

# Global Expansion Through Networking Ecosystems Using Digital Platforms, Evidences from SMES in Kerala

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## ABSTRACT

The global expansion of businesses through collaborative platforms is increasingly captivating academia's interest. The emergence of a fresh digital transformation trend is sparking fresh contemplation and fostering novel networking methods. Strategies to utilise digital platforms for business are being developed rapidly, leading to new business models those benefit diverse stakeholders. There exist a gap in studies providing empirical evidence of how these networking platforms can enhance global expansion and thereby impact business performance. Global expansion poses numerous challenges, particularly for businesses operating within the SME sector. Small and medium-sized enterprises (SMEs) aim to achieve business growth by strategically diversifying their market, especially by venturing into international markets. Engaging in international operations diverges substantially from conventional business practices and is challenging. The advancement in digital technology serves as a crucial facilitator of resource-efficient global expansion and business growth. The purpose of this paper is to analyse the influence of collaborative ecosystems using digital platforms on international trade and global logistics in the SME sector. The study investigated how various platforms in digital technology influenced the global expansion process through networking in the collaborative ecosystem, in selected 190 companies across various types of businesses, in the SME sector, in Kerala. A conceptual framework was developed, drawing up on the findings of the exploratory study to comprehend the influence the collaborative ecosystems using digital platforms on global expansion of the sector. The findings substantiate the hypotheses suggesting a favorable correlation between the depth of engagement in the collaborative ecosystems and the extent of global expansion. The findings also indicate that the engagement of digital platforms for business expansion can play a crucial role in both generating and transferring data, thereby stimulate innovation and promote sustainability.

**Keywords:** Collaborative ecosystems, Digital platforms, Digitalisation in SME, E-Business, Global Expansion, Networking Platforms, SME Internationalisation.

**JEL Classification:** O32, O33, L25

## 1. INTRODUCTION

In today's interconnected world, global expansion has become a strategic imperative for businesses seeking growth and sustainability. With the rapid advancement of digital technologies, networking ecosystems have emerged as crucial enablers for organizations to expand their reach beyond borders. The advent of digital platforms has revolutionized the global business landscape, offering Small and Medium-sized Enterprises (SMEs) exceptional prospects for international expansion.

Digital platforms provide an infrastructure for the exchange of services, information sharing and conducting transactions, among various user groups, and stake holders. These online platforms enable SMEs to overcome geographical barriers and connect with customers, suppliers, and partners worldwide in real-time. By leveraging digital tools such as e-commerce platforms, social media, and online marketplaces, SMEs can expand their reach and explore into new territories with relative ease. It also offers SMEs the agility and flexibility to adapt quickly to the market dynamics including preferences of channel partners and customers. With cloud-based technologies and Software-as-a-Service (SaaS) solutions, SMEs can scale their operations, customize offerings, and experiment with new business models to suit diverse international markets. These platforms provide SMEs with access to vast amounts of data and

analytics tools, enabling data-driven decision-making in international expansion strategies. By examining market trends, consumer behavior, and competitor intelligence, SMEs can make informed decisions and optimize their internationalization efforts for maximum impact.

Digital platforms offer SMEs unparalleled access to global markets, allowing them to reach customers in distant corners of the world without the need for physical presence or extensive infrastructure. By leveraging e-commerce platforms, SMEs can showcase their products and services to a global audience and facilitate cross-border transactions seamlessly. Platforms in the modern era provide small businesses with cost-effective marketing and promotion channels, allowing them to develop focused campaigns, interact with customers, and establish brand recognition on a global scale. Social media platforms, digital advertising, and content marketing tools offer these firms affordable alternatives to traditional marketing channels, allowing them to compete with larger enterprises in international markets.

Digital platforms facilitate collaboration and partnerships between SMEs, larger corporations, and other stakeholders in the internationalization process. By joining digital ecosystems, SMEs can access resources, expertise, and distribution channels that would otherwise be out of reach, accelerating their expansion into new markets and industries.

