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Factors Affecting the Recognition of International Opportunities by SME Entrepreneurs: Case Studies from the Creative Industries in Indonesia

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FACTORS AFFECTING THE RECOGNITION OF INTERNATIONAL OPPORTUNITIES BY SME ENTREPRENEURS: CASE STUDIES FROM THE CREATIVE INDUSTRIES IN INDONESIA

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ABSTRACT

Manuscript type: *Qualitative paper*

Research Aims: *To explore the factors influencing the recognition of international opportunities among entrepreneurs in emerging markets, focusing on small and medium-sized enterprises (SMEs).*

Design/methodology/approach: *This study employs multiple case studies, investigating six Indonesian SMEs in the creative industries.*

Research Findings: *Entrepreneurs often recognize international opportunities through serendipitous events such as encounters with local agents, communications with foreign clients via Google Ads/Facebook Ads, invitations from government entities, and referrals from acquaintances. These international opportunities are often acknowledged based on prior business experience from initial internationalization, the use of social and business networks, and digital marketing strategies. While initial expansion into the global market was impromptu, subsequent entries became deliberate strategies involving social and business networks, previous international experience, and digital marketing platforms such as TikTok Shop, Facebook, and Instagram.*

Theoretical Contribution/Originality: *This study provides a comprehensive understanding of how SMEs in emerging markets recognize international opportunities, emphasizing the role of serendipitous events and digital marketing in the internationalization process.*

Practitioner/Policy Implication: *Policymakers and practitioners should support SMEs in leveraging digital marketing platforms and building strong social and business networks to enhance their recognition and pursuit of international opportunities.*

Research limitation/Implications: *The study is limited to Indonesian SMEs in the creative industries, which may impact the generalizability of the findings. Future research could investigate similar dynamics in other sectors and emerging markets to validate and extend these insights.*

Keywords: International opportunity recognition, creative industries, international entrepreneurship, Indonesia

INTRODUCTION

In recent years, the area of international entrepreneurship (IE) research has shifted its

focus from solely examining international new ventures (INV) as highlighted in Oviatt and McDougall's work in 1994, to exploring a

broader range of international entrepreneurial activities (McDougall-Covin et al., 2014). Research on identifying opportunities has primarily been conducted within the field of entrepreneurship in a national setting (Hajizadeh & Zali, 2016). The IE field is based on opportunity recognition but lacks a detailed explanation of this process (Chandra et al., 2009). Oviatt and McDougall (2005) IE as *“the discovery, enactment, evaluation, and exploitation of opportunities—across national borders—to create future goods and services”*. Theories on internationalisation, such as the *Uppsala model*, propose that the process starts by finding possibilities, but they do not provide comprehensive explanations (Kraus et al., 2017). The process of recognising international opportunities (IORs) has been recognised as a crucial aspect of international entrepreneurship (IE) (Di Gregorio et al., 2022).

Entrepreneurship scholars define entrepreneurial opportunity as *“situations in which new goods, services, raw materials, markets, and organizing methods can be introduced through the formation of new means, ends or means-ends relationships”* (Eckhardt & Shane, 2003). IE scholars extend the concept of opportunity recognition in the context of international markets as international opportunity recognition (IOR). For example, Angelsberger et al. (2017) define IOR as *“the way an entrepreneur discovers the opportunity to exchange products and services with a new or existing partner in a new international market.”* Opportunity recognition (OR) refers to the identification of a domestic market by entrepreneurs or firms operating within that market. On the other hand, IORs are spotted by international entrepreneurs or firms from their own premises and are situated in foreign markets (Terán-Yépez et al., 2021). IOR has been identified as being a critical process within international entrepreneurship (IE). However, IE literature has largely overlooked the process of international opportunity recognition of SMEs, especially from emerging markets, like Indonesia (Kiss et al., 2012).

Scholars have examined various factors leading

to the recognition and/or development of novel and commercially viable opportunities. Social ties enable more effective scanning and evaluation of information from foreign markets, thereby enhancing judgment and preparing the firm to detect and act upon opportunities in specific foreign markets (Felzensztein et al., 2015). The recognition and development of opportunities depend greatly on the prior experience of the entrepreneur (Kraus et al., 2017). Experiential learning, or “learning by doing” has long been argued to play a critical part in IE (Tiwari & Korneliussen, 2018). Firm resources and characteristics will be significantly related to the recognition and development of international business opportunities (Pettersen & Tobiassen, 2012). Prior studies tend to view that international opportunities are discovered through proactive and planned activities. Meanwhile, Kiss et al. (2020) conducted a study that revealed that foreign market entries can be attributed to an opportunity recognition process that is initiated by chance events, wherein the founders do not possess any preconceived intention to engage in internationalisation. These conflicting findings necessitate thorough investigation, as Welter et al. (2019) emphasise the impact of context on entrepreneurial behaviour, rather than solely relying on internal or personal characteristics. Indonesia as an emerging market nation, exhibits an unstable business climate which is influenced by several socio-cultural factors that impact entrepreneurial behaviour (Anggadwita et al., 2017). Our guiding question is: *what factors influence international entrepreneurs from Indonesia to recognise opportunities?*

