THE INTERNATIONLIZATION OF SPORT INDUSTRY: A STUDY OF THAILAND SPORT EQUIPMENT FIRMS

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การขยายธุรกิจเข้าสู่ตลาดต่างประเทศเป็นหนึ่งในกลยุทธ์สำคัญของการเจริญเติบโตและความยั่งยืนของบริษัท ซึ่งหมายถึงวิธีการของบริษัทในการทำธุรกิจและกิจกรรมต่าง ๆ นอกประเทศของตนเอง โดยมีการศึกษามากมายเกี่ยวกับการขยายธุรกิจเข้าสู่ตลาดต่างประเทศและการศึกษาเหล่านั้นได้มุ่งเน้นไปที่ช่องทางการเข้าสู่ตลาด ซึ่งเป็นการตัดสินใจสำคัญที่สุดของการทำธุรกิจระหว่างประเทศ

งานวิจัยฉบับนี้มีวัตถุประสงค์เพื่อตรวจสอบว่าปัจจัยใดที่มีผลกระทบต่อการเลือกช่องทางการเข้าสู่ตลาดต่างประเทศในบริษัทอุปกรณ์การกีฬา โดยใช้วิธีการวิจัยเชิงคุณภาพ แบบกรณีศึกษาหลายกรณี ซึ่งทฤษฎีที่สำคัญเกี่ยวกับช่องทางการเข้าสู่ตลาด เช่น ทฤษฎีต้นทุนธุรกรรม ทฤษฎีฐานทรัพยากร ทฤษฎีเกี่ยวกับสถาบันและลักษณะพิเศษของกีฬา ได้ถูกนำมาวิเคราะห์เพื่อระบุหาปัจจัยที่ส่งผลกระทบต่อช่องทางการเข้าสู่ตลาดต่างประเทศในบริษัท อุปกรณ์การกีฬา

จากการทบทวนวรรณกรรม พบว่ามีการระบุปัจจัยหลายอย่างที่ส่งผลกระทบต่อช่องทางการเข้าสู่ตลาดต่างประเทศ อย่างไรก็ตามในงานวิจัยฉบับนี้ ได้ระบุปัจจัย 8 ประการจากมุมมองทางทฤษฎีและลักษณะพิเศษของกีฬาดังนี้ ความจำเพาะของสินทรัพย์ คุณค่าของตราสินค้า ประสบการณ์ระหว่างประเทศ ความแตกต่างทางวัฒนธรรม ความน่าดึงดูดของตลาด ความไม่แน่นอนด้านสภาพแวดล้อม สภาพแวดล้อมด้านกฎหมาย และประสิทธิภาพชัยชนะ โดยงานวิจัยฉบับนี้ได้พัฒนาข้อเสนอขึ้น 8 ข้อ เพื่อใช้เป็นจุดเชื่อมต่อระหว่างมุมมองทางทฤษฎีและข้อมูลที่ได้จากการสำรวจบริษัทอุปกรณ์การกีฬา สี่กรณีศึกษาของบริษัท อุปกรณ์กีฬาในประเทศไทย ได้ถูกนำมาสาธิตและอภิปรายมุมทองทางทฤษฎี รวมถึงข้อเสนอทั้งแปดที่พัฒนาขึ้นมา

จากผลการวิจัยพบว่า ความจำเพาะของสินทรัพย์ คุณค่าของตราสินค้า และสภาพแวดล้อมด้านกฎหมายไม่ส่งผลกระทบต่อการเลือกช่องทางการเข้าสู่ตลาดต่างประเทศ นอกจากนี้ยังพบว่าบริษัทที่มีประสบการณ์ระหว่างประเทศสูงเมื่อพบกับตลาดมีความน่าดึงดูดสูงจะส่งผลให้บริษัทอุปกรณ์การกีฬาเลือกช่องทางการเข้าสู่ตลาดที่มีการควบคุมสูง ในขณะที่ความแตกต่างทางวัฒนธรรมมีผลเล็กน้อยต่อช่องทางการเข้าสู่ตลาด ความไม่แน่นอนของสภาพแวดล้อมจะทำให้กระบวนการขยายธุรกิจไปต่างประเทศช้าลง แต่ไม่ได้ส่งผลต่อช่องทางการเข้าสู่ตลาดและสุดท้ายประสิทธิภาพชัยชนะ มีผลต่อ บริษัทอุปกรณ์การกีฬา ในการเพิ่มการควบคุมและจัดตั้งตัวแทนจำหน่ายในตลาดนั้น ๆ สุดท้ายงานวิจัยนี้ยังให้ข้อมูลเชิงลึกเกี่ยวกับการขยายธุรกิจไปต่างประเทศ พร้อมข้อมูลที่เป็นประโยชน์สำหรับการพิจารณาช่องทางการเข้าสู่ตลาดต่างประเทศของบริษัท อุปกรณ์การกีฬา

สาขาวิชา	วิทยาศาสตร์การกีฬา	ลายมือชื่อนิสิต ....
ปีการศึกษา	2563	ลายมือชื่อ อ.ที่ปรึกษาหลัก ....
		ลายมือชื่อ อ.ที่ปรึกษาร่วม ....

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Apithai Bumrungpanictarworn : THE INTERNATIONLIZATION OF SPORT INDUSTRY: A STUDY OF THAILANDSPORT EQUIPMENT FIRMS. Advisor: Asst. Prof. CHAIPAT LAWSIRIRAT, Ph.D. Co-advisor: Assoc. Prof. SOMCHANOK PASSAKONJARAS, Ph.D.

Entering international markets is one of many key strategies to ensure high and sustainable growth of the firm. It refers to how firms want to do business activities and their engagement in foreign markets. Many studies on the international market have been focused on entry mode strategies which is one of the most critical decisions in a firm's internationalization strategy.

This research aimed to examine which factors influenced the entry mode decisions to enter foreign markets for sports equipment firms. A qualitative approach and multiple case study technique were used in this research. Important theories related to entry mode, such as, resource-based theory, transaction cost theory, institutional theory, and special characteristics of sports, were integrated to identify which factors influenced a sports equipment firm's entry mode choice.

From the literature review, many factors had been identified to influence entry mode choice. However, in this research, eight factors were identified from the theoretical perspectives and special characteristics of sport which are asset specificity, brand equity, international experience, cultural difference, market attractiveness, environmental uncertainty, legal environment and winning performance. Propositions were developed to use as a connection between the theories and the exploration of sports equipment firm's entry mode decisions. Four case studies of Thailand sports equipment firms were used to demonstrate and discuss the applicability of the developed propositions and theoretical perspectives.

The findings showed that asset specificity, brand equity and legal environment were found not to have any relationship with entry mode choice in sports equipment firms. High international experience and market attractiveness were found to play a key role and influenced firms to select higher control entry mode. Culture differences were found to have a small influence on entry mode choice while high environment uncertainty appeared to slow down the process of internationalization, but it did not influence sports equipment firms to change the initial entry mode level. Winning performance influenced the firm to gain more control and established the distributor in the market. Moreover, this research gives an insight into the internationalization of sports equipment firms with a beneficial source of data for those sport equipment firms considering the choice of market entry mode to enter the foreign markets.

Field of Study:	Sports Science	Student's Signature ....
Academic Year:	2020	Advisor's Signature ....
		Co-advisor's Signature ....

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I would like to thank my dissertation committee for their encouragement, advice, and feedback throughout this research. I am extremely grateful to the national sport development fund for the sponsorship of the course fee during my second and third years. Lastly, I would like to thank my family for inspiring me to believe in myself and always support my education.

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CHAPTER 1

INTRODUCTION

Background of the study

Enthusiasm for issues of globalization and internationalization has gained substantial momentum in the last two decades and, particularly, managers and scholars have invested extensive time and vitality on these subjects last 10 year (Wulff, 2016). Many firms have internationalized their business into the foreign markets as the foundation of their company strategy, believing that substantial growth will originate from the effective penetration of foreign markets. Various firms attempt to enter the global business from the onset rise in noteworthy numbers around the world (Weerawardena, Mort, Liesch, & Knight, 2007).

The rise of a wide assortment of manufacturing and service firms in the international area has pulled the consideration of academic scholars (Laufs & Schwens, 2014). The choice of market entry mode, especially, is one of the most critical decisions in a firm's internationalization strategy (Agarwal and Ramaswami 1992; Brouthers 2013).

According to Laufs and Schwens (2014), software and technology entry mode research had played a critical role in academic research during 1989-2012 as well as mixed industry (Table 1). However, many scholars had more attention to SMEs firms that internationalized to foreign markets, especially the expansion to a specific country (K. D. Brouthers, Brouthers, & Werner, 2008; Choo & Mazzarol, 2001; J. W. Lu & Beamish, 2001; Maekelburger, Schwens, & Kabst, 2012; Pinho, 2007; Ripollés, Blesa, & Monferrer, 2012; Shrader, Oviatt, & McDougall, 2000). In addition, there are more than 200 articles related to entry mode research were published in the international business journals during 1980-2013 (Shen, Puig, & Paul, 2017).

Table 1: Summary of entry mode choice articles in SME firms 1989-2012

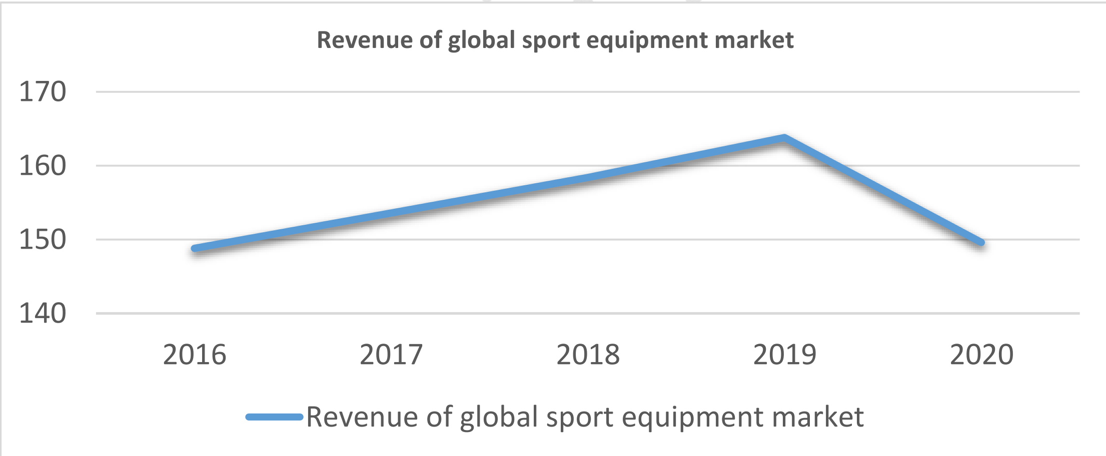
Type of Firm	Author and year
Service firms	Erramilli (1989, 1991 and 1992), Erramilli and Rao (1993), Erramilli and D'Souza (1993), Blomstermo et al., (2005),Ripolles Melia´ et al., (2010).
Service firms (software)	Brouthers et al., (1996), Zain and Ng (2006), Ojala and Tyrvainen (2006), Prashantham (2001).
Service firms (Technology)	Burgel and Murray (2000), Crick and Jones (2000), Zahra et al., (2000), Li and Qian (2008).
Manufacturing firms	Shi et al., (2001), Shrader (2001), Rasheed (2005), Fernandez and Nieto (2006), Cheng and Yu (2008), Cheng (2008), Schwens et al., (2011)
Mixed industry	Gronhaug and Kvitastein (1993), Shrader et al., (2000), Choo and Mazarol (2001), Lu and Beamish (2001), Brouthers and Nakos (2004), Lu and Beamish (2006), Pinho (2007), Brouthers et al., (2008), Ripolle´s et al., (2012), Maekelburger et al., (2012).

Source: (Laufs & Schwens, 2014)

On the other hand, there are no scholars specifically focused on the sport industry which is one of the largest industries of this world (Shilbury, Quick, & Westerbeek, 2009). The sport industry is a common industry not only manufactures material commodities and mental products but also gives sports benefits, the capacity of which can amend inhabitants' wellness and support social advancement (Zhu, 2011). Pitts and Stotlar (2013) has divided the sport industry into many categories which was sports equipment firms, sports apparel, sports tourism, amateur participant sports, recreation, professional sports, high school and college athletics, sports businesses such as sport marketing firms, the sport sponsorship industry, outdoor sports and sport-governing bodies.

Furthermore, the main revenue of sport industry comes from sport equipment market which generates 35% of the whole industry (Marketline, 2021). Even more significant was the market size of the global sports equipment market has reached a value of $163.8 billion in 2019 but declined to $149.6 billion in 2020 due to the COVID-19 outbreak (Figure 1). The global pandemic has severely restricted sports participation both at the amateur and professional level and many countries are lockdown during this pandemic. However, the sports equipment market has experienced steady growth before the world pandemic and this trend will continue after the end of Covid-19. According to Marketline (2021), the sports equipment market is one of the key components in the sports industry and of course, it is the primary focus of this research. Many sport equipment firms will attempt to make an expansion of their sports product to the foreign market, but the market strategy and market entry mode never been simple for them. Therefore, this research is the first attempt to locate the appropriate internationalization strategy for sports equipment firms.

Figure 1: Total revenues of global sport equipment market from 2016-2020



Source: (Marketline, 2021)

The steady growth and revenue of the global sports equipment market made this market as an appealing academic zone and it is still waiting to be investigated by scholars. According to Sage (2004), sport equipment business is one of the world well-known business and the product are made by individuals working in assembling firm. However, there was an argument on the background of sport equipment business from management perspective which believed that sport equipment business is a special cultural institution with a presence of exclusive features and cannot managed by normal standard business operation (Stewart & Smith, 1999). Therefore, an overview of the literature proposes that regardless of extensive theoretical and empirical research in entry mode decisions, there are still ambiguities as to how well the traditional theories based on the manufacturing and service sector apply to another sector such as sports industry. Moreover, only a few studies addressing this topic in the manufacturing sector (H.-L. Cheng & Yu, 2008; Y. M. Cheng, 2008; Fernández & Nieto, 2006; Schwens, Eiche, & Kabst, 2011). None of these spots exclusively on sports equipment sector. That implies, there are some gaps in this zone remain, specifically concerning sports equipment firms internationalize to foreign markets.

Sports industry in Thailand

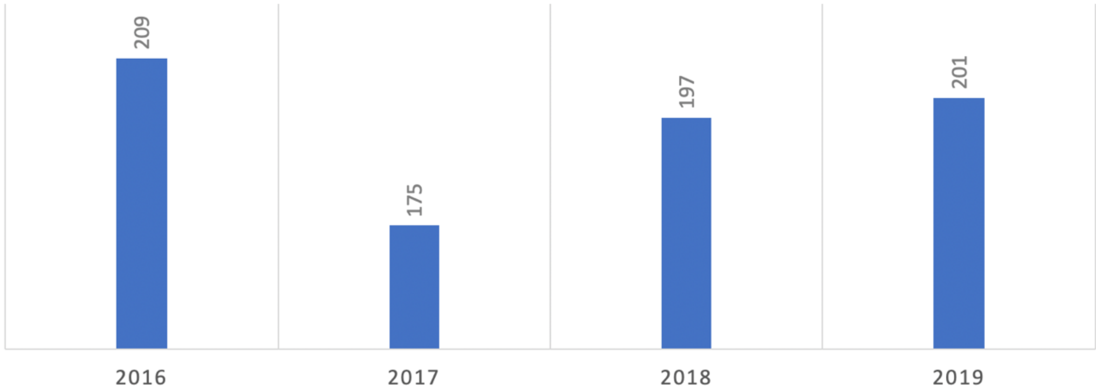
According to National Institute of Development Administration (NIDA), Thailand sports industry had a market value of $ 6,250 million and had a growth rate of 4-5% per year (NIDA, 2019). The economic value of Thailand sports industry arose from the sporting event manage by Sports Authority of Thailand (SAT) which generated market value of $ 865 million, and likely to increase continuously (NIDA, 2019). Furthermore, Thailand sports industry had experienced steady growth over the last five years, and this trend will continue over the next 6 years (NIDA, 2019). A report by NIDA (2019), this industry represented a compound annual growth rate (CAGR) of 5.6% between 2010-2015 while the growth rate of Gross Domestic Product (GDP) average per year was at 2.8%.

Therefore, this can be seen that Thailand sports industry had a double growth rate when compared to GDP of Thailand. Thailand sports industry was a source of economic revenue and had a continuous growth rate, as it can be seen from the number of new sports business firms in 2015 - 2017 with the high rate of new sports businesses such as exercise facilities, amateur sports club, sports marketing, professional sports club, sports science (sports academy), sports tourism, retail and wholesale of sports equipment and Sports equipment manufacturer (NIDA, 2019). These kinds of sports businesses are popular from healthy trends in Thailand's which currently receiving attention and likely to grow in the future.

Sports equipment business in Thailand

For the income structure in Thailand sports industry, according to Department of Business Development (DBD), there were 2,110 sport equipment firms in operation with a capital value of $465 million which made a sports equipment business a higher value than other sports business sectors and it was a key component of Thailand sports industry (DBD, 2019). Exercise and the healthy trend had direct impact on Thai people's lifestyle allowing businesses related to sport continuously grow such as sportswear, sports shoes and sports equipment (DBD, 2019). In addition, sportswear becomes a new fashion trend which is more popular in everyday life as same as people was wearing sports shoes in daily life. As well as the statistics of new start-up sports equipment companies in Thailand in 2019 (see Figure 2), there were 201 new companies when compared to the same period of 2018 (DBD, 2019).

