

Development of Internationalization Process Model of Thai Small and Medium Enterprises (SMEs) in Emerging Markets: A Study of Brazil, Russia, India, China, and South Africa (BRICS)

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Abstract

According to modern organizational theory, the growth of companies in developing nations is due to the coming together of public and private sector interorganizational networks and globalization. Within an open system and a very dynamic environment, a corporation cannot work autonomously. Here are the objectives of the study: The goals of this research are threefold: first, to learn how Thai SMEs expanded into BRICS countries; second, to find out what kinds of inter-organizational networks Thai SMEs relied on when going global; and third, to give some advice to Thai SMEs that want to expand internationally in BRICS and to the Thai government on how to set up management networks that help with investment and internationalization. Documentary analysis of the database from the office of small and medium enterprise promotion and in-depth interviews were among the qualitative approaches employed in this study. This study examined 76 individuals from Thailand who were considered significant informants due to their extensive understanding of developing markets, namely those in the BRICS countries. A total of 63 executives responsible for overseeing their businesses' activities in the BRICS nations, together with 10 operational officers and 3 government officials, were chosen as key informants. In order to get trustworthy information for this study, the researcher used the triangulation method. Executives and government officials with operational responsibilities inside government agencies were interviewed in-depth, and their data was cross-referenced with that from pertinent papers. Thai SMEs were affected by the BRICS countries' political, legal, and socio-cultural frameworks, according to the study. Companies in the BRICS countries went global for three main reasons: to tap into untapped markets, to boost operational efficiency, and to secure access to critical resources. For Thai SMEs looking to grow their business in BRICS nations, the following factors were crucial to their success: 1) The network between different organizations; 2) the capacity to adjust to political and legal changes in BRICS countries; 3) non-formal ties; 4) the capability of local employees; 5) the appropriateness of the entrance method approach; and 6) knowledge gained from past mistakes.

Keywords: Internationalization Process; BRICS; small and medium sized enterprises.

1. Introduction

Small and medium-sized companies (SMEs) have a substantial impact on the economies of both industrialized and developing nations at the national and regional levels. Furthermore, the expansion of the small and medium-sized enterprise (SME) industry is considered essential for achieving a lasting competitive edge and promoting economic growth at the local, regional, and national levels (Porter & Kramer, 2006). While small and medium-sized enterprises (SMEs) make important contributions to the economy in terms of production, employment, and efficient use of local resources, they face several challenges that are considered to affect their performance. In recognition of their significance and capabilities, governments in both developed and developing nations have implemented a set of policies aimed at promoting the growth of small and medium-sized enterprises (SMEs). These policies seek to address a range of challenges that SMEs face in areas such as marketing, human resources and management, technology, infrastructure, regulations, and financing, with a particular focus on poverty reduction.

Enterprises may opt to expand into foreign markets for various reasons. These include accessing new customer bases, achieving cost savings through economies of scale, leveraging their expertise and increased purchasing power, exploiting their core strengths, accessing resources and capabilities in foreign markets, and diversifying their business risks across a broader market (Thompson et al., 2013: 179-180).

There are two primary factors that drive businesses to expand internationally: a driving force from their home country and a driving force from the place they wish to expand into. The driving force behind the home nation's economy is influenced by market push elements and production cost considerations. On the other hand, the business circumstances within the home country are influenced by market pull forces, higher production costs, and government regulations. The driving force of the host nation is linked to market demand considerations, cost-efficient production factors, and government policy assistance.

Moreover, corporations encounter a swiftly evolving and intricate environment, along with the requirement for interdependence across organizations, both in a direct and indirect manner. The connection between organizations gives rise to several types of inter-organizational networks, including as suppliers, customers, contractors, and strategic partners, as well as community networks and civil society. Various types of inter-organizational networks have arisen as multinational firms expand their business into new areas. They face intricate elements in their destination nation, including legislation, cultural and linguistic disparities, local customs, commercial practices, and more. Therefore, inter-organizational networks play a crucial role in ensuring the efficient functioning and long-term expansion of the enterprise's foreign operations. Global commerce and investment are gaining significance due to the growing tendency of internationalization and inter-organizational networks, as stated before. Enterprise leaders face the task of deciding which overseas markets to penetrate and the suitable internationalization techniques for those nations.