The dynamics, opportunities, and challenges associated with using digital platforms for internationalization present SMEs with both unprecedented possibilities and formidable obstacles. By embracing digital transformation, investing in digital skills development, and forging strategic partnerships, SMEs can unlock new growth opportunities, expand their global footprint, and thrive in an increasingly interconnected and competitive global marketplace.

Networking ecosystems represent complex systems comprised of interconnected entities, both human and technological, that interact and exchange resources within a shared environment. The concept of networking ecosystems has gained prominence in various fields, including business, technology, ecology, and sociology, due to its relevance in understanding the dynamics of interconnected systems.

Theoretical perspectives of networking include the systems theory, ecology, and social network analysis. Systems theory provides a foundational framework for understanding networking ecosystems by emphasizing the interdependence and interconnectedness of components within a system. According to systems theory, networking ecosystems consist of nodes (individual entities), links (interactions between nodes), and the environment (external factors influencing the system). By applying systems thinking, researchers can analyze the structure and behavior of networking ecosystems to identify patterns, feedback loops, and emergent properties. Drawing parallels from ecological systems, the concept of networking ecosystems underscores the importance of biodiversity, resilience, and adaptation in sustaining interconnected networks. Just as diverse species interact within an ecosystem, diverse actors (e.g., users, devices, platforms) collaborate and compete within networking ecosystems. Ecological principles such as niche differentiation, symbiosis, and competition shed light on the dynamics of networking ecosystems and their evolution over time. By mapping the actors and relationships within a network, social network analysis (SNA) enables researchers to analyze network topology, centrality, and clustering. Networking ecosystems display traits of both close-knit networks and heterogeneous networks, impacting the flow of information, the spread of innovation, and collective behaviors.

Actors, resources, and interactions are the major components of networking ecosystems. Networking ecosystems comprise diverse actors, including individuals, organizations, platforms, and devices, that participate in networked interactions. These actors exhibit varying degrees of agency, influence, and connectivity within the ecosystem, shaping its structure and dynamics. Understanding the roles and relationships of different actors is essential for analyzing power dynamics, collaboration networks, and value creation mechanisms within networking ecosystems. Resources within networking ecosystems encompass tangible assets (e.g., data, infrastructure) as well as intangible assets (e.g., knowledge, reputation) that are exchanged and shared among actors. The availability and accessibility of resources influence the resilience and sustainability of networking ecosystems, with resource flows mediated by mechanisms such as reciprocity, redistribution, and access control. Managing resources effectively is crucial for fostering collaboration, innovation, and value co-creation within the ecosystem. And interactions within networking ecosystems encompass various forms of communication, cooperation, and competition among actors. These interactions occur through diverse channels, including social media platforms, online communities, and physical gatherings, facilitating the exchange of information, goods, and services. The nature and frequency of interactions shape the social dynamics, network structure, and collective outcomes within networking ecosystems, with implications for trust, reciprocity, and network formation.

Networking ecosystems exhibit emergent properties that arise from the interactions and relationships among actors within the system. Emergence manifests as self-organization, adaptation, and innovation, leading to the emergence of new structures, behaviors, and functionalities within the ecosystem. Understanding the mechanisms of emergence is essential for predicting system behaviors, fostering resilience, and promoting sustainability within networking ecosystems.

Networking ecosystems undergo evolutionary processes driven by technological advancements, market forces, and socio-cultural changes. Evolutionary dynamics such as niche construction, co-evolution, and path dependence shape the trajectory of networking ecosystems over time, leading to the emergence of new niches, dominant players, and ecosystem configurations. Analyzing the evolutionary patterns of networking ecosystems provides insights into their long-term viability and adaptability in a dynamic environment.