Figure 2: The amount of new sports firm in Thailand during 2016-2019



Source: (DBD, 2019)

Regarding to the profitability of Thailand sports equipment businesses between 2016-2018 (see Table 2), it was found that in 2018 this market accelerates profit up to $159.5 million which was a double fold increase from 2017 (DBD, 2019). In addition, the most profit came from large sports firm with an increase of 270% profit while small and medium firm perceived a decrease in profits 54% and 22%, respectively (DBD, 2019). From the table 1, it can be seen that even in uncertain market conditions, large sports equipment firms created a growth rate better than small and medium sports equipment firms due to high bargaining power and high capital of resources which resulted in more profitability (DBD, 2019). However, small and medium sports equipment firms were created good profitability in this market (DBD, 2019). Overall, Thailand's sports equipment business is likely to grow in a good direction and plenty of space for growth in the future.

Table 2: Net profit of Thailand sports equipment firms during 2016-2018

Net profits (million)	2016	2017	2018
Small sports equipment firms	$ 17	$ 3.6	$ 1.6
Medium sports equipment firms	$ 13	$ 13.1	$10.3
Large sports equipment firms	$ 4.5	$ 39.9	$ 147.6
Overall	**$ 34.5**	**$ 56.6**	**$ 159.5**

Source: (DBD, 2019)

Problem statement

Sports equipment firms have been deeply involved in international business since the early of the eighteenth century and beyond (Sage, 2004). An early analysis by Sage (2004), suggested that sports equipment production and distribution were poorly management until the last three decades of nineteenth century. As new economic, social and cultural conditions rapidly change after the 1870s which created a market for standardize manufactured sports equipment (Sage, 2004). Entrepreneurs saw the potential for profits in producing and fueling the demand for sports equipment worldwide (Sage, 2004).

In several cases, sports equipment firm in emerging economies faced small financial resource, and lacked of oversea market knowledge (Ghauri, Lutz, & Tesfom, 2003). Leaders or owners of sports equipment firms who want to internationalization will face the challenge of choosing the appropriate market entry mode, they may consider higher control entry modes such as acquisitions and joint ventures or lower control entry mode such as license, alliance and exporting or a combination of these approaches to address the above challenges (K. D. Brouthers, 2002).

Entry mode choice normally relates to the trade-off between resource and control and there is a broad range of entry modes for the selection (Cavusgil, 2009). Higher control entry mode normally requires more resource commitment while narrow down their flexibility and increases the risk (Cavusgil, 2009). On the other hand, lower control entry mode gives the firm more flexibility in the foreign market and decreases the risk (Cavusgil, 2009).

According to Balachander (2015), market entry mode has been found to be crucial in the successful internationalization of firms in foreign market, it is expected the similar for Thailand sports equipment firms whose leaders are seeking internationalization; however, none of the research has been conducted regarding the factors influencing entry mode selection of Thailand sports equipment firms.

This study has been designed to address the factor influencing market entry mode in Thailand sports equipment firms. Multiple case studies of sports equipment firms will be conducted to evaluate the factors that drive the expansion of these firms into foreign markets and the factors regarding entry mode selections.

Research questions

1. Which factors influence the entry mode choice of Thailand sports equipment firms entering foreign markets?
2. how do these factors influence the entry mode choice?

Scope of the study

This study was a qualitative research using a multiple case study method to examine the factors that influencing market entry mode in Thailand sports equipment firms. Perspectives of resource-based view, transaction cost theory, institutional theory and special characteristics of sports were integrated to develop a framework for sports equipment firm. Propositions were developed to use as a connection between the theories and the exploration of sports equipment firm's entry mode decision. Four case studies of Thailand sports equipment firm were used to display applicability of the developed propositions. Data were collected from in-depth interviews with CEOs of four Thailand sports equipment firms together with the data from document websites and newspapers.

Key informants

Owner, CEO's, manager of international department or marketing manager of Thailand sports equipment firm.

location scope

Thailand sports equipment firms that operating in international market.

Time scope

The period of data collection was between October 2020 - January 2021.

Keywords

Internationalization, sport industry, sports equipment firms, market entry mode

Definition of terms

The following keywords and their definitions are relied upon throughout this research study:

Internationalization

The knowledge of the direct and indirect factors effects of the international business on the future of the firm is gained by doing business with foreign countries (N. Coviello & Munro, 1997).

Sport industry

The sport industry is the market in which the businesses and products offered to its buyers are sport related and may be goods, services, people, places, or ideas (Sage, 2004).

Sports equipment firm

The sports equipment firm is the firm that manufactures and retail ball sports equipment, adventure sports equipment, fishing equipment, golf equipment, racket sports equipment, winter sports equipment, sportswear, sports shoes and all other sports-dedicated equipment (MarketLine, 2018).

Market entry mode

Market entry mode is the way in which a firm enters into a foreign market. There is a wide range of entry modes (Koch, 2001).

CHAPTER 2
LITERATURE REVIEW

In this Literature review, a thorough review and critique of market entry mode and generic theories of internationalization as well as factors influencing market entry mode in business perspective. Reviewing the literature helps us understand the importance of identifying the key factors that influence market entry mode applied by sports equipment firms for their global expansion. The first section is an overview of market entry mode in this literature. Second section is to review the generic international strategies as well as theories and concepts in the research of international business. Third section is a review of special characteristic of sports equipment firm. The fourth section is an extraction of the factors influencing market entry mode and the development of propositions. The fifth section is a discussion of multiple case study research and the final section is validity and reliability of this study including conceptual framework.

Market entry mode

Sharma and Erramilli (2004) have given the definition of the market entry mode as the systematic array that allows the firms to emerge into the foreign market through management of their resources, technology, and capabilities. Moreover, the study shows that the market entry mode is a long-term plan in business operation since it is difficult to make changes if it is already created (Pedersen, Petersen, & Benito, 2002). As well as, the foreign market entry mode must be well planned and selected since it has a significant influences and impact on company's performance and sustainability (K. D. Brouthers, 2002).

Market entry mode choice normally relates to trade-offs; each market entry mode has its own benefit and drawback (Gundersen, 2012). In addition, firms meet with a broad range of market entry modes to select from. In the previous study, 16 different entry mode type had been identified by K. D. Brouthers and Hennart (2007) which are commonly classified to seven broad types and described in Table 3.

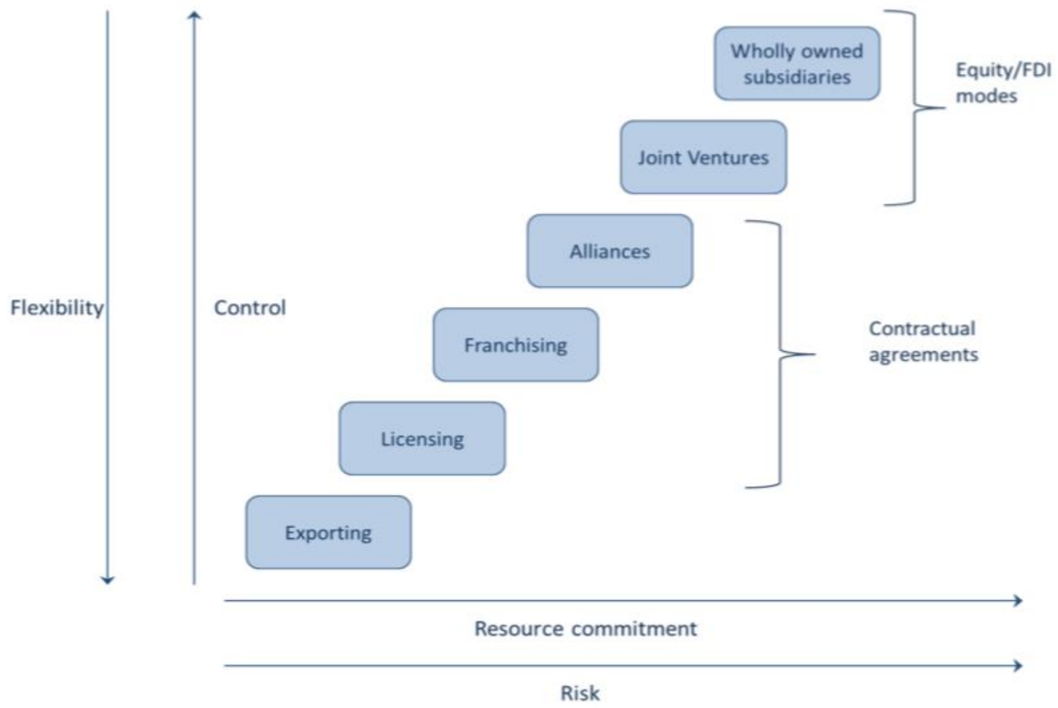
Table 3: Entry mode categories

Entry mode categories	**Description**
Exporting (direct and indirect)	The strategy of producing products or services in the home country, and selling and distributing them to customers located in other countries. Exporting can be both indirect and direct. *Indirect exporting* is accomplished by contracting with intermediaries, such as an agent or distributor, in the host country, whereas *direct exporting* involves direct selling to the customer without intermediaries.
Licensing	An arrangement in which the owner of intellectual property grants another firm the right to use that property for a specified period of time in exchange for royalties or other compensation.
Franchising	An arrangement where the firm allows another firm the right to use an entire business system, in exchange for fees, royalties or other forms of compensation.
Alliances	An agreement and collaboration between a firm in the home market and a firm located in a host country to share activities in the host country.
Joint ventures	A form of collaboration between two or more firms to create a jointly owned enterprise through equity investment. A partner in a joint venture may enjoy minority, equal or majority ownership.
Acquisitions	A direct investment to purchase an existing company or facility.
Greenfield	A direct investment to build a new manufacturing, marketing or administrative facility, as opposed to acquiring existing facilities.

Source: (Cavusgil, 2009)

Cavusgil (2009) has arranged market entry mode into four dimensions: control, risk, resource commitment and flexibility (Figure 2). Nonetheless, all these four extents are connecting to each other. In the extent of resource commitment, newcomers obtain a higher control degree over their operation in foreign market. At the same time, firms committing more resources will narrow down their flexibility and increasing more risk. In addition, foreign direct investment (FDI) involves equity investments which are wholly owned subsidiaries (WOSs) and joint ventures (JVs). Meanwhile, acquisition mode involves the foundation of a physical existence in foreign countries through possession of productive assets such as labor, capital, technology or factory (Cavusgil, 2009). Furthermore, contractual arrangements involve non-equity investment which are licensing, franchising and alliances (Pan & David, 2000).

Figure 3: Arrangement of entry modes from (Cavusgil, 2009).



Source: (Cavusgil, 2009)

Numerous scholars had explored market entry mode decisions to examine the choice between equity and non-equity mode of entry (Blomstermo, Sharma, & Sallis, 2006; Y. M. Cheng, 2008; Erramilli & Rao, 1993; Shi, Ho, & Siu, 2001). While some group of scholars focused on the performance on market entry mode choice (Choo & Mazzarol, 2001; Rasheed, 2005). As well as, J. W. Lu and Beamish (2001) concentrated on the impact of internationalization strategies, FDI and exporting on small and medium enterprise performance (ROA), the attenuating influence of SME age at the time of its internationalization. Therefore, this study will apply the arrangement in table 2 as a foundation and consider the whole range of market entry modes displayed.

Theories of internationalization

Market entry mode decision has been explain by a large number of theories. The most common theories that have been applied are the resource-based view, transaction cost theory, institutional theory, eclectic paradigm and uppsala internationalisation model (Schellenberg, Harker, & Jafari, 2018). These five theories are utilized as a major of internationalisation theories that apply to describe the entry mode choice of the firms (Schellenberg et al., 2018).

Resource-based view concentrates on the idiosyncratic resources and capacities of the firm as a major move of the firm performance (K. D. Brouthers & Hennart, 2007); Transaction cost theory expresses that entry mode is defined by the expenses of transaction in the market compared to the expenses of internalizing activities within the firm (Anderson & Gatignon, 1986); institutional theory recommends that institutional environment influenced the firm action, including market entry mode decision (K. D. Brouthers & Hennart, 2007); eclectic paradigm points on usefulness in ownership, location and internalization as a major factor that influenced market entry mode choice (Dunning, 2015) and uppsala internationalisation model explains the internationalisation of the firm originate from the process of expanding a firm's activities as a result of different sort of learning (Johanson & Vahlne, 1977). However, there was an argument of the eclectic paradigm that this was not a theory in itself, but it was a tool that combines different aspects from the three former theories which are resource-based view, transaction cost theory and institutional theory (K. D. Brouthers & Hennart, 2007). In addition, the framework neglected significant constructs developed and evaluated in other theories (K. D. Brouthers & Hennart, 2007). Along with, Uppsala Internationalisation model, this theory is remarkably supported in entry mode literature, but they have also been seriously criticized and they validly are heavily suspected. Specifically, the model is blamed for being excessively deterministic (Reid, 1981) and it does not harmonize with the choices of individual strategies in these firms have (Andersson, 2000).

Many scholars have also challenged and proposed that empirical finding verify that firm do not follow conventional model of internationalization (Madsen & Servais, 1997; McDougall, Shane, & Oviatt, 1994; Oviatt & McDougall, 1994, 1995). This perspective has been supported by Jones and Crick (2001) that high technology firms are frequently faced with various challenges that have crate questions on their applicability to fully believed Uppsala Internationalization Model. Therefore, these scholars recommend that the way to move on is to proceed studies which coordinate the most significant insight from resource-based view, transaction cost and institutional theory.

As this study focuses on factors that influencing market entry mode into the foreign market, it is considered to examine which theories are most reasonable for describing entry mode behavior in foreign countries. When assessing strategy on market entry mode research, including research on the foreign market. There are three leading theoretical foundations that many scholars applied in their studies which are resource-based theories, transaction cost theory and institutional theory (Alvarez & Busenitz, 2001; K. D. Brouthers, 2002, 2013; Canabal & White III, 2008; Delios & Beamish, 1999; Meyer & Nguyen, 2005; Sanchez-Peinado, Pla-Barber, & Hébert, 2007; Sedoglavich, 2012). K. D. Brouthers (2013) found that Institutional theory has a major effect on market entry mode choice which concentrates on national characteristics of the host country. Meanwhile, resource-based view concentrates on the competitive advantage of the firm and assists the firms realize which type of resource creates competitive advantage on firm-level characteristics (K. D. Brouthers & Hennart, 2007). Williamson (1985) pointed out that transaction cost theory concentrates on transaction-level characteristics that assist the firm to weigh the costs of transacting thru third parties in the market compared to the cost of internalizing activities within the firm and select the best exit that is most efficient.

These three theoretical viewpoints (resource-based theories, transaction cost theory and institutional theory) are the most regularly used theories to explain the internalization pattern of the business firm which are highly interrelated to the investigation of sports equipment firm market entry mode choice in the foreign market.

Resource-based view

Resource-based view focuses on the peculiar resources and capabilities that are the significant driver of firm's performance. K. D. Brouthers and Hennart (2007) advises that international market can be used as a tool in utilizing unique developed resources, and enlarging new resources-based superiority. Moreover, firm's sustainability can be promoted by the competitive advantage of the firm's resources and capabilities (Barney, 1991). The good characteristics of firm resources and capabilities are rare, valuable, hard to substitute, and impossible to imitate (K. D. Brouthers & Hennart, 2007).

K. D. Brouthers and Hennart (2007) stated that experiences are the most used resources in entering the foreign market especially the international experience can be seen as a firm competitive advantage. According to Johanson and Vahlne (1977) the international experience usage in market entry mode has an origin from the internationalization theory. The studies show that the more experiences gained in foreign market by the firm, the slower the resource commitment expansion is as well as the higher control entry mode (Johanson & Vahlne, 1977; Johanson & Wiedersheim-Paul, 1975).

The use of international experience as one of the entry mode factors within resource-based view and entry mode study shows relevant with one of the most commonly used theoretical frameworks namely "The Stage models", which investigates the internationalization of small and medium firms (N. E. Coviello & McAuley, 1999) and it is also particularly pertinent to contain in this study. However, different kinds of experience have also been used in the literature review of SMEs entry mode; Burgel and Murray (2000) suggested that historic channel experience, such as experience with a certain sales mode, is one of the most significant influences on smaller firm's market entry mode choice.

Organization capability perspective is one of the theoretical approaches that Burgel and Murray (2000) argued that it has a greater explanation force compared to the stage-models of internationalization. The organization capability perspective recommend a firm’s value-producing activities are a mission of a firm's resource and capability base (Burgel & Murray, 2000), therefor this theoretical approach equally falls under the resource-based view category. According Organization capability theorist (Madhok, 1997), the outcomes are strongly influenced by past experiences and routine. Thus, firms will have built their capabilities in other markets which they can support upon new foreign entrances (Burgel & Murray, 2000). Consequently, former experience with particular modes of entry is perceived to have an effect on the next entry mode selection.

Transaction cost theory

According to Anderson and Gatignon (1986), transaction cost theory emphasizes on the superlative withdrawal of the firm margins, thus the market entry mode has lessened the transaction cost. For the oversea company, Williamson (1985) suggested that the transaction expenses of the related external parties and internal management within the firms must be compared together in order to find the most efficient way. Moreover, Williamson (1985) stated that ex-ante costs, referring to potential alliance analyses, and agreement and negotiation cost, as well as ex-post costs, relating to performance supervision and agreement execution costs, are considered as the transaction cost whereas internalization expenses are the expense of managing and authorizing the operation in abroad country.

The foundation of the transaction cost theory is market failure theory emphasizing on the flaw of the market resulting in the existence of the companies. Contractual transaction is generally preferred due to the economies scale in the marketplace (Williamson, 1985). However, if the market is sloppy resulting in higher expense of transaction based on contract than incorporate expense, the firms may choose the better way for the firm’s international (Meyer, 2001).

The transaction cost theory framework has underlying on two assumptions. First, the assumption is that economic investors trouble from bounded rationality (Williamson, 1985); which they are purposely rational, but only limited so (Peng, Sun, Pinkham, & Chen, 2009). Second, another assumption is that economic investors may act opportunistically (Williamson, 1985). Because of the behavioral dimension, it may be too difficult to write a perfect agreement to control market transactions (Williamson, 1985). Last, several scholars recommend that in case of foreign market entry mode, there are three determinants that may influence the costs of transaction and market entry mode choice which are asset specificity, external uncertainty and internal uncertainty (K. D. Brouthers & Nakos, 2004; Zhao, Luo, & Suh, 2004).

