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Europeanisation of European Businesses: Economies of Scope and Managerial Implications¹

Abstract

RESEARCH OBJECTIVE: The article takes as objective the identification and evaluation of the current state-of-the-art and tendencies of Europeanisation of European businesses and conceptualisation of modelling the Europeanisation process of businesses and their strategies.

THE RESEARCH PROBLEM AND METHODS: Although initiated in the political sciences, since the beginning of 21st century the research into the phenomenon of Europeanisation has been more and more confidently entering the economic sciences. The study is based on a typical literature review using the conventional research methods of deduction, reduction, synthesis and theoretical modelling.

THE PROCESS OF ARGUMENTATION: On the one hand, the presented discussions have a character of

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creative synthesis and systematics of the output of economic sciences within the scope of business Europeanisation, which includes three overlapping areas, namely the theory of the firm, the theory of internationalisation and the theory of international entrepreneurship, all of them developed both in economics and in management. On the other hand, the work is an attempt of the conceptualization of the business Europeanisation process in the holistic, inter-disciplinary representation. The search for universal determinants and mechanisms of business Europeanisation was determined by several purposes which were achieved in the course of the undertaken research works.

RESEARCH RESULTS: The article proposes a conceptual framework to analyse Europeanization of a firm in its business environment, with its internal characteristics such as competitiveness and flexibility to focus on the factors, mechanisms, fields and sense of Europeanization.

CONCLUSIONS, INNOVATIONS AND RECOMMENDATIONS: Based on the in-depth literature study and as the contribution the Author suggest that Europeanization strategies are assigned into four fields of an adapted internationalization matrix: Pan-European, Sub-European, Euromultiterritorial and Eurominimalistic strategies.

KEYWORDS:

Europeanization, internationalization, international business,
European Union

EUROPEIZACJA EUROPEJSKICH PRZEDSIĘBIORSTW:
EKONOMIA SKALI ORAZ IMPLIKACJE W ZAKRESIE
ZARZĄDZANIA

Streszczenie

CEL NAUKOWY: W artykule przyjmuje się jako cel identyfikację i ocenę bieżącego stanu wiedzy i tendencji w zakresie europeizacji przedsiębiorstw europejskich oraz konceptualizacji w zakresie modelowania procesu europeizacji przedsiębiorstw i ich strategii.

PROBLEM I METODY BADAWCZE: Chociaż zainicjowane w naukach politycznych, to już od początku XXI wieku badania nad zjawiskiem europeizacji coraz chętniej podejmowane są w naukach ekonomicznych. Artykuł opiera się na typowym przeglądzie literatury z zastosowaniem konwencjonalnych metod badawczych, takich jak dedukcja, redukcja, synteza i modelowanie teoretyczne.

PROCES WYWODU: Z jednej strony, przedstawione dyskusje mają charakter twórczej syntezy i systematyki w ujęciu nauk ekonomicznych w zakresie europeizacji biznesu, która jako problem badawczy obejmuje trzy nakładające się obszary, a mianowicie teorię firmy, teorię internacjonalizacji i teorię przedsiębiorczości międzynarodowej; wszystkie z nich omówiono zarówno z punktu widzenia ekonomii, jak i zarządzania. Z drugiej strony, praca jest próbą konceptualizacji procesu europeizacji przedsiębiorstwa w całościowym, interdyscyplinarnym ujęciu. Poszukiwanie uniwersalnych uwarunkowań i mechanizmów biznesowych rządzących europeizacją zostało ustalone przez kilka celów, które zostały osiągnięte w trakcie prowadzonych prac badawczych.

WYNIKI ANALIZY NAUKOWEJ: W artykule zaproponowano ramy koncepcyjne dla analizowania europeizacji przedsiębiorstwa w jego otoczeniu biznesowym, z wyartykułowaniem wewnętrznych cech, takich jak konkurencyjność i elastyczność, aby skupić się na czynnikach, mechanizmach i wymiarach europeizacji.

WNIOSKI, INNOWACJE, REKOMENDACJE: Artykuł sugeruje, że w praktyce występują cztery rodzaje strategii europeizacji: strategia pan-europejska, strategia subeuropejska, strategia euromultiterytorialna, strategia eurominimalistyczna.

