really matter in the internationalization of small and medium-sized family businesses? *Journal of small business management*, 54(2), 679-696.

Calabrò, A., & Mussolino, D. (2013). How do boards of directors contribute to family SME export intensity? The role of formal and informal governance mechanisms. *Journal of Management & Governance*, 17(2), 363-403.

Casillas, J. C., & Moreno, A. M. (2010). The relationship between entrepreneurial orientation and growth: The moderating role of family involvement. *Entrepreneurship & regional development*, 22(3-4), 265-291.

Casillas, J. C., Moreno, A. M., & Acedo, F. J. (2010). Internationalization of Family Businesses: A Theoretical Model Based on International Entrepreneurship Perspective. *Global Management Journal*, 2(2).

Casprini, E., Dabic, M., Kotlar, J., & Pucci, T. (2020). A bibliometric analysis of family firm internationalization research: Current themes, theoretical roots, and ways forward. *International business review*, 101715.

Cerrato, D., & Piva, M. (2012). The internationalization of small and medium-sized enterprises: the effect of family management, human capital and foreign ownership. *Journal of Management & Governance*, 16(4), 617-644.

Cesinger, B., Hughes, M., Mensching, H., Bouncken, R., Fredrich, V., & Kraus, S. (2016). A socioemotional wealth perspective on how collaboration intensity, trust, and international market knowledge affect family firms' multinationality. *Journal of World Business*, 51(4), 586-599.

Chetty, S. K. (1999). Dimensions of internationalisation of manufacturing firms in the apparel industry. *European Journal of Marketing*, 33(1/2), 121-142.

Child, J., & Rodrigues, S. B. (2005). The Internationalization of Chinese Firms: A Case for Theoretical Extension? *Management and organization review*, 1(3), 381-410.

Chua, J. H., Chrisman, J. J., Steier, L. P., & Rau, S. B. (2012). Sources of heterogeneity in family firms: An introduction.

CIA. (2021). *The World Factbook*. <https://www.cia.gov/the-world-factbook/countries/mexico/#economy>

Claver, E., Rienda, L., & Quer, D. (2007). The internationalisation process in family firms: Choice of market entry strategies. *Journal of general management*, 33(1), 1-14.

Claver, E., Rienda, L., & Quer, D. (2009). Family firms' international commitment: The influence of family-related factors. *Family Business Review*, 22(2), 125-135.

- Creswell, J. W. (2007). *Qualitative inquiry and research design: Choosing among five approaches* (2nd Edition ed.). SAGE.
- Creswell, J. W. (2014). *Research design: Qualitative, quantitative, and mixed methods approaches*. Sage publications.
- Croci, E., Doukas, J. A., & Gonenc, H. (2011). Family control and financing decisions. *European Financial Management*, 17(5), 860-897.
- Cruz, A. D. (2014). Christian family businesses: Opportunities for future research. *Journal of Biblical Integration in Business*, 16(2), 7-28.
- Cruz, C., & Nordqvist, M. (2012). Entrepreneurial orientation in family firms: A generational perspective. *Small Business Economics*, 38(1), 33-49.
- Dabić, M., Maley, J., Dana, L.-P., Novak, I., Pellegrini, M. M., & Caputo, A. (2019). Pathways of SME internationalization: a bibliometric and systematic review. *Small Business Economics*, 1-21.
- Daszkiewicz, N., & Wach, K. (2012). *Internationalization of SMEs: Context, models and implementation*. Gdańsk University of Technology Publishers.
- David, J.-P., & Cariou, G. (2014). Evaluating the Firm's Readiness for Internationalization: from the Design to the Application of an International Qualification Framework. *International Journal of Business and Management*, 9(7), 1.
- Davis, J. H., Schoorman, F. D., & Donaldson, L. (1997). Toward a stewardship theory of management. *Academy of management review*, 22(1), 20-47.
- De Massis, A., Frattini, F., Majocchi, A., & Piscitello, L. (2018). Family firms in the global economy: Toward a deeper understanding of internationalization determinants, processes, and outcomes. *Global Strategy Journal*, 8(1), 3-21.
- Dekker, J., Lybaert, N., Steijvers, T., & Depaire, B. (2015). The effect of family business professionalization as a multidimensional construct on firm performance. *Journal of small business management*, 53(2), 516-538.
- Descotes, R. M., Walliser, B., & Guo, X. (2007). Capturing the relevant institutional profile for exporting SMEs: Empirical evidence from France and Romania. *International Management Review*, 3(3), 16.
- Dess, G. G., Ireland, R. D., Zahra, S. A., Floyd, S. W., Janney, J. J., & Lane, P. J. (2003). Emerging issues in corporate entrepreneurship. *Journal of management*, 29(3), 351-378.

Dornyei, Z. (2007). *Research Methods in Applied Linguistics* Oxford University Press. *New York*, 748.

Dou, J., Jacoby, G., Li, J., Su, Y., & Wu, Z. (2019). Family involvement and family firm internationalization: The moderating effects of board experience and geographical distance. *Journal of International Financial Markets, Institutions and Money*, 59, 250-261.

[Record #459 is using a reference type undefined in this output style.]

Elango, B. (2006). An empirical analysis of the internationalization-performance relationship across emerging market firms. *Multinational Business Review*.

Elo, S., Kääriäinen, M., Kanste, O., Pölkki, T., Utriainen, K., & Kyngäs, H. (2014). Qualitative content analysis: A focus on trustworthiness. *SAGE open*, 4(1).

Ensley, M. D., & Pearson, A. W. (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 and practice*, 29(3), 267-284.

Erogul, M. S., & Rahman, A. (2017). The impact of family adjustment in expatriate success. *Journal of International Business and Economy*, 18(1), 1-23.

Erramilli, M. K. (1992). Influence of some external and internal environmental factors on foreign market entry mode choice in service firms. *Journal of Business Research*, 25(4), 263-276.

Etikan, I., Musa, S. A., & Alkassim, R. S. (2016). Comparison of convenience sampling and purposive sampling. *American journal of theoretical and applied statistics*, 5(1), 1-4.

Fernández, Z., & Nieto, M. J. (2005). Internationalization strategy of small and medium-sized family businesses: Some influential factors. *Family Business Review*, 18(1), 77-89.

Fernández, Z., & Nieto, M. J. (2006). Impact of ownership on the international involvement of SMEs. *Journal of International Business Studies*, 37(3), 340-351.

Fernández-Moya, M., Fernández Pérez, P., & Lubinski, C. (2020). Standing the test of time: External factors influencing family firm longevity in Germany and Spain during the twentieth century. *Journal of Evolutionary Studies in Business*, 2020, vol. 5, num. 1, p. 221-264.

Fernhaber, S. A., & Li, D. (2013). International exposure through network relationships: Implications for new venture internationalization. *Journal of business venturing*, 28(2), 316-334.