The asset specificity affects the level of the worthiness of the investment excluded from the particular transaction (Anderson & Gatignon, 1986). The external uncertainty impacts the scope of alternative of incident that could be indicated in a contract (Williamson, 1985) while the internal uncertainty influences the level of hardness in cerifying the acheivemennt of the other partyies.

Anderson and Gatignon (1986) stated that the three dimensions that have been mentioned above are the key factors that indicate the degree of supervise required over foreign operations. Refers to the Figure 2, it can be said that increasing of control equals decreasing in flexibility resulting in higher risk. Hence, according to the transaction cost theory framework, the entry mode decision is considered to be a significant payoff between the demand of control and the demand in sustaining the flexibility when they are experiencing the environmental risk. For instance, the 100-percentage owned subsidiary can be categorized to be in transaction cost theory since it is realized in providing highest level of control. On the other hand, the direct export, one of the entry modes, should be considered as a form of internationalize since the third-party involvement does not exist (Burgel & Murray, 2000). Therefore, the organization could be prevented from experiencing new progress, and gaining new knowledge, while the firm's flexibility is preserved by retaining the low degree of resource commitment.

Institutional theory

Institutional theory inspects means of the business in how they firstly enter and then operates in foreign markets (Davis, Desai, & Francis, 2000). Specific rules, norms and values are the factors that identify a context of this theory (Meyer & Nguyen, 2005). Isomorphism is the main approach of the Institutional Theory (DiMaggio & Powell, 1983) and this concept focuses on restraining one group of people to act the same as others under the same conditions, for instance, the firms operating in the same industry and markets including foreign market.

K. D. Brouthers (2002) stated that the isomorphic concept has a major influence over the Institutional Theory which is the entry mode choice. The firms who newly emerge in the foreign market will follow the operations of the local business and their competitors in that market, so they sould be regulated in their operation and existence in the market (Davis et al., 2000; Yiu & Makino, 2002).

There are three main types of institutional forces: regulative, normative, and cognitive (Scott, 1995). Regulative relates to laws and rules while normative includes values and norms and cognitive refers to the notion that context is created (Scott, 1995). Whereas economics are the foundation of regulative force, sociology is a ground of normative and cognitive (Peng & Heath, 1996).

In learning MEM choice, North and Institutions (1990) disputed that there should be a combination between Institutional theory and transaction cost theory since there is a transaction occurrence in an institution structure. The 'rules of game' was defined, and laws and regulations of the home country were included (Davis et al., 2000; Oliver, 1997). According to Roberts and Greenwood (1997), if the businesses concurrently conduct institutional theory and transaction cost efficiently, the businesses will have a greater performance. By meeting the institutional authorization, the firms are able to fit better with the condition of host country's market resulting in enhancing the performance of the company (Oliver, 1997). It can be said that this literature shows that the organization who applies both approaches efficiently, institutional theory and transaction cost theory, will operates better that the ones who adopt other assumptions. Arregle, Hébert, and Beamish (2006) promoted the notion of the combination of theories to study entry mode choices and presents the mode of conforming the transaction cost, institutional and organizational learning variables so that the alternative of an International Joint Venture vs. a Wholly Owned Subsidiary will be explained.

Referring to the authors (Chatterjee & Singh, 1999; Davis et al., 2000), they stated that the institutional context have a major influences on the means of performance due to the direct relation between the character and management of specific organization capabilities and the mode choice. Davis et al. (2000) suggested that the firm's entry choice can be restricted by the institutional structures since the firms who violated the structure will experience in decreasing of legitimacy or potential extinction. For instance, the entry barrier of foreign market such as a regulation restriction can be created by the institutional structure (Delios & Beamish, 1999; Gatignon & Anderson, 1988; Gomes-Casseres, 1990; North & Institutions, 1990). Sometime the foreign firm mode choice could be deterred by the government of the host country to facilitate the domestic businesses. Therefore, by implementing the laws, it can control a firm's ability to exploit its capabilities through the predicted choice of entry mode, transaction cost (Gatignon & Anderson, 1988; Roberts & Greenwood, 1997).

To find the studies of the explicitly MEM choice alone through the institutional lens is difficult since it is commonly applied with other theoretical perspective (Arregle et al., 2006; K. D. Brouthers, 2002; Oliver, 1997; Roberts & Greenwood, 1997). The integration between the institutional and transaction variables gives the compelling understanding MEM choice, and also contribute the tremendous prediction of the modal outcome (Canabal & White III, 2008). Furthermore, the better performance result in foreign markets may be compatible with the MEM choice that is based on these institutional variables .

In conclusion, this perspective significantly commit to the market entry mode literature existence; however, the role and influence of the key decision-maker have been still overlooked. Moreover, the means perception on MEM decision-making has not been supported. Institutional theory shows a view of static on market entry mode based on influencing factors/antecedents and respective performance outcomes of the selected market entry mode choice.

Special characteristic of sports equipment firms

As globalization has benefited major economic sectors worldwide, the sports equipment business has been on the good direction; actually, in the global market place, the sports equipment firm is one of the most developing and expanding industries. (Zhang, Pitts, & Kim, 2017).

Nonetheless, there is an unclear background in sports equipment firms from a management perspective. The first side is believed that sports equipment business is a special cultural institution with a presence of exclusive features (Stewart & Smith, 1999). On the other hand, the second side saw that sports equipment business is just another common business firm and nothing to be special or unique than other business forms, which is best managed by the normal standard business application that supports planning, human resource management, finance and marketing function (Stewart & Smith, 1999).

Over the decade, the contradiction for dividing sports equipment business from common business has grabbed more attention from sports management academic scholars. Slack (1998) mentioned that sport management was unique from generic management since a belief in social value of sport more than the exclusive foundation of its economic value. Slack (1996) also suggested that the signification of connecting contemporary management viewpoints and theories to sport management by not only reinforce the dependability of sport management, but by also spending sports business as a testing platform for wider the development of management theory.

Foster (2005) supported the concept that sport is a unique institution by collect several features in professional sport and business have in similar and dissimilar areas. They described that whereas sport and business have the same purpose for branding, market expansion, product innovation, finding new sources of revenue and value creation, but sport is more focused on winning trophies, beating opponents, sharing revenue, and transferring the passion of both athletes and spectators or fans.

The thought that the sports equipment business is unique from other manufacturing businesses is shown in the dissimilarity of forms by numerous scholars in previous studies. Especially, sports equipment firms are unique and different from other types of firms which various studies do so in more precise ways (Ahonen, 2019; Beech & Chadwick, 2013; Hoye, Nicholson, & Smith, 2008; Mangan, 2000; Slack, 1996).

The main differentiating characteristics that have been brought up in the previous study as having implications for a sports equipment firm's internal management processes are winning performance (defeating opponent and winning trophies) and social value (Ahonen, 2019). Beech and Chadwick (2013) pointed out that sports equipment business has a battle in two areas: on the sport and in business. In business, sports equipment firm has general purposes as other business forms which aim for profitability, wining more market share and building their brand. However, in sport side, the purpose could be increasing utility maximization which relevant to their winning performance of the team or player (Ahonen, 2019; Beech & Chadwick, 2013). Richelieu and Desbordes (2013) also supported this notion that the success of the team you partner with is the potential success factor of sport equipment firm. In their study is seem that team winning performance on the field, the sale channels of the sport equipment firm and the strength of the relationship between the partners that could lie on the equilibrium of authority between them are the important success factor for their internationalization.

Moreover, numerous scholars state that sports product has its own social value (Del Rio, Vazquez, & Iglesias, 2001; Margaret & Alexander, 1998; Slack, 1998). Del Rio et al. (2001) found that brand in sports equipment has been shown to have significant to customer's social value. As customers believed that sports equipment is a tool for better performance in the field, therefore they may buy and use specific branded sports equipment products.(Chiu & Won, 2016). For instance, badminton players may use a particular brand of sportswear and sports shoes to show their self-concept and they may use a branded racquet that been used by famous players to make a better performance on the court (Chiu & Won, 2016).

Chiu, Kim, Lee, and Won (2014) also noted that online sports equipment customers have unique characteristics compared to normal online customers. Online sports equipment customers spend more time to look around retail and auctions websites to explore and buy sports equipment (Chiu et al., 2014).

Based on these differences, Heere (2010) indicated that each sports product setting is unique and has unique characteristics and even brand personalities, which need in-depth analyses whether the existing theoretical knowledge in the area of internationalization will be directly applicable to sports equipment firms. The few existing studies on different aspects of the globalization of sports equipment firm provide some cues on how the features of sports equipment firms might have interesting implications for internationalization decisions and processes. This further strengthens the motivation that overseas entry mode decisions of sports equipment firms are worth exploring.

Factors Influencing market entry mode

In this section, a series of propositions were developed regarding the level of entry mode choice in sports equipment firms. Examples of global firms are used to support the propositions.

Table 4: Factors influencing market entry mode

Factors influencing the entry mode choice		
Internal Factors	External Factors	Sport Factor
1. Asset specificity 2. Brand equity 3. International experience	1. Cultural difference 2. Market attractiveness 3. Environmental uncertainty 4. Legal environment	1. Winning performance

Source: adapted from (Y. Lu, Karpova, & Fiore, 2011; Richelieu & Desbordes, 2013; Schellenberg et al., 2018)

Internal factors

According to S. Agarwal and S. N. Ramaswami (1992), internal factors refer to firms' competency and attribute that affect firm's competitive market position. In this study, asset specificity, brand equity, and international experience are classified as internal factors of the firm's entry mode choice.

Asset specificity

In transaction cost theory, the asset specificity is a specialized and uncommon asset that creates a competitive advantage and generates high value for the firm (Hill, Hwang, & Kim, 1990). Sharma and Erramilli (2004) stated that according to the resource based, the asset specificity contributes as the firm's that are accessible for the firm's penetration in an international market, which its competitive advantages in the international market can be increased by this and providing the firm to choose a higher-level control market entry.

As resource based theory states that asset specificity contributes to the resource of the firm's that are accessible for the firm's penetration in a foreign market, which increasing its competitive advantage in the foreign market and giving the firm to choose a higher level control market entry mode (Sharma & Erramilli, 2004). For example, tech-savvy firms have a higher transaction cost since they need to protect their technology from risks which anticipated to affect entry mode choice (Gatignon & Anderson, 1988).

While various studies have shown that asset specificity may lead to a high level of control in market entry modes. For instance, K. D. Brouthers and Nakos (2004) found that when asset specificity is high, SMEs tend to prefer equity over non-equity for the market entry mode choice. Furthermore, asset specificity could be seriously admissible when investigating into developing countries. In these countries, property rights safeguarding always unexist which enhancing the need for protecting the expertise and technology of the firms (Gundersen, 2012). This was supported by Makino and Neupert (2000) that in order to protect particular assets from misappropriation and exploitation problems for the firms, the higher control entry mode must be adopted; for instance, a wholly owned subsidiary or joint ventures. Therefore, this study proposes following:

P1. Sports equipment firm with high asset specificity will tend to choose a higher control entry mode.

Brand equity

Brand equity refers to the brand image associated with the value of cosmopolitanism, exclusivity, and design excellence which strong brand equity has been identified as a key competitive advantage in the international market (Y. Lu et al., 2011).

According to Moore and Burt (2007) mentioned that one of a key competitive advantage in foreign markets is capable brand equity along with value of uniqueness, universal and excellence design. The brand's image such as Nike, Adidas, and Under Armour represent them attractive to worldwide customers which reducing the problem of adaptation to the domestic market situation.

Resource-based theory states that benefits from strong brand image increase a firm competency to freely contest in the international market and contribute the firm to choose an earnest approach along with more effective resource commitment in market entry mode selection (Moore & Burt, 2007; Moore, Fernie, & Burt, 2000). Furthermore, Transaction Cost theory assumes that a brand is delicate to the potential partners that have a self-interest (Hill et al., 1990). For instance, in case of global fashion retailing, there is a risk of weakening fashion retailer's brands due to the different objectives between the retailer and its local partners (Y. Lu et al., 2011). The need for the retailer is to create long term brand identity, while local partners need might be short term profit.

Research by Doherty (1999) suggested that a strong brand image needs to secure their consistency of this image to the globe, firms may opt for higher control market entry modes. Therefore, this study proposes following:

P2. Sports equipment firm with high brand equity will tend to choose a higher control entry mode.

International experience

International experience is significant for the firm to acknowledge and deal with the complication in international markets operation, for instances, business practices or culture gap in terms of workers and customers (Doherty, 2000). In addition, international experience is a major intangible resource of the firm's (Luo, 2001).

Resource-based view also emphasizes the significance of international experience, since this provides the firms learning curve that may influencing them to opt for stronger commitment modes of entry (Gundersen, 2012). While transaction cost theory states that a firm without experience in an international market establish ambiguity as well as expand the risk of opportunistic behavior from local partners or competitors, such as dodging of responsibility, cheating, misleading data and other forms of disloyal behavior (Williamson, 1985).

Since businesses gradually develop commitment in foreign markets to increase experiences, businesses expand more faraway nations and bringing to higher commitment forms of activities in international markets (Johanson & Vahlne, 1977). This was supported by O. Andersen (1993) that a firm with more experienced in terms of operating overseas, the more willing to choose a highly committed mode when expanding to a new international market. On the other hand, a firm's that lack of experience in a foreign market establishes uncertainty and they should restrict its resource commitment (Blomstermo et al., 2006). Furthermore, the duration of experience is more significant in controlling market entry mode decision than the boundary of experience. However, Dow and Larimo (2009) argue that only experience in similar nations influences market entry mode choice, while different country experience may have no influence on market entry mode choice. Within this line of supporting, Nakos and Brouthers (2002) suggest that the firms with less experienced in oversea operation are mostly do not have well system development in foreign operation especially smaller firm and they tend rely on exporting (N. E. Coviello & McAuley, 1999) . Based on resource-based view and transaction cost theory, this study proposes following:

P3. Sport equipment firm with high international experience will tend to choose a higher control entry mode

External Factors

External factors are the investigation of environment in an international country in terms of their economy, politics, law and regulations, institutions and culture. Four factors are usually mentioned in market entry mode article: culture difference, market attractiveness, environment uncertainty and legal environment (Schellenberg et al., 2018).

Cultural difference

Cultural difference refers to the dissimilarity in cultures and norms between the firms' home and the firms' host country that try to enter (Gundersen, 2012). Transaction cost theory posits that culture gap enhance behavioral ambiguity as it's harder to forecast foreigner behavior in the market and a firm has a tendency to decrease their control when perceive high cultural differences (Anderson & Gatignon, 1986). Furthermore, resource-based view advises that when a firm facing with high cultural difference, it should defeat the lack of an oversea culture by finding a regional partnership and trust on their understanding of regional customers, so the selection of a lower control mode might be a good choice for the firm (Sharma & Erramilli, 2004). This theory was supported by Johanson and Vahlne (1977) that the firms should begin foreign activities with a low-commitment and low-risk mode of entry by aiming neighboring countries that are near to the home country before expanding to faraway countries that need more experience grows and leading the firm to higher commitment mode of entry and more financial support. In addition, a firm that successfully operate in high cultural differences must adapt to local business norms such as in employee-management relations and established business practices (Y. Lu et al., 2011). Accordingly, this study proposes following:

P4. Sports equipment firm will tend to adopt lower control modes when entering foreign markets which are highly cultural difference.

Market attractiveness

Market attractiveness refers to the growth potential of the market including market size and revenue. Evans, Bridson, Byrom, and Medway (2008) found that one of the most powerful motivators that push the firms into international expansion is profit growth. When firm perceived a high chance of profit growth, firm may rely on a long-term operation strategy and opt for higher resource commitment mode (Y. Lu et al., 2011).

Transaction cost theory posits that the growth potential of the market affect the number of resources that a firm wishes to invest in the market (L. E. Brouthers, Brouthers, & Werner, 2000). Firms are anticipated to approach highly attractive markets by higher commitment modes of entry due to the expectation of establishing long term profit (K. D. Brouthers, 2002, 2013; Randøy & Dibrell, 2002; Taylor, Zou, & Osland, 1998).

S. Agarwal and S. N. Ramaswami (1992) found that vertical integration is expected to be used by the firms in order to gain advantages from economies of scale and to protect a long-term market benefit. In addition, market size of the host country is one of the factors that may rise resource commitment of the firm in that country (Erramilli, Agarwal, & Kim, 1997). Accordingly, this study proposes following:

P5. Sports equipment firm will tend to choose a higher control entry mode when market attractiveness is high.

Environmental uncertainty

Environmental uncertainty refers to the risk of doing business under unstable environments such as inflation, political stability, economic health, unemployment rates and disposable income (Sternquist, 1998).

From transaction cost theory, when firms perceived that foreign market has high rate of environmental uncertainty , firms may select lower control entry modes and narrow down resource commitment, which helps the firm with high flexibility and low exit costs (Hill et al., 1990). This was supported by research on MNEs that when environmental uncertainties are high, hence it is leading to a reduction in ownership level and resource commitment (K. D. Brouthers & Hennart, 2007).

Morschett, Schramm-Klein, and Swoboda (2010) pointed out that firms are more possible to find a local partner and choose cooperative entry modes when dealing with uncertain market conditions as well as Anderson and Gatignon (1986) described that it is tough to predict future instability in the host country under strong uncertainty circumstances so adaptations and reformations of the cooperation with a local partnering firm are needed to maintain flexibility in the market (Anderson & Gatignon, 1986). Accordingly, this study proposes following:

P6. Sports equipment firm will tend to choose a lower control entry mode when environment uncertainty is high.

Legal environment

Legal environment refers to the pressure from restrictive regulations of the host country's government for foreign investors (Gundersen, 2012). In order to safeguard local firms, the government in the host country mostly adopt legislation and regulation to constrain the growth of foreign firms in the market (Y. Lu et al., 2011). Therefore, a firm that entering into foreign markets is normally surrounded by the host country's regulatory environment.

