

THE IMPORTANCE OF THE INTERNATIONALIZATION OF MICRO AND SMALL COMPANIES: ANALYSIS OF THE ADVANTAGES OBTAINED BY TWO BRAZILIAN COMPANIES

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Abstract.

The purpose of this research was to present an empirical analysis on the theme: the importance of the internationalization of Micro and Small Enterprises (MSE), with emphasis on the process and the advantages obtained by the company after its internationalization. MSE has a fundamental role in the Brazilian economy, according to their employability and geographic devolution rates. In this research, factors that influence the internationalization decision of the MSE were addressed, as well as the internationalization strategy of two MSEs, in addition to presenting some barriers and difficulties encountered by the companies during the process. With the objective of contributing positively to the academic and scientific community, this article sought to understand, in fact, the importance of micro and small companies if internationalize, seeing this process as important, determinant, and crucial to their economic growth and development, in addition to their contribution to the national and international economic development. The research methodology used for this article was exploratory and qualitative, based on primary and secondary data collection.

Keywords: Micro and Small Enterprises. Internationalization. Benefits. Economic Development.

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1 Introduction

At the end of the 20th century, MSEs started to appear more frequently on the agenda of discussions about the world economy, since this model of companies is fundamental for the economic growth of countries, generating jobs, income, and better living conditions for all the population of the country. Currently in Brazil there are 6.4 million formal establishments, 99% of which are formed by Micro and Small businesses, this company model is responsible for about 52% of formal jobs in the country (SEBRAE, 2019).

The number of MSEs in Brazil has grown significantly in recent years, even after the country went through an economic crisis in 2016, according to an analysis carried out in the Yearbook of Work in Small Businesses, prepared by SEBRAE (2018), in view of this scenario, the MSEs were responsible for preventing a further fall in unemployment levels in the country. They are of great importance in the national and international economy, since they can produce goods and providing services anywhere for any type of citizen (KEEDI, 2009).

The internationalization of an MSE still remains somewhat restricted in economic terms, since the way in which small companies adopt the internationalization process is characterized by difficulties and obstacles - a term used by the 2018 (Ministry of Industry, Foreign Trade, and services) in its report “Internationalization of Brazilian Companies, 2018” - as there is a limit of value (US\$) of the products and/or services exported by the companies.

However, the company's motivations and the advantages it will have when going international are greater than the difficulties encountered in the process, making the barriers not prevent the search for an activity abroad. One of them, if not the biggest motivation for the company, is the search for another niche and the non-dependence on the national market, which implies process innovation to compete in a global view. “The need to reinvent processes is a fundamental condition for global competitiveness” Ludovico (2009, p.65, our translation). For small companies, foreign trade can be seen as an alternative to act in case of chances in the local market and internal development of the company, in addition to all the advantages that the company can acquire with export and import practices (FURTADO, 2000).

With globalization taking over the world ever faster, the market is constantly changing, and companies need to keep up with this process in order not to become outdated. The need to act and conquer new niches increases in the same proportion that the changes occur, with this, executives working Brazilian MSEs are increasingly looking for other ways to act and keep their business active, despite seasonality and other local issues. “Companies can never stop learning about the sector in which their rivals operate or ways to improve or modify their competitive position” (PORTER, 2005, p. 109, our translation).

Based on the analyzes carry out in the MSE’s context, with a macro view of the economy and taking into account their limitations of operation only in the national market, as well as some barriers that hinder the entry of these companies abroad, the research gathers several examples and notes on the theme collected through scientific articles, books and a case study, in order to understand what, in fact, the contribution of an MSE is to the global economy and to consider what advantages MSE acquire after the process of internationalization, as well as analyzing what changes and adaptations the company will need to go through in order to be able to operate competitively in the foreign market.

2 Participation of micro and small companies in the global economy

MSEs, despite their small structure and several limitations, represent more than 90% of regular Brazilian companies. They are responsible for almost 60% of the jobs of economically active people in the country. MSEs are fundamental to the Brazilian economy, which is why they are increasingly targets for policies that facilitate their survival (SEBRAE, 2019).