Figueira-de-Lemos, F., Johanson, J., & Vahlne, J.-E. (2011). Risk management in the internationalization process of the firm: A note on the Uppsala model. *Journal of World Business*, 46(2), 143-153.

- Gallo, M. A., & Garcia Pont, C. (1996). Important factors in family business internationalization. *Family Business Review*, 9(1), 45-59.
- Gallo, M. A., & Sveen, J. (1991). Internationalizing the family business: Facilitating and restraining factors. *Family Business Review*, 4(2), 181-190.
- Garcia, P. R. J. M., Sharma, P., De Massis, A., Wright, M., & Scholes, L. (2019). Perceived parental behaviors and next-generation engagement in family firms: A social cognitive perspective. *Entrepreneurship theory and practice*, 43(2), 224-243.
- Gartner, W. B. (1985). A conceptual framework for describing the phenomenon of new venture creation. *Academy of management review*, 10(4), 696-706.
- George, G., Wiklund, J., & Zahra, S. A. (2005). Ownership and the internationalization of small firms. *Journal of management*, 31(2), 210-233.
- Gersick, K. E., Davis, J. A., Hampton, M. M., & Lansberg, I. (1997). *Generation to generation: Life cycles of the family business*. Harvard Business Press.
- Gil, S., Llorca, R., & Serrano, J. A. M. (2008). Measuring the impact of regional export promotion: The Spanish case. *Papers in Regional Science*, 87(1), 139-146.
- Glaser, B. (1978). Theoretical sensitivity. *Advances in the methodology of grounded theory*.
- Glaser, B. G., & Strauss, A. L. (1967). *The discovery of grounded theory: strategies for qualitative research*. Aldine.
- Glaser, B. G., & Strauss, A. L. (2017). *The discovery of grounded theory: Strategies for qualitative research*. Routledge.
- Gobierno Federal de México. (2001). Constitución Política de los Estados Unidos Mexicanos. *Diario Oficial de la Federación*, 10.
- Goldberg, S. D., & Wooldridge, B. (1993). Self-confidence and managerial autonomy: Successor characteristics critical to succession in family firms. *Family Business Review*, 6(1), 55-73.
- Gómez-Mejía, L. R., Haynes, K. T., Núñez-Nickel, M., Jacobson, K. J., & Moyano-Fuentes, J. (2007). Socioemotional wealth and business risks in family-controlled firms: Evidence from Spanish olive oil mills. *Administrative Science Quarterly*, 52(1), 106-137.
- Gomez-Mejia, L. R., Makri, M., & Kintana, M. L. (2010). Diversification decisions in family-controlled firms. *Journal of management studies*, 47(2), 223-252.
- González, C., & González-Galindo, A. (2022). The institutional context as a source of heterogeneity in family firm internationalization strategies: A comparison between US and emerging market family firms. *International business review*, 101972.

- Graves, C., & Thomas, J. (2004). Internationalisation of the family business: a longitudinal perspective. *International Journal of Globalisation and Small Business*, 1(1), 7-27.
- Graves, C., & Thomas, J. (2006). Internationalization of Australian family businesses: A managerial capabilities perspective. *Family Business Review*, 19(3), 207-224.
- Graves, C., & Thomas, J. (2008). Determinants of the internationalization pathways of family firms: An examination of family influence. *Family Business Review*, 21(2), 151-167.
- Grönroos, C. (1999). Internationalization strategies for services. *Journal of services marketing*.
- Guba, E. G. (1981). Criteria for assessing the trustworthiness of naturalistic inquiries. *Ectj*, 29(2), 75-91.
- Guzmán, F., & Paswan, A. K. (2009). Cultural brands from emerging markets: Brand image across host and home countries. *Journal of International Marketing*, 17(3), 71-86.
- Habbershon, T. G., Nordqvist, M., & Zellweger, T. (2010). Transgenerational entrepreneurship. *Transgenerational entrepreneurship: Exploring growth and performance in family firms across generations*, 1-38.
- Habbershon, T. G., & Williams, M. L. (1999). A resource-based framework for assessing the strategic advantages of family firms. *Family Business Review*, 12(1), 1-25.
- Halpern, E. S. (1983). *Auditing naturalistic inquiries: The development and application of a model*. Indiana University.
- Hambrick, D. C. (2007). Upper echelons theory: An update. *Academy of management review*, 32(2), 224-343.
- Hambrick, D. C., & Mason, P. A. (1984). Upper echelons: The organization as a reflection of its top managers. *Academy of management review*, 9(2), 193-206.
- Han, J. K., Kim, N., & Srivastava, R. K. (1998). Market orientation and organizational performance: is innovation a missing link? *Journal of Marketing*, 62(4), 30-45.
- Hitt, M. A., Bierman, L., Uhlenbruck, K., & Shimizu, K. (2006). The importance of resources in the internationalization of professional service firms: The good, the bad, and the ugly. *Academy of management journal*, 49(6), 1137-1157.
- Hitt, M. A., & Tyler, B. B. (1991). Strategic decision models: Integrating different perspectives. *Strategic Management Journal*, 12(5), 327-351.
- Howorth, C., Rose, M., Hamilton, E., & Westhead, P. (2010). Family firm diversity and development: An introduction. *International Small Business Journal*, 28(5), 437-451.

- Hult, G. T. M., & Ketchen Jr, D. J. (2001). Does market orientation matter?: A test of the relationship between positional advantage and performance. *Strategic Management Journal*, 22(9), 899-906.
- Hutchings, K., & Weir, D. (2006). Understanding networking in China and the Arab World: Lessons for international managers. *Journal of European Industrial Training*, 30(4), 272-290.
- Hutchinson, K., Alexander, N., Quinn, B., & Doherty, A. M. (2007). Internationalization motives and facilitating factors: qualitative evidence from smaller specialist retailers. *Journal of International Marketing*, 15(3), 96-122.
- Ibeh, K. I. (2003). On the internal drivers of export performance among Nigerian firms: empirical findings and implications. *Management Decision*.
- IMCO. (2021). *Desarrollando las PyMES que requiere México*. Instituto Mexicano para la Competitividad. Retrieved December 23rd from https://imco.org.mx/pymes_que_requiere_mexico_2009/
- INEGI. (2021). *Censos Económicos 2019*. Instituto Nacional de Estadística y Geografía. Retrieved December 23rd from <https://www.inegi.org.mx/programas/ce/2019/>
- Jaw, Y.-L., & Chen, C.-L. (2006). The influence of the Internet in the internationalization of SMEs in Taiwan. *Human Systems Management*, 25(3), 167-183.
- Jennings, J. E., Breitkreuz, R. S., & James, A. E. (2014). Theories from family science: A review and roadmap for family business research. *The SAGE handbook of family business*, 25-46.
- Jin, C., Wu, B., & Hu, Y. (2021). Family Business Internationalization in Paradox: Effects of Socioemotional Wealth and Entrepreneurial Spirit. *Frontiers in Psychology*, 12, 1095.
- Johanson, J., & Vahlne, J.-E. (1977). The internationalization process of the firm—a model of knowledge development and increasing foreign market commitments. *Journal of International Business Studies*, 8(1), 23-32.
- Johanson, J., & Vahlne, J.-E. (2009). The Uppsala internationalization process model revisited: From liability of foreignness to liability of outsidership. *Journal of International Business Studies*, 40(9), 1411-1431.
- Kano, L., & Verbeke, A. (2018). Family firm internationalization: Heritage assets and the impact of bifurcation bias. *Global Strategy Journal*, 8(1), 158-183.
- Karl, K. A., Peluchette, J. V., & Aghakhani, N. (2022). Virtual work meetings during the COVID-19 pandemic: The good, bad, and ugly. *Small Group Research*, 53(3), 343-365.