According to institutional theory, international firms confront enhanced compression for violent isomorphism in the markets (Gundersen, 2012). In several of these countries, foreign investors confront discriminative corporation compressions from government regulation compared to local firms (Gundersen, 2012). Government laws and regulations may have a direct effect on the infrastructure of ownership and Foreign Direct Investment (FDI) which surely affect market entry mode choices In addition, institutional theory also suggests that the firms expanding into foreign markets will emulate behaviors of both local firms and rivals in this particular market, hence legitimizing their market presence as well as their operations (Davis et al., 2000; Yiu & Makino, 2002).

Therefore, the major anxiety for a foreign firm expanding to an international market is to obtain justice in the host country and consequently create the authority to do commerce in that market (Yiu & Makino, 2002). Xia, Boal, and Delios (2009) pointed out that market entry modes in foreign markets are commonly a “restricted choice”, more than an “independent choice” based on the evidence in independent-market economies. Furthermore, the previous research showed that the host government's regulations may have a direct impact on SMEs entry mode's choice since they have low bargaining power compared to large firms (Gundersen, 2012).

To conclude, Gomes-Casseres (1990) suggested that firms expanding into countries with many legislation constraints on market entry mode tend to apply lower control modes while firms expanding into countries with less legal constraints on market entry mode tend to apply higher control modes. Accordingly, this study proposes following:

P7. Sports equipment firm will tend to choose a lower control mode when entering foreign markets with many legal constraints.

Sport factor

This factor defines the unique characteristics of sport equipment product compared to general product. In accordance with earlier study in internationalization of sport products, the present study discussed one factor that may affect market entry mode in sport equipment firms: winning performance (Richelieu & Desbordes, 2013).

Winning performance

Winning performance refers to the winning rate of players or teams on the field which uses sports equipment of the firm. According to Smith and Stewart (2013), sport business has a battle in two arenas: on the sport and in business. Business, in common, often targets at creating profits, winning more market share and establishing their brand, while in the sport side, the target could be defeating opponents and winning trophies.

Richelieu and Desbordes (2013) found that the winning performance of the players or teams that the firm supported is the key success factor for the internationalization of sports equipment firms. As customers believed that sports equipment is an instrument for better performance in the field, a customer may buy sports equipment that used by a famous player to improve their performance which related to the winning performance of that famous player (Chiu & Won, 2016).

According to Richelieu and Desbordes (2013), winning performance of teams or players on the field may affect the entry mode choice and the successful of internationalization of sport equipment firms. Accordingly, this study proposes following:

P8. Sports equipment firm with high winning performance will tend to choose a higher control entry mode

Multiple case study research

The objective of this study is to examine the factors that influence sports equipment firms to choose suitable market entry modes for expanding into foreign markets. Ghauri (2004) stated that normally in the study of businesses, case studies were used to give insight into a business problem, a management choice or a new theory as well as R. K. Yin (2009) pointed out that most of case study research related to the study of problem explored thru one or multiple cases in the determining context.

Hartley (1994) also explained the case study method is the detailed investigation, frequently with information collected through a period of time, from one or multiple firms or one or groups of people inside the firm, with an opinion to providing an analysis of the process and context regarding a contemporary phenomenon under the study. In addition, researchers using case study methods will examine a bounded system or system through the collection of in-depth data related to multiple data sources and reports using case descriptions and themes based on the case (Creswell & Poth, 2016).

The case study method is useful when researching the less known area and the scholars are involved in the study for the objective of establishing theory (Ghauri, 2004). R. K. Yin (1994, 2009) also supported that case study approach is needed when how and why questions are to be replied, when scholar has a few control over incidences and the aim is on a present phenomenon in a real-life situation. In addition, Eisenhardt (1989) mentioned that case studies are majorly supplementary to incremental theory creating from common science research, and further recommended to apply the case study method for a study of new research zones in which traditional theories seemed scanty. To summarize, the case study method is beneficial in the early phases of researching an issue or when a new point of view is needed, whereas common science research is beneficial in the later phases of data development (Eisenhardt, 1989).

The case study method allows longitudinal study which can be useful in investigating international business strategies and market entry mode decisions (Hilmersson & Jansson, 2012; Hyder & Ghauri, 1989). However, in business, case studies are not advantageous to learn the phenomenon under investigation of outer natural circumstances. Especially, in the country that the economy within the firm resides can affect the decision making. In conclusion, Ghauri (2004) stated that case studies are holistic, allowing scholars to study the phenomenon from multiple points of view in a period of time.

P. H. Andersen and Skaates (2002) noted that in international business, the most significant research methodology is the multiple case studies. Various scholars use multiple case studies to investigate the similarities and dissimilarities between cases (Baxter & Jack, 2008; Stake, 1995; R. Yin, 2003). In multiple case studies, similar questions will be asked in a number of firms and the answers will be compared across the cases to make conclusions (Ghauri, 2004). One of the objectives in multiple case studies is systematically data collection which observes for the phenomenon replication, to investigate in various dimensions of the research topic, and/or to examine various levels of the factor that is liable to change (Ghauri, 2004). Therefore, scholars using multiple case studies must carefully consider the case selection (Ghauri, 2004; Patton, 2002).

Multiple case study research is well-known in building middle-level explanatory theory which help the scholar classifies complicated contexts and cases more discrete, cautiously clarified notions and then gathers these with direct analysis of their context (Pauwels & Matthyssens, 2004). The theory creation from case studies is one of the significant methods for expanding knowledge from qualitative evidence to mainstream deductive study (Eisenhardt, 1989). Eisenhardt (1989) also mentioned that theory creating from case studies is possible to build content that is precise, appeal attention and testable. According to Pauwels and Matthyssens (2004), complex case studies are like architecture with four pillars and a roof. The pillars are theoretical sampling, analytical pattern matching logic, triangulation and analytical generalization; the roof is iteration and juxtaposition.

This study followed the suggestions outlined in the literature review discussed above and a multiple-case study is the research method; thus, various firm are investigated in this study. The reason for selecting multiple case study method was to raise the quality of the overall study (R. K. Yin, 2009). A single case study is suitable under certain situations, for example when a case shows a rare or extraordinary condition; however, these criteria could not be satisfied in this study (R. K. Yin, 2009). Furthermore, multiple-case studies help strengthen the external validity by enabling replication of results which is significant for creating the robustness of the study (R. K. Yin, 2009).

Validity and Reliability

In qualitative studies, there are many perspectives on the context of validity and reliability. Trochim (2000) stated that in the social sciences, quantitative research is widely accepted from scholars more than qualitative research which some of the researchers refuse the framework of validity and reliability. Four aspects of trustworthiness have been proposed to substituting validity and reliability in the qualitative study which is credibility, transferability, dependability and confirmability (Lincoln & Guba, 1985). To focus on trustworthiness, these four aspects have led to greater austerity in the qualitative study. (SinNovics, Penz, & Ghauri, 2008).

Some of the scholars argued that the strategies to create trustworthiness at the end of the study is more important than the verification process during the study, the scholars performed the risk of missing significant reliability and validity determinants (Morse, Barrett, Mayan, Olson, & Spiers, 2002). According to Morse et al. (2002), they believed that validity is one of the significant parts of the qualitative process. This perspective was supported by R. K. Yin (2009) recommend that four tests have been used to create the quality of case studies. There are construct validity, internal validity, external validity and reliability.

To ensure validity and reliability, this study followed the suggestion and techniques by R. K. Yin (2009). To start with identification of correct operational measures to create construct validity of the study (R. K. Yin, 2009). Several actions were applied to enhance the construct validity. First, there were reviewed the case descriptions from the interviewees which they can make corrections or adjustments to increase the precision of the study along with enhances construct validity of the case studies (R. K. Yin, 2009). To encourage converging lines of inquiry, multiple sources of evidence were applied in this study which lead to data triangulation and increase construct validity. Furthermore, the study that relied on multiple sources of evidence had a higher overall quality compare with one source evidence (R. K. Yin, 2009). In the case of interviews in many languages, there was a risk of misinterpretation that imposed a threat to the construct validity when translating the case description. The perceived of this risk was low due to the language of the interview was only in Thai.

Second, a case study has high internal validity when casual, as opposed to spurious, relationships are established, whereby certain conditions are believed to lead to other conditions (R. K. Yin, 2009). In this study, one of the objectives of developing propositions were to facilitate pattern matching, which R. K. Yin (2009) suggests may strengthen the validity of a study; if patterns coincide, then internal validity is increased. As well as Pauwels and Matthyssens (2004), states that Pattern matching logic is proposed as a general analytic strategy for multiple case study research by compares an empirical based pattern with a predicted one or with several alternative predictions. However, as mentioned in data analysis, the analysis also incorporated components from grounded theory.

Third, external validity, deals with the degree to which the results of qualitative research can be generalized or transferred to other contexts or settings (Trochim, 2000). R. K. Yin (2009) states that while quantitative research relies on statistical generalization, where the respondents are considered, a sample used to draw inferences about a whole population, case studies rely on analytical generalization, where a particular set of results are generalized to some broader theory. For instance, if the findings from one case firm lead to a conclusion regarding factors influencing the entry mode choice and the applicability of theoretical perspectives, then this result should be replicated by doing the same "experiment" with another firm. Thus, the logic behind the choice of a multiple-case study is not sampling, but replication. If the influences of the entry mode choices of several firms suggest that one theoretical perspective is particularly suited to explain the entry mode choice, then the findings may be generalized within that theoretical domain.

Fourth, and finally, the reliability of a study is important; that is, whether the operations of the study, such as the data collection procedures, can be repeated with the same results (R. K. Yin, 2009). In order for reliability to be obtained, the procedures were followed and documented. The interview guide is revealed in this study and the interview could be repeated easily and the responses would be most likely to be the same. Nevertheless, the interview guide is only a tentative plan to provide the framework for duplicate the study. Thus, another researcher may allocate their attention differently across the questions and ask other follow-up questions.

Table 5: Tests of validity and reliability

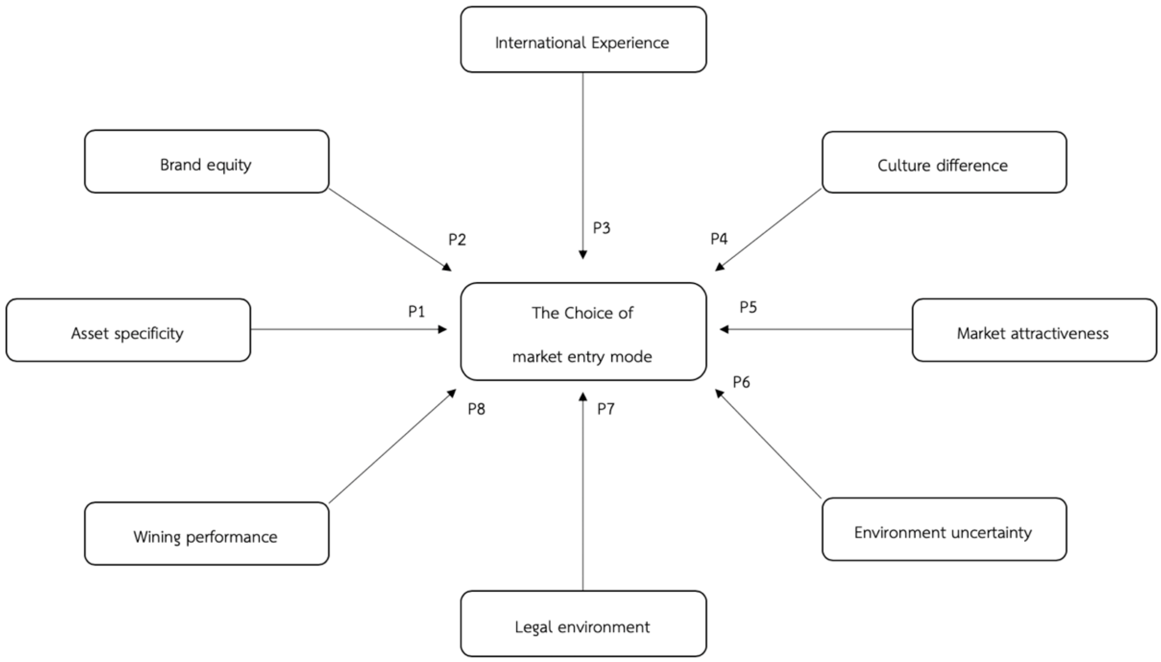
Tests	Case study tactic	Phase of research of Which Tactic Occurs	Conducting research	Operator
Construct Validity	1.Use multiple sources of evidence. 2.Have key informants review draft case study report.	1.Data collection 2. Composition	1.Use of data triangulation. Three pieces of evidence were collected for this study which were interview, document (website and newspaper) and direct observation. 2.There were reviewed the case descriptions from key informants which they can make corrections or adjustments to increase the precision of this study.	1.Researcher 2.Participants
Internal Validity	1.Do pattern matching	1.Data analysis	1.Development of proposition is to facilitate pattern matching in this study. By compares an empirical-based pattern with a forecasted one. However, as mentioned in data analysis, the analysis also incorporated components from grounded theory.	1.Researcher
External Validity	1.Use replication logic in multiple case studies.	1.Research design	1.Use multiple case studies for research method. The reason for selecting a multiple-case study is for replication, not sampling.	1.Researcher
Reliability	1.Use case study protocol.	1.Data collection	1.In order for reliability to be obtained, the procedures were followed and documented. The interview guide is revealed in this study and the interview could be repeated easily and the responses would be most likely to be the same. Nevertheless, the interview guide is only a tentative plan to provide the framework for duplicate the study. All conversations will be recorded.	1.Researcher

Source: adapted from (R. K. Yin, 1994)

Conceptual framework

From the research questions, this is an overview of factors that are proposed to influence Thailand sports equipment firms to entering foreign markets.

Figure 4: Conceptual framework for entry mode choice in Thailand sports equipment firms



CHAPTER 3
RESEARCH METHODOLOGY

This study has been designed to address the factor influencing market entry mode in Thailand sports equipment firms. Multiple case studies method will be used to evaluate the factors that drive the expansion of Thailand sports equipment firms into foreign markets and the factors regarding entry mode selections. An in-depth interview with the selected participants is the primary method for data collection of this study.

Case selection

Eisenhardt (1991) mentioned that the number of selected cases in a multiple case study method was not a quality criterion. The number of case studies in qualitative research should be dependent on the objective of the investigation and the benefit of the cases (Patton, 2002). In addition, Patton (2002) stated that the quality cases must have a reliable study, resource restriction and timeline which validity, meaningfulness and insight of the study have more significant with the quality of the cases rather than the number of cases.

Pauwels and Matthyssens (2004) pointed out that the reason for selecting a multiple case study more than a single case study was to build more difference and theory-driven variance in the data, not to store the same data repeatedly. As a result, the sample for multiple case study is not a random statistical sample but particularly selected. The purpose of particularly selected is to intentionally choose the firms that would best answer the objective of the research question (Creswell & Poth, 2016).

The purposive sampling technique was used as sampling strategies to recruit participants who can give in-depth and detailed information about the phenomenon under investigation. Criterion sampling was used to determine the qualifying criteria for each participant such as firm size, revenue, product brand and experience. The following section discusses how the case firm were selected in this study.

A report by the department of business development (2019) showed that there were 2,110 sport equipment firms in operation in Thailand. Given the degree of internationalization, there were 669 firms that exported sports products to foreign markets. However, one of the key aspects of this study is to study the factor influencing the choice of market entry mode on the same firm size. The intent was to have multiple cases of the same size and to compare across the case. Therefore, four cases of large firms were selected. The following criteria were used for the selection process:

1) Firm was originated in Thailand with the head office located in Thailand.
2) Firm had its own sports equipment product brand.
3) Firm exported sport equipment products under their own brand to the foreign market and the main revenue of the firm was from sports equipment products.
4) Firm had been in existence for a minimum of three years.
5) The potential participant and firm agreed to be part of the study.

From the selection criteria, four firms that met with selection criteria were chosen and agreed access. All the firms were large firms and sports equipment specialized.

Participant qualification (key Informants) and conducting research

Participants of this study were owner, CEO's, manager of international department or marketing manager of the firm with the qualification as follow:

1) Over 18 years old
2) Responsible for expanding the firm business to international market.
3) More than 3 years of working experience in international business.

There were 4 participants in this study from the four selected firm (one participant for each firm). In order to interview the selected participants, the researcher had directly contacted the participant firm from the office number that was published on Department of Business Development website to set up an interview with the participant. The interview was conducted face-to-face and took approximately 1-2 hours and occurred only once for each firm for data collection.

Due to COVID-19 situation, the protection procedures for COVID-19 for one-to-one interview were used as follow:

1) Maintain a safe distance from the participant
2) Wear a mask or face shield all interview time.
3) If the researcher feels unwell before the interview, the researcher will postpone the interview until the researcher is healthy.

All the conversations were recorded in order to collect a clear data and can be screened to summarize the results of the study.

Data Collection

The primary method for data collection was the interview with selected participants. Owners of sports business companies, CEOs, Managers of the international department were selected with experience in internationalization.

The important strength of data collection in case study method is the chance to use multiple sources of evidence, which allow data triangulation that enhances the validity of the study. Three qualitative pieces of evidence were collected for this study which were interview, document (website and newspaper) and direct observation with interviews being the most significant of this study.

There are advantages and disadvantages for using interviews as a tool for data collection. An interview can be advantageous when the researchers want to disclose opinions and insights from decision-makers (R. K. Yin, 1994). On the other hand, a lack of collaboration, poorly questions structured and inaccuracies memory from interviewees can misdirection of the study especially when the interviewer is inducing the interviewee with leading questions (R. K. Yin, 1994).

To facilitate the timetable of the participant, the interview time was selected by the participant, and the interview place was the office of the participant. One-to-one interview was used as the main data collection in this study. All interviews were conducted in Thai then transcribed and translated to English by the researcher.

Data triangulation

To enhance the validity of this study, data triangulation was used to collect evidence from the case study which was an interview, document (website and newspaper) and participant observation with interviews being the most significant of this study.