In the last decades, micro and small companies have started to play an increasingly important and strategic role for the Brazilian economy, each year in Brazil around 460 thousand emerging companies, 40% of which are MSEs. In the last 30 years, the participation of MSEs in the national economy has grown significantly, according to SEBRAE (2019), in 2019 they generated 27% of the added value of the surveyed activities of the Gross Domestic Product (GDP), and currently this participation has already reached 29% of the value added to the country's GDP. MSEs are responsible for 53.4% of the Gross Domestic Product (GDP) of trade and, in industry and services; their share is also relevant, representing 22.5% and 36.3%, respectively (CFA, 2019).

Carlos do Carmo Andrade Melles (President of SEBRAE 2019 - currently) points out that: "From 2006 to 2019, MSEs presented a positive result in the balance of creation of formal jobs, being responsible for the creation of about 13.5 million job vacancies. Since they operate with few employees, they are less likely to fire in times of crisis, contributing to reduce the negative impacts on the economy (SEBRAE, 2019, our translation). In Brazil, about 6.3 million of the companies are classified as MSE, which represents almost all formal companies in Brazil (MDIC, 2019).

The relevance of this business model is undeniable, when analyzing the statistics of the General Register of Employed and Unemployed (CAGED), MSEs contributed with a balance of approximately 72.3% of the total generated in the country in April 2019, out of a total amount of 129.6 thousand (CFA, 2019).

However, even though MSEs have good number and have significant participation in the Brazilian market, one of the great difficulties for the growth and development of MSEs in Brazil is their moment of stability and survival in the market. A study called "Causa Mortis: o sucesso e o fracasso das empresas nos primeiros cinco anos de vida" (in English: Cause Mortis: the success and failure of the companies in the first five year of life, our translation) carried out by SEBRAE in 2014, pointed out that about 50% of MSEs in Brazil close their doors for several reasons, the main ones being: lack working capital, difficulties in paying high taxes in Brazil, unfair internal competition and incompatible with its structure and excessive bureaucracy in the country.

Analyzing the contribution of this model of companies to the international market, according to SEBRAE (2019), MSEs represent about 40% of total Brazilian exports and the number of exports reached US\$1.24 million in 2018. Thinking about this great participation in the foreign market, the National Industry Conference (CNI) and the Brazilian Micro and Small Enterprises Support Service (SEBRAE) signed in November 2019 an agreement to stimulate and enable MSEs to internationalize. The investment for this agreement will be in the amount of R\$21 million reais and the partner aims to serve small businesses by 2020 (PORTAL DA INDÚSTRIA, 2019).

3 Internationalization

In general, internationalization can be defined as any way of obtaining partial or full revenue from the company, arising from international operations through export, strategic alliances, licensing, and acquisition of companies in other countries or construction of its own subsidiaries. “Internationalization can be defined as a growing and continuous process of involving the operations of a company with countries outside its home base” (ARRUDA, GOULART & BRASIL, 1996, p. 297-311, our translation).

The internationalization of companies of all types started to occur on a recurring basis after the industrialization process. The novelty is that, despite facing several difficulties, companies from developing countries have also demonstrated their ability to compete in global markets with the installation of production units in different countries, in this context, the most diverse models of companies, as well as MSE, realized the strategy of expanding their operations to other countries (ALCOFORADO, 2006).

The growing process of a company's involvement in international operations can essentially take place in two ways: inward and outward. The inward internationalization process is characterized by imports, manufacturing licenses, technology purchases and/or franchise agreements with companies abroad. The internationalization process abroad occurs through exports, licenses or franchises and direct investments abroad (BARRETTO & ROCHA, 2003).

Regarding International Business or Cross-Border Business, Cavusgil, Knight and Riesenberger (2010) characterize the terms as the performance of trade and investment activities carried out by companies, across borders between countries. For the authors, the internationalization of companies refers to the tendency of companies to expand the international dimension and the scope of their commercial activities.

According to Melin (1992), the internationalization process constitutes the most relevant dimension of the company's continuous development strategy process, not limited to sales or purchases in other countries, but to the change in the company's scope of action.