- Kellermanns, F. W., & Eddleston, K. A. (2004). Feuding families: When conflict does a family firm good. *Entrepreneurship theory and practice*, 28(3), 209-228.
- Keupp, M. M., & Gassmann, O. (2009). The past and the future of international entrepreneurship: a review and suggestions for developing the field. *Journal of management*, 35(3), 600-633.
- Kiss, A. N., & Danis, W. M. (2010). Social networks and speed of new venture internationalization during institutional transition: A conceptual model. *Journal of international entrepreneurship*, 8(3), 273-287.
- Knight, G. A. (2001). Entrepreneurship and strategy in the international SME. *Journal of international management*, 7(3), 155-171.
- Knight, G. A., & Cavusgil, S. T. (2005). A taxonomy of born-global firms. *MIR: Management International Review*, 15-35.
- Knight, G. A., & Liesch, P. W. (2016). Internationalization: From incremental to born global. *Journal of World Business*, 51(1), 93-102.
- Kogut, B., & Zander, U. (1992). Knowledge of the Firm, Combinative Capabilities, and the Replication of Technology. *Organization science*, 3(3), 383-397.
<https://doi.org/10.1287/orsc.3.3.383>
- Kohli, A. K., & Jaworski, B. J. (1990). Market orientation: the construct, research propositions, and managerial implications. *Journal of Marketing*, 54(2), 1-18.
- Kontinen, T., & Ojala, A. (2010). Internationalization pathways of family SMEs: Psychic distance as a focal point. *Journal of Small Business and Enterprise Development*.
- Kotlar, J., Signori, A., De Massis, A., & Vismara, S. (2018). Financial wealth, socioemotional wealth, and IPO underpricing in family firms: A two-stage gamble model. *Academy of management journal*, 61(3), 1073-1099.
- KPMG. (2013). *Empresas Familiares en México: El desafío de crecer, madurar y permanecer*.
<https://assets.kpmg/content/dam/kpmg/mx/pdf/2016/12/Empresas%20Familiares%20en%20México%20el%20desaf%C3%ADo%20de%20crecer%20madurar%20y%20permanecer.pdf>
- KPMG. (2018). *European family business barometer: embracing innovation*.
<https://home.kpmg/xx/en/home/insights/2018/09/european-family-business-barometer-embracing-innovation-seventh-edition.html>
- Kraus, S., Mensching, H., Calabrò, A., Cheng, C.-F., & Filser, M. (2016). Family firm internationalization: A configurational approach. *Journal of Business Research*, 69(11), 5473-5478.

- Kuo, A., Kao, M.-S., Chang, Y.-C., & Chiu, C.-F. (2012). The influence of international experience on entry mode choice: Difference between family and non-family firms. *European Management Journal*, 30(3), 248-263.
- Lecraw, D. (1977). Direct investment by firms from less developed countries. *Oxford economic papers*, 29(3), 442-457.
- Lederman, D., Olarreaga, M., & Payton, L. (2010). Export promotion agencies: Do they work? *Journal of development economics*, 91(2), 257-265.
- Lee, H., Kelley, D., Lee, J., & Lee, S. (2012). SME survival: The impact of internationalization, technology resources, and alliances. *Journal of small business management*, 50(1), 1-19.
- Lee, H. U., & Park, J. H. (2008). The influence of top management team international exposure on international alliance formation. *Journal of management studies*, 45(5), 961-981.
- Lee, S. K., & Jang, S. S. (2010). Internationalization and exposure to foreign currency risk: An examination of lodging firms. *International Journal of Hospitality Management*, 29(4), 701-710.
- Leonidou, L. C. (2000). Barriers to export management: an organizational and internationalization analysis. *Journal of international management*, 6(2), 121-148.
- Leonidou, L. C. (2004). An analysis of the barriers hindering small business export development. *Journal of small business management*, 42(3), 279-302.
- Liang, X., Wang, L., & Cui, Z. (2014). Chinese private firms and internationalization: Effects of family involvement in management and family ownership. *Family Business Review*, 27(2), 126-141.
- Lim, H., & Kimura, F. (2010). The internationalization of small and medium enterprises in regional and global value chains.
- Lin, W.-T. (2012). Family ownership and internationalization processes: Internationalization pace, internationalization scope, and internationalization rhythm. *European Management Journal*, 30(1), 47-56.
- Lincoln, Y., & Guba, E. G. (1985). *Naturalistic Inquiry*. SAGE.
- Lincoln, Y. S., & Guba, E. G. (1986). But is it rigorous? Trustworthiness and authenticity in naturalistic evaluation. *New directions for program evaluation*, 1986(30), 73-84.
- Lloyd-Reason, L., & Mughan, T. (2008). Removing barriers to SME access to international markets: OECD-APEC global study. United States Association for Small Business and Entrepreneurship. Conference Proceedings,

Löhde, A. S. K., & Calabrò, A. (2019). Understanding family firms' entry mode choices when going to China and India: An international opportunity identification-based approach. In *The Palgrave handbook of heterogeneity among family firms* (pp. 847-872). Springer.

Longhurst, R. (2003). Semi-structured interviews and focus groups. *Key methods in geography*, 3(2), 103-115.

Luo, X., & Zheng, Q. (2018). How firm internationalization is recognized by outsiders: The response of financial analysts. *Journal of Business Research*, 90, 87-106.

[Record #433 is using a reference type undefined in this output style.]

Mangematin, V., Lemarié, S., Boissin, J.-P., Catherine, D., Corolleur, F., Coronini, R., & Trommetter, M. (2003). Development of SMEs and heterogeneity of trajectories: the case of biotechnology in France. *Research Policy*, 32(4), 621-638.

Martincus, C. V., Carballo, J., & Gallo, A. (2011). The impact of export promotion institutions on trade: Is it the intensive or the extensive margin? *Applied Economics Letters*, 18(2), 127-132.