(1) Interview

An in-depth interview with the selected participants was the main method for this study. There were three major purposes of the interviews which were (1) examined the predetermined factors outlined in the conceptual framework that influenced the choice of market entry mode (2) revealed the chosen market entry mode or were considering (3) investigated other aspects that might influence market entry mode choice.

The research question was designed, and the topic was managed in two ways. First, open-ended questions were asked regarding the most influencing aspects to market entry mode choice from interviewees' perceptions. Second, more questions were established to answer the proposed influences. Another purpose was to allow the interviewee more time to respond to the questions and leading questions were avoided.

An interview guide was only a tool for interviews that was not strictly required to follow. The questions did not need to be raised in the order of the interview guide and there was no necessity to ask all the questions. Additional questions were allowed in order to track interesting issues. All the interviews were recorded and transcribed by researcher. The thematic coding was used to collect the main themes that were identified in the research questions. Words, quotations, and phrases were recorded as verbatim and categorized under specific topics and arrange those topics into a group with a similar topic.

(2) Document (website and newspaper)

There were reviewed of several documents in order to study the case firms and to prepare the information for the interview. The websites of all the case firms were visited in order to gain more data on their products and services including sale channels. Furthermore, data from the Department of Business Development

(Thailand) regarding turnover and profits of the case firms were reviewed to gain more understanding of the firm actions. All documents were reviewed in order to prepare for the arguments in the interview as well as to verify their statements regarding factors influencing the choice of market entry mode into foreign markets.

(3) Participant observation

Participant observation was used as a source of evidence in this study. In addition, the data captured participant observation are, by definition, those that can be observed and do not inherently require any interaction between the observer and those being studied. In principle, an audio or video recording setup, if properly placed, could record the phenomena of interest without the researcher ever appearing on the scene (DeWalt & DeWalt, 2011). Moreover, technology can be a useful part of participant observation in which all the selected firms are top of Thailand sport equipment firms and there are various of firm’s presentations regarding their business in a video on YouTube channel and TV program. The firm’s presentation mainly consists of the history, product, service, exportation and entry mode choice of the firm. In conclusion, the researcher noted all the relevant data regarding factors influencing the choice of market entry mode into the foreign market into a direct observation note and used it to gain a better understanding with participants in the interview.

All sources of data were compared to each other. If the finding from different sources come to the same conclusion, then validity has been established. If the conclusions differ substantially, then the further study is needed to release the "true". Therefore, in this research, there were reviewed the case descriptions from participants before data analysis which they can make corrections or adjustments to increase the precision of this study.

Data Analysis

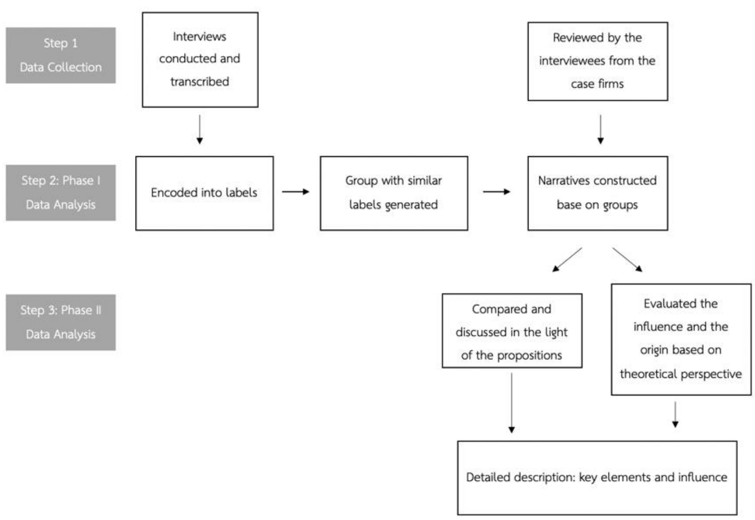
Most of the multiple case studies, data collection ended with a large amount of unordered evidence: transcribed interviews, direct observation notes, documents and websites. There is no fixed formula for the analysis of the case studies, therefore, an analytic strategy is needed to analyze evidence from the case (R. K. Yin, 2009). In the beginning, the strategy used in the analysis is being based on the theoretical propositions which develop to give direction in sorting data from the case evidence.

An in-depth interview was a primary method for data collection. Collected data was encoded into labels with similar statements before comparing and arranging those labels into groups with similar labels. The groups have displayed the influences on the choice of market entry mode. An interview guide was used to interviews all the firms but not strictly required to follow, it only helps the participants to give more answers regarding the effect of the influences. A recurring pattern or deviating replies were compared between the cases.

The results were considered in the investigation of two conceptual background; (1) in the light of the propositions, the influences discovered from the case were discussed and compared (2) theoretical perspectives were used to evaluate the influences and origins of the case regarding the suitable theory to describe market entry mode choice. To compare data within the cases, pattern-matching logic was applied as well as existing theories. The internal validity of the case is more strengthened if patterns coincide is found (Pauwels & Mathyssens, 2004).

13.6 Data analysis process

Figure 5: Process of data analysis



CHAPTER 4
RESEARCH FINDINGS

The research findings and analyses of the multiple case study are displayed in this chapter. The findings are displayed as narrative descriptions. The data for each case was collected from a combination of evidence, in-depth interview, document and direct observation. The interviews were conducted one to one at the firm office with either CEOs, or senior managers who were in charge for the international strategy of the firm. Data from in-depth interviews were triangulated with data from the firm websites and direct observation such as press releases or firm YouTube channels. In order to protect the confidentiality and privacy of the interviewees, the researcher has taken anonymously and used characters to identify the firm names. Additionally, anything that may give clues about the firm identity has been omitted in this chapter.

Firm overview

The first section is an overview of the firm, followed by a detailed discussion of each case.

Firm A

The firm operates sport products in the area Martial arts such as Muay Thai, Mixed Martial Arts, Boxing, and Brazilian Jujitsu. The firm was founded in 1971 and now has approximately 400 employees. The firm revenue in 2019 was over USD 10 Million. Firm A focuses on the specific sport and serves for all equipment and accessories for those sports including sport apparels. Customer markets are in the low to mid-price range. The firm headquarter located in Thailand and export their products across the border over 40 countries. The firm has its own R&D department which releases all new items every 3 months to support their customers around the world.

From entry mode decision, firm A selected exporting (agent), licensing and wholly owned subsidiaries (Greenfield). In the United States, the company first entered by exporting to distributors before moving to the next step with greenfield investment, whereas in Japan, licensing was used to find partners and co-branding project. For other countries, the firm used exporting with intermediaries as the main entry mode.

Firm B

The firm was established in 1952 with three workers in total. Since then, the firm has consistently grown in leaps and bounce. And now, half a century later, firm B is considered as a sporting giant firm in Thailand from its wide range of sports equipment and sports apparel manufacturing. The firm has approximately 1,500 employees and the revenue in 2019 was over USD 30 million. Customer markets are in the low to mid-price range. Firm B offers all types of sports products which can be categorized into apparel, balls (all types of sports balls), rackets, shoes, boxing equipment, pentaquin boule and heavy equipment such as boxing ring, umpire chairs and table tennis tables.

For entry mode selection, firm B has selected exporting (agent) and joint venture approach. Firm B has exported its product to 9 countries and a firm headquarter is in Thailand. The firm was first entered into England with exporting before moving to the next step with a joint venture 10 years ago in Wakefield, England. While other countries were using exporting with intermediaries as the main entry mode choice.

Firm C

Firm C started a sports equipment business and manufacturing in Thailand 59 years ago in 1961. The firm has approximately 400 employees and the revenue of the firm was over USD 33 Million in 2019. Customer markets are in the low to mid-price range. The products are sports apparel, athletic shoes and general sports equipment such as balls, ping pong balls, rackets and other kinds of sports equipment. Firm Headquarter is in Bangkok, Thailand and the firm products have been accepted by various football organizations.

The firm has selected exporting (agent) and direct export to internationalize their sports product to foreign markets. The first foreign firm agent was in Vietnam with good support from a local partner. While the direct export was used to send the firm's products directly to customers outside the motherland such as Myanmar football team or Philippine football team.

Firm D

The firm is a Thai sport manufacturing established in 2013. The firm product is sports outfits, jerseys, training equipment, and sport accessories. The firm has approximately 200 employees and the head office is located in Bangkok, Thailand. The revenue of the firm in 2019 was over USD 20 million with 15% from overseas transactions. Customer markets are in the low to mid-price range.

For entry mode choice, the firm has selected exporting, licensing, joint venture and wholly owned subsidiaries. Singapore was the first country that firm D entered by wholly owned subsidiaries in 2020, whereas in Japan, joint venture was selected to be the optimal entry mode. Other countries such as Myanmar, Lao, Malaysia and Indonesia relied on exporting and online channels.

Table 6: An overview of the firm's size

	Firm A	Firm B	Firm C	Firm D
Registered capital (Baht)	20 M	190 M	180 M	100 M
Staff	400	1500	400	200
Revenue 2019 (Baht)	302,667,189.88 M	1,007,008,702.91 M	1,119,299,041.98 M	700,115,897.59 M
Firm size	Large	Large	Large	Large

Table 7: An overview of the firm's exporting market

Entry modes	Firm A	Firm B	Firm C	Firm D
Exporting	Worldwide	Worldwide (Mainly in Southeast Asian countries)	Worldwide (Mainly in Southeast Asian countries)	Worldwide (Mainly in Southeast Asian countries)
Licensing	Japan, USA	-	-	Myanmar, Lao
Franchising	-	-	-	-
Alliance	-	-	-	-
Joint venture	-	England	-	Indonesia
Wholly owned subsidiaries	USA	-	-	Singapore

This section is a summary of the answers regarding internal factors, external factors and sport factor followed by a detailed discussion of each case.

Internal factors

1. Asset specificity

Firm A

From the international strategy, firm A has a clear advantage in asset specificity due to the firm having its own R&D department which released all new products every 3 months. In addition, 80% of the products are made by hand, not a machine which makes it hard to imitate. This process makes the products to be unique and difficult to counterfeit. Also, the firm carefully checks on rule and regulations to protect the intellectual property of the firm in foreign countries. These advantages provide the firm with specialized assets/unique managerial capabilities in foreign markets. In addition, exporting and licensing would be the optimal choice for entering foreign markets because they have no concern about leakage of technology which higher control entry mode is no longer need.

Firm B

Due to firm B products are normal sports products and there is no secret or technology on the process of production. Therefore, the firm has no concern on this matter and there is no connection to entry mode decisions of the firm.

Firm C

There is a little concern on asset specificity but according to the firm is in the sports equipment business and there is no secret or technology behind the production. There is no relevant or effect from asset specificity.

Firm D

The firm has no concern on the leaking of technology or product design. Online selling system is the important asset specificity of the firm which can develop an online selling system from Thailand so there is no need to set up an office outside the main country. Also, recently the firm has changed the strategy to focus more on the online selling system, so this factor is not related to the firm entry mode's strategy.

2. **Brand equity**

Firm A

Brand equity is one of the significant advantages of the firm. Firm A has a strong brand image, and the firm strategy gives the firm sufficient autonomy to protect the brand from opportunism of local partners or counterfeiting products. The firm also benefits from branding strategy which further helps the firm to avoid potential damage that may be caused by local partners. All products are made in Thailand and control quality by headquarter before delivering the items to the distributors around the globe. Another important strategy is the process of selecting distributors or agents. The selected partners are the one who shared the same mindset and attitude with the firm in order to provide the best product to customers.

Firm B

As a manufacturer, firm B always controls the quality of its products including the price which lower than competitors but providing high-quality products. Approval from international sport federations such as FIFA (football), FIBA (basketball), FIVB (volleyball) and other federations show the firm's dedication to offering the best quality product which strengthens the brand image. One issue that affected the brand equity was counterfeit products in developing countries such as Lao and Vietnam. There were two counterfeit product types which were the low-quality counterfeit product with low prices and counterfeit products with normal quality and lower prices compared to the real products. The counterfeit product with normal quality and lower price compared to the real product damaged the brand image because they made confusion between the real product quality and the fake one. The firm tried to solve this issue by partnering with a potential partner in a foreign country to control and monitor the counterfeit product with trademark laws. As a result, brand equity is one of the significant factors of the firm but there is no connection to the control of entry mode choice.

Firm C

Firm C has no concern about brand image in foreign markets. There were few counterfeit products a long time ago but now this problem is gone. For foreign agents, the firm has manual instruction for using logos and regulations to protect brand image in foreign markets. Firm C mentioned that a good relationship and trust in agents is a success factor in foreign markets. Therefore, the selection process of an agent is very important to penetrate foreign markets.

Firm D

Before the online selling system was implemented, there were a lot of issues about brand equity from foreign markets. Many agents or distributors had damaged the brand itself from unawareness. Intellectual property is the main problem in developing countries which many agents do not know how to do business under intellectual property rules and regulations. After the firm established an online selling system, the firm created more bargaining power with the local agents and increased more control over those markets. As a result, there was a need to control brands in foreign markets, but high control entry mode was not an optimal choice for the firm. The firm more focused on an online channel to reduce the risk of misbehavior agents or distributors.

3. International Experience

Firm A

Firm A had accumulated international experience since 1993 from exporting and licensing in The United States of America. The firm obtained more knowledge and gained better understanding of The United States of America market then established the first firm outside the border in The United States of America by wholly owned subsidiaries in 2009.

Firm B

As firm B had started a sports equipment business for more than 60 years, they have been passing lot of experiences from generation to generation which is an international experience. Firm A started with exporting to many countries before opting for Joint Venture in Wakefield, England.

Firm C

The firm has no clue on international experience due to the firm not reaching this step yet. The first indirect export(agent) was in Vietnam recently while the rest countries, the firm entered the markets by exporting. Now firm C is in the process of considering entering the foreign market by joint venture and establishing a representative office.

Firm D

Since 2014, the firm had accumulated international experiences which led the firm to establish an online selling system. This online selling system is a new entry mode to penetrate into foreign markets. Anyway, the traditional entry mode such as exporting with agents is still important to the firm but not necessary to increase the control level on entry mode choice. Furthermore, the firm had established a firm in Singapore with wholly owned subsidiaries for financial reasons and also expanded to Japan and Indonesia with joint venture entry mode.

External Factors

4. Cultural difference

Firm A

Firm A had mentioned that cultural difference was one of the significant factors for the design of the products. The products were designed to serve the lifestyle of people in a specific country or area. Some areas would love to be colorful while others like smooth tone. Also, language is one of the barriers to deal with business contracts such as in Japan, Japanese firms prefer to deal business with Japanese people because they speak the same language and live under the same culture and norm. To reduce the risk in those countries with high cultural differences, lower commitment mode of entry and finding a good partnership is a better route for entry mode decision.

Firm B

In terms of cultural difference, there is little effect on product design. Some country prefers red color while others are not and also the products in Muslim countries were designed specifically. Normally, cultural difference has no effect in the developed country so overall there is no effect on the level of control in entry mode decision.

Firm C

Firm C is targeting foreign markets in ASIA specifically in ASEAN countries which are close to the host country. There is slightly difference in culture between ASEAN countries, but the cultural gap would be wider if comparing to Europe. Therefore, the firm only focuses specifically on ASEAN markets. Firm C understands the different norm and culture, so the firm mainly used direct export to foreign markets until the higher control entry mode is required.

Firm D

Cultural difference is one of the most influential factors for the firm. Many countries are selected as the target because of sports cultural reasons. In sports culture, there is something called “Country symbolic sport” which is the symbolic sport of the country and normally it is the most famous sport. As the firm penetrated into many foreign markets by using advertisement in football as the symbol of the brand but in the Philippines market, football is not a popular sport. In this case, basketball is the most famous sport in the Philippines that causes hesitation to the firm for entering into this country for cultural reasons. In addition, the firm is much aware of cultural differences in developing countries such as Vietnam or Philippines which has more effect on the firm's strategy than developed countries.

5. Market attractiveness

Firm A

This is one of the main focus factors for the firm. Firm A selects the foreign market from its size and growth. The main market is the United States of America which is one of the big martial art markets on earth. The reason for establishing the firm (wholly own subsidiaries) in the United States of America is because of the market potential in this country. The firm wants to monitor the customer closely and to better understand their lifestyle which makes the branding strategy stronger in both short term and long term.

Firm B

Market growth is one of the important factors that the firm always takes into consideration. For example, Singapore is an interesting country more than other countries in ASEAN because income per capita is higher than those countries in ASEAN. Firm B also established the first office in England with foreign staff because the firm considered that the Europe market is bigger than the ASEAN market. Even China and the USA are the biggest sports markets, but It is very difficult to penetrate due to many giant firms playing in this market. High market growth and market size are the key factors that may lead to a higher control level of entry mode choice.

Firm C

There was an interest to penetrate to foreign markets but at this stage the firm wanted to gain more market share in the local market before expanding to other attractive markets. For foreign markets, the firm policy is partnering with local firms and monitoring market growth. There is no need to gain more control in foreign market if the local partner is doing great.

Firm D

Market attractiveness is one of the main consideration factors of the firm. Firm D selected the foreign market from market size and geography such as Indonesia. From FIFA research, Indonesia has more than 112 million people that engage with football which is more than half of the country's population. The firm wanted to penetrate the Indonesian market from this opportunity and the firm selected exporting with an agent to be the first entry mode choice before changed to joint venture on the present day.

6. Environmental uncertainty

Firm A

This topic has been raised up when the firm was doing business in Ukraine. Civil war and flooded was the problem which affect the firm business in that country. As mentioned before products were designed for sports and there were no relevant to any country incidents, so business was going on but in the gradual approach. In addition, inconsistency money exchange rate was one of the environmental uncertainty problems that make the firm slow down the business in foreign markets. However, the firm was using exporting as a market entry mode choice in those countries with high environmental uncertainty.