Resilience is a key attribute of networking ecosystems that determines their ability to withstand disruptions, adapt to changes, and recover from disturbances. Resilience mechanisms such as redundancy, modularity, and diversity enhance the robustness and stability of networking ecosystems against external shocks and internal failures. Assessing the resilience of networking ecosystems enables stakeholders to identify vulnerabilities, mitigate risks, and foster sustainability in the face of uncertainty.

Platform serve as a marketplace accommodating multiple parties globally. A platform consists of technological frameworks and regulations that enable controlled participation, interactions and transactions, of various user segments in a multi-faceted market. Platform leader establishes the network consisting of all participants, by designing and implementing tools for them to interact, thereby exchanging value, and use the platform to make the appropriate match from within both sides of the interface for each of the dealings.

Digital platforms play a pivotal role in facilitating global expansion by providing scalable infrastructure, access to diverse markets, and real-time connectivity. Companies with robust digital marketing capabilities can leverage this tool to enhance their brand visibility and promote their products at a reduced cost, provided that their target market possesses a mature online infrastructure. Digital platforms serve as intermediaries that connect various stakeholders, including consumers, producers, and service providers, through online ecosystems. The typology of digital platforms encompasses marketplace platforms (e.g., Amazon, Alibaba), social media platforms (e.g., Facebook, Instagram), and collaboration platforms (e.g., Slack, Microsoft Teams). By leveraging network effects and data-driven insights, these platforms facilitate interactions, transactions, and value creation on a global scale.

Digital platforms serve as catalysts for internationalization efforts by offering a cost-effective means to access foreign markets, establish brand presence, and engage with diverse customer segments. Through features such as localization, customization, and scalability, companies can tailor their offerings to meet the unique preferences and cultural nuances of global consumers. Furthermore, digital platforms enable real-time feedback loops, allowing firms to adapt their strategies in response to dynamic market conditions and consumer feedback. The integration of data analytics within digital platforms empowers organizations to glean actionable insights into market trends, consumer behavior, and competitive dynamics. By harnessing big data analytics, firms can refine their global expansion strategies, identify emerging opportunities, and mitigate risks associated with market entry. Moreover, predictive analytics and machine learning algorithms enable predictive modeling and scenario planning, thereby enhancing the efficacy of decision-making processes in the context of international expansion.

By embracing digitalization and channeling the power of data-driven insights, firms can explore new avenues for growth, innovation, and value creation on a global scale. However, navigating the complexities of digital platforms requires a strategic and holistic approach, encompassing technological capabilities, organizational agility, and regulatory compliance.

Effective networking strategies are essential for leveraging digital platforms to expand globally. Global networking is the process of building and maintaining mutually beneficial relationships with individuals, organizations, and institutions.

In the context of global expansion, networking involves establishing connections across geographical boundaries to access new markets, resources, talent, and opportunities. Effective networking enables companies to overcome entry barriers, navigate cultural differences, and capitalize on international growth prospects.

Strategic alliances and partnerships, trade associations and industry networks, and professional and social networking

platforms are basic networking opportunities for small businesses. Strategic alliances involve collaborations between two or more organizations to achieve common goals. These partnerships can manifest in different ways, including collaborative ventures, licensing arrangements, or channel partnerships. By leveraging the complementary strengths of partners, companies can access new markets, share risks, and enhance their competitive advantage in foreign territories. Trade associations and industry networks provide platforms for companies within the same sector to exchange knowledge, share best practices, and advocate for common interests. Participating in these networks allows firms to stay updated on industry trends, access market intelligence, and forge valuable connections with peers, suppliers, and customers worldwide. Online platforms such as LinkedIn, professional forums, and social media channels have become instrumental in facilitating global networking. These platforms enable professionals to connect with potential business partners, industry influencers, and prospective clients across borders. By leveraging digital networking tools, organizations can expand their reach, establish thought leadership, and engage with diverse stakeholders on a global scale. In light of this argument, this paper aims to explore the research questions: (a) what extent of SMEs participate in existing digital networking platforms, and

(b) how SMEs perceive the impact of digitalized networking platforms on their global expansion modes and strategies.