Martinez, M., & Aldrich, H. (2014). Sociological theories applied to family businesses. *The SAGE handbook of family business*, 83-99.

McDougall, P. P., & Oviatt, B. M. (2000). International entrepreneurship: the intersection of two research paths. *Academy of management journal*, 43(5), 902-906.

Meier, O., & Schier, G. (2016). The early succession stage of a family firm: Exploring the role of agency rationales and stewardship attitudes. *Family Business Review*, 29(3), 256-277.

Merino, F., Monreal-Pérez, J., & Sánchez-Marín, G. (2015). Family SMEs' Internationalization: Disentangling the Influence of Familiness on Spanish Firms' Export Activity. *Journal of small business management*, 53(4), 1164-1184.

Mir, R., & Watson, A. (2001). Critical realism and constructivism in strategy research: toward a synthesis. *Strategic Management Journal*, 22(12), 1169-1173.

Molly, V., Laveren, E., & Jorissen, A. (2012). Intergenerational differences in family firms: Impact on capital structure and growth behavior. *Entrepreneurship theory and practice*, 36(4), 703-725.

Moore, C. M., Birtwistle, G., & Burt, S. (2004). Channel power, conflict and conflict resolution in international fashion retailing. *European Journal of Marketing*.

Murphy, L., Huybrechts, J., & Lambrechts, F. (2019). The origins and development of socioemotional wealth within next-generation family members: An interpretive grounded theory study. *Family Business Review*, 32(4), 396-424.

- Musteen, M., Datta, D. K., & Butts, M. M. (2014). Do international networks and foreign market knowledge facilitate SME internationalization? Evidence from the Czech Republic. *Entrepreneurship theory and practice*, 38(4), 749-774.
- Naldi, L., Nordqvist, M., Sjöberg, K., & Wiklund, J. (2007). Entrepreneurial orientation, risk taking, and performance in family firms. *Family Business Review*, 20(1), 33-47.
- Narver, J. C., & Slater, S. F. (1990). The effect of a market orientation on business profitability. *Journal of Marketing*, 54(4), 20-35.
- Neergaard, H., & Leitch, C. M. (2015). *Handbook of qualitative research techniques and analysis in entrepreneurship*. Edward Elgar Publishing.
- Nikander, P. (2008). Working with transcripts and translated data. *Qualitative research in psychology*, 5(3), 225-231.
- Njeru, W. G. (2013). *Market orientation, marketing practices, firm characteristics, external environment and performance of tour firms in Kenya* [University of Nairobi].
- Oesterle, M.-J., Elosge, C., & Elosge, L. (2016). Me, myself and I: The role of CEO narcissism in internationalization decisions. *International business review*, 25(5), 1114-1123.
- Okoroafo, S. C. (1999). Internationalization of family businesses: Evidence from Northwest Ohio, USA. *Family Business Review*, 12(2), 147-158.
- Oviatt, B. M., & McDougall, P. P. (1994). Toward a theory of international new ventures. *Journal of International Business Studies*, 25(1), 45-64.
- Oviatt, B. M., & McDougall, P. P. (2005). Defining international entrepreneurship and modeling the speed of internationalization. *Entrepreneurship theory and practice*, 29(5), 537-553.
- Patton, M. Q. (1990). *Qualitative evaluation and research methods* (2nd ed.). SAGE.
- Patton, M. Q. (2007). Sampling, qualitative (purposive). *The Blackwell encyclopedia of sociology*.
- Paul, J., Parthasarathy, S., & Gupta, P. (2017). Exporting challenges of SMEs: A review and future research agenda. *Journal of World Business*, 52(3), 327-342.
- Pett, T., Francis, J. d., & Wolff, J. (2004). Examining SME internationalization motives as an extension of competitive strategy. *Journal of Business and Entrepreneurship*, 16(1), 46-65.
- Porter, M. E. (1980). Industry structure and competitive strategy: Keys to profitability. *Financial analysts journal*, 36(4), 30-41.

- Porter, M. E. (1985). *Competitive advantage: Creating and sustaining superior performance*. The Free Press.
- Pukall, T. J., & Calabrò, A. (2014). The internationalization of family firms: A critical review and integrative model. *Family Business Review*, 27(2), 103-125.
- PWC. (2021). *Encuesta de Empresas Familiares 2021*. <https://www.pwc.com/mx/es/family-business.html>
- Quaye, D. M., Sekyere, K. N., & Acheampong, G. (2017). Export promotion programmes and export performance: a study of selected SMEs in the manufacturing sector of Ghana. *Review of International Business and Strategy*.
- Quintens, L., Matthyssens, P., & Faes, W. (2005). Purchasing internationalisation on both sides of the Atlantic. *Journal of Purchasing and Supply Management*, 11(2-3), 57-71.
- Rahman, M., Akter, M., & Radicic, D. (2020). Internationalization as a strategy for small and medium-sized enterprises and the impact of regulatory environment: An emerging country perspective. *Business Strategy & Development*, 3(2), 213-225.
- Ramón-Llorens, M. C., García-Meca, E., & Duréndez, A. (2017). Influence of CEO characteristics in family firms internationalization. *International business review*, 26(4), 786-799.
- Ratten, V., Ramadani, V., Dana, L.-P., Hoy, F., & Ferreira, J. (2017). Family entrepreneurship and internationalization strategies. *Review of International Business and Strategy*, 27(2), 150-160.
- Reiner, G., Demeter, K., Poiger, M., & Jenei, I. (2008). The internationalization process in companies located at the borders of emerging and developed countries. *International Journal of Operations & Production Management*.
- Remko, V. H. (2020). Research opportunities for a more resilient post-COVID-19 supply chain—closing the gap between research findings and industry practice. *International Journal of Operations & Production Management*, 40(4), 341-355.
- Ribeiro, M. C. D. P., & Carmo, M. d. C. M. d. S. G. (2013). Enterprises' internationalisation strategy: skills in exportation and customs law. *Anales de economia aplicada 2013*.
- Rose, A. K. (2007). The foreign service and foreign trade: embassies as export promotion. *World Economy*, 30(1), 22-38.
- Rosnan, H., Abdullah, N. C., Yusof, N., & Abdullah, M. S. (2018). FIRM'S READINESS TO INTERNATIONALIZATION. *Management & Accounting Review (MAR)*, 17(3), 81-94.