Emerging markets demonstrate rapid growth and possess notable economic potential, making them appealing commercial prospects for Western companies. Furthermore, developing markets

possess a greater degree of competitiveness based on their geographical and demographic characteristics. Certain nations possess extensive geographical and demographic dimensions, as well as a youthful workforce (Cavusgil, 1997). Michigan State University (2023) assessed the market potential of nations that were recognized as developing markets in the Economist magazine. These rising economies collectively represent over 50% of the global population, contribute significantly to the world's output, and have exceptionally high growth rates as shown in Table 1.

Table 1: Potential Index (MPI) for Emerging Markets (BRICS)

Rank	Country	Overall Score (100)	Market Size (100)	Market Intensity (100)	Market Growth Rate (100)	Market Consumption Capacity (100)
1	China	100	100	4	100	98
7	India	46	37	36	77	57
8	Russia	36	19	41	71	51
20	Brazil	34	18	48	62	41
70	South Africa	18	6	46	62	1

Source: Michigan State University (2023)

On December 24, 2010, South Africa formally joined the BRIC organization, which is comprised of rising global powers from India and China, Russia in Europe, and Brazil in Latin America (Smith, 2011). The acronym BRICS was later used to replace BRIC. The top rising economies from every continent in the world were shown at this event. Officials from countries throughout the globe gathered at BRICS, according to Arakady Dvorkovich, Russia's deputy prime minister and the president's chief economic adviser.

The forecast that global commerce would account for less than 4% of GDP in 1990 has been confirmed by the changing patterns over the last decade. Around 25% of global GDP and 15% of global commerce are accounted for the BRICS at the moment (Singh and Dube, 2013). Based on the growth in the Gross Domestic Product (GDP), it seems that the economic size of BRICS has increased by 150% when compared to its proportion of the global GDP (Singh and Dube, 2013). Several economic indices demonstrate the increasing significance of the BRICS countries to the global economy. There are two ways in which internationalization, which is related to international business, occurs: When goods and services are exchanged between nations, this is called trade. Conversely, developing or purchasing productive assets in a foreign country is what is known as direct investment (Grant, 2011: 371-372).

It is clear that few Thai SMEs are investing in BRICS, despite the enthusiasm in the BRICS as noted before. A large number of them are MNCs or MNEs, or multinational businesses. In addition to having headquarters in their native nation, these corporations have holdings and operations in another country. They run their business on a worldwide scale and engage in manufacturing or service operations via its affiliates.

The Thai Government, under the leadership of the Ministry of Industry and the Ministry of Commerce, has made concerted efforts to enhance overseas trade and investment in order to globalize their business inside the BRICS countries. Although the government has provided help

for Thai SMEs to expand into these nations, only a small number of them have successfully engaged with BRICS. Furthermore, most internationalization studies have predominantly employed quantitative methodologies, so neglecting a comprehensive understanding of the underlying features and complexities of the phenomena. Hence, it is intriguing to examine Thai SMEs that have made a deliberate effort to expand their commercial operations in BRICS countries. This study aims to uncover the underlying causes that influenced their decision-making process, including the distinctive traits and methods employed by Thai SMEs in BRICS.

By drawing on the lessons learned from Thai SME pioneers, this study can offer recommendations to Thai business leaders on effective internationalization strategies. Additionally, it can provide guidance to the Thai government on designing policies for foreign direct investment outflow, which will support the success of Thai SMEs in BRICS countries. This contribution will be highly valuable for the future development of the Thai economy.

2. Research Objectives

1. To determine the internationalization process and entrance mode methods employed by Thai SMEs while operating in BRICS countries.
2. To investigate the circumstances and the interconnected networks between organizations that play a crucial role in the process of Thai SMEs expanding internationally in BRICS countries.
3. To give guidance for Thai SMEs seeking to expand internationally in BRICS countries and for the Thai government to establish management networks that promote investment and offer assistance to Thai SMEs as they internationalize their operations in BRICS.

3. Research Methods

In order to learn more about the phenomena under study, this study gathered material from a variety of sources, including relevant documents and interviews (Maxwell, 2013: 102). This is how the study was carried out.