## **2. LITERATURE REVIEW**

### **2.1 Networking Ecosystem**

The conceptual framework of networking ecosystems provides a holistic lens for understanding the complex interactions and dynamics within interconnected systems. The concept of networking ecosystems revolves around the idea of interconnected networks of actors, resources, and technologies collaborating to create value. According to Iansiti and Levien's (2004), theory of the keystone advantage, firms can achieve competitive advantage by orchestrating these ecosystems effectively. A platform based ecosystem comprises the platform leader, user groups, and other partners providing services, responsible for creating and delivering value. Digital business ecosystems, as described by Suuronen et al. (2022), are collaborative organizational networks that integrate business and digital ecosystems. Digital platforms serve as the backbone of such ecosystems, facilitating seamless interaction and collaboration among stakeholders. Digital platforms and ecosystems also extend beyond borders, territories, and sectors. Adner (2017) described, a platform-based ecosystem as a collection of players that is structured to follow a core value proposition. Further Jacobides, Cennamo & (2018) observed that these ecosystems show diverse dependencies arise from their interest, while mutual support and synergy characterize interactions within the platform environment.

### **2.2. Digital Platforms and Global Expansion**

The rise of 'platformization', where businesses transition from offering standalone products or services to building platforms as the core means of delivering value, alongside the development of interconnected ecosystems, significantly impacts global business, and challenges the ongoing relevance of global business theories. Platforms encompass a collective array of technologies, components, services, structure, and connectivity, that form a unified base for various actors to come together and generate value (Gawer & Cusumano, 2002). Many SMEs respond to competitive pressure by utilizing digital platforms as part of their business strategy. (Li, Liu, Belitski, Ghobadian, & O'Regan, 2016). Effective implementation of digital technologies requires the capabilities and resources of the entire organization (Karimi & Walter, 2015). In this regard, having proper interdisciplinary alignment within the organisation is crucial to enable the optimal utilization of digital platforms (Yunis et al., 2018). Information is exchanged through digital rather than physical methods, with digital platforms serving as the medium to enhance this exchange (Helfat & Raubitschek, 2018). Nambisan and Baron (2013), observed that the digital platform ecosystems enable smaller firms to create products and services that complement the products and services offered by the platform owner and, for new businesses, it enabled access to the established markets thereby enhancing reputation of the firm.

Digital platforms are technological frameworks those enable the participants in developing, setting up, and delivering services efficiently on an un-paralleled magnitude ( Ransbotham & Kane, 2011; Yoo et al., 2012). These can act as intermediaries between sellers and buyers in the market, and create prospects for cost savings, revenue growth, and expansion into new ventures (de Matta et al., 2017)

Digital platform ecosystems are transforming market dynamics, impacting global competitive dynamics and shaping the development of various technological pathways. It utilizes technology to link individuals, organizations, and

resources. Review of literature in the area emphasized the important roles of digital technologies in the globalisation of SMEs. Digital platforms have provided small firms with unprecedented opportunities to explore new distribution channels and reach customers in foreign markets with greater efficiency and effectiveness (Guercini et al., 2020). These platforms have fundamentally altered the relationships between companies and various stakeholders. It has also transformed the way in which the firms conduct business and expand on a global scale. (Matarazzo et al., 2020). Calabrese et al. (2020), opined that the digital platform ecosystems can integrate diverse constituents, and technologies facilitating broadening and dominating new territories. Busch et al. (2021) observed that these platforms and the related ecosystem are reshaping business boundaries.