- Ruzzier, M., Antoncic, B., Hisrich, R. D., & Konecnik, M. (2007). Human capital and SME internationalization: A structural equation modeling study. *Canadian Journal of Administrative Sciences/Revue Canadienne des Sciences de l'Administration*, 24(1), 15-29.
- Sanchez-Famoso, V., Cano-Rubio, M., & Fuentes-Lombardo, G. (2019). The role of cooperation agreements in the internationalization of Spanish winery and olive oil family firms. *International Journal of Wine Business Research*.
- Santangelo, G. D., & Meyer, K. E. (2017). Internationalization as an evolutionary process. *Journal of International Business Studies*, 48(9), 1114-1130.
- Santin, N. J., & Marx, R. (2009). Global product development and the role of Brazilian subsidiaries: similar and different realities in the automotive and white good industries. *Product: Management and Development*, 7(1), 29-38.
- Sardeshmukh, S. R., & Corbett, A. C. (2011). The duality of internal and external development of successors: opportunity recognition in family firms. *Family Business Review*, 24(2), 111-125.
- Sarquis, M. A. (2002). Barreras arancelarias y no arancelarias. I Congreso de Relaciones Internacionales (La Plata, 2002),
- Scharf, F., Bell, J., Loane, S., & Fletcher, R. (2004). The export problems of internationalizing SMEs: some empirical evidence using a 'critical incident' technique. *Emerging paradigms in international entrepreneurship*, 103.
- Schulze, W. S., Lubatkin, M. H., & Dino, R. N. (2003). Toward a theory of agency and altruism in family firms. *Journal of business venturing*, 18(4), 473-490.
- Sciascia, S., Mazzola, P., Astrachan, J. H., & Pieper, T. M. (2012). The role of family ownership in international entrepreneurship: Exploring nonlinear effects. *Small Business Economics*, 38(1), 15-31.
- Secretaría de Economía. (2021). *Comercio Exterior, Países con Tratados y Acuerdos firmados con México*. Gobierno de Mexico. Retrieved December 23rd from <https://www.gob.mx/se/acciones-y-programas/comercio-exterior-paises-con-tratados-y-acuerdos-firmados-con-mexico>
- Segovia, F. C., & López-Hernández, C. (2018). Heterogeneity in the size of family firms: the case of Mexico. *Revista Academia & Negocios*, 4(1), 35-42.
- Sekliuckiene, J. (2013). Lithuanian companies in emerging markets: internationalization motives and barriers. *Economics and management*, 18(1), 124-133.
- Senik, Z. C., Isa, R. M., Scott-Ladd, B., & Entekin, L. (2010). Influential factors for SME internationalization: Evidence from Malaysia. *International Journal of Economics and Management*, 4(2), 285-304.

- Shah, P. (2013). *The brand deletion strategy in brand portfolio management*. Texas Tech University]. Lubbock, TX.
- Shane, S. A. (2003). *A general theory of entrepreneurship: The individual-opportunity nexus*. Edward Elgar Publishing.
- Shen, N., & Su, J. (2017). Religion and succession intention-Evidence from Chinese family firms. *Journal of Corporate Finance*, 45, 150-161.
- Shenton, A. K. (2004). Strategies for ensuring trustworthiness in qualitative research projects. *Education for information*, 22(2), 63-75.
- Stavrou, E. T. (1998). A four factor model: A guide to planning next generation involvement in the family firm. *Family Business Review*, 11(2), 135-142.
- Steier, L. (2009). Where do new firms come from? Households, family capital, ethnicity, and the welfare mix. *Family Business Review*, 22(3), 273-278.
- Strauss, A., & Corbin, J. (1998). Basics of qualitative research techniques.
- Swanson, A. (2020, January 29, 2020). Trump Just Signed the U.S.M.C.A. Here's What's in the New NAFTA. . *The New York Times*.
<https://www.nytimes.com/2020/01/29/business/economy/usmca-deal.html>
- Tagiuri, R., & Davis, J. (1996). Bivalent attributes of the family firm. *Family Business Review*, 9(2), 199-208.
- Thornberg, R., Perhamus, L., & Charmaz, K. (2014). Grounded theory. *Handbook of research methods in early childhood education: Research methodologies*, 1, 405-439.
- Toulova, M., Votoupalova, M., & Kubickova, L. (2015). Barriers of SMEs internationalization and strategy for success in foreign markets. *International Journal of Management Cases*, 17(1), 4-19.
- Tretbar, T., Reimer, M., & Schäffer, U. (2016). Upper echelons in family firms'. *The Routledge Companion to Family Business*.
- Tsang, E. W. (2001). Internationalizing the family firm: A case study of a Chinese family business. *Journal of small business management*, 39(1), 88-93.
- Vahlne, J.-E., & Johanson, J. (2017). From internationalization to evolution: The Uppsala model at 40 years. *Journal of International Business Studies*, 48(9), 1087-1102.
- Vermeulen, F., & Barkema, H. (2002). Pace, rhythm, and scope: Process dependence in building a profitable multinational corporation. *Strategic Management Journal*, 23(7), 637-653.

Volpe Martincus, C., Estevadeordal, A., Gallo, A., & Luna, J. (2010). Information barriers, export promotion institutions, and the extensive margin of trade. *Review of World Economics*, 146(1), 91-111.

von Schlippe, A., Schneewind, K. A., & Schneewind, K. (2014). Theories from family psychology and family therapy. *SAGE handbook of family business*, 47-65.

Ward, J. L. (1997). Growing the family business: Special challenges and best practices. *Family Business Review*, 10(4), 323-337.

Welch, D. E., & Welch, L. S. (1997). Pre-expatriation: The role of HR factors in the early stages of internationalization. *International Journal of Human Resource Management*, 8(4), 402-413.

Welch, L. S., & Luostarinen, R. (1988). Internationalization: evolution of a concept. *Journal of general management*, 14(2), 34-55.

Whitelock, J., & Jobber, D. (2004). An evaluation of external factors in the decision of UK industrial firms to enter a new non-domestic market: an exploratory study. *European Journal of Marketing*.

Wiedersheim-Paul, F., Olson, H. C., & Welch, L. S. (1978). Pre-export activity: The first step in internationalization. *Journal of International Business Studies*, 9(1), 47-58.

Wu, Z., Chua, J. H., & Chrisman, J. J. (2007). Effects of family ownership and management on small business equity financing. *Journal of business venturing*, 22(6), 875-895.

Yamakawa, Y., Peng, M. W., & Deeds, D. L. (2008). What drives new ventures to internationalize from emerging to developed economies? *Entrepreneurship theory and practice*, 32(1), 59-82.

Yang, X., Jiang, Y., Kang, R., & Ke, Y. (2009). A comparative analysis of the internationalization of Chinese and Japanese firms. *Asia Pacific Journal of Management*, 26(1), 141-162.

Yin, R. K. (2009). *Case study research and applications: Design and methods*. Sage publications.

Yiu, D. W., Lau, C., & Bruton, G. D. (2007). International venturing by emerging economy firms: The effects of firm capabilities, home country networks, and corporate entrepreneurship. *Journal of International Business Studies*, 38(4), 519-540.

Zahra, S. A. (2003). The practice of management: reflections on Peter F. Drucker's landmark book. *Academy of Management Perspectives*, 17(3), 16-23.

Zahra, S. A., & George, G. (2002). International entrepreneurship: The current status of the field and future research agenda. In *Strategic entrepreneurship: Creating a new mindset* (pp. 255-288).