In the Brazilian scenario, this process of change and evolution of the ways in which companies operate occurred with the beginning of industrialization, in the mid-1930s. The process continued the strategy adopted by the Brazilian industry, where domestic companies were protected in the market and access to imports was restricted, a fact that lasted until the 1970s. “The industrial revolution caused the substitution of precarious and incipient in the workshops for industrialization, paving the way for the emergence of modern industries and the challenges of their administration” (CHIAVENATO, 2007, p. 34, our translation).

This operating model adopted by the industry left negative marks on the process and development of companies in the Brazilian scenario, since it prevented their complete growth, leaving them outdated for the market and not competitive for international trade. (CHIAVENATO, 2007, p.34). Above all, in 1970s a policy of incentives and promotion for exports emerged, motivating Brazilian companies to sell their products abroad, helping companies to evolve to compete on an equal footing with international ones and even increase competitiveness on the national scenario (Id., 1996, p. 297-311).

The conduct of limiting exports and encouraging internal marketing, practiced in Brazil, prevented Brazilian companies from acquiring knowledge about foreign markets, as they operated

only in a protected and restricted market, with little competitiveness and only with local competition. For this reason, the internationalization of Brazilian companies has been a slow and late process, despite having started in the late 1970s (ROCHA, 2002).

The vulnerability to which non-internationalized Brazilian MSEs are exposed is detrimental to the company's development. With fixed operations only in the national market, the company has less chance of exploring new opportunities, since it does not know how it works or the competitiveness of the foreign market. Another important and harmful factor for MSEs is the low added value, that is, the lack of capacity to compete with their products and/or services and the lack of labor, in addition, one of the main factors and most influential for a MSE is internationalizing is the Brazil cost, that is, the current exchange rate, high taxes, bureaucracy and other economic and tax factors that directly affect micro and small businesses (RODRIGUES & CHILD, 2012).

Uppsala Internationalization Theory

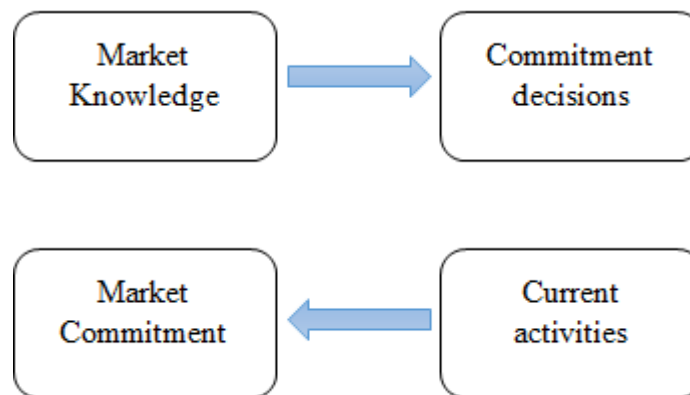
In the 1970s Jan Johanson and Wiedersheim-Paul did a thorough field research at Uppsala University in Sweden. The survey was conducted with four local companies: Volvo, Atlas Copco, Facit and Sandvik. The research showed that, at the time, companies already internationalized exported more than two thirds of their surplus production, in addition to having factories worldwide (JOHANSON & WIEDERSHEIM, 1975). The data obtained in the survey showed that the four Swedish companies studied developed international operations in small steps, instead of suddenly ending the internationalization process.

The theory proposed by Johanson and Vahlne, better known as the Uppsala model (U-Model) showed a new perspective on the internationalization process of companies. The authors based themselves on field research carried out with the four Swedish companies that had a common characteristic: the pattern of their international development. The model highlights the four stages of internationalization: sporadic non-regular exports, exports through independent representatives, direct exports, and commercial implantation of the company abroad.

From these concepts, Johanson and Vahlne (1977) developed another theory: the internationalization process of the firm. The firm's internationalization process states that the lack of knowledge of the international market could be one of the main reasons for mistakes in decision making during the internationalization process and that an alternative to this would be gradual internationalization, that is, in stages.