1. Data Collection

1.1 Documentary Research

Initially, the archive material was gathered from secondary sources to verify the information. The materials or papers were obtained from many sources, including public yearly reports, web-based reports, and other relevant records that were accessible.

1.2 Field Research

Fieldwork consists of two clearly defined parts. The research includes two main components: fieldwork conducted at public institutions and work carried out in small and medium-sized enterprises (SMEs). Key informants were extensively questioned using a questionnaire to extract information.

2. Research Instruments

2.1 In-Depth Interview

In qualitative interviews, according to Babbie (2007: 306), the interviewer takes the lead in directing the conversation and delving into specific topics raised by the interviewee. Interviewers may go further into societal and personal issues during one-on-one in-depth interviews, say DiCicco-Bloom and Crabtree (2006: 314). The data for this research came from audio recordings of semi-structured interviews that were later transcribed. Key informants for this study were senior executives of small and medium-sized Thai enterprises (SMEs) that participated in the BRICS internationalization process. According to the database maintained by the Office of Small and Medium Enterprises Promotion (Office of Small and Medium Enterprises Promotion, 2023), these individuals have extensive knowledge of the BRICS countries and their respective businesses and were active participants in strategic planning.

Using the triangulation technique, the researcher made sure that the data from this inquiry was accurate. To confirm the accuracy of the secondary data, we interviewed 63 executives, 10 operational officers, and 3 government officials in charge of attracting investments to the developing market, namely in the BRICS countries (see Table 2).

Table 2: Key Informants

Key Informants	No of Interviewees	Qualitative Methods			
Top executives of Thai SMEs	63	In-depth interviews	and	focus	group
Operational officers	10	In-depth interviews	and	focus	group
Government officials	3	In-depth interviews			

Seventy-six significant informants were questioned extensively to obtain their overall scores. During the comprehensive interview process, the researcher created a consent form for the primary sources to endorse. Upon transcribing the data from the audio recording, the researcher proceeded to send an electronic mail to the key informants in order to verify the accuracy of the information. The researcher requested that the informants respond by sending an email in return. This approach not only facilitated the acquisition of precise data, but also provided insights into the extent to which the key informants were willing to provide information to the general public.

2.2 Qualitative Analyzing by ATLAS.ti program

The data was transcribed and stored as a distinct file for subsequent analysis. The researcher subsequently gathered all the files into a folder and created a duplicate of the physical copies for backup purposes. The researcher utilized the ATLAS.ti tool (Frieze, 2012) to do data coding and subsequent initial coding. The researcher initially employed open coding using the ATLAS.ti program, followed by family coding, and ultimately identified the themes. The researcher employed mind mapping to extract textual codes and data, progress to theoretical categories, and maintain written notes throughout the examination.

4. Results

The contemporary organizational theory that explains the process of enterprises expanding into developing markets emphasizes the concepts of internationalization and inter-organizational networks. This is because both government and commercial organizations cannot operate in isolation within an open system and a highly dynamic environment. In response to the significant shifts in political, legal, and socio-cultural environments in emerging markets, inter-organizational networks have emerged. These networks serve as connections between related groups or organizations, facilitating the voluntary exchange of information, resources, and collaborative activities. The primary purpose of these networks is to address organizational objectives and ensure the survival of individual organizations.

Thai SMEs who have invested in BRICS prioritize crucial criteria essential for the sustainability of their operations. They must possess the capacity to ensure the acquisition of resources in the nation of interest. The current economic situation has created intense competition for enterprises, leading them to face limited domestic resources. As a result, they must seek external resources, including physical and information resources, to acquire raw materials, workforce, capital, tools, knowledge, and technology necessary for the production of goods and services. In addition, it is necessary for them to obtain a larger portion of the market. Hence, it is imperative for enterprises to consistently engage in collaboration via inter-organizational networks in order to expand their operations to BRICS countries. The focus of this study is to examine the internationalization process and entrance mode strategies of Thai SMEs in BRICS countries.