Zahra, S. A., Ireland, R. D., & Hitt, M. A. (2000). International expansion by new venture firms: International diversity, mode of market entry, technological learning, and performance. *Academy of management journal*, 43(5), 925-950.

Zahra, S. A., Nielsen, A. P., & Bogner, W. C. (1999). Corporate entrepreneurship, knowledge, and competence development. *Entrepreneurship theory and practice*, 23(3), 169-189.

Zhao, J., Carney, M., Zhang, S., & Zhu, L. (2020). How does an intra-family succession effect strategic change and performance in China's family firms? *Asia Pacific Journal of Management*, 37(2), 363-389.

Zhou, L., Han, Y., & Gou, C. (2019). Influence of family involvement on family firm internationalization: The moderating effects of industrial and institutional environments. *Sustainability*, 11(20), 5721.

Appendix 1 – Topics from Literature Review on Family Business Internationalization

Family Business Literature	Family Dimension	Business Dimension	Family Business Dimension
	Family Related Factors Next Generation Involvement Family's International Characteristics	Internationalization Process International Entrepreneurship Internationalization Factors TMT Characteristics International Exposure Internationalization Strategies Managerial Capabilities	Family Business Characteristics Family Control Family Entrepreneurship Latin American Family Firms
Gallo, M. A., & Sveen, J. (1991)	✓		
Gallo, M. A., & Pont, C. G. (1996)		✓	✓
Andersen, O. (1997)		✓	
Reuber, A. R., & Fischer, E. (1997)		✓	
Okoroafo, S. C. (1999)	✓	✓	
Tihanyi, L., Ellstrand, A. E., Daily, C. M., & Dalton, D. R. (2000)			
Graves, C., & Thomas, J. (2004)		✓	
Graves, C., & Thomas, J. (2006)			✓
Lee, H. U., & Park, J. H. (2008)		✓	
Claver, E., Rienda, L., & Quer, D. (2009)	✓	✓	
de Farias, S. A., Natarajan, R., & Kovacs, E. P. (2009)		✓	✓

Gomez-Mejia, L. R., Makri, M., & Kintana, M. L. (2010)									✓				
Abdellatif, M., Amann, B., & Jaussaud, J. (2010)				✓									
Casillas, J. C., Moreno, A. M., & Acedo, F. J. (2010)					✓								✓
Kuo, A., Kao, M. S., Chang, Y. C., & Chiu, C. F. (2012)				✓					✓				
Cerrato, D., & Piva, M. (2012)	✓		✓									✓	
Zain, M., & Kassim, N. M. (2012)					✓		✓						
Fernhaber, S. A., & Li, D. (2013)				✓					✓				
Liang, X., Wang, L., & Cui, Z. (2014)												✓	
Casillas, J. C., Barbero, J. L., & Sapienza, H. J. (2015)				✓	✓								
Ivanova, Y. V., Dentchev, N. A., & Todorov, K. A. (2015)				✓								✓	
Kraus, S., Mensching, H., Calabrò, A., Cheng, C.-F., & Filser, M. (2016)				✓									
Calabrò, A., Brogi, M., & Torchia, M. (2016)			✓		✓								
Boellis, A., Mariotti, S., Minichilli, A., & Piscitello, L. (2016)				✓								✓	
Ratten, V., Ramadani, V., Dana, L. P., Hoy, F., & Ferreira, J. (2017)									✓				✓
Ray, S., Mondal, A., & Ramachandran, K. (2017)												✓	
Kano, L., & Verbeke, A. (2018)	✓			✓								✓	
THIS STUDY	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

Appendix 2 – Interview Protocols

Not Internationalized, No International Experience (Control Group) Interview

Hi [Interviewee name], thank you for taking some time to talk to me. As I mentioned in my emails, I am a Ph.D. Candidate who is trying to understand the internationalization of family businesses in the tequila industry.

All your answers will be kept confidential and secured in a locked place, and there will not be a mention of your name in the dissertation. The purpose of this is so you can speak your mind more freely. Do I have your permission to record? [Answer] Thank you!

1. To start, can you please tell me more about yourself.
 - a. Age?
 - b. Education background?
 - c. Family member?
 - i. Generation relative to founder?
2. Please tell me more about the company?
 - a. Name of the company?
 - b. Brief history?
 - c. Main activities?
 - d. The number of employees?
 - e. Total annual revenue?
 - f. Products
 - g. Serving International Markets or not?
3. Can you please tell me what your position in the firm is?
 - a. Functions in the family business?
4. Is there a reason why you have not had an international experience?
 - a. What would have been the effect on your career?
 - b. What about the company?
 - c. What do you think you missed from the lack of such experience(s)?
5. Tell me about the operations of the company.
 - a. Why haven't you internationalized them yet?
 - b. What are the challenges you are facing to do so?
 - c. How are you planning to overcome those challenges?
 - d. Have you done market research on any given foreign market?
 - e. Have you had any contact with possible foreign customers?
 - i. What was your interaction like?
 - f. In which foreign country would you like to start selling your product?
 - i. Would there be any plans for other foreign countries?
 - ii. Which ones?
 - g. What would be the scope of the operations in that first country?
 - h. How long would it take to establish such operations?
 - i. Would you internationalize to simultaneous countries at once, or would you rather do it one at a time? Why?

- j. How often would you start operations in a new foreign market?
- k. What would be your biggest concerns when it comes to selling abroad?
- l. Would you brand your firm as a family firm abroad?
 - i. What competitive advantage would the firm have in that case?
- m. What would make an internationalization strategy successful?
- 6. How would the international experience of the top managers help the firm?
 - a. Would there be a change in the mindset of the family?
 - i. Would it facilitate or hinder the internationalization process? Why?
 - b. Would there be more confidence to sell to international markets because of the international experience of family members?
 - c. How would the international experience help your knowledge of foreign markets to support global operations in the firm?
- 7. Has the family or the top management ever purposefully limited the internationalization of the firm?
 - a. Why?
 - b. What factors would influence the firm's internationalization?
 - i. What external factors (for example, government support from Mexico or abroad) would be instrumental in helping your firm internationalize?
 - ii. What about those factors that were an obstacle to your firm's internationalization?
 - iii. Did COVID-19 affect your operations in any way?
 - 1. How did you manage the pandemic in your firm?
 - iv. What could the Mexican and local governments do to support your firm's internationalization further?
 - 1. What about foreign countries?

[Interviewee's name] this has been fascinating to hear. These are all the questions I have for now. Is there anything else that you would like to share with me?

I would also like to ask if you have any documents that you can share with me. I will appreciate it. I assure you that these documents will be handled confidentially and for academic purposes only.

Can I contact you in case I have future questions via e-mail?

Okay! Thanks a lot for your time.