Firm B

There was a concern on a political issue and safety. For example, there was one big political problem in Indonesia which led to an unstable business environment. Firm B only made more careful on the business transaction. However, the firm was using exporting as the started entry mode in all countries to avoid risk and environmental uncertainty. In addition, Firm B mentioned that sports products were not high-value items or rare items, and Firm B products were not at a high price so there was not much effect from environmental uncertainty in foreign markets.

Firm C

The main entry mode for the firm is direct export. The firm has considered many options before selecting the best entry mode to secure the transaction of the firm. There was concern about the selection of high control entry mode to enter the unstable country. The best solution for safety and reducing the risk of environmental uncertainty of the firm to penetrate to foreign markets was on the selection of the lower entry mode (exporting).

Firm D

In terms of environmental uncertainty, the firm's strategy was directly affected by this factor. For example, in Indonesia, the firm was affected from unstable politics and risk from exchange rate which led the firm to a new strategy. The firm was first entered to Indonesia by exporting with agents but recently, the firm had changed entry mode to joint venture. From the firm's perspective, market size and market potential are the significant factors that attract the firm to enter the market. Environment uncertainty only affects a little to the strategy but not enough to affect the level of control on entry mode strategy.

7. Legal environment

Firm A

Some countries have many rules and regulations for importing products and establishing the firm. However, government restrictions of the host country are not a barrier for the firm to expand our business to those countries. In the country with high market potential, the firm selected a higher control entry mode instead of exporting which legal constraint only slow down the process of internationalization. In addition, the regulations for sports equipment are not very complicated, especially for leather equipment. As a result, the legal environment did not affect the strategy for entry mode decisions.

Firm B

Because firm B mainly business area is in ASEAN countries in which the laws and regulations are almost the same as the host country. In addition, sport products are not harmful product, so it is easier to export the product to foreign markets if comparing to medicine or food. Firm B was not affected by the legal environment in any foreign country.

Firm C

The firm has taken the laws and regulations of the foreign market into consideration before entering the market but nowadays the firm only uses exporting with local agent as the market entry mode so there is no legal constraint. In addition, sports apparel is easy to export more than other types of products such as medicine.

Firm D

The firm has no concern about rules and regulations issues in foreign markets. The firm is willing to comply with rules and regulations in the country with high market attractiveness. Market size and growth are more important than the legal environment. Therefore, the high control entry mode is selected in the country with many legal constraints such as Indonesia. In addition, the main issue about legal concern in the foreign market is more about law enforcement in developing countries. The firm does not want to enter a market that fails to comply with standard business rules and regulations such as Vietnam.

Sport Factor

8. Winning performance

Firm A

Firm A had sponsored sports equipment to the organization, tournament and player. The selection criteria for organization and event sponsor were considered from the reputation of organization and tournament such as World Muay Thai Championship or World Martial Art Games. The firm was supporting the players in two ways both formal and informal. Some players requested sponsorship directly to the firm without any contract so if it was not a big budget then the firm would give them the sponsor to promote the brand. For the formal player sponsorship, most of the players were not famous, the firm wanted to create the stories with them until they reached the final target. The firm also benefited from the reputation and success of the players which led to an increased budget for those players' countries. However, the firm has not increased any budget if the firm had no agent or distributor in those countries. As a result, winning performance of the player was one of the success factors for the firm in a foreign market and it also affects the choice of market entry mode in terms of control level in a foreign market which leads to increased control and budget in that country.

Firm B

Firm B mentioned that the firm had sponsored a team, association, sport event and individual player. The success of the player or team directly affects the brand awareness. Customers will be more aware of and actually seen by the success of the players or teams and may increase the sales volume. This was one strategy to level up brand awareness in the customer eye. The firm wanted to sponsor the new players rather than the well-known players because the budget was really different between those players. Firm B also mentioned that the success of the team partly affected the entry mode decision and there were other factors relevant to this matter such as per capita income and market growth in those countries.

Firm C

Firm C mainly supported sports teams especially in football and volleyball. The firm mentioned that the team's success on the field will directly affect the revenue of the sports equipment sponsor of the team in terms of sale volume of sport equipment used by the team. if the team has good performance on the field, it may double the sale volume but if the team has poor performance, it may decrease in the revenue instead. Overall, the firm would like to invest more in the country that the sports team which the firm sponsored was doing great performance such as in Vietnam. The firm was discussed for the opportunity to joint venture in Vietnam with the local partner but now must stop due to COVID-19.

Firm D

In terms of winning performance, the firm suggested that it depends on the situation. The firm had sponsored football teams, sports associations and players. The winning performance of an individual player has more effect on entry mode strategy than a sports team. Sometimes even a player has poor performance on the field, but the firm still benefits from his/her reputation from the past. For a team sport, the firm has no focus on their winning performance but more focus on the amount of their supporters or fan-base. One reason that winning performance does not affect the firm much because the main firm's product is a sports jersey, not sports equipment. As a result, winning performance has no effect much on the entry mode level.

Summary of entry mode choices

Table 8: Entry mode decision for the firms

	Firm A	Firm B	Firm C	Firm D
Entry modes	Exporting (agent), licensing and wholly owned subsidiaries (Greenfield)	Exporting (agent) and joint venture	Exporting (agent)	Exporting (agent), licensing, joint venture and wholly owned subsidiaries (Greenfield)

A summary of the firms' entry modes for entering foreign markets. Most of the firms relied on exporting via an agent. While firm A and D are the firms who enter into a foreign market with the highest control entry mode in a similar way to firm B which enters into a foreign market with the highest control entry mode but lower than Firm A and D. Firm C is in the process of making a decision for joint venture in foreign markets, but the decision is not to be made due to Covid-19 pandemic so firm C only enters foreign markets by exporting via an agent.

Primary factors Influencing entry mode choice

Table 9: Primary factors Influencing entry mode choice

Factors	Firm A	Firm B	Firm C	Firm D
Asset specificity	-	-	-	-
Brand equity	-	-	-	-
International experience	Influenced	Influenced	-	Influenced
Cultural difference	Influenced	-	-	-
Market attractiveness	Influenced	Influenced	-	Influenced
Environmental uncertainty	-	-	-	-
Legal environment	-	-	-	-
Winning performance	Influenced	Influenced	Influenced	-

According to four case firms, all the factors are not equally significant. From the firm cases, asset specificity, brand equity, environmental uncertainty and legal environment are not considerable influences on the entry mode decision. While international Experience, market attractiveness and winning performance are the most considerable factors that influence the entry mode choice in sports equipment firms. Nevertheless, there are interlinked factors: high market attractiveness together with high international experience have contributed to an increase in control and resource commitment in foreign markets which lead to high entry mode decisions.

Moreover, given the high degree of winning performance increased the need for establishing an agent in those foreign markets. Furthermore, cultural difference is an important influence on product design but not considered to be influenced by the entry mode choice. There is a need for partnership when culture difference was high but in the form of an agent, whereas the uniqueness of sports products helps the firms decrease the influence on culture difference. However, cultural differences had no effect on developed countries. To conclude, it is evident that most of the factors influence entry mode choice either directly or indirectly from the aspect of management. All the firms are challenging with new foreign markets and how to enter those markets properly.

CHAPTER 5
DISCUSSION AND CONCLUSION

This section is a discussion and conclusion of the multiple case study. It is organized in two ways. First, the factors that influence the entry mode choice of sports equipment firms were examined and propositions were presented regarding how these factors influence the entry mode choice. Second, three theoretical perspectives (transaction cost theory, resource-based theories and institutional theory) were used to evaluate the influences and origins of the case regarding the suitable theory to describe market entry mode choice. Last section is implication and conclusion of the study.

Propositions and influences

Under this research part, the question has been directly addressed, and the answer has been pursued on which factors do have effect on entry mode choice along with how they affect. The proposals are argued based on the observational evidence in order to explore whether the results are complied with the assumption established preceding to the data collection. All the discussion of the propositions are supported by the quote from the participant.

Furthermore, this research has demonstrated the eight proposals. Each proposal is connected to forecasted influences of the entry mode choice; asset specificity, brand equity, international experience, cultural difference, market attractiveness, environmental uncertainty, legal environment and winning performance.

Asset Specificity

According to transaction cost theory, asset specificity is a specialized and unique asset that creates a competitive advantage for the firm (Hill, Hwang, & Kim, 1990). Firms will respond to their competitive advantage by choosing a higher-level control market entry mode (Sharma & Erramilli, 2004). Proposition 1 thus recommends that when sport equipment firms with high asset specificity enter into the foreign markets, firms will tend to choose a higher control entry mode.

"...Our asset specificity might be the value of the original product from the birthplace of the sport. However, most of our products are made of leather and no technology inside the product so there is no concern about the leak of technology in foreign markets. For now, we only need a good local agent to support us in foreign markets..." (CEO, Firm A)

"...Sports products are a common product with no technology behind the production line, so we do not need high protection in foreign market..." (MD, Firm B)

"...We do not need high control entry mode since we had established online selling system which we can control and do marketing from the head office so there is no need for high resource commitment mode in foreign market..." (CEO, Firm D)

The finding from all cases suggests that asset specificity has no effect on entry mode choice and resource commitment. All firms indicate that sports products are a common asset with no technology, so they do not need safeguarding. Moreover, all the firms are mainly selling sports jerseys and outfits, while one firm is mainly selling sports leather products for specialized sport. Moreover, firm A mentioned that the firm's products are unique and special since the origin of the sport is in Thailand which created high asset specificity to the product itself, but the choice of the firm is more likely to export with agents. Furthermore, Firm D has an online selling system as an asset specificity of the firm that creates a competitive advantage among local competitors, but they also do not need a high entry mode to protect their technology. The online selling system can develop and control from the head office in Thailand.

Regarding the previous researches, various studies have shown that asset specificity may lead to a high level of control in market entry modes such as in SMEs, when asset specificity is high, SMEs tend to prefer high-level control entry mode choice to protect the property rights (K. D. Brouthers & Nakos, 2004). Furthermore, the study in manufacturing firms in Japan has shown the same result as SMEs which the high control entry mode must be adopted in order to protect particular assets from misappropriation and exploitation problems from the local firm (Makino & Neupert, 2000). However, the findings from this study do not show a similar route with the previous studies in other sectors. High asset specificity in sport equipment firms may not lead to higher control entry mode since all the firms were relied on exporting as their first entry mode choice. Even the firm with high asset specificity such as firm A and D, exporting was selected as their first entry mode strategy to foreign markets.

It comes as no surprise that exporting with an agent is the most popular entry mode choice in sport equipment firms because this choice provides low risk and low resource commitment. Therefore, the findings do not show any connection between high asset specificity and the higher control entry mode. A good explanation for the rejection of the proposed influence from SMEs and the Manufacturing sector might come from two reasons. First, Thailand sports equipment firms are resource constraint and risk-averse so a lower commitment mode of entry might be the best selection for them. Second, some firms might have low asset specificity because their CEOs mentioned that sports products are a common asset with no technology, so they do not need safeguarding and they also do not have other specific assets that create a competitive advantage to the firm. As a result, the findings do not indicate any relationship between asset-specificity and the control level of entry mode; thus proposition 1 is not supported by the evidence.

Brand equity

Proposition 2 suggests that the firms with high brand equity prefer to enter with high commitment modes. According to resource-based theory, higher resource commitment in entry mode selection gives the brand advantages to freely contest in foreign markets (Sharma & Erramilli, 2004). In addition, transaction cost theory states that the brand is delicate to potential opportunistic behaviors from the self-interest of partners and there is a risk of weakening the brand from a local partner because of different objectives between the firm and its local partners (Hill et al., 1990; Y. Lu et al., 2011). The need for long term brand identity from the firm versus the need for short term profit from a local partner could be weakening the brand itself.

"…We have a strong brand image and our R&D department gives the firm sufficient autonomy to protect the brand from the opportunism of local partners. The firm has released all-new items every 3 months which made it difficult to counterfeit, Therefore, the firm is looking for the partner who shares the same mindset and attitude with the firm more than enters the market with high control entry mode…" (CEO, Firm A)

"…There were many problems with the brand equity from the local partner since they do not have intellectual property knowledge, especially in a developing country. Online selling system helps the firm to control the brand in overseas markets and creates more bargaining power with local partners so there is no need for high control entry mode…" (CEO, Firm D)

According to previous studies in retailers' market, a strong brand image needs to secure their consistency of this image to the globe, firms may opt for higher control market entry modes (Doherty, 1999). In addition, the study on global fashion retailing has shown that there was a need for high control entry mode to create long-term brand identity in the foreign markets and to prevent the inattentive practices of local partners (Y. Lu et al., 2011).

However, the findings from this study do not show the same findings as fashion retailing industry. To avoid potential damage from the inattentive practices of local partners, sport equipment firms mentioned about the process of selecting agents in foreign markets is very important. For long-term brand identity, an agent must be the one who shares the same attitude and idea with the firm. Therefore, the difference between these sectors is that sports equipment firms trust and rely on a local partner to protect the brand while fashion retailers choose to increase the level of control in entry mode choice in order to achieve the same purpose.

Furthermore, firm D mentioned other alternatives like an online selling system which created more bargaining power with the local agents and increased more control on the brand image with low resource commitment in foreign countries. However, this alternative was not mentioned in other sectors, but soon online selling will become a new choice for market entry mode in every industry because the world is changing to the digital market and online marketing.

An important point is that sports equipment firms mostly rely on local partners which resulted in exporting as their entry mode decision and many of them have succeeded in this selected choice. As mentioned, Thailand sport equipment firms are risk-averse and resource-limited. Therefore, exporting with an agent might be the best way to start their internationalization with a lower budget and low risk. Moreover, a good explanation for the rejection of the proposed influence might be the brand level of Thailand sport equipment firms which might not in a high brand equity level. Therefore, the firms do not need to increase resource commitment in order to protect the brand at this level.

To summarize, proposition 2 is not supported by the empirical evidence from all the cases, sports equipment firms are likely to select exporting with agent more than entering with higher control entry mode.

International Experience

According to transaction cost theory, the firm without experience in a foreign market will face a risk of opportunistic behavior from local partners or competitors (Williamson, 1985). A firm with more experience will prefer to select higher control entry mode for operating overseas markets (O. Andersen, 1993). While resource-based theory states that international experience is an intangible resource of the firm and a firm with inexperienced for the international market will tend to start with simple exporting (Luo, 2001). Proposition 3 thus suggests that sport equipment firm with high international experience will tend to select a higher control entry mode.

"...The United States of America has a big market size and good market potential. We had accumulated the experience in this market for long before wholly-owned subsidiary was selected..." (CEO, Firm A)

"...We started exporting to England for many years before established the first firm in Wakefield, England with joint venture entry mode..." (MD, Firm B)

"...Exporting with an agent is our mainly entry mode of my company now so we has no clue on international experience..."(Committee chairman, Firm C)

"...I have accumulated international experiences since 2014 which was the started year of the firm. Singapore was the first country that the firm entered with high control entry mode like wholly owned subsidiaries in 2020. Financial reason from online selling system is the main reason for this choice in Singapore..." (CEO, Firm D)

The empirical evidence suggests that all the firms were starting with exporting as the first choice of their entry mode. Only two firms had obtained the knowledge in the foreign market enough to enter with wholly-owned subsidiaries. While firm C still in the beginning process of internationalization by exporting with agents in 2019 so they denied giving the opinion on this issue. In addition, Firm D mentioned that the firm had accumulated many international experiences since 2014 and firm D has established an online selling system in order to control the market from the head office in Thailand. However, the first firm outside the motherland was established in Singapore by wholly own subsidiaries in order to deal with the financial from online selling system and this was an idea from CEO's experience itself. This means the CEO's international experience created an alternative way to deal with online business transactions and establishing of wholly-owned subsidiary in Singapore was a result of high international experience.

According to the findings, sports equipment firm started their penetration by exporting with an agent and they had to obtain more experience in that country before moving on with higher control entry mode. This finding shows a similar result with the study from Dow and Larimo (2009) that only experience in a similar country influences market entry mode choice, while experience in a different country may have no influence on market entry mode choice. Moreover, the finding from firm C has supported the result from SMEs that the firms with less experienced in overseas operation are tend to rely on exporting since they do not have well system development in foreign operation especially smaller firms (N. E. Coviello & McAuley, 1999).

As a matter of fact, sports equipment firm is a part of manufacturing industry which experience in dissimilar countries seems to have no predictive capability enough for them to increase the control level in entry mode choice. Moreover, Thailand sports equipment firm is almost the same as SMEs since they are small and resource constraints which cause them to choose low control entry mode when they have few country-specific experience.

As a result, the international experience appears to influence the firm when the firm obtained more knowledge in the market enough then higher control entry mode will be selected to gain more profit in that foreign market. Thus, the international experience appears to influence entry mode choice and support proposition 3.

Cultural difference

Resource-based theory advises that a firm has a tendency to select lower control entry mode when the cultural difference is high along with the need for a local partner (Sharma & Erramilli, 2004). According to proposition 4, Sports equipment firms will tend to adopt lower control modes when entering foreign markets which are highly cultural difference and increase the need for a local partner.

“We faced a difficult moment during the first entered to Japan. They did not want to deal business with foreigner. The best solution for us was to find a local partner who can represented our firm in Japan...” (CEO, Firm A)

“...Cultural difference has a little effect on product design but not on entry mode decision...” (MD, Firm B)

”...Most of customers are in ASEAN countries, so they is slightly difference in culture. However, the firm mainly use exporting as entrance strategy so there is no effect from cultural difference..” (Committee chairman, Firm C)

“...there is something called “Country symbolic sport” which is the symbolic sport of the country and normally it is the most famous sport in that area such as football or basketball. The firm is aware of “Country symbolic sport” more than the cultural difference between country since the firm heavily invested in football advertisement so the target market is the country with favor in football sport such as Indonesia..." (CEO, Firm D)

From the findings, only firm A supported the expectation from the proposition. In addition, language was the cultural issue when firm A expanded its business to Japan which Japanese prefer to deal business with Japanese because they are living under the same culture and norm. Under this circumstance, a Japanese agent was selected to be a partner and indirect export with an agent was used to expand business in Japan. This finding has supported the study from Sharma and Erramilli (2004) that when the firm faced with high cultural differences, the firm should overcome the defects of foreign culture by partnering with a local firm and relying on their market knowledge and connection.