In order to address the first research objective, which is to examine the internationalization process employed by Thai SMEs when operating in BRICS countries. The process of globalizing business in BRICS may be categorized into 10 distinct steps as shown in Figure 1: 1) Establishing the strategic direction of the company for expanding into BRICS countries The process involves: 2) Gathering data and conducting a feasibility study, 3) Developing a strategy for entering the BRICS market, 4) Planning the internationalization process specifically for BRICS, 5) Selecting an appropriate entry mode strategy for BRICS, 6) Presenting an internationalization project to the Business Unit Committee or Strategic Investment Committee for approval, 7) Seeking approval from the Board of Directors for the internationalization project in BRICS, 8) Implementing the project in BRICS, 9) Evaluating the success or failure of the internationalization efforts in BRICS, and 10) Reviewing the internationalization process and entry mode strategy, and addressing any problems that have arisen in BRICS.

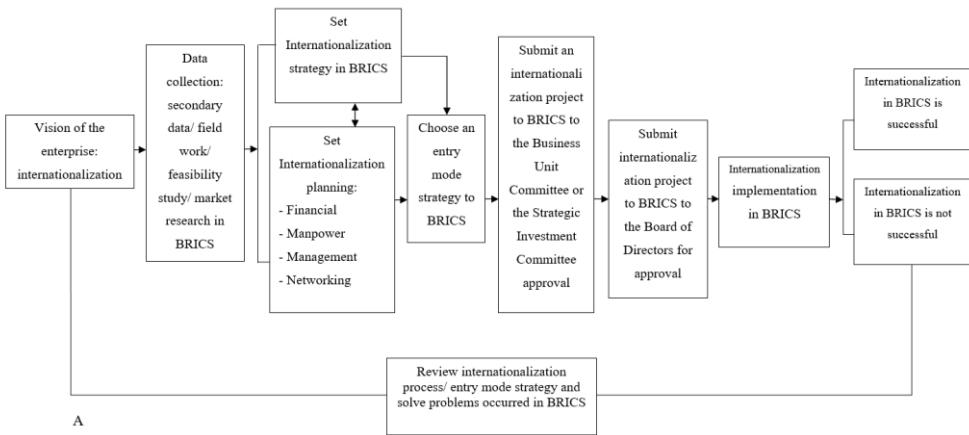


Figure 1: The Internationalization Process of Thai SMEs in BRICS

The investors have inevitably encountered diverse circumstances in Thailand when attempting to expand their operations to growing markets in BRICS, resulting in management difficulties. The circumstances surrounding the development of the developing market also directly influence the expansion of businesses. The circumstances encompass political, legal, and socio-cultural dimensions.

Thai entrepreneurs' globalization of their businesses has been influenced by three BRICS situations. The first factor is the political backdrop, which includes the local government's complete authority to authorize and regulate economic activities inside the local region. Additionally, there may be opposition from local organizations, and the implementation of foreign relations policies may also play a role. The second aspect is the legal context, which includes several factors: 1) Thai enterprises lacking knowledge of all legal aspects of internationalization to BRICS countries, 2) The complexity of regulations, laws, and their enforcement in BRICS countries, 3) Frequent changes in laws related to trade and investment in BRICS countries, 4) Delays caused by the legal processes of government authorities, 5) Laws regarding foreign exchange control and income repatriation, 6) The tax system in BRICS countries, 7) Non-tariff barriers (NTB), and 8) Intellectual property infringement.

The last context is the socio-cultural setting. Thai enterprises inevitably encounter social and cultural shocks when engaging in business with BRICS countries due to the diverse cultural backgrounds of the people from Asia, Europe, South America, and South Africa, as well as the distinct characteristics of their races and religions. The socio-cultural framework that influences Thai SMEs in BRICS consists of the local socio-cultural factors of the BRICS countries. 2) Official language used by the BRICS countries. 3) Etiquette and traditions 4) Consumer choice in BRICS countries 5) Ensuring the protection of human life and the safeguarding of valuable assets in the BRICS countries. 6) Maintaining the security and integrity of the physical and material environment.