As a final reminder, all of your answers and documents will be kept confidential and secured in a locked place. Thank you very much for your participation!

Goodbye.

No Internationalized, International Experience Interview

Hi [Interviewee name], thank you for taking some time to talk to me. As I mentioned in my emails, I am a Ph.D. Candidate who is trying to understand the internationalization of family businesses in the tequila industry.

All your answers will be kept confidential and secured in a locked place, and there will not be a mention of your name in the dissertation. The purpose of this is so you can speak your mind more freely. Do I have your permission to record? [Answer] Thank you!

1. To start, can you please tell me more about yourself.
 - a. Age?
 - b. Education background?
 - c. Family member?
 - i. Generation relative to founder?
2. Please tell me more about the company?
 - a. Name of the company?
 - b. Brief history?
 - c. Main activities?
 - d. The number of employees?
 - e. Total annual revenue?
 - f. Products
 - g. Serving International Markets or not?
3. Can you please tell me what your position in the firm is?
 - a. Functions in the family business?
4. Have you had any international experiences?
 - a. If yes:
 - i. What was it?
 - ii. Where?
 - iii. How long was that international experience?
 - iv. Who encouraged you to go?
 - v. Were you persuaded or obliged to go?
 - vi. What was the objective of such an experience? Why do you think you were encouraged to have such experience(s)?
 - vii. What did you gain from that experience(s)?
 - viii. How has each of your international experiences influenced you?
 - b. If no:
 - i. Why?
 - ii. What would have been the effect on your career?
 - iii. What about the company?
 - iv. What do you think you missed from the lack of such experience(s)?
5. Tell me about the operations of the company.
 - a. Why haven't you internationalized them yet?
 - b. What are the challenges you are facing to do so?
 - c. How are you planning to overcome those challenges?
 - d. Have you done market research on any given foreign market?

- e. Have you had any contact with possible foreign customers?
 - i. What was your interaction like?
- f. In which foreign country would you like to start selling your product?
 - i. Would there be any plans for other foreign countries?
 - ii. Which ones?
- g. What would be the scope of the operations in that first country?
- h. How long would it take to establish such operations?
- i. Would you internationalize to simultaneous countries at once, or would you rather do it one at a time? Why?
- j. How often would you start operations in a new foreign market?
- k. What would be your biggest concerns when it comes to selling abroad?
- l. Would you brand your firm as a family firm abroad?
 - i. What competitive advantage would the firm have in that case?
- m. What would make an internationalization strategy successful?
- 6. Would it be necessary for the firm to bring outside experience to facilitate the internationalization of the business?
 - a. Why would it be necessary for the family to bring a non-family member to facilitate the firm's internationalization?
 - b. How would the presence of the non-family member impact the decision-making process?
 - i. What would this person specifically contribute to the firm?
- 7. How have the international experiences of the top managers helped the firm?
 - a. Was there a change in the mindset of the family?
 - i. Did it facilitate it or hindered the possible internationalization?
 - b. Would there be more confidence to sell to international markets because of the experiences of the family members?
 - c. Would the international experience help your knowledge of foreign markets to support global operations in the firm?
 - d. Is there someone you met on the experiences you already discussed with me that you would like to do business with?
- 8. Has the family or the top management ever purposefully limited the internationalization of the firm?
 - a. Why?
 - b. What factors would influence the firm's internationalization?
 - i. What external factors (for example, government support from Mexico or abroad) would be instrumental in helping your firm internationalize?
 - ii. What about those factors that are an obstacle to your firm's internationalization?
 - iii. Did COVID-19 affect your decision to sell to foreign markets?
 - 1. How did you manage the pandemic in your firm?
 - iv. What could the Mexican and local governments do to support your firm's internationalization?
 - 1. What about foreign countries?

[Interviewee's name] this has been fascinating to hear. These are all the questions I have for now. Is there anything else that you would like to share with me?

I would also like to ask if you have any documents that you can share with me. I will appreciate it. I assure you that these documents will be handled confidentially and for academic purposes only.

Can I contact you in case I have future questions via e-mail?

Okay! Thanks a lot for your time.

As a final reminder, all of your answers and documents will be kept confidential and secured in a locked place. Thank you very much for your participation!

Goodbye.

Internationalized, International Experience Interview

Hi [Interviewee name], thank you for taking some time to talk to me. As I mentioned in my emails, I am a Ph.D. Candidate who is trying to understand the internationalization of family businesses in the tequila industry.

All your answers will be kept confidential and secured in a locked place, and there will not be a mention of your name in the dissertation. The purpose of this is so you can speak your mind more freely. Do I have your permission to record? [Answer] Thank you!

1. To start, can you please tell me more about yourself.
 - a. Age?
 - b. Education background?
 - c. Family member?
 - i. Generation relative to founder?
2. Please tell me more about the company?
 - a. Name of the company?
 - b. Brief history?
 - c. Main activities?
 - d. The number of employees?
 - e. Total annual revenue?
 - f. Products
 - g. Serving International Markets or not?
3. Can you please tell me what your position in the firm is?
 - a. Functions in the family business?
4. Have you had any international experiences?
 - a. If yes:
 - i. What was it?
 - ii. Where?
 - iii. How long was that international experience?
 - iv. Who encouraged you to go?
 - v. Were you persuaded or obliged to go?
 - vi. What was the objective of such an experience? Why do you think you were encouraged to have such experience(s)?
 - vii. What did you gain from that experience(s)?
 - viii. How has each of your international experiences influenced you?
 - b. If no:
 - i. Why?
 - ii. What would have been the effect on your career?
 - iii. What about the company?
 - iv. What do you think you missed from the lack of such experience(s)?
5. Tell me about the international operations of the company.
 - a. Why was this decision made? (motivation)
 - b. In which foreign country did you start selling your product?
 - i. In how many countries are you currently present?
 - ii. Do you have any plans to expand the number of countries?

- iii. What was the timeline for each on average?
 - iv. Did you expand to more than one at the same time?
 - c. What were the challenges you encountered?
 - d. How did you overcome those challenges?
 - e. How did you do the market research to decide on that market?
 - f. Did the customers find you and ask for your products, or did you find them and offered them?
 - g. How are the external conditions for your industry (PESTEL) in the international market? E.g., the political climate, the social make-up, the laws, and so on.
 - h. What was the scope of the operations in the first country?
 - i. Have those operations evolved? How?
 - i. How long did it take to establish those first international operations?
 - i. Has that improved through time? How?
 - j. How many countries did you start operations simultaneously?
 - i. Has that changed over time?
 - k. Did you brand your firm as a family firm abroad?
 - i. What is the competitive advantage of doing so?
 - l. Has your internationalization strategy been successful, in your opinion?
 - i. How do you measure the success of the international venture?
 - 1. Would success have been the same without family involvement?
 - a. Why?
6. Was it necessary for the firm to bring outside experience to facilitate the internationalization of the business?
 - a. Why was it necessary for the family to bring a non-family member to facilitate the firm's internationalization?
 - b. How did the presence of the non-family member impact the decision-making process?
 - i. What has this person specifically contributed?
 - c. Is that person still part of the international projects of the firm?
7. How have the international experiences of the top managers helped the firm?
 - a. Was there a change in the mindset of the family?
 - i. Did it facilitate it or hindered it?
 - b. Was there more confidence to sell to international markets because of the experiences of the family members?
 - c. Was the international experience helpful to your knowledge of foreign markets to support global operations in the firm?
 - d. From the people you are doing business with in foreign markets, is there someone you met on the experiences you already discussed with me?
8. Has the family or the top management ever purposefully limited the internationalization of the firm?
 - a. Why?
 - b. What factors would influence the firm's internationalization?