What’s more, the fashion retailing industry may feel the same as sports equipment industry. The fashion retailers show that there is intense pressure from the customer who differs culturally from the original culture of the firm such as religious beliefs, languages, or consumer product demands (Moore & Burt, 2007)

(Sternquist, 1998). According to the finding from firm A, culture and language is the problem for contacting business in Japan which this similarity is the same issue with fashion retailers. This pressure from cultural differences force the firms to seek local partners in order to adapt their business to a new culture.

However, the finding from other three firms did not support the proposed influence since the other 3 firms mainly produce sports outfits and their main market is in Southeast Asian countries which slightly different in culture. While firm A produces sports products for specific sports such as Muay Thai, MMA and Jujitsu which is a specialized sport. In addition, sports outfits are almost the same as daily clothing uniforms, but some add up with modern trends and fashion. Consequently, these sports outfit firms were not affected by the cultural gap between the country as their product is a daily life product.

Furthermore, firm D mentioned that in terms of cultural difference, there was something unique in sports business called "country symbolic sport" and it was the influential factor that the firm considered before entering into the new foreign market. For example, Basketball is the symbolic sport of the Philippines and it is the most popular sport, so this country is slightly different from other countries in ASEAN which football is the most popular sport and crazy about it. In this case, Firm D has invested a lot of advertisement to promote the brand in football and it is a competitive advantage of the firm but there is no benefit to the Philippines market, so the firm has decided not to enter this market because of the difference in sport cultural.

As a result, there was a few evidence indicate the need to reduce the control of market entry mode when culture difference is high. In addition, exporting was the main started entry mode for all firms until they need more control on the market then higher control entry mode will be considered along with other factors. As proposed by proposition 4, there is some evidence support that cultural difference has an effect on the control level of market entry mode and a need for a partner. Overall proposition 4 is partly supported.

Market attractiveness

Proposition 5 suggests that sports equipment firms will tend to choose a higher control entry mode when market attractiveness is high. According to transaction cost theory, the firm tends to invest more in the market that has high growth potential (L. E. Brouthers et al., 2000). As the firm perceived an opportunity for profit growth then long term strategy and higher resource commitment mode will be used to gain profit in that market (Y. Lu et al., 2011).

"…The reason for establishing the firm (wholly own subsidiaries) in the United States of America was from the market potential and market size. The firm wanted to monitor the customer closely and to gain a better understanding of their lifestyle which helped branding strategy stronger in both short term and long term…" (CEO, Firm A)

"…Because of Europe market is bigger than ASEAN market so, the firm established the first office outside the mother firm in England with all foreign staff.." (MD, Firm B)

"…There was an interest to penetrate to foreign markets but at this stage the firm wanted to gain more market share in the local market before expanding to other attractive markets. Now our policy is partnering with local firms and monitoring market growth. There is no need to gain more control in foreign market if the local partner is doing great.."(Committee chairman, Firm C)

"…From FIFA Statistic, Indonesia has more than 112 million people engaging with football which is more than half of the country's population, so the firm really wanted to penetrate to this country. We started with exporting before changed to joint venture on the present day…" (CEO, Firm D)

According to the findings, all the firms accepted that this is the most influential and important factor to entry mode strategy. Market size and growth is the main consideration for market entry mode strategy in order to gain more profit in that market. Firm A had mentioned that in order to obtain more profit in the USA, the firm has selected high control entry mode such as wholly own subsidiaries which provided the long-term benefit for the firm as well as firm B, wholly own subsidiaries were used to enter into England which consideration from market size and growth of sports equipment business in England. Moreover, Firm D has selected joint venture entry mode choice in Indonesia from the market size which Indonesia has more than 112 million people that engage with football sport and this amount is over half of the country's population.

The empirical findings have shown the connection with the previous research from the retail industry that the most powerful motivator to push the firm into international expansion is profit growth and the firm may rely on a long-term operation strategy and opt for a higher resource commitment mode (Evans et al., 2008). Sport equipment industry is similar to retail industry since they both involve the sale of goods or services by a firm directly to the consumer. Therefore, the findings from these two industries are likely to be the same which high control entry mode will be selected in order to maximize the profit in attractive market.

In addition, the findings from US and Japanese firms have shown the same result with this study that firms are expected to approach highly attractive markets by high control entry modes due to the expectation of establishing long term profit (Taylor et al., 1998). Moreover, the study from Erramilli et al. (1997) in US MNCs suggested that the market size of the host country is one of the factors that may raise the resource commitment of the firm in that country which is the same finding from firm C.

However, there was a risk to enter into a big market size with high control entry mode from the beginning. Local competitors or a giant sports firm may be a threat in those markets, so firms A, B and D were started with exporting in order to obtain more knowledge in the market before the higher control entry mode strategy was selected. On the other hand, firm C mentioned that market attractiveness is one of the consideration factors in order to penetrate into that market but there was no influence with the entry mode strategy. Even in a market with high growth and big size, firm C selected exporting with an agent as the market entry mode strategy. The reason for this selected choice might come from the top management experiences. As mentioned before, firm C is in the beginning process of expanding their products overseas, so the top management team is trying to gain more knowledge before selecting of higher-risk entry mode choice.

As a result, market attractiveness seems to be an influence on entry mode choice but there were pieces of evidence unsupported the proposition. Overall proposition 5 is partly supported.

Environmental uncertainty

According to transaction cost theory, when environment uncertainties are high, the firms will select lower control entry modes and narrow down resource commitment, which helps the firm with high flexibility and low exit cost (Hill et al., 1990).

"This topic has been raised up when the firm was doing business in Ukraine. Civil war and flooded was the problem which affect the firm business. However, the firm was using exporting as a market entry mode choice in those countries with high environmental uncertainty, so the country incident had not much effect to the firm..." (CEO, Firm A)

"there was one big political problem in Indonesia which led to an unstable business environment. Firm B only made more careful on the business transaction. However, the firm was using exporting as the started entry mode in all countries to avoid risk and environmental uncertainty" (MD, Firm B)

"The main entry mode for the firm is direct export because this is the best choice for safety and reduces the risk for the firm" (Committee chairman, Firm C)

"The firm was affected from unstable politics in Indonesia. However, market size was very attracted the firm to commit more on this market, so the firm was started with exporting before changed to joint venture" (CEO, Firm D)

From the finding, two firms (A and B) mentioned that the unstable political and risk from money exchange rate were the problems that slow down the process of internationalization. In addition, both firms were using exporting as their started entry mode in all countries to avoid risk and environmental uncertainty as well as firm C, exporting with an agent was selected in order to protect the firm from risk and unstable environment in foreign markets. However, the finding from firm D showed the contradiction with transaction cost theory because they had increased the control level of market entry mode choice in an unstable country such as Indonesia. Because of the size and growth of Indonesia market, firm D was willing to accept the risk from unstable politics in order to gain long-term profit.

The findings from firm A, B and C have shown the same result as the previous study in MNEs that when environmental uncertainties are high, hence it is leading to a reduction in ownership level and resource commitment. However, all the samples from Thailand sport equipment firms are similar to multinational enterprises since they hold assets or employees in more than one country except firm C who is currently at the beginning of internationalization. Therefore, it is no great surprise that the findings from sport equipment firms are similar to MNEs.

Moreover, there appear to be some different points since all the sample firms started the first entry mode with exporting to avoid the risk in all countries. Therefore, environmental uncertainties did not affect much on entry mode decisions since they already entered with the flexible entry mode choices.

The perspective from firm D has provided the contradiction with all the previous studies and theoretical perspective as the firm has increased the level of control in the country with high environmental uncertainties. The best explanation for this choice from firm D might be the propensity to take risks from the top management team. The top management team plays an important role in making decisions of the firm at the international level which influences the entry mode strategy.

As a result, the finding from firm A, B and C supported the proposition while the finding from firm D showed the contradiction so proposition 6 is only partly supported.

Legal environment

In order to protect local firms from the penetration of foreign business, the government of the host country mostly adopt laws and regulation to constrain foreign firms' growth in the market (Y. Lu et al., 2011). In addition, institutional theory pointed out that foreign firms confront discriminative institutional compressions from government regulation which make market entry mode a "restricted choice", more than an "independent choice" (Xia et al., 2009). Thus proposition 7 suggest that sport equipment firm will tend to choose a lower control entry mode when Legal environment is high.

"We use exporting as the main entry mode choice and this choice was not much affected by rules and regulations in any host countries. However, in the country with high market potential, the firm selected a higher control entry mode instead of exporting which legal constraint only slow down the process of internationalization" (CEO, Firm A)

"Sport products are not harmful product, so it is easier to export the product to foreign markets if comparing to medicine or food" (MD, Firm B)

"Nowadays, the firm only uses exporting with local agent as the market entry mode so there is no legal constraint. In addition, sports apparel is easy to export more than other types of products such as medicine" (Committee chairman, Firm C)

"The firm is willing to comply with rules and regulations in the country with high market attractiveness. Market size and growth are more important than the legal environment" (CEO, Firm D)

The findings show that all the firms had to deal with rules and regulations from the government of the host country. In addition, all the firms mentioned that legal constraint has no effect on entry mode decision as rule and regulation for import and export sports products are not very complicated and most of sport equipment firms mainly use exporting as their entrance strategy. However, the high control entry mode was selected by firms A and D when the firms entered into the countries with high legal constraints, but the market had high growth and potential. In those countries, the legal constraint was no influence on entry mode choice and it only did slow down the process of internationalization. This means market attractiveness has more influence than the legal environment which causes the firm to increase control and resource commitment without legal attention.

According to the findings from firm A and D, there is a contradiction with the previous research from the fashion retail industry that restrictions from the government of the host country had turned discourages for the retailers from choosing higher control entry mode (Taylor, Zou, & Osland, 2000). In addition, the previous research from US firms entered into the Central and Eastern European region has shown that market entry mode normally a limited choice since the foreign firms are surrounded by the regulatory environment and they are under more pressure than local firms (Xia et al., 2009). However, it seems that sport equipment firms (firm A and D) are not under these criteria and there is no regulatory pressure since the firms are more focused on profit growth and market potential. Therefore, sport equipment firms (firm A and D) are more willing to comply with the rules and regulations in the country with high market attractiveness and increase control level in the market in order to gain more profit. In addition, one firm had mentioned that there are many methods to avoid the local government restriction in foreign markets, so entry mode choice is more depending on the firm's decision.

While the other two firms (B and C) were mainly used exporting with an agent so there were not many influences from legal constraints in the host country. Moreover, sport product is not a harmful product and it is easier to export comparing with food and medicine. In addition, firm D mentioned that the firm was focused on law enforcement more than rules and regulations, for example, the firm does not want to enter a market that fails to comply with standard business rules and regulations and no law enforcement in the country such as Vietnam.

To summarize, the findings appear that all the firms have no concern about the legal environment in the foreign markets and the finding does not indicate any relationship with market entry mode strategies; thus proposition 7 is not supported.

Winning performance

According to Richelieu and Desbordes (2013) found that the winning performance of the players or teams that the firm supported is the key success factor for the internationalization of sports equipment firms. As customers believed that sports equipment is an instrument for better performance in the field, customers may buy sports equipment used by a famous player to improve their performance which related to the winning performance of that famous player (Chiu & Won, 2016).

“A great performance from the sponsored players will benefit the firm in terms of sale volume which leading the firm to give more resource commitment and increase control level in that country” (CEO, Firm A)

"The success of the player or team directly affects brand awareness, and the success of the players or teams directly increases the sales volume” (MD, Firm B)

“The team’s performance on the field will directly affect the revenue of the sports equipment sponsor which we would like to invest more in the country that our sports team has a great performance such as Vietnam football team” (Committee chairman, Firm C)

“I think that winning performance of an individual player has many effects on entry mode strategy than a sports team performance. However, we have no focus on winning performance, but we do focus on the number of their supporters or fan-base which affect the revenue of our product and we do not concern about win or lose” (CEO, Firm D)

The findings show that winning performance is one of the important factor for the internationalization of sports equipment firms. All the firms were benefited from the success of the player or team on the field which directly affected the sales volume of sports products. Good performance from the sponsored team or player increased the sales volume of the sports products that they used in the field. Nevertheless, the findings do not show a similar finding with Richelieu and Desbordes (2013) that the winning performance is the key success factor for the internationalization of sports equipment firms. Therefore, the high winning performance only led the firm to increase resource commitment and marketing budget in that country in order to gain more market share and profit.

It is vital to note that the previous research from Richelieu and Desbordes (2013) studied on-branding as leverage for both teams and equipment manufacturers in their internationalization endeavors, but this research studied the entry mode choice of sports equipment firms. Hence, the findings may not likely be the same way since this study is not reaching the analysis of successful sports equipment firms.

Moreover, firm D had mentioned that the winning performance of individual players have more effect than team performance, and sometimes even the player has poor performance, but the firm still benefits from the players' reputation. Furthermore, firm D was focused on the amount of the team's fan-base more than their team winning performance.

Overall, the findings indicate that there is a positive relationship between winning performance and resource commitment and it influences the firms to increase their control level in that market. However, there was no evidence support that sports equipment firms with high winning performance will tend to choose a higher control entry mode. Thus proposition 8 is not supported.

Summary of propositions and influences

This section is an overview of the degree of support for each proposition. Overall conclusions for the support from the firm cases are presented in the last column in Table 11. From the data collection, there is no evidence to support a relationship between asset specificity and entry mode strategy. Brand equity is not found to have any influence on entry mode choice as well as legal environment. International experience appeared to influence entry mode choice when the firm wants to increase the level of control and gain more profit in the markets. Cultural difference is found to influence the entry mode choice only in one case while other cases were not found to impact the entry mode choice. As expected, market attractiveness is found to be the most influential factor of all the firms, however, the finding did not provide fully supported the proposition due to the different entrance strategies and policies between the firms. Environmental uncertainty is found to have impact in two firm cases. There is a strong support between winning performance and entry mode decision when winning performance is high, the firms tend to increase control level and resource commitment but not reach a level of high control entry mode choice. To conclude, the factors have influence with market entry mode choice are international experience, cultural difference, market attractiveness and environmental uncertainty.

Table 10: An overview over the degree of support for the proposition

Factors/Firms	Firm A	Firm B	Firm C	Firm D	In total
Asset Specificity	not supported	not supported	not supported	not supported	**not supported**
Brand equity	not supported	not supported	not supported	not supported	**not supported**
International Experience	supported	supported	-	supported	**supported**
Cultural difference	supported	not supported	not supported	not supported	**partly supported**
Market attractiveness	supported	supported	not supported	supported	**partly supported**
Environmental uncertainty	supported	supported	supported	not supported	**partly supported**
Legal environment	not supported	-	-	not supported	**not supported**
Winning performance	not supported	not supported	not supported	not supported	**not supported**

Discussion of the theoretical perspectives

According to the prior discussion presenting the main influences on the entry mode decision, it shows that the particular forecasted influences have no impact, or it could only be explained through particular theoretical approaches. Under this section, the assumptions from the findings have been established regarding to which three theoretical perspectives including transaction cost theory (TCT), Resource-based theories (RBTs) and institutional theory (IT) is the most suitable for considering the entry mode decision of sport equipment firms in foreign markets. Moreover, the assumptions are made according to the level of expected influences based on each perspective that explained the power of the entry mode decision of the respondent firms.

Transaction cost theory

According to Anderson and Gatignon (1986), regarding to the transaction cost theory, the firms aim to reduce the controlling and monitoring cost by selecting the particular organizational structure resulting in low control entry mode. Thus, there are some concerns that may change the aspects. Based on the transaction cost theory, asset specificity is anticipated to determine the level of control needed to prevent transaction-specific assets as well as high brand equity is realized to guard their consistency of brand image which these two factors make the firm to choose high control modes; high cultural differences boost uncertainty of behavior, thus, realized to cause the firms to adopt low control modes in order to comply to the cultural environment.; international experience is considered to indicate whether control mechanisms dealing with behavioral uncertainty are available by the firm within itself, or whether it is the responsibility of the external party to provide the control; while environmental uncertainty is anticipated to make the firms retain flexibility. However, as Table 8 shows, only a few pieces of evidence supported the relationship proposed by transaction cost theory.

Palenzuela and Bobillo (1999) mentioned that the firm selects the entry modes with the goal to diminish transaction costs correlate with doing business across borders based on transaction cost theory. Furthermore, control is significant for doing international business and the firm has high probability to apply high entry mode level in order to alleviate the threat of opportunistic behaviors. Nevertheless, the conclusion of the study does not indicate that the selection of entry mode is based on consideration of controls. According to the case firms, the reason in choosing choice of low control modes coexists with the anticipation within transaction cost theory. The businesses do not determine any source between the particular mode choice and a reduced need for control. Thailand sport equipment firms are considered as risk-averse and resource-constrained as well as there are some constraints that limits their resource engagement.

There are many factors influences the selection of entry mode since cost efficiency of each modes is considered by the firms. However, equity investments are seen as a high-cost entry mode selection, so this alternative is excluded by most sport equipment firms. Moreover, the most selected entry mode for the global sport equipment firms is direct export. According to Burgel and Murray (2000), they supported that direct export should be counted as a form of internationalizing and gaining in control level might be exceed resource-demanding for the businesses. Therefore, most of the sport equipment businesses are forced by their resource limitation in order to operate in the market although it is less efficient solution. If the businesses could not efficiently emerge in the market through the mode based on the transaction cost theory, it indicates that the theory cannot provide suitable explanatory power. Thus, even though transaction cost theory is broadly accepted at global level, the study conclude that transaction cost theory is not promptly expandable to the sport equipment industry.