SŁOWA KLUCZOWE:

europeizacja, internacjonalizacja, biznes międzynarodowy,
Unia Europejska

INTRODUCTION

The European Union, but also the whole of Europe, is now facing the major global challenges that primarily relate to economic issues. The OECD (2012) forecasts that by 2030, “catching-up” economies will reach 60% of global GDP (by 2060 the GDP of China and India are to be higher than GDP of OECD countries), could radically change the global economic configuration, so it can be assumed that the European Union, as well as the processes of Europeanisation are now at a crossroads (Wach, 2014a). Not only is it reasonably close to the forecast for the next two decades (the possible consequences of such a reconfiguration will be felt much earlier), the situation requires a redefinition and reconfiguration strategy and to take anticipatory action to support European businesses and European economies (or even the European economy) (Wach, 2016).

At present, Europeanisation is a very frequently used notion, however, there is a clear shortage or even fragmentariness of scientific knowledge within this scope (Wach, 2014b). The research into the Europeanisation processes were initiated by political scientists in 1970s, although the notion itself gained in popularity only in 1990s alongside the realization of the uniform European market. From that moment, Europeanisation is a willingly undertaken research problem in numerous fields and scientific disciplines (Wach, 2015). Only at the beginning of 21st century, the phenomenon of Europeanisation was noticed by economists, and the research into the economic dimension of the Europeanisation processes are in the initial stage (Wach, 2014c). With reference to small and medium-sized enterprises (SMEs), the European Commission, probably for the first time in an official document, used the notion Europeanisation as early as in 1993 (European Commission, 1994).

The objective of this chapter is the identification and evaluation of the current state-of-the-art and tendencies of Europeanisation of European businesses and attempted conceptualisation of modelling the Europeanisation process of businesses and their strategies. The study is based on a typical literature review using the conventional research methods of deduction, reduction, synthesis and theoretical modelling.

THEORETIZING ON EUROPEANISATION OF BUSINESSES

D. Floyd (2001) emphasizes the fact that the majority of market changes which occurred at the turn of the centuries took place as a result of the Europeanisation processes which are *explicite* defined as the phenomenon of the regionalization processes. On the other hand, D. Coen and Ch. Dannreuther (2002) pay attention to the fact that the processes of bottom-up and top-down Europeanisation bring a lot of opportunities for enterprises, however, they point out that only active enterprises, possessing appropriate resources are beneficiaries of these processes, regardless of their size (both large ones, and the ones from the SME sector). As N. Fligstein (2009, p. 107) highlights, “majority of the research concerning the European integration focuses

only on political and legal processes (...) which is the reason for which researchers overlook the fact how deep the European economy has been reorganized." The three works quoted above are sparse, and in addition recent papers postulating to undertake broad and deep research into the business Europeanisation processes. Also the bibliometric analysis confirms that the phenomenon of Europeanisation in the economic dimension as a research problem has just begun to be undertaken by economists (Wach, 2014c). At the earliest, the issues of the enterprise Europeanisation was undertaken from the marketing perspective, and the first works and research within this scope were conducted as early as in 1980s, however, the first monographs in English started to appear at the turn of 1980s and 1990s.

As early as in 1994, Ph. Harris and F. McDonald (2004), were among the first to define the business Europeanisation as its internationalization within the European Union, stressing that the integration processes intensify the Europeanisation of enterprises, making it more comprehensive than the internationalization processes occurring analogously outside the integrating Europe. These authors also emphasize that the Europeanisation of companies is a complex and evolutionary-based learning (Johanson & Vahlne, 1977). According to Harris and McDonald, the Europeanisation of companies have similar implications which the internationalisation of firms, the implementation of more advanced forms of expansion in the case of the Europeanisation can occur much earlier (faster) than in the case of internationalization – "(...) more complex modes of entry such as direct foreign investments may begin early in the Europeanization process (...)" (Harris & McDonald, 2004, p. 73). Similarly – as in the case of the internationalisation – one can, regarding to the firm, define the Europeanisation as the internationalisation of a business in Europe (the European Union), specifically in the spatial scope of the Single European Market (SEM), consisting today of 32 countries (EU-28, EEA-3 and Switzerland as an observer). So in that sense, the concept of the Europeanisation is also narrower than the internationalisation, but due to the trends of the internationalisation of businesses in the modern economy and by creating favourable conditions for the functioning of firms in the markets of all EU member states, which *per se* contribute to the internationalization in the European dimension.