Collaboration management skills, and information sharing, provides substantial competitive advantage to SMEs (Reim, Sjödin & Parida, 2019). As observed by Felzensztein, Ciravegna, Robson, and Amorós (2015), the network influences the extent of internationalization. Freeman et.al. (2010), suggested that the network provides unparalleled information gain for small businesses. By offering new avenues for information dissemination, marketing, and sales, and by diminishing geographical barriers and entry costs, digital platforms can help SMEs overcome obstacles to entering global markets. These platforms can offset the limited physical presence of SMEs in global market places compared to large organisations (Rebecca and Fischer 2011).

Firms that demonstrate high agility are able to swiftly adapt to changes and establish cooperative yet competitive partnerships on a global scale (Bengtsson & Raza-Ullah, 2016). Agility refers to a company's capacity to adjust to market fluctuations by collaborating with partners (Braunscheidel & Suresh, 2009; Liu et al., 2013; Swafford et al., 2006).

Platforms in the digital ecosystem create markets those connect various participants in the domain (Evans & Schmalensee, 2016) and offer them opportunities to improve the business performance by collaborative activities (Selander et al., 2013). Further Teece (2014) observed that a firm may engage in multiple digital platforms at different phases of its operations. The ability to collaborate with appropriate stakeholders and align with proper business orientation, which are acquired through the utilization of digital platforms, positively influences the performance of the firm in global markets. Globalisation of business, is the company's commercial operations in international markets, encompassing the sale of goods and services, and it involves the use of digital platforms, to facilitate these endeavors (Gawel et al., 2023). The ability of SMEs to embrace digital technologies like the internet, digital marketing tools, e-commerce, data analytics, and cloud based computing facilities within their operations can yield competitive advantages in the digital economy. Numerous empirical studies have demonstrated that engaging any digital technology tools in the business development process and operations results in improved global presence (Eggers et.al., 2017; Gregory et.al, 2017). The firm's capacity to leverage digital capabilities allows them to optimize processes, develop innovative products or services, and strengthen relationships with business partners in their network (Pagani & Pardo, 2017). Therefore, having digital capabilities is likely to aid new ventures in entering global markets faster, compared to firms following conventional business operations.

The effectiveness, particularly the financial results, of SMEs leveraging digital platforms via networking capabilities is discussed by Cenamor et al. (2019). The platform's improved capabilities are positively associated with innovation. report that the ability to develop and execute digital strategies is the primary determinant of SMEs' market performance outcomes, including sales growth, market share, and profitability (Chinakidzwa and Phiri, 2020).

### **3. DATA AND METHODOLOGY**

#### **3.1 Sample and Data Collection**

The methodology adopted in this study embraces a quantitative research design aimed at exploring the intricate intersection of digital transformation and global expansion efforts of SMEs. Quantitative methods offer a structured approach for analyzing numerical data, thereby facilitating the testing of hypotheses and the establishment of statistical relationships between various variables of interest. The target population for this study encompasses a diverse range of SMEs operating across different industries and geographical locations. By including SMEs from various sectors and regions, the study aims to capture a broad spectrum of insights and experiences with respect to digitalization and globalisation strategies.

Data collection was carried out through administering a structured questionnaire to owners or managers of 190 SMEs in

the State of Kerala. The questionnaire was thoughtfully crafted to cover a spectrum of relevant topics, including firm characteristics, usage of digital platforms for networking, and internationalization endeavors. Specifically, the questionnaire items were tailored to elicit information on key aspects such as the extent of participation in the digital networking activities, adoption of digital platform as a networking tool, as well as the level of global operations, encompassing factors such as export activities, foreign market penetration, global expansion strategies, and global logistics management.

#### **4.1 Data Analysis**

Data was analyzed using Jamovi. The normal distribution of the variables in the proposed model was assessed using both the Kolmogorov-Smirnov and Shapiro-Wilk tests, confirming their adherence to normality. VIF values were computed to assess multicollinearity among the predictor variables in the model. Descriptive statistics was used to outline the sample's attributes and assess the extent of digitalization and internationalization within SMEs.