To fulfill the second study aim, we will investigate the inter-organizational networks that play a crucial role in the internationalization process of Thai small and medium-sized enterprises (SMEs) in BRICS countries. Given the previously noted variations in political, legal, and socio-cultural circumstances, it is imperative for Thai businesses operating in BRICS countries to maintain ties with inter-organizational networks. This will ensure the successful completion of the internationalization process and the achievement of desired objectives. If the endeavor is unsuccessful, Thai businesses will need to rely on their networks to proactively address and resolve any issues promptly. Therefore, Thai SMEs must inevitably join inter-organizational networks in order to successfully internationalize their businesses to BRICS countries. SMEs commonly utilize connections through resource dependency, institutionalization, the strategy method, and the social network approach. There are 11 tiers of inter-organizational networks involved in the globalization of business to BRICS countries as shown in Figure 2.

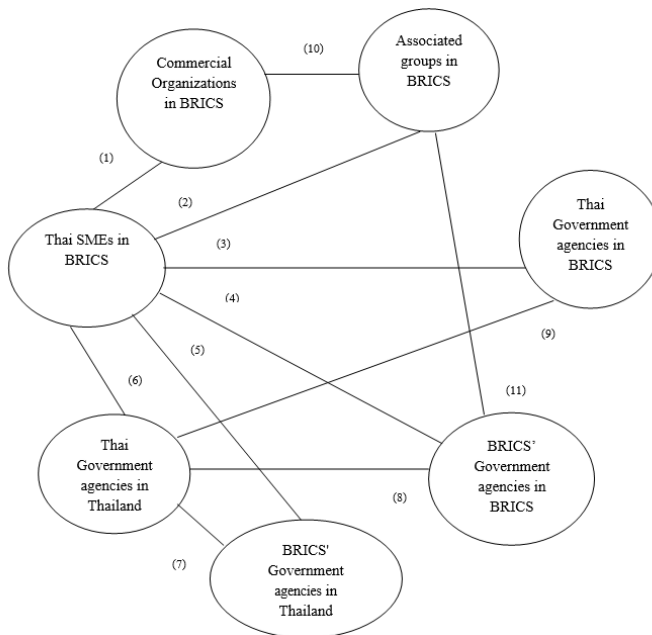


Figure 2: Inter-Organizational Networks of Internationalization of Thai SMEs in BRICS

The network consisting of prominent organizations stated before is a crucial determinant in the process of internationalizing enterprises towards BRICS countries. The primary network consists of Thai SMEs and commercial organizations in BRICS, with the secondary network being comprised of Thai SMEs and affiliated groups in BRICS. The two primary networks facilitate Thai businesses in acquiring crucial resources, including raw materials, product distribution channels, consumer access, information, local authorities, and more. The close affiliation with these two primary networks has resulted in a greater competitive edge for investors entering BRICS countries, in contrast to rivals that have a limited affiliation with these networks. The collaboration between Thai SMEs expanding their businesses in BRICS countries and the

government agencies of BRICS is advantageous for acquiring valuable information on trade and investment, as well as for conducting commercial operations in BRICS. Collaboration is essential since Thai SMEs must maintain communication with networks. The strength of the relationship varies based on the specific circumstances and the frequency of interaction. This type of network allows firms to adhere to internationalization regulations.

Conversely, the network of Thai SMEs and government agencies inside BRICS in Thailand is very insignificant in comparison to the network of BRICS government agencies within BRICS itself. This is mostly because they have had minimal communication with each other, resulting in a weak connection. The network of government agencies in Thailand and BRICS does not significantly contribute to the international expansion of Thai multinational corporations to BRICS countries. Thai enterprises that are expanding their businesses in BRICS countries are multinational public enterprises with the capability to independently internationalize their operations in BRICS. They are well-prepared and fall within the target group of the Board of Investment of Thailand, which focuses on small and medium enterprises (SMEs).

The level of promotion or assistance provided by Thai government agencies is somewhat less substantial compared to the systematic support for investment promotion in Japan or Singapore. Thai government agencies provide partial assistance to Thai SMEs in accessing projects in other nations that specifically need recommendations from the Thai government. They also offer support in resolving certain issues that enterprises are unable to address alone.