The process of internationalisation of the firm, is the broadest concept, since it can be assumed that globalisation and Europeanisation are special cases of internationalisation (Wach, 2014c). All these terms include all activities, levels and degrees of all operations performed by specific entities abroad from the exporting through contractual to investing modes (Figure 1).

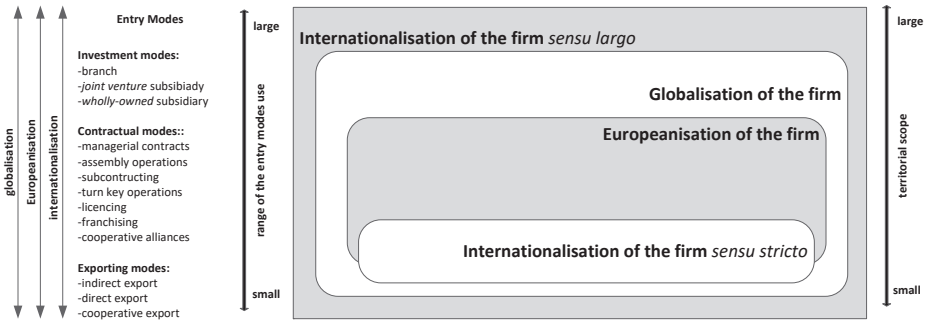


Figure 1. Conceptual Relations between internationalisation, Europeanisation and globalisation of businesses.
Source: Wach, 2014c, p. 138.

The Europeanisation of a firm is rather rarely undertaken research subject, and basically no research, or the theoretical modelling of this issue are conducted into it. Performing a bibliometric analysis for this term is practically impossible since scientific querendum in renowned library bases (Ebsco, Emerald, ProQuest, ScienceDirect, Scopus, Springer Link, Wiley Online Library, among others) only proves the fact that the subject is hardly ever undertaken. Out of the total number of 58,830² titles of scientific journals with the archives since at least 1990 (and in some cases much older), one can only find three articles which in whole, although with different minuteness – were devoted to the Europeanisation of a firm (Fligstein, 2009; Coen & Dannreuther, 2002; Floyd, 2001). However, it must be stressed that partial research concerning, in a sense, the Europeanisation of firms is willingly and frequently undertaken. It is conducted from

2 This number is inflated because in those bases there are partially the same titles. Own calculations based on the characteristics of databases prepared by the CUE Main Library.

three partial perspectives, namely from the marketing point of view (marketing strategies on the homogenous European market and the segmentation of Euroconsumers), from the sectoral point of view (Europeanisation of specific industries under the influence of the EU regulations) and from the point of view of HR issues (managing a multicultural team, legal regulations concerning HR and social issues, European leadership). To sum up, the subject of the Europeanisation of a firm virtually appears on the margin of deliberations on the impact of European integration on the functioning of firms in the European Union or in the context of the internationalisation of firms or, which is encountered equally seldom, as a postulate determining the directions of the proposed research. For example, N. Rollings (2007) postulates that an analysis on to what extent British firms undergo the Europeanisation process would be fruitful, and the subject would be interesting from the historical perspective. Much more often, the Europeanisation of a firm appears in the English textbooks, yet they are basically one- or three-page mentions.

Ph. Harris and F. McDonald (2004), as it was mentioned before, identify the Europeanisation of a firm with its internationalisation in the context of Europe, but they additionally emphasise that the Europeanisation of businesses is a complex and evolutionary process based on learning. According to them, the Europeanisation of firms has analogous implications as the internationalisation of firms, but the implementation of more advanced forms of expansion in the case of Europeanisation can occur much earlier (faster) than in the case of internationalisation (Harris & McDonald, 2004).

In this work, the Europeanisation of a firm is considered to be the process of dynamic involvement in international operations in the European Union (if such operations go outside the borders of a specific member state in which the parent company has its headquarters), the process takes into account every kind of economic activities within the homogenous European market. In the narrow perspective, the process of the Europeanisation of a firm is related to the geographical extension of the scope of the firm's activities on the markets of the European Union countries and is connected with the change of the form, scope and intensity of internationalisation. It is quite a pragmatic meaning, however, within this scope there is no detail research, either, thus, it will be adopted in the work, yet one

must be aware that the process of the Europeanisation of a firm can and ultimately should be treated much more broadly.