Table 1. *Firm Characteristics (Source: Survey data)*

Characteristics	Frequency	Percentage
Firm Size		
Small	174	92
Medium	16	8
Type of Business		
Proprietary/ OMC	148	78
Partnership / LLP	27	14
Pvt Ltd Co	13	7
Others	2	1
Age of Business		
Less than 3 year	43	23
3-6 years	64	34
6-9 years	52	27
9-12 years	17	9
more than 12 years	14	7
Nature of Business		
Manufacturing	77	40
Processing	62	33
Trading	45	24
Tourism	4	2
Others	2	1

The Figure 1, summarizes the percentage usage of different digital platforms by various SMEs. The data analysis reveals a significant finding regarding the digital presence of the surveyed SMEs. Specifically, it can be deduced that every respondent, constituting 100% of the sample, maintains an active website with a robust online presence. This implies a universal adoption of digital platforms among the SMEs included in the study, showcasing a clear recognition of the importance of establishing an online foothold in today's digital-centric business landscape. This finding suggests a proactive approach by SMEs towards embracing digitalization as a means to enhance their visibility, reach a broader audience, and potentially drive business growth.

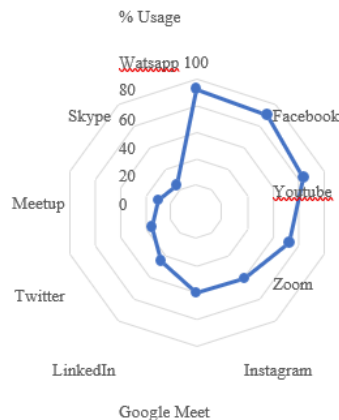


Figure 1. Percentage usage of different digital platforms by various SMEs (Source: Authors Research Data)

The figure reflects the diverse usage patterns and preferences of SMEs across various digital platforms, ranging from social networking to professional communication and collaboration platforms. 92% of SMEs use WhatsApp, indicating its widespread popularity for messaging and communication. WhatsApp enables SMEs to reach a wide audience instantly through messaging and broadcasts. They can engage with customers, send updates, provide customer support, and even conduct transactions through WhatsApp Business. 90% usage suggests that it remains a dominant force in social networking despite competition from other platforms. Facebook offers SMEs a vast platform for reaching potential customers through business pages, targeted advertising, and sponsored content. They can create engaging posts, run promotions, and interact with customers to build brand awareness and loyalty. SMEs can innovate by creating high-quality, engaging videos that stand out in a crowded marketplace, leveraging features like live streaming, 360-degree videos, and interactive elements to drive viewer engagement; which made YouTube popular among the content sharing digital platforms.

Path analysis is used to elucidate the relationship existing between Digital Platforms, Global expansion strategies and SME performance. Upon examining the comprehensive model, it can be observed a chi-square ( $X^2$ ) value of 3.64, which, alongside a significant p-value, suggests that the model fits the data well.

Table 2. Model Tests

Label	$X^2$	Df	p
User Model	3.64	14	0.144
Baseline Model	31.36	28	0.001

Source: Survey data

Table 3. Fit Indices

RMSEA							
95% CI							
AIC	BIC	adj. BIC	SRMR	RMSEA	Lower	Upper	RMSEA p
173	205	194	0.016	0.036	0.000	0.104	0.525

Source: Survey data.

Table 4. Fit Indices

CFI	TLI	RNI	GFI	adj. GFI
0.976	0.988	0.996	0.998	0.996

Source: Survey data

Additionally, with an RMSEA (Root Mean Square Error of Approximation) value of 0.036, and CFI (Comparative Fit Index), TLI (Tucker-Lewis Index), and GFI (Goodness-of-Fit Index) values all surpassing 0.9, it is evident that the model demonstrates strong goodness-of-fit characteristics. These findings indicate that the proposed relationships between Digital Networking platforms, Global expansion, and SME performance are supported by the data.