Resource-based view

Resource-based view emphasizes on a company's distinctive resources and capabilities as well as the previous experience of the organization is considered to be a key influence in selecting entry mode choice. Based on the resource-based view, the global experiences increase the probability of the sport equipment firm to access more on resource intensive and complex modes. On the other hand, the firm that insufficient in global experience may emerge in the global market by entering through local partner or intermediary. Additionally, if there is high level of cultural differences, it is recommended to select low control entry mode with local partner needed. Also, asset specificity is expected to enhance the capability of the sport equipment firm to compete in the particular, increase their resource commitment, and select a high control entry mode. Lastly, high in equity brand improves a firm competency to compete in the international market as well as provide the firm diligent approach selection along with the effective resource commitment.

This study reveals the mixed findings relating to the effects of global experience. Whereas there is support in the expected influences of the international experience, the proposed relationship between international experience and resource commitment is unavailable. For the first entry mode choice, even though the organization has high international experience, the resource commitment is low.

The contradiction of this study towards the previous research about SMEs and MNEs makes this study interesting. The conceivable explanation of this findings is the unconventional nature of market. There are differences in business conditions and economies between countries. Correspondingly, the study has disputed that the general experience of the international market is not transferrable to the distinct environments of new foreign markets. It shown that the experience from the specific country has dominated the entry mode choice more than international experience. Before selecting the high resource commitment entry mode, the company might establish specifically context capabilities and obtain the confidence. Moreover, the experience from specific country gives approach to significant specific context resource; for instance, connections and knowledge of the market.

Even though resource-based view emphasizes on how particular experience dominates the entry mode choice, the general resource-based view focuses on how firms could effectively exploit their resource base through their entry mode choice. The results of this study determine that the sport equipment firms prefer to utilize the prior entry mode capability over develop the new ones due to the constrained resource. Additionally, the resources which are not owned by the firm but necessary for entering may be obtained by outsourcing. The evidence shown that the firms lacking country-specific experience could operate through local representative along with participate in program that provide approach to context-specific resources such as initial contracts, knowledge of particular market and cultural differences, instead. Operating foreign business in a new host country can be mitigated by these two aspects. The findings still said that the inexperience firms are considered as risk-averse and should carefully manage their resources. One of the most important findings from the study shown that the firm may experience limited resources which critically constrain the feasibility range of entry mode especially in the cost intensive market. Low resource commitment modes are preferred by the sport equipment firm in the cost intensive market even though they have high asset specificity and brand equity.

In conclusion, the findings revealed that various dimensions of resource-based view can be enhanced and implemented to the investigation of entry mode choice in foreign market for the sport equipment firms admitting not the influence of international experience. Alternately, the aspects that should be emphasized are firms' resources and capabilities through previous entry modes as well as the country specific experience.

Institutional theory

Institutional theory stated that the foreign entrants must obey "the rules of the game" established by the institutions of a host country. Respectively, the institutional environment should facilitate the exercise of influence on firms' entry mode choice. Institutional theorists proposed that the level of an environment familiarity which is needed to obtain legitimacy is influenced by cultural differences. Furthermore, the sport equipment firms are believed to choose the entry mode according to degree of allowance in conforming them to regulatory pressures. Lastly, it is believed that the safeguard propriety asset needs are influenced by the risk of the formal institution.

However, the findings in this study were not supported the proposed influences. Rules and regulations from the local government of the host country exert direct and indirect pressure on foreign firms, for instance, high labor costs and taxes. In addition, regulatory institutions may limit the choice of entry modes of the foreign firms in order to protect the local business firms. Accordingly, the findings indicate that institutional theory provides a good explanation regarding the entry mode decisions in other industries but not covered in sports equipment firms. Most sports equipment firms do confront the same rules and regulations but there are special regulations for sports products that help them reduce the cost of doing business in the international market. As mentioned, sports products are unique with many special features and in this case, most governments authorized the special regulations for import and export sports products. A good explanation for this finding may be the nature of sports products. Most sports products are not harmful and it is the product that establishes the wellness of the host citizens. Many governments released the rules and regulations in order to assist the sport equipment firms for importing sports products from outside borders, for example, tax-free products.

Moreover, the results suggest that the institutional environment might constrain the business operation. Also, the firms which demand to enter the international market must consider the institutional dimensions to obtain the most effective solution according to their resource base. However, sport equipment firms are concerned about the law enforcement of the host government more than legal constraint, especially in developing countries. Accordingly, law enforcement appears to be of high relevance for the entry mode choice in the international market.

In conclusion, the institutional dimensions are tools in elaborating the entry mode decision but it does not cover all the influences. Thus, there were other perspectives that enhanced understanding of the role of institutions in influencing the entry mode choice of sports equipment firms in international markets.

Implications

Based on the findings, this section provides the implication of this study. This study has significant implications for theory and managers. These implications may use in the field of sports equipment firms in foreign markets.

Implications for theory

Three traditional theories that had been accepted were used to discuss the finding of this study as well as sports management literature, which has served as a comparative analysis regarding which aspects provide a good explanation regarding sports equipment firms in foreign markets. Based on the discussion of the theoretical perspectives, many theoretical implications and new theories related to entry mode choice may be drawn, which future research on this field may take these perspectives into their study.

Top management team

The findings in this study show that transaction cost theory is the theoretical perspective that gives an explanation regarding market attractiveness and environmental uncertainty since the growth potential of the market and the environment unpredictability affect the entry mode decision. It comes as no surprise that transaction cost theory plays an essential part in entry mode choice into foreign markets.

This study suggests that when a firm perceived a high chance of profit growth in the market, a firm may rely on a long-term operation strategy and opt for a higher resource commitment mode (Y. Lu et al., 2011). While environmental uncertainty influences the firm to select lower control entry modes and narrow down resource commitment, which helps the firm with high flexibility and low exit costs (Hill et al., 1990).

However, the findings from firm C and firm D showed the contradiction to transaction cost theory. First, firm C did not want to penetrate into the attractive market since the firm wanted to gain more market share in the local market before expanding to other markets. Second, firm D had increased the control level of market entry mode choice in an unstable country such as Indonesia in order to gain long-term profit in that market which transaction cost theory suggests decreasing the control in the market with high environmental uncertainty. To conclude, firm C and firm D had mode different decisions from other firms in case of market attractiveness and environmental uncertainty respectively which the decision came from the top management team.

It is possible that the top management team has an important role in the firm by taking part in the firm's key decision-making processes which make a firm act as they do (Hambrick, Cho, & Chen, 1996). According to this perspective, a firm becomes a mirror of its top management team (Hambrick & Mason, 1984). The previous research has found that top management team influences various aspects of a firm such as culture, structure, knowledge and experience (Hambrick & Mason, 1984; Martins & Terblanche, 2003). The findings of this study showed that the decision from the top management team affected the market entry mode choice since the propensity to take risks from the top management team was different between the firms. In other word, the top management team might be an important factor that influences the entry mode choice into foreign markets.

In conclusion, the propensity to take risks from the top management team influenced the entry mode choice and caused the rejection of the proposed theory. Overall, behavior in a situation of strategic decision-making involving growth and risk may differ between the firm. Some firms may want to maintain their activities in the local market, but some may prefer high growth and willing to take a high risk. In this study, the top management team of firm C was not ready to take risks in the attractive market while the top management team of firm D was willing to take a risk for high profitability in the unstable market.

This study suggests that the top management team plays an important role in making decisions of the firm at the international level which influence the international strategy. Future research should more focus on how the top management team characteristic affects the entry mode strategy into foreign markets.

Transaction cost perspective may not be applied to sport equipment firms

Transaction cost theory has been widely accepted among entry mode choice research. However, one of the significant findings of this study revealed that transaction cost perspective may not be applied to sport equipment firms. Since sport equipment firms have financial and resource limitation and they are risk-averse which wipe the expectation of transaction cost theory to enter through high control entry mode. While low control entry mode seems to be popular choice base on their rationales of the firms.

According to the findings of this study, direct export is mainly used by all sport equipment firms which are forced by their financial limitation in order to operate in the market although it is a less efficient solution. The theoretical expectations from transaction cost theory appeared to be of low relevance and cannot provide a good explanation for sport equipment firms. Future studies should take considerable on financial capability that may affect the challenging context of entry mode decision of international market.

Conduct quantitative as well as qualitative research

According to the findings of this study, there are other factors that influence market entry mode decisions such as top management team or country-specific experience. If this study relied only on the quantitative approach, these perspectives may not be discovered. Qualitative research provides an in-depth understanding of the problem and allows the respondents to give insight into a business problem. Nevertheless, the findings from qualitative research, especially the case study method, are not expected to be generalizable across the population. Future research should adopt a quantitative approach to determine whether the findings in this study can be generalized across a wider sample of sport equipment firms.

Implications for managers

From the findings of this study and the discussion above. This study provides implications for managers. Nevertheless, as mentioned before this study cannot be considered as a representative sample of the whole population of sports equipment firms. Therefore, the implications may apply in dissimilar circumstances.

Country specific experience is valuable

In terms of international experience, the findings recommend that country-specific experience is more valuable than general international experience in the international market. In addition, international experience cannot transfer from one country to another country.

Country-specific experience provides the firm's advantages such as networks or connections to the local customer as well as knowledge for doing business in that market. For example, in case of high cultural differences, the firm will know how to deal with the situation from prior experience and this may decrease the risk of doing business in that market.

On the other hand, if the firm has no country-specific experience in the market then the firm should find support programs that help the firm learn more about the specific knowledge in that market. In addition, the firm may seek help from the consultant agencies in that country which they are ready to assist the customer in doing business in their country. A practitioner or manager should find the optimal choice for the firm and if the external organization is not the best choice, then the local partner will be another option for the firm. Furthermore, local partners with prior experience in the market are particularly useful for the firm to learn and establish the business in international market.

Gain the initial foothold before increase resource commitment in the market

According to the finding, sport equipment firms are risk-averse and resource-constrained. Exporting is the most popular entry mode for sport equipment firms. This entry mode is a low-cost operation and low risk which optimal for the sport equipment firms without experience and insufficient finances. In addition, sport equipment firms may not have the capability to accept the loss as same as a large multinational firm and the best way to secure their financial status is to gain the initial foothold before increasing resource commitment in that market.

Sport equipment firms may enter the foreign market with low control entry mode to maintain their flexibility or start with pilot projects. This method may give the firm of how business work in the host country market as well as an initial client base. Furthermore, when the firm access into country-specific knowledge and gain insight into the market potential. The next challenge may turn into a higher-level control entry mode which needs more resource commitment to obtain more profit in the market.

Conclusion

This study was aimed to examine which factors influence the entry mode choice in sports equipment firms entering foreign markets and how do these factors influence the entry mode choice. Previous research has more focused on entry mode choice in service and manufacturing industry which was not sure how well the traditional theories based on the manufacturing and service sector apply to sports industry. In addition, the literature on entry mode research in sports industry is limited and none of the studies has focused on the field of sport equipment firms. There are new challenges in the foreign markets and sport equipment firms may respond differently to these challenges.

According to the findings, several factors have influenced the entry mode choice in sport equipment firms. Asset Specificity was found not to have any relationship with entry mode choice in sports equipment firms. Likewise, brand equity was found to be significant for marketing but there was no relationship with entry mode level. Rules and regulations from the host government have found no influence on sports products. In addition, sport equipment firms mainly use exporting as their entrance strategy so there were not many influenced by the legal environment. High international experience is found to be a significant factor and influenced the firm to select higher control entry mode. Furthermore, sport equipment firms may start with lower control entry mode until more market-specific knowledge had been obtained then higher control entry mode will be selected. Culture differences was found to influenced on product design not entry mode choice in sport equipment firms. High market attractiveness causes sports equipment firms to increase control levels in order to gain more profit in the foreign markets. Sports equipment firms appear to slow down the process of internationalization in the country with high environmental uncertainty but it is not influencing sports equipment firms to reduce the entry mode level. Winning performance is a significant factor for the success of internationalization for sports equipment firms. Increasing sale volume and revenue were the benefits of high winning performance from the sponsored player or team which lead to an increase in control level and resource commitment in that market. The findings also suggest that entry mode choice in sport equipment firms is constrained by the cost of operation in the host country, the firm resources and country-specific knowledge which can determine the level of possible entry modes for sport equipment firms to select from.

Transaction cost theory, resource-based view and Institutional theory are theoretical perspectives that give the explanation insight into sports equipment firm's entry mode choices. From transaction cost theory, control is the major tool for doing business across the border and high control entry mode will be selected in order to protect the firm from opportunistic behaviors. However, sports equipment firms are resource-constrained and risk-averse which causes them to select lower control entry modes such as exporting with an agent. Resource-based view suggests that a firm's competitive advantages, capabilities, distinctive resources and prior experience has an influence on the entry mode decision of the firm. This is also expected that high international experience increases the tendency to enter through high resource commitment entry mode choice. Nevertheless, the empirical evidence shows that high international experience did not lead the firm to select high commitment entry mode while country-specific experience has more influenced on entry mode choice in sports equipment firms. Consequently, country-specific experience gives the firm access to significant knowledge of the market and gain confidence before selecting higher control entry mode. Institutional theory recommends that a country's institutional environment affects a foreign firm's scope of action. In addition, a firm that enters a foreign market confronts the host country rule and regulation which makes an entry mode choice to be limited. Nonetheless, the findings seem to contradict the purposed influences as most of the host government did not exert any pressure on the internationalization of sports equipment firms and some host governments are provide good support for import and export sports products as well as establish the firm in their countries. All sports equipment firms are more concerned about law enforcement more than legal constraints, especially in developing countries.

Limitations and suggestions for future research

All research has limitations as well as this study. This study provides insight perspectives of four interviewees who are currently working as CEOs and managers in Thailand sport equipment firms. However, Thailand-based sport equipment firms are the only sample in this study and the sample is not representative of the general population of sports equipment firms. Consequently, the findings of this study may not be representative of all sports equipment firms. Future studies could attempt on other nationality sports equipment firms. Nevertheless, this research is the first study of sport equipment firms seeking to enter a foreign market in which Thailand sport equipment firms are relatively small compared to other world sports equipment firms and resource constraint is likely to be their limitations. Thus, further studies could attempt to study the world's larger sport equipment firms as well as using quantitative and qualitative methods.

This study also emphasizes the proposed influences from three traditional-based theories which are transaction cost theory, resource-based view and institutional theory. All these theories are well known and widely used for internationalization research. Nonetheless, an additional internationalization theory may help explore more perspectives from the respondents on this issue (e.g., Uppsala internationalization process model, Network theory, International entrepreneurship theory). Additionally, this research also discussed the factors that influence the entry mode choices of sport equipment firms. However, it is hard to measure what factor has more effect on entry mode choice due to different experiences of decision-makers and different circumstances. Further research should investigate each factor in the specific boundaries such as from one business sector to one country. Research might be expanded to other sports business sectors (e.g., sports events firms, professional sports clubs, sports nutrition firms) as the internationalization process might be different. Such research would provide a beneficial source for practitioners to select an entry mode for entering international markets.

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APPENDIX

Interview guide

1. **Background information**

   1.1 Company

   a. What is your name (participant) and title (position) in the firm?
   b. How long you are working in this firm?
   c. Do you have any prior experience in this field?
   d. When did your company established?
   e. How many employees work in the firm and what is average annual turnover of the firm?
   f. How many foreign countries the firm currently operate?
   g. What factors have been most important to the company's development?

   1.2 Product

   a. What are the products of the firm?
   b. Do you have any technology product?
   c. Do you invest in research and development of your product?

   1.3 Market

   a. Who are the customers? (Local/international)
   b. What is your customer segmentation?
   c. What are your channels of distribution? (Local and international)
   d. What is the competitive advantage over competitor?
   e. What are the most important factors for buying from customers?

2. **International business**

   2.1 Global expansion

   a. Do your firm have any customer or activities outside Thailand’s border?
   b. In which countries and why these countries?
   c. How is the process of choosing a focus area or country?

d. Which entry mode strategies have been used in the past for global expansion? (Direct export, agents, distributors and partners internationally)
e. Why have these strategies been chosen?
f. Is this entry strategies worked?
g. Has the internationalization process changed along the way? (Based on experiences / lessons learned)

2.2 Market attractiveness

a. Why does the firm want to enter the foreign market?
b. Does the firm consider the size and growth of the foreign market?
c. What is the importance of market attractiveness?
d. Is market attractiveness impact entry mode strategy?

2.3 Asset specificity

a. Is the firm concerned about unwanted leakage or exploitation of technology knowledge or resource in foreign markets?
b. Is asset specificity impact entry mode strategy?

2.4 Brand equity

a. Is the firm concerned about brand image?
b. Is the firm concerned that a local partner is counterfeiting products and damage the brand image by inattentive practices?
c. Is brand equity impact entry mode strategy?

2.5 International experience

a. Which entry mode strategy does the firm want to use in foreign market?
b. Were there any alternative entry strategies that were never considered? Why?
c. Any relationship between past experience and entry strategy?
d. Any past experience can they benefit from?
e. Any different entry strategy or assessments if they were more experienced?
f. Is the international experience impact entry mode strategy?

2.6 Cultural difference

a. What are the firm's thoughts on cultural differences between home country and foreign country?
b. What is the importance of cultural differences for their entry into the foreign markets?
c. Is cultural differences impact entry mode strategy?

2.7 Environment uncertainty

a. Is foreign market unsafe or risk to enter?
b. Are economics fluctuation, political instability and currency fluctuations impact entry mode strategy?
c. How do you assess the need for flexibility and exit opportunities?

2.8 Legal environment

a. How about business environment in foreign countries?
b. Attitudes towards Thai companies in the foreign markets?
c. The extent to which the company is influenced by foreign laws / laws authorities (ex. ownership, guideline for foreign firm)
d. Is legal environment impact entry mode strategy?

2.9 Sport (wining performance)

a. What kind of sports products do you manufacturing?
b. Are there any presenters of your sports products?
c. Are you support any team or player to use your product?
d. Is there any relationship between winning performance of the team or players you supported and the sale revenue of your sports product?
e. Is winning performance of the team or players you supported impact entry mode strategy?

VITA

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