MODELING EUROPEANISATION OF BUSINESSES

On the other hand, the Europeanisation of a firm in the comprehensive approach is a constant, multi-faceted and evolutionary process of transforming a domestic firm into a European firm on the level of all areas of the firm, both in the microeconomic approach and, most of all, in the approach of management studies. All management areas (i.e. economic and financial, marketing, organisational, personnel, information, technical and production, ethical) are subject to transformation in the aspect of planning, organising, leading and controlling, both in the operational, tactical and strategic horizon. In this context, H.G. Schröter (2008) gives an interesting definition of Europeanisation as a situation when “an issue becomes more ‘European’ than before.” Giving numerous examples from the literature of the subject, especially the American one, the author also pays attention to the fact that currently the notion of a European firm refers to all businesses from the European Union (it is a synonym to a EU-firm). To be more detailed, he gives a working definition of a European firm as an entity increasing its share in the European market, the percentage of European shareholders, the percentage of the European labour resources and other areas at the expense of domestic ones, as well as any intensification of the profile and European values (Schröter, 2008).

The process of the internationalisation of a firm, even simplified to territorial expansion only, is multi-dimensional, and its progression seems quite complicated. In the simplest terms, it consists of three components (Figure 2): entry, transformation process and exit, which obviously corresponds to a system view of the firm in the management theory.

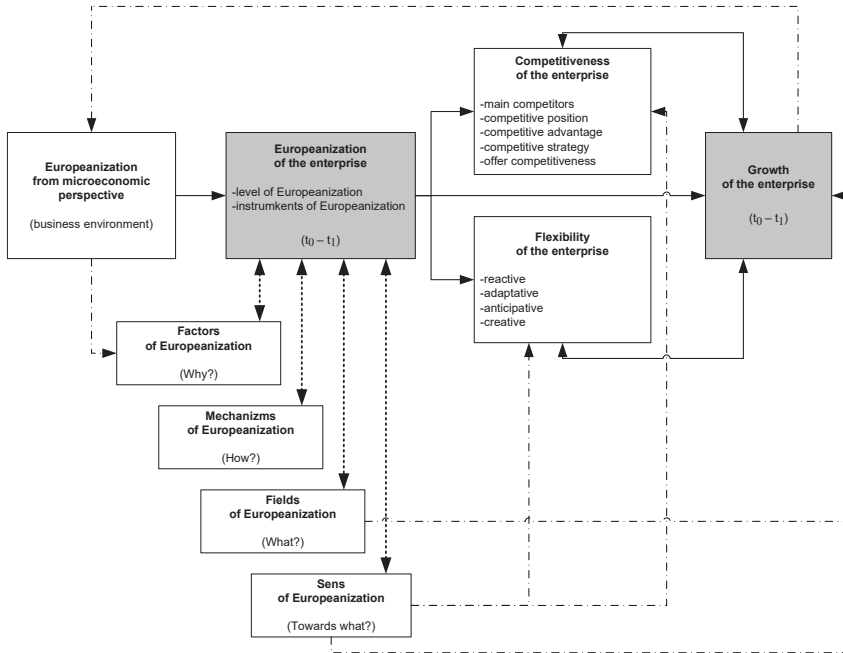


Figure 2. Theoretical modelling the Europeanisation of a business.
Source: own study.

On the model input there are determinants of the Europeanisation process which, to put it simply, can be divided into endogenous (based on the internal environment of a firm) and exogenous (inherent to the environment of a firm) ones.

Considering five levels of economic analysis, used in the literature on the methodology of economy, as a classification criterion, one can, in most general terms but at the same time ensuring the holistic perspective of the studied phenomenon, adopt the categorisation of the determinants of the Europeanisation process, namely the conditionings on the level of megaeconomic analysis, macroeconomic analysis, mesoeconomic analysis, microeconomic analysis, nanoeconomic analysis.

The conditionings on the level of meganalysis are created in the global economy, they are mainly related to the processes of globalisation, regionalisation and liberalisation occurring in the world economy, and their significance is increasing, particularly in the era

of the growing links among economies and their interdependencies. The conditionings on the level of macroanalysis (macroeconomic conditionings) arise on the level of national economies. In the management studies, the conditionings are classified as those arising in the macroenvironment. The conditionings on the level of mesoanalysis are dualistically perceived as sectoral conditionings (referring to sectors, branches or industry markets), or as regional conditionings occurring on the level of economic regions, and, very often, administrative subregions. In the management studies, sectoral conditionings are identical with Porter's concept of microenvironment, whereas regional conditionings – with the concept of mesoenvironment.