Table 5. *Path Analysis of the Research Model*

Between Facets	Path Co-efficient ( $\beta$ )	p-value	Hypotheses	Decision
Partnership & Collaborations through Digital Platforms → International Trade	0.52	0.033**	H1a	Supported
Partnership & Collaborations through Digital Platforms → Global Logistics	0.41	0.015**	H1b	Supported
International Trade → Market Reach	0.53	0.000*	H2a	Supported
International Trade → Innovation & Agility	0.15	0.016**	H2b	Supported
International Trade → Operational Efficiency	0.23	0.001*	H2c	Supported
Global Logistics → Market Reach	0.33	0.000*	H3a	Supported
Global Logistics → Innovation & Agility	0.2	0.021**	H3b	Supported
Global Logistics → Operational Efficiency	0.43	0.000*	H3c	Supported
* $p < 0.1$ ; ** $p < 0.05$				

Source: Author's own composition

The study considered a total of 8 hypotheses, and it can be concluded that certain hypotheses were supported at a significance level of  $p < .01$ , while others were supported at a significance level of  $p < .05$ . The conclusion drawn from Table 5 suggests that there is supportive evidence for the hypotheses proposing a positive relationship between partnership & collaborations through digital platforms and modes of global operations. Furthermore, these modes of global operations strategies are found to have a positive correlation with firm outcomes, such as sales growth (market reach), innovation and agility, and firm's operational efficiency.

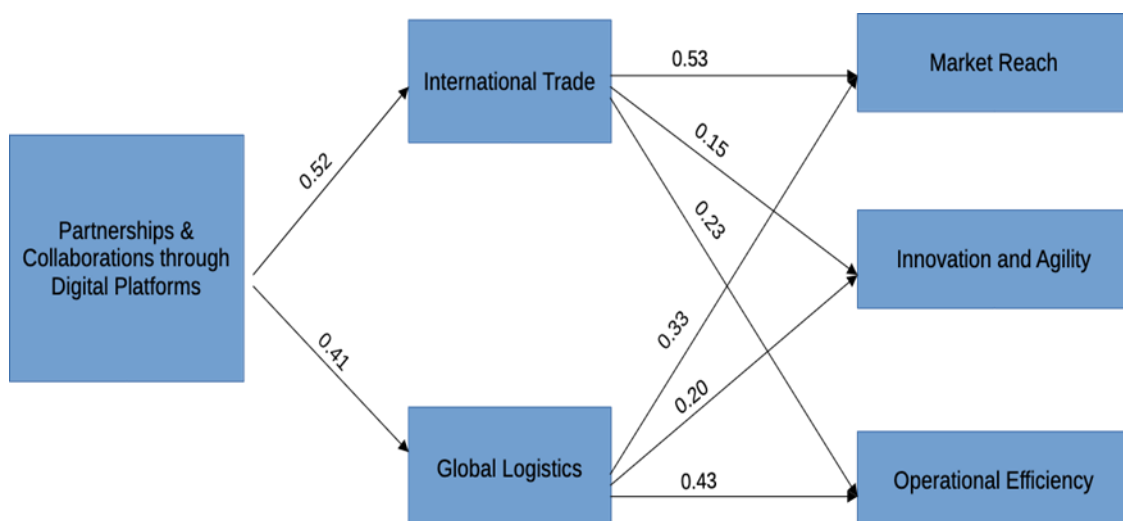


Figure 2. *Impact of digital platforms on modes of global expansion and its influence on SME performance.*

Source: Authors



The study delved into the role of digital networking platforms in bolstering SME performance through heightened international trade and enhanced global logistics operations. It revealed that international trade significantly enhances SME performance, particularly by expanding market reach ( $\beta = 0.53$ ). Moreover, the study showcased a positive impact on SME performance through improvements in global logistics, particularly in streamlining operational efficiency ( $\beta = 0.43$ ). This heightened efficiency not only drives cost reductions but also empowers SMEs to respond more adeptly to market dynamics, thus augmenting their competitiveness and operational efficacy.