Johanson and Vahlne (1977) model suggests that the internationalization process must occur in a meticulous way, not only due to a strategy of previous allocation in the foreign market, but rather a sequence of processes and adjustments analyzing the market and its changes, as well as the conditions of the company in the current scenario.

Figure 1 - Basic Internationalization Process - Uppsala Model.



Source: Johanson & Vahlne (1977)

In general, the Uppsala theory consists of the company's gradual and linear internationalization of its knowledge and involvement with the foreign market. Therefore, the export should start in countries close to the national market or with great similarities; with that, the company starts to operate in the international market and acquire knowledge, thus going through increments in its processes to become more competitive in the market. This model assumes that the initial steps of internationalization are crucial for the success of the process since previous knowledge and accumulation of experiences are fundamental for internationalization. Above all, the accumulation of experiences can be an expensive step for the company, since it involves costs of capturing, coding, interpreting, and transferring information from each potential market (ERIKSSON, JOHANSON & SHARMA, 1997).

Barriers in the process of internationalization of Micro and Small Enterprises

In Brazil, the tax issue is the biggest obstacle to the internationalization of any company. The country's tax system is somewhat complex and, therefore, requires that the tax planning of the internationalized company be more precise and detailed, so that the company can define management methods and avoid tax assessments (FOLSTER et al, 2006, p. 1 -6). Even though Brazilian tax legislation has evolved in its process of exempting from exports made by national companies, about direct investments abroad (FDI), tax rules still have controversial points, where some provisions are still a disincentive for companies quotes (ALMEIDA, 2007).

In addition, internal factors, such as linguistic and cultural barriers, lack of information, knowledge and skills, as well as the difficulty in accessing financing and establishing relationship networks with the country can have a major impact on the internationalization of companies, especially for MSEs, as well as external factors such as technical and commercial barriers, in addition to rules and regulations imposed by several countries, can also constitute obstacles in the internationalization process (OECD, 2014).

Exchange rate barriers significantly hamper the internationalization process of MSEs. The risk of companies suffering from constant exchange rate variations is high, and to overcome this difficulty it is necessary that companies have revenues in hard currency, that is, it would be necessary for companies to have branches abroad (LACERDA, 2010).

In addition, several other problems arise as barriers to the internationalization of companies: 1) Export financing; 2) Lack of knowledge of the partner market; 3) Transport infrastructure; and 4) scale of production. With this it is possible to perceive that part of the factor of having few MSEs that are encouraged or already internationalized is since there are strong economic barriers (ALMEIDA, 2007).

According to a report prepared by the OECD (2014) (Organization for Economic Cooperation and Development), the ranking with the main barriers to the internationalization of MSEs includes: lack of resources to finance exports, identification of international business opportunities, limited information to identify and analyze the market, inability to contact potential customers abroad, obtaining reliable international representation, lack of time to deal with internationalization, inadequate number and/or untrained personnel for internationalization, difficulty in adjusting competitors' prices, lack of government assistance, lack of incentives in the country of origin and excessive transport costs.

4 Methodological procedures

The present research had as proposal to accomplishment of a case study defined by Yin (1990, p. 13) as: “a way of doing empirical social research when investigating a current phenomenon within its real-life context, where the borders between the phenomenon and the context is not clearly defined and, in the situation where multiple sources of evidence are used”.

The research was anchored in the qualitative methodology as it is the most adequate way to understand the nature of a social phenomenon. The classification of the research in terms of level was carried out in an exploratory way to increase knowledge about the phenomenon, and descriptive because it allows describing the facts and phenomena of a given reality (TRIVIÑOS, 1992). “The methodology is the logic of scientific procedures in their genesis and development; therefore, it is not reduced to a “metrology” or technology of measure scientific facts” (BRUYNE, 1991, p. 29).

Data collection was carried out in three stages based on primary and secondary data. As defined by Mattar (1996, p. 48), the primary data are those that have not yet been collected in the possession of the respondents, while the secondary data are those that have already been collected, tabulated, ordered, and sometimes even analyzed.

As a source of secondary data, a bibliographic survey was conducted on the subject relevant to the internationalization of MSEs. The main documents used to compose the theoretical framework were national and international scientific journals, articles, dissertations, master's theses, books, and the internet.