In addition to the mentioned exogeneous factors inherent to the environment of the firm and entrepreneurship, we should also mention endogenous factors which – as intraorganisational factors – are complementary to the situational picture of the conditionings of the development of entrepreneurship. In accordance with the terminology of economics, they occur on the level of microeconomic analysis and are mainly related to organisational factors, characterising both the firm itself and its entrepreneur. Internal factors include *inter alia* the entrepreneur, his/her demographical parameters and psychosocial qualities, particularly his/her entrepreneurial orientation and alertness, as well as the assets and competences of the firm, and the characteristics of the firm itself, which determines the process of Europeanisation, too.

On the level of microanalysis, especially during the last decade, more and more often nanoeconomic analysis is distinguished, as a specific approach and complementary to standard microeconomic analysis. In the Polish literature of the subject it has been defined since 1990s as “micromicro” although English literature, taking over the nomenclature from technical studies, uses such terms as nanoanalysis or nanoeconomy.³ Conditionings on the level of nanoanalysis concern individuals involved in economic activities, thus, in the theory of entrepreneurship they can be identified with intraentrepreneurship.

3 The “nanoeconomy” term was introduced to the economic sciences in 1987 by the Nobel Prizewinner K.J. Arrow.

Among exogenous determinants, an important role is performed by the Europeanisation processes in the macroeconomic dimension because they constitute a framework for the Europeanisation of a firm, as a rule they are stimulants for the internationalisation of the activities of firms on the European market. The mentioned Europeanisation in the macroeconomic dimension, particularly in the immanent sense, contributes to the stimulation of microeconomic Europeanisation, and in this sense it should be treated as an independent variable. Creating the European business environment which would be entrepreneurship-friendly in accordance with the 1990s concept of “the entrepreneurial environment” is a major stimulant of the Europeanisation of businesses, the transformation of domestic firms into European businesses.

An analysis of the process of the Europeanisation of a firm requires the identification of two elements, namely the areas in which Europeanisation occurs and a mechanism or mechanisms shaping the process of the Europeanisation of a firm. As for the question of the areas, it is best and easiest to represent them from the point of view of management studies, because such an approach considers economic, managerial and social (extra-economic) factors. It is necessary to invoke now seven, already mentioned and discussed, areas of the firm (namely, economic and financial, marketing, organisational, personnel, information, technical and production, ethical one). As far as the mechanisms of Europeanisation are concerned, at least four should be considered:

- **mechanism of coercion** which enforces the Europeanisation of a firm by triggering the adaptative pressure, and the firm Europeanises in response to the signals from its environment, which can be compared to the processes of remedial restructuring, but there can be a lot of coercions here, e.g. the worsening situation on the domestic market, EU regulations, pressure from the reconfiguration of the globalising economy;
- **mimetic mechanism** by means of which domestic businesses transform into European firms under the influence of fierce competitive game, and it can be mainly achieved by imitating competitors;
- **cooperation mechanism**, where to the intensification of the Europeanisation of a firm its cooperation with other firms

contributes, including cooperation with the entities operating in a network, and these can be domestic contractors which are already Europeanised, or foreign contractors (e.g. suppliers from other EU countries), in effect of this the mechanism the socialisation of the domestic business takes place, as well as its transformation into a European firm;

- **entrepreneurial mechanism** as a result of which the firm intrinsically strives for constant development, tries to anticipate the directions of changes, and even create the changes in advance, bases on knowledge, and its level of creativity and innovativeness effects in the implementation of innovative strategies to the European Union scale, the domestic firm aims at achieving perfection in the transformation into a European firm, however, it is not its target form because it aims higher.

The output factors determine the sense of Europeanisation because they facilitate its effect and consequences. Since the process of the Europeanisation of a firm is dynamic, the effects must be compared in the temporary approach, most often it is a retrospective analysis based on comparative analysis of a specific measure in time t_0 (initial state) and t_1 (final state or the state of measurement as a transitional state). It is easiest to evaluate the Europeanisation process by determining the level of Europeanisation or the scope of applied instruments because these are quite objective measures and there is no problem with their identification. Of course, the growth of the intensity of Europeanisation influences competitiveness and flexibility of the firm and its development, however, both competitiveness and flexibility can also be the effect of development and not its cause, thus, they must be treated dually in the model. To complement the systematic approach in the analysis of the firm, we must add that coupling takes place in the model. Achieving a higher level of the Europeanisation of a firm, and therefore the progress in the process of the developmental of a firm, undoubtedly influences the Europeanisation process in the macroeconomic perspective in the form of coupling. Stronger, more Europeanised businesses determine the European economy, the position of the European Union in the world economy, and thus macroeconomic Europeanisation again, with the increased power, influences the process of the Europeanisation of a firm.