- i. What external factors (for example, government support from Mexico or abroad) have been instrumental in helping your firm internationalize?
- ii. What about those factors that were an obstacle to your firm's internationalization?
- iii. Did COVID-19 affect your international operations?
 1. How did you manage the pandemic in your firm?
- iv. What could the Mexican and local governments do to support your firm's internationalization further?
 1. What about foreign countries?

[Interviewee's name] this has been fascinating to hear. These are all the questions I have for now. Is there anything else that you would like to share with me?

I would also like to ask if you have any documents that you can share with me. I will appreciate it. I assure you that these documents will be handled confidentially and for academic purposes only.

Can I contact you in case I have future questions via e-mail?

Okay! Thanks a lot for your time.

As a final reminder, all of your answers and documents will be kept confidential and secured in a locked place. Thank you very much for your participation!

Goodbye.

Appendix 3 – Recruiting letter

Dear XX,

I am a Ph.D. student studying family firms in the tequila industry under the supervision of Prof. Frank Hoy at the Foisie Business School of the Worcester Polytechnic Institute. I also used to serve as a faculty member of Universidad Panamericana Campus Guadalajara.

I am contacting you to ask for an interview with you related to my dissertation research project. It will seek to understand how family firms from Mexico sell their products in foreign markets.

As a family firm, your experiences can be valuable to understand better how companies internationalize. The final report will be shared with you to be informed of the practices on the topic.

I have some questions I would like to ask you as a member of your company's top management team to understand the process better. It is important to mention that no sensitive information about the family will be discussed in this interview. The interview is voluntary, and if any question asked makes you feel uncomfortable in any way, you could skip the question or stop the interview entirely. Everything you say will be kept confidential, and responses will be summarized with all the other data collected, protecting your privacy. Our conversation will be kept confidential.

The discussion and questions will not last more than 90 minutes. The interview will be conducted over Zoom (a video conferencing software).

If you are willing to speak with me, I would like to schedule an interview with you. It would also help to speak to your company's leadership team to analyze the whole group's perspective.

Thank you for your time. I look forward to hearing back from you.

Regards,

Luis Jimenez-Castillo | PhD Candidate
Worcester Polytechnic Institute | Foisie Business School

Appendix 4 – Interview Consent Form

Luis A. Jimenez-Castillo

Email: lajimenezcastill@wpi.edu

Phone: +1 (508) 963-2236

FAMILY BUSINESS INTERNATIONALIZATION AND INTERNATIONAL EXPOSURE

Hello [Interviewee's name]:

You are being requested to participate in a research study. Before you agree, however, you must be fully informed about the purpose of the study, the procedures to be followed, and any benefits, risks, or discomfort that you may experience as a result of your participation. This form presents information about the study to make a fully informed decision regarding your participation.

As a Ph.D. student doing research at WPI, I am researching various business topics like entrepreneurship, family business, and most recently, the internationalization of family firms. I invite you to participate in this informal conversation about internationalization and your family business as part of this research project.

I will ask you some questions about how international experiences influence internationalization decision-making and processes. You can choose to answer or not or stop the conversation at any time. Everything you say will be kept confidential.

This conversation should take approximately 60-90 minutes to complete. Individual responses may be quoted at some point once this data is analyzed, but it will never be associated with any identifiable information such as your name or your company's name. However, it may be possible for your anonymity to be compromised based on the individuality/uniqueness of your response. I fully commit to keeping all answers confidential and only choosing to use a direct quote if necessary and after seeking your permission.

In the form of an informal conversation, the interview is entirely voluntary, and should any of the questions asked make you feel uncomfortable in any way, you can request to skip the said question or stop the interview entirely. The research results will be shared. These will help you understand internationalization in the industry.

This conversation will be recorded and stored as an MP3 audio file and a word document file on a computer secured by a password. The conversations will be accessed by the researcher, the research committee of the Ph.D. dissertation, the transcribers, and translators. However, you can be assured that these people will not use the information in any way. Records of your participation in this study will be held confidential so far as permitted by law. However, the study investigators, the sponsor, or its designee, and, under certain circumstances, the Worcester Polytechnic Institute Institutional Review Board (WPI IRB) will be able to inspect and have access to confidential data that identify you by name. Any publication or presentation of the data will not identify you.

For more information about this research or the rights of research participants, or in case of research-related injury, contact: Luis A. Jimenez-Castillo, Email: lajimenezcastill@wpi.edu, Tel. 508-963-2236. Professor Frank Hoy, fhoy@wpi.edu, the IRB Manager (Ruth McKeogh, Tel. 508 831- 6699, Email: irb@wpi.edu) and the Human Protection Administrator (Gabriel Johnson, Tel. 508-831-4989, Email: gjohnson@wpi.edu).

Your participation in this research is voluntary. Your refusal to participate will not result in any penalty to you or any loss of benefits to which you may otherwise be entitled. You may decide to stop participating in the research at any time without penalty or loss of other benefits.

You acknowledge that you have been informed about and consent to participate in the study described above by signing below. Make sure that your questions are answered to your satisfaction before signing. You are entitled to retain a copy of this consent agreement.

_____ Date: _____
Study Participant Signature

Study Participant Name (Please print)

_____ Date: _____
Luis A. Jimenez-Castillo

Appendix 5 – Background, qualifications, and experience of the researcher

Luis Jimenez-Castillo (Kleinknecht) is a Ph.D. student focusing on family business. He graduated from his MBA program in 2013 from IPADE Business School. In addition, he obtained a bachelor's degree in International Business Management from Universidad Panamericana. Luis has traveled around the world to 25 countries around the globe and speaks four languages. He also has studied in Canada and France.

Before pursuing his degree at WPI, Luis was a faculty member at Universidad Panamericana in Mexico. He was also a member of the Advisory Board of the Family Business Management Bachelor's Program.

As a Family Business practitioner, Luis served as the Chairman of the Board of his family's firm. He has also consulted for other family-managed companies. In addition, Luis has published articles in local business magazines in Mexico regarding succession and conflict management in family firms.