As a source of primary data, a usual data collection procedure was used: the interview. This method is flexible and widely used to obtain qualitative information on a topic or project. The method requires good prior planning and the interviewer's ability to follow the questionnaire script, however being opened to introducing and conducting certain subjects and/or questions not programmed in the script (WORTHEM, SANDERS & FITZPATRICK, 1997). The development of the questionnaire for

the interview was carried out, all thinking about the development of questions focused on the internationalization process of the selected companies.

The planning and development of the questions for the interview considered some essential aspects in the process, ensuring that the expected result with the interview is obtained. They are: (I) adapt the language to the level of the interviewee; (II) avoid very long questions; (III) maintain a basic (objective) reference (IV) suggest all possible answers to a question, or not to suggest any (to avoid directing and influencing the respondent's answer) (Id., 1997).

The first stage consisted of an interview with the owner partner “A” and the second company with the employee “B” responsible (2016-2019) for the foreign trade department. The purpose of the interviews was to understand the process of internationalization of companies, as well as to understand the main motivations that led companies to choose this process. In this stage of the interview, it was possible to identify the main barriers and difficulties encountered by companies throughout the process of internationalization and stabilization of them in the foreign market, in addition to identifying several advantages acquired by companies after the process.

The second stage was carried out through the collection of secondary data, that is, in this stage all the theoretical material was collected, analyzed, and structured in order to be able to list the advantages cited by the authors on the theme: internationalization of MSE.

The third stage consisted of making a comparison between the data obtained in the primary data collection (interview with the two companies) between the data obtained through the secondary data collection (theoretical reference collected), in this stage the comparison between the data was carried out theory and practice, as well as a listing of all the advantages cited in common between the two data sources.

5 Results and Discussions

In this section, there was a confrontation of ideas between the data collected in the field research and the data collected in the theoretical framework. After conducting the field research (interview with the two companies) to obtain information and practical data on how the two companies carried out their internationalization process and what advantages they point out as obtained after this process, the theoretical data collection. With that, it was possible to relate the information obtained through field research and the theoretical framework collected and consolidate all the advantages mentioned in the two data sources: primary and secondary. It was possible to list 16 advantages of exporting and importing to MSE, 13 of which were mentioned both in the theoretical framework and in the field research, which are: (I) market diversification (II) financial improvement of the company; (III) operational quality; (IV) internal development of the company; (V) improving in the company's workforce; (VI) reduction of market risks; (VII) scale production; (VIII) access to new technologies; (IX) market share; (X) tax incentives; (XI) customs benefits; (XII) networking; (XIII) less impact due to seasonality; (XIV) increase in sales volume; (XV) improvement in products; and (XVI) brand and product enhancement.

During the interview with the owner of the first company, it was possible to perceive numerous advantages for export and import practices. The interviewee states that “[...] there are many advantages to importing products, services or technologies”. The first advantages pointed out by the interviewee were the reduction of the tax burden and dilution of risks. Since they are valid for import

and export. From the moment the company ceases to operate only in the domestic market, it reduces its risks of future economic and financial problems. Another point that was possible to perceive is the issue of lack of raw materials and technology in the country that leads the company to import them, which generates a reduction in the tax burden.

The tax burden of Brazilians is greater, when compared to the Chinese product, for example. This makes the imported product, many times, cheaper than the national product [...] (*sic* LIBERATO).

In this excerpt of the interview, the interviewee made it clear that reducing the tax burden and diluting risks are two advantageous factors for the company, in line with the statement by Keedi (2009), Minervini (2012) and Assumpção (2007). In addition, Cignacco (2008) also mentions the reduction of the tax burden through tax incentives as an advantage for the company.

Another advantage perceived during the interview with “A” was the diversification of markets, being valid, both for imports and exports. The interviewee made it clear that acting in more than one market makes your company grow and not suffer from possible crises.

For an exporting company, I think one of the biggest advantages is the dilution of market risks and the diversification of markets. Because, if the company operates only in its market (in the domestic market) if a crisis occurs or its demand for goods falls, it may fall into a problem. So, operating in other markets can be a solution for that (*sic* LIBERATO).