EUROPEANISATION STRATEGIES OF BUSINESSES

As it was highlighted before, the Europeanisation of a firm is a multi-faceted process, and its proper realisation depends, among others, on the adopted strategy (Europeanisation strategy) which is determined by the aforementioned endogenous and exogenous factors. Before taking a decision about the Europeanisation of a firm in the sense of the development of its territorial range, not only should the market research be conducted but, what is most important, it is necessary to develop a strategy of Europeanisation which will reflect the plan of behaviours of the firm towards the EU environment. Constructing the Europeanisation strategy of the firm activities includes at least three basic stages which not only go in a sequence but are also of iterative character, namely the research and analysis of the European market (the markets of the European Union countries); formulating a detailed expansion strategy, the implementation of the strategy and its control. While developing the firm Europeanisation strategy, the key role is played by three factors, namely, the constellation of the sales markets (marketing strategy), product offer (product strategy) and localisation or its change (localisation strategy). These three factors enable to distinguish three fundamental varieties of the Europeanisation strategy, namely:

- Europeanisation via delocalisation,
- Europeanisation via the expansion to new markets with the existing products,
- Europeanisation via expansion to new markets with new products.

Let us call them, in most general terms, the Europeanisation strategies in the localisation-market-product arrangement.

EUROPEANISATION STRATEGY VIA DELOCALISATION

Delocalisation, undertaken as a research problem mainly by regionalists, is usually discussed in the aspect of the global value chain from the production perspective, and it is defined as a change in the localisation of the production system from old original to new

low-cost production regions (Pickles & Smith, 2011). An interesting determinant of this notion is proposed by J. Berry (2006) who delimitates the understanding of this issue from the point of view of international economy and from the perspective of management. Delocalisation from the point of view of economy, according to Berry, virtually concerns international trade of services because *de facto* what is imported here are services provided by foreign workforce or foreign firms for a domestic firm (Berry, 2006). On the other hand, in management delocalisation is perceived as internal reshuffling of the staff rather than purchasing such services from third entities located abroad (Berry, 2006). In the literature of the subject, usually two variants of this phenomenon is discussed (Hatzichronogou et al., 2007; Berry, 2006):

- delocalisation *sensu stricto* (*offshore in-house sourcing*)⁴,
- delocalisation *sensu largo* (*out of house offshoring, offshore outsourcing*).

The first one takes place inside the firm because it consists in the establishment of a foreign subsidiary by the parent company to which the existing production is moved – partially or in whole. In the situation when a subsidiary is a wholly owned subsidiary (100% of the ownership), it is a classical example of internationalisation through internalisation (*intra-firm offshoring* or *captive offshoring*), whereas in the situation when a subsidiary is a joint venture with a foreign partner, we talk about internationalisation through externalisation (*joint venture offshoring*). On the other hand, in the case of delocalisation in a broader sense, production activities are moved abroad to the entity which is not related to the parent firm in terms of equity. It is a classical example of international subcontracting (*offshore outsourcing* or *offshoring*), but such a venture can be also conducted jointly with another domestic partner (*joint venture outsourcing*). The phenomenon of delocalisation in the European Union is an issue frequently discussed by researchers (Kalogerisis & Labrianidis, 2010; Totev & Sariiski, 2010) conducting the research into this phenomenon, and by political leaders.

4 The term is also connected with a related notion of insourcing which consists in the internationalisation of operations inside a specific firm, the effect of which is specialisation of individual subsidiaries/branches which provide services for the remaining entities of the group/firm within a given scope.

Delocalisation must be discussed much more broadly, which is proven, for example, by undertaking recently intense research into tax delocalisation (Martin, 2009). In the effect of favourable conditions for the development of a firm, e.g. low fiscal burdens or transparent regulations of functioning, domestic firms decide to change their headquarters, a good example of which within the European Union may be the case of Cyprus. What contributed to the intensification of this phenomenon was the introduction of *Societas Europaea* – SE, as a legal community form of businesses.