Many SMEs lack the necessary digital skills and capabilities to harness the full potential of digital platforms for internationalization. Limited technical expertise, digital literacy gaps, and resource constraints hinder SMEs' ability to adopt and utilize digital tools effectively, slowing down their international expansion efforts. SMEs face significant data privacy and security concerns when operating on digital platforms, especially in cross-border transactions and data sharing activities. Compliance with international data protection regulations, safeguarding sensitive information, and protecting against cyber threats pose challenges for SMEs seeking to expand globally through digital channels. Despite the global reach of digital platforms, SMEs often encounter market fragmentation and intense competition in international markets. Navigating diverse cultural norms, regulatory frameworks, and competitive landscapes requires careful market research, localization strategies, and differentiation tactics to stand out amidst competitors and capture market share.

## **5. CONCLUSION**

The study highlights the significance of digital platforms and knowledge-sharing mechanisms in facilitating cross-border collaboration among SMEs. By leveraging various digitalized networking platforms and engaging in knowledge-sharing initiatives, SMEs can foster meaningful partnerships, exchange valuable insights, and capitalize on collaborative opportunities across international borders.

By actively engaging in, and leveraging e-commerce platforms, SMEs can effectively penetrate international markets, attract new customers, and drive business growth on a global scale. The analysis shed light on the critical role of collaborative networking efforts by the sector in strengthening the performance, particularly in the context of global operations. The findings substantiate the hypotheses suggesting a favorable correlation between digital networking and internationalization strategies. Moreover, these modes of internationalisation are observed to exhibit a beneficial association with firm outcomes, namely, market reach, innovation and agility, and operational efficiency.

SMEs should prioritize investing in digital skills development and training programs to enhance their employees' capabilities in leveraging digital platforms for internationalization. Offering continuous learning opportunities and upskilling initiatives can empower SMEs to navigate digital transformation with confidence and competence. SMEs must prioritize data governance and cybersecurity measures to protect sensitive information and mitigate cyber risks associated with international operations on digital platforms. Implementing robust data protection protocols, encryption technologies, and cybersecurity best practices can safeguard SMEs' digital assets and foster trust with customers and partners. SMEs should actively seek out collaboration opportunities and engage with industry networks, trade associations, and digital ecosystems to access resources, knowledge, and support for internationalization. Building strategic partnerships, sharing best practices, and learning from peers can accelerate SMEs' learning curve and enhance their competitiveness in global markets. Addressing the challenges of digitalization, data privacy, and market competition requires proactive measures, continuous learning, and a strategic mindset to ensure the successful internationalization of SMEs in the digital age.

## **6. IMPLICATIONS FOR BUSINESS PRACTICE AND POLICY.**

In an era characterized by digital disruption and hyper-connectivity, firms must adopt a proactive stance towards leveraging digital platforms as enablers of global expansion. This entails fostering digital literacy among employees, fostering cross-cultural competencies, and cultivating strategic partnerships with platform providers and ecosystem stakeholders. From a policy perspective, policymakers must strive to strike a balance between fostering innovation and safeguarding consumer rights, ensuring a level playing field for firms operating in global digital markets. Moving forward, firms must embrace digital platforms as integral components of their global expansion strategies, embracing change and embracing change as drivers of sustainable competitive advantage in an increasingly interconnected and

dynamic business environment.

## **7. LIMITATIONS AND SCOPE OF FURTHER RESEARCH.**

Networking ecosystems have profound implications for various domains, including business innovation, community development, and policy-making. By leveraging the conceptual framework of networking ecosystems, researchers and practitioners can explore new avenues for collaboration, value creation, and societal impact. Future research directions may include investigating the role of artificial intelligence, blockchain technology, and decentralized governance in shaping the dynamics of networking ecosystems, especially, in the cross border business operations.

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