The interviewee's speech agreement with the theory presented by Assumpção (2007), Cignacco (2008), Ludovico (2009) and Keedi (2009). "The importance of exports in the diversification of markets, ceasing to operate only in the domestic market and starting to operate abroad, increasing its range of buyers, and, consequently, reducing risks of market crisis" (KEEDI, 2009, p. 26, our translation).

In agreement with the speech of interviewee “A” and the authors above, the second interviewee with GR adds that the diversification of markets was an advantage for his company, in his speech he points out:

The main advantage is having access to technology not found in the local market, importing does not bring us commercial sales advantages, with suppliers or even with a network, because the relationship ends there, we buy and that is it. The advantage is to buy what we don't find in the local market (*sic* RODRIGUES).

In the interview with “A”, it was also clear that exporting has the advantage for the company in terms of its technological development. The interviewee agrees with the speech of the authors

Dabbah (1998), Keedi (2009) and Assumpção (2007) for them, export/import practices are often not seen only as an advantage, but as a necessity for the company.

[...] As I mentioned above, sometimes it happens that there is no raw material or technology in the country for the production of our merchandise, so we have to search outside Brazil (*sic* LIBERATO).

The interviewee “B” agrees with interviewee “A”’s speech and adds that the increase in productive capacity, the internal improvement of the company and networking are important factors that the company acquires in the import and export process.

I believe that companies seek technological innovation on a daily basis, not only to make sales abroad, for example, we had only one CNC machine by 2015, another, more modern one was acquired which made allowed us to increase production capacity and reduce delivery times, but it was to improve the production of the same product that already existed. Therefore, I do not see that exports are directly linked to product innovation. As for the network, it increases a lot and yes, it is an advantage (*sic* RODIGUES).

Just as the interviewee “B” pointed out networking as an advantage for the company, the interviewee “A” confirms this in his speech:

In addition, you have the expansion of your network of contacts and knowledge, being able to create new options for possible business. Because, your company will operate in another market, and your product may be something totally innovative, this will open up more opportunities for you to expand in other markets, even abroad (*sic* LIBERATO).

The interviewee “A” also points out that the company’s internal growth and the improvement of these internal production practices and of its employees are advantages for import and export. The interviewee also made it clear that with this internal expansion, his productivity will increase, as there will be a great development in the company.

Another advantage is the expansion of the company itself, of the employees, of the team, of the technology used, because when the company starts to export, its productivity will increase. More markets, more interested people, therefore, more production (*sic* LIBERATO).

New knowledge

For the interviewee “A”, the import and export practices not only bring financial benefits to the company, but also contact it with other people and realities. He exemplifies:

In general, it is very advantageous to import and export. I think that not only because of these more financial issues, but also because of the knowledge, contact with new places and people, this ends up giving a new vision of the company (*sic LIBERATO*).

Valuation of the product in the national market

The interviewee also exemplifies that the valuation and image of the product of an exporting and importing company improves, both internally and externally.

[...] The product will become more valued not only abroad, but also inside here [...], while the store, the brand, operates only in the national market, its valuation and its sales values are different from when it starts operating in other countries [...] (*sic LIBERATO*).

The advantage obtained by the interviewee “A” can be seen in the author's speech theory:

The foreign market requires that your product has an excellent level of quality, not only in the final design of your product, but also in processes, people management and environmental practices. With these requirements, your product becomes more competitive both the foreign and domestic market (CASTRO, 2010, p. 10, our translation).

Operational quality

For the interviewee “A” another advantage for the company is the improvement in operational quality. “[...] your product will have more quality [...], the foreign market demands more from you. Which will also require the development of sales and marketing strategies” (*sic LIBERATO*).

And finally, analyzing only the second interviewee with “B”, in addition to the advantages already mentioned above in which he agrees with the interviewee “A”'s speech, he adds other advantages:

At first the interviewee “B” listed some advantages of export practices for the company. The interviewee confirms one of the advantages cited by Cignacco (2008) and pointed out in the interview with “A”, which is the expansion and enhancement of the product and brand.