STRATEGY OF EUROPEANISATION VIA EXPANSION TO NEW MARKETS

Europeanisation via expansion to new markets with the existing products is *de facto* identical with the internationalisation strategy of a firm within the European Union. A domestic firm extends the scope of its activities, especially in the case of small and medium-sized enterprises, going from the local market through the regional, supranational, national market and ending with the internationalisation of its activities within the European Union, initially by the activities on the markets of neighbouring countries via activities on blocked markets of the Union subregion, and possibly activities to the pan-European scale.

Taking into account H.J. Ansoff's concept (2007), we can distinguish here two fundamental kinds of this expansion. The classical strategy of the development of markets consists in the expansion to new markets with the existing products, whereas the strategy of diversification additionally considers offering also new products on new markets.

The three distinguished strategies are quite specific and rather detailed. They do not describe the strategy of the Europeanisation of a firm either holistically or comprehensively, thus, it is worth attempting to formulate certain typologisation of the Europeanisation strategy in the integrated approach. One can take advantage of the experience and theoretical concepts presented by various authors. First of all, we should refer to the renowned typologisation of international marketing strategies presented in 1970s by D.A. Heenan and H.V. Perlmutter

(1979) which considers four international orientations – ethnocentric, polycentric, regioncentric, geocentric (Caligiuri & Stroh, 1995). Also the classification proposed by S. Paliwoda and S. Marinova (2007) seems very useful. The authors notice three strategies on the European market – Eurolocal, Euroregional and Euroglobal. The concept is valuable because it bases on the European experience. Equally interesting is the concept of three archetypes proposed by L.K.S. Lim, F. Acito and A. Rusetski (2006). Within the scope of international marketing strategies, in fact applied by transnational corporations but having a lot of analogies to the situation on the European markets, they distinguished three archetypical strategies, namely a Global Marketer, an Infrastructural Minimalist and a Tactical Coordinator.

Therefore, to perform a modification, symbiosis and adaptation of the mentioned concepts, we should single out four comprehensive Europeanisation strategies of a firm (Figure 3):

- Pan-European strategy,
- Sub-European strategy,
- Euromultiterritorial strategy,
- Eurominimalistic strategy.

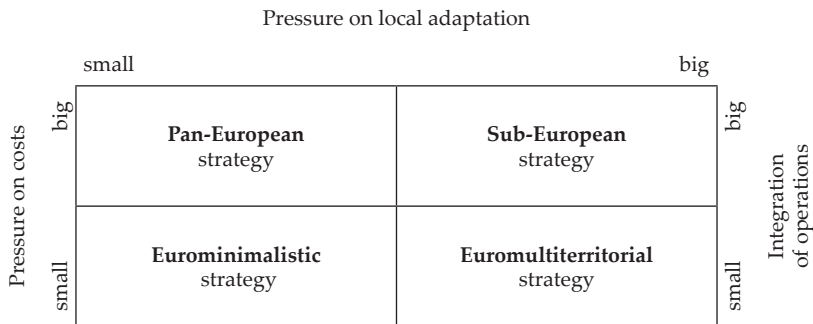


Figure 3. Typology of Europeanisation strategies of firms.
 Source: own study based on Heenan & Permuter, 1979; Paliwoda & Marinova, 2007, p. 239; Lim, Acito & Rusetski, 2006, p. 518.

(1) The pan-European strategy

The pan-European strategy (Guido, 1991; Diamantopoulos, Schlegelmilch & Du Preez, 1995) is a European equivalent of geocentric

orientation. The name appeared at the turn of 1980s and 1990s when the the assumptions of the "Europe 1992" concept were introduced, and the real homogenous market was created in accordance with the assumptions. It consists in treating the markets of the European Union countries as the identical market. In the following period, the pan-European approach was commonly criticised. Also now, the question of standardisation/adaptation on the European market is quite lively, it has both opponents and supporters. After over a decade from the realisation of the homogenous market, Ch. Halliburton and R. Hünenberg (2004) wanted to verify their theses propagated in 1993. On the basis of the conducted research they conclude that for over 10 years from the symbolic date of the SEM1993, pan-European marketing seems to be an emerging reality. According to I. Jakubowski (1995), the key question in the success of the pan-European strategy is creating or using pan-European distribution channels. The implementation of pan-Europeanisation, as the author defines it, is most often accompanied by the conclusion of pan-European alliances. According to her, pan-European strategy is beneficial not only due to cost reduction, but basically due to the fact that it is "a repeated invention of wheel for every market" within the European Union. However, the pan-European strategy should consider cultural differences which are significant on individual markets. Thus, it should be treated as a transformation of the "*Think global, act local*" motto into a new one, "*Think and act global and local*". Ch. Halliburton and R. Hünenberg (1993) ascertain that it is not the question 'whether' to apply the pan-European approach, but for what product and what markets, and also in what time, for what aspects and to what scope.