5. Discussion and Conclusion

The settings and inter-organizational networks have a crucial role in determining the success of Thai SMEs' internationalization process in BRICS countries. The following information is succinctly provided. The Inter-organizational network has 63 SMEs interconnected across 11 hierarchical layers. The primary network for expanding business to BRICS countries is the network of Thai SMEs and commercial organizations in BRICS, with the network of Thai SMEs and affiliated groups in BRICS coming in second.

In order for their businesses to thrive in BRICS, it is imperative for them to adjust to political and legal changes. The BRICS are a consortium of developing economies that exhibit variations in their political systems, forms of governance, and the distribution of authority between central and local administrations (Deresky, 2011:

459; Investopedia, 2013). Enterprises seeking to expand their companies in BRICS countries must be prepared for any situation, as local governments typically possess complete authority to authorize and regulate local company operations (Ebers, 1997). Furthermore, foreign companies expanding their operations to BRICS countries must comprehend and adhere to revised rules and regulations (Galaskiewicz, 1985; Ebers, 1997; Hoberecht et al., 2011; Jones & Van de Ven, 2013). They should use both a proactive approach, by being prepared, and a reactive approach, by modifying their strategies, throughout their operations. It is imperative for them to rapidly identify and implement solutions while also accurately anticipating the potential consequences of the legislation. In addition, engaging a local consulting firm to handle certain responsibilities,

such as accounting and tax matters, may alleviate the challenges posed by unfamiliarity with various legal elements and language barriers, as laws are typically written in the local language (Ramamurti, 2008; Rugman, 1981; 1996; 2007, Rugman et al., 2011: 759).

The informal network, particularly among high-ranking executives of the company, with individuals in BRICS countries, plays a crucial role in acquiring essential resources for commercial operations. They have the ability to connect businesses with influential individuals or organizations, commercial entities, local communities, and local governments (Johanson & Vahlne, 1977; Piercy, 1981 cited in Pham, 2008: 52; Grant, 2010: 371). Establishing a connection through an informal friendship can serve as a proactive measure to prevent future issues and swiftly address any concerns that may arise. The significance of local workers in suffering countries being able to reside and work in BRICS nations is paramount. The Human Resources Department has a crucial role in strategic workforce planning, ensuring suitable recruiting and selection processes, fostering employee retention, and cultivating motivation among workers to contribute to the success of BRICS (Pham, 2008: 60, 139). It is essential to train prospective employees in developing a favorable work mindset, establishing relationships with local networks, adapting to local customs and traditions, effectively communicating in the local language, and making sound judgments to address any possible issues (Buckley & Ghuri, 1999). The entrance mode strategy is crucial for the success of the internationalization process (Borgatti & Foster, 2003: 992). In order to avoid the aforementioned issues, it is necessary for it to be appropriate for the specific circumstances of that particular country (Galaskiewicz, 1985 cited in Gulati & Gargiulo, 1997: 4). There are four ways to enter, which include 1) forming an alliance with a local business organization. 2) Establishing a representative office 3) Collaboration between two or more companies to pursue a specific business opportunity, known as a joint venture. 4) The process of combining two or more companies into a single entity by purchase or merger.

The insights gained from a failure are crucial for enhancing the internationalization process. A top executive is required to gather empirical data via conducting interviews with former staff members. The purpose of these interviews is to investigate the causes and elements that led to the collapse of the firm, as well as any constraints that may have been present. The executive should then compare these results to successful instances in the same industry within the BRICS countries. Subsequently, these findings will be synthesized in order to identify resolutions to issues, and the entry method plan will be modified to align with the specific circumstances of the nation in subsequent instances.

6. Recommendations based on the findings

In order to utilize the investment entrance strategy, it is necessary for firms seeking to expand their operations in BRICS countries to be major multinational enterprises. This is because such enterprises possess the necessary resources, business expertise, and understanding of the specific contexts, systems, processes, and human management inside the BRICS countries. Large firms have a distinct advantage in establishing inter-organizational networks and personal and official relationships compared to small and medium-sized enterprises. Furthermore, in order to expand

their operations internationally in BRICS countries, corporations must face competition from both domestic and foreign companies, necessitating the development of their competitiveness.

Typically, Thai organizations that expand their activities in BRICS countries are well-established multinational corporations that have achieved significant success in their home country. However, upon entering international markets, companies must contend with global rivals, even though they lack recognition in those countries. Therefore, it is crucial for businesses to establish a strong reputation and credibility in local regions in order to participate in highly competitive marketplaces in BRICS.