The interviewee “B” adds that the increase in productivity is another advantageous factor for exports [...] Increase in the productive quantity (the more we produce, the cheaper the product becomes, the cheaper, the more we sell) (sic RODRIGUES).

The interviewee points out the technological development and innovation of his products as an advantage for the company, as pointed out by Minervini (2012) and Castro (2010). And it also points out as an advantage for imports, the reduction of delivery times.

For import, “B” made it clear that in his company is seen as a necessity and not just as an advantage. He mentions that the importance of the practice of importation is, above all, related to the need for raw material not found in the country of origin and, in addition, he confirms that the use of machinery that does not exist in Brazil occurs through the importation of Asian countries.

Analyzing the points of view of different companies of the same size, however different areas of activity is important, because with that one can perceive a pattern or not in the internal processes and decisions of the companies. When you notice a pattern in the execution of processes and even in their evolution, the viability or not in realizing this fact is clear. Thinking of the two MSEs studied in this research, a pattern was noticed in the use of the internationalization strategy, since both decided to internationalize through direct imports and exports. Another perceived pattern was the advantages obtained by both companies after the internationalization process, even operating in different segments, several similar advantages, if not the same ones, were mentioned by them.

Thinking about the positioning of the first company in the market and the development of the interviewee's responses, it was extremely important to have an accurate and robust description of the interviewee's motivations and the entire bureaucratic internationalization process, in addition to citing practical examples of how this strategy has brought benefits for the companies. The interviewee “B” has positioned himself in a more succinct and direct way, pointing out the import as a solution to internal problems and market shortages suffered by his company. And finally, to complement the positive statements of the interviewees, comparison was made with the points of view presented by some authors in International Business and Administration, such as Assumpção (2007), Dabbah (1998), Keedi (2009), Ludovico (2009) and Minervini (2012).

6 Final Considerations

The reflection proposed in this research was developed around the proof of the phenomenon “internationalization of companies” as a strategic differential for MSEs. In short, MSEs play a key role in Brazil's economic development. Despite the adversities, MSEs represent most regular Brazilian companies, being the main job generators in the country, so the importance and need of this model of company in the world economy is undeniable.

With the research it was possible to prove that even though they contribute positively economically and are promising companies with great growth potential both in the domestic and foreign markets, MSEs still face difficulties for their growth, as many entrepreneurs open their business and forget the main point: planning. The lack of working capital, high taxes, internal competition, and excessive bureaucracy are factors that hinder the opening and permanence of these businesses in the economy.

By analyzing the phenomenon of the internationalization of MSEs in Brazil, it was possible to verify that the MSEs that operate only in the national market are subject to dealing with some

obstacles and difficulties, in addition to the limitations in exploring new commercial opportunities and inserting their brand in the foreign market. By exporting their products, companies increase the range of buyers and the possibility of doing business with other suppliers, in addition to obtaining advantages in the sale of products with seasonal demand; thus, they will not be fully affected in the event of a local economic crisis.

Commonly, MSEs have great potential to reach several foreign markets, being essential to carry out a robust planning of all areas of the company: financial, marketing, tax and sales. It was found that the MSEs studied followed the internationalization strategy through the Uppsala's theory, a gradual and continuously evolving process that allowed companies to successfully enter the foreign market.

Through the collection of primary and secondary data and their comparison, it was possible to realize that, in fact, internationalization is a valid and even necessary strategy for the growth and stability of an MSE in the market. With the analysis of the data, it became clear that the advantages of internationalization are obtained by the companies.

Such a comprehensive subject and of great importance for the economy is not limited in this research, the study carried out on the advantages obtained after the internationalization process of Brazilian companies through exports and imports allows to leave some gaps and recommendations for future research. The first one refers to the exact percentage and profit margin of an MSE's gain after its internationalization, to accurately demonstrate the financial advantage obtained by the company. Another research suggestion to be addressed in the future is the investigation of the advantages of creating a Joint Venture with a multinational to facilitate the entry of MSE in the foreign market, thinking of an internationalization strategy based on the experiences and methods adopted by the company, being a pair for the short-term growth of the MSE.

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