(2) The sub-European Strategy

The sub-European strategy uses the regiocentric orientation and is based on the market segmentation. It pays attention to similarities within the group of a few European Union countries. Numerous authors challenge the possibility to apply the pan-European strategy due to great political, economic, social, cultural or historical diversity of individual member states. In this context, S. Paliwoda and S. Marinova (2007) conclude that currently in the light of various empirical studies on the European market, it is beneficial to use marketing

segmentation, and thus various marketing strategies which can be implemented within the EU, at least in a number of countries. It means, using the technical language, so-called blocking of markets.

(3) The Euromultiterritorial Strategy

The Euromultiterritorial (or Euroterritorial) strategy bases on the policentric orientation, and through it it stresses the necessity for the local adaptation to specific domestic markets within the European Union. The homogenous market is homogenous in name only, and *de facto* it is really varied, particularly in social and cultural, as well as economic terms (e.g. differentiation of pays or the standard of living of the populations of the member states). Therefore, it is difficult to adopt a universal strategy which would be adequate for all 28 member states. It depends mainly on the cultural and behavioural perception of European consumers, due to their ethnocentric attitude (Balabanis & Diamantopoulos, 2004). This is where the postulate of the Euromultiterritorial approach comes from, basing on the use of the advantage resulting from the local adaptation. It is quite difficult to implement, but first of all it brings about high costs of coordination and adaptation.

(4) The Eurominimalistic Strategy

The Eurominimalistic strategy is the simplest in terms of the level and intensity of the Europeanisation of a firm on the markets of the European Union countries and it should be identified mainly with the exporting strategy, thus, it occurs in the preliminary stages of the territorial Europeanisation of a firm. In the case of applying this strategy, the firm operates basically on the domestic market, in the first place being concerned about maintaining its domestic position. When selecting the European markets, the ethnocentric approach is used, which means that the firm chooses the markets which are close from the marketing point of view to the domestic market. With regard to foreign markets, the same generic strategies as in the case of the domestic market are applied. The competitive game, even on the domestic market, is becoming fiercer and fiercer, this is why businesses are trying to take advantage of market opportunities by entering,

although quite carefully and hesitantly, the markets of neighbouring countries. They are forced to discover the diversity of perception and the values of consumers in the European Union, and at the same time they focus on the “attempt to identify consumer similarities in neighbouring countries” (Paliwoda & Marinova, 2007).

CONCLUSIONS

On the one hand, the presented discussions have a character of creative synthesis and systematics of the output of economic sciences within the scope of business Europeanisation, which includes three overlapping areas, namely the theory of the firm, the theory of internationalisation and the theory of international entrepreneurship, all of them developed both in economics and in management. On the other hand, the work is an attempt of the conceptualization of the business Europeanisation process in the holistic, inter-disciplinary representation. The search for universal determinants and mechanisms of business Europeanisation was determined by several purposes which were achieved in the course of the undertaken research works.

Although initiated in the political sciences, since the beginning of 21st century the research into the phenomenon of Europeanisation has been more and more confidently entering the economic sciences. The Europeanisation processes are multi-dimensional from their nature, they characterize with a high degree of eclecticism. In the economic representation, we can distinguish three dimensions of the Europeanisation process. Thus, in the macro-economic transcendent dimension, Europeanisation should be treated as converting the European Union into a significant economic centre in the world, which is confirmed by the statistical data because at present, the EU share in the world trade is one fifth of the global trade and is bigger than the share of the USA or Japan. Europeanisation in the macro-economic immanent meaning is creating convenient conditions for the development of the European entrepreneurship and European firms, enabling them to use opportunities the homogenous European market creates. On the other hand, in the microeconomic meaning, Europeanisation may be identified with the process of the internationalisation of firms to the European Union scale.

The processes of European integration and EU policy is likely to develop and the Europeanisation of businesses (especially small and medium-sized enterprises) intensified their internationalisation processes, it has been observed particularly in recent years, while comparing the data in this field a decade ago, or even two decades, the significant progress in this regard can be noticed.

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