The BRICS are a group of developing markets. Relying just on the information pertaining to BRICS from relevant papers is insufficient. In order to expand their companies in BRICS countries, firms must do field studies to assess the actual economic conditions and monitor consumer behavior. This will help determine if their products or services are compatible with the preferences of local consumers and if the country is suitable for conducting commercial operations. Prior to commencing their firm, it is important to do an extensive field investigation for a considerable duration. Additionally, it is advisable for them to visit the destination country due to the exceptionally active nature of BRICS markets. Conducting a field research may enhance investors' decision-making abilities and facilitate the identification of reliable partners, while also fostering strong relationships with business alliances.

Foreign entrepreneurs seeking to internationalize their businesses in BRICS must have a thorough understanding of the country's authority structure. The majority of countries are subject to direct governance by their central government. Nevertheless, several nations grant local governments greater authority in regulating investment compared to the federal government. Additionally, there are significant individuals in the region who play a crucial role in the success of businesses and may also facilitate the acceleration of corporate expansion. Foreign investors in BRICS must take into account the power system. Furthermore, organizations seeking to expand their businesses in BRICS countries should do a thorough analysis of trade and investment legislation, especially in nations where English is not the official language. It is necessary for them to engage the services of a legal advice firm in order to do certain activities and proactively avoid potential legal issues in the future.

The BRICS countries exhibit significant diversity in terms of racial, religious, linguistic, and cultural aspects. Thai SMEs must internationalize their businesses in BRICS countries in order to comprehend and adapt to cultural differences. Investors must show respect for the unique qualities of the target country and be prepared to align themselves with its culture and identity. Conducting a comprehensive analysis of the BRICS context will allow firms to develop an internationalization plan, select a suitable entry mode approach, and effectively execute the plan.

Given that the BRICS nations are freshly industrialized, it is imperative to regularly adapt regulations and law enforcement to meet worldwide standards. Hence, Thai SMEs who are expanding their activities in BRICS countries must be prepared for any law modifications. The representative offices, especially those situated in BRICS countries, are required to provide the headquarters with the latest studied information and make predictions about the future developments in the political and legal landscapes that would impact enterprises in that particular

nation. The projection or situation analysis will empower the foreign strategy team to proactively mitigate any potential harm that may arise. Alternatively, if there is any harm, it will be little.

While many global firms possess the capacity for human resource management, the trailblazers often encounter several challenges in BRICS. Enterprises should prioritize human resource planning, selection, recruiting, training, and retention and reward of both parent company personnel and local workforce in BRICS countries. Enterprises are required to offer training to BRICS staff to equip them with the necessary skills and knowledge in work ethics, integration into the local network, adaptation to local culture and traditions, proficiency in the local language, and the ability to effectively handle problems in any situation. Furthermore, it is essential for businesses to provide psychological counseling to the BRICS employees who are dispatched from the parent company. Additionally, they should allow these employees to return to their home country in order to alleviate work-related stress while working in the local region. By doing so, companies may effectively retain the BRICS personnel in a sustainable manner.

Thai SMEs must establish connections with the private sector networks, namely the network of Thai SMEs and commercial organizations in BRICS, as well as the network of Thai SMEs and affiliated groups in BRICS. The primary objective of establishing a link with these two main networks is to get vital resources of raw materials, facilitate the distribution of products, identify potential clients, gather information, establish communication with local authorities, and so forth. Furthermore, the connection between Thai SMEs and the public sector of Thailand and BRICS serves as a conduit for obtaining crucial investment information, receiving recommendations for expanding businesses internationally to BRICS, and addressing issues that enterprises are unable to resolve independently.

In conclusion, The following elements were essential to the success of Thai small and medium-sized enterprises (SMEs) who were wanting to expand their operations in BRICS nations: 1) The network that exists between various organizations; 2) the ability to adapt to changes in political and legal systems in BRICS nations; 3) informal connections; 4) the competence of local workers; 5) the suitability of the approach to the entry strategy; and 6) the knowledge that is learned from errors made in the past.

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