This paper addresses a gap in the existing literature by examining the various elements that impact the recognition of opportunities among international entrepreneurs from emerging markets. By doing this, numerous significant contributions are achieved. This study is a valuable contribution to the existing body of knowledge on serendipity in the IOR. Furthermore, this study is conducted in an emerging market context, Indonesia, a country that has received less academic attention and different institutional environments than developed countries. In this

context, entrepreneurs in Indonesia employ the cognitive aspect of opportunity recognition as they engage in the process of internationalisation. This research addresses the ongoing demand for qualitative approaches to investigate opportunity recognition in the IE field (Knight, 2015; Reuber et al., 2017).

LITERATURE REVIEW

International Opportunity Recognition (IOR)

The concept of opportunity has emerged as a prominent theme in the field of International Entrepreneurship (IE), with a substantial body of literature dedicated to examining entrepreneurial behaviours associated with the pursuit of international opportunities outside national boundaries (Tabares et al., 2020). Various scholars argue that there is a need for international opportunities research to expand its scope and examine the analysis at multiple levels (Tabares et al., 2020). It is crucial to elucidate the interplay between contexts, entrepreneurial action, and opportunities (Reuber et al., 2018). The concept of opportunity recognition (OR) in IE research was initially proposed by Zahra and George (2002, p. 266) who defined IORs as *“the process of creatively discovering and exploiting opportunities that lie outside a firm’s domestic markets in the pursuit of competitive advantage”*

The existing body of IE literature posits that international opportunities have the potential to be recognised or created (Mainela et al., 2014). The primary focus of this study pertains to the recognition approach. However, it is vital to elucidate the differentiation between these two notions. The IE literature emphasises two distinct approaches to identifying opportunities: deliberate search, which involves a purposeful and deliberate search procedure (Chandra et al., 2015), and serendipitous discovery (Crick & Spence, 2005). Several studies have indicated that organisations possessing minimal knowledge and expertise possess the capability to identify foreign prospects by use of a methodical search process.

Prior research has identified several factors that influence the opportunity recognition process, such as entrepreneurial alertness (Kraus et al., 2017), prior knowledge (Urban & Willard, 2017), prior international experience ((Harms & Schiele, 2012), international entrepreneurial orientation (Brieger et al., 2022), self-efficacy (Muzychenko & Liesch, 2015), cross-cultural competence (Spence & Crick, 2006), social and business network (Lin et al., 2016), and language (Hurmerinta et al., 2015).

According to recognition theory, opportunities are created through a process of exploration, wherein opportunities are identified as a result of external factors such as technological advancements that are not directly influenced by entrepreneurial efforts or shifts in market conditions or industries (Lee et al., 2021). Conversely, the creation theory posits that opportunities are generated internally through the interactions among different actors within the context of international entrepreneurial activities (Kalinic et al., 2014).

Serendipity in entrepreneurship

Serendipity, as defined in the literature on entrepreneurship, refers to a fortuitous encounter that results in an unforeseen revelation (Dew, 2009). Serendipity arises when someone inadvertently stumbles onto something they were not actively seeking, while they are actively searching for it (Dew, 2009). IE studies found that internationalising enterprises lacking prior international expertise or experience tend to identify their initial international opportunities mostly through fortuitous encounters rather than intentional search efforts (Chandra, 2017). IE scholars concur that serendipity plays a crucial part in the process of entering foreign markets when entrepreneurs possess little understanding of foreign markets (Kiss et al., 2020; Vasilchenko & Morrish, 2011)

RESEARCH METHOD

We employ a multiple case-study research methodology due to its capacity to facilitate in-depth examinations of intricate and ever-

changing processes (Eisenhardt & Graebner, 2007). Case-study design has been extensively employed in the IE literature to construct and expand upon theories (Chetty et al., 2015). The utilisation of multiple case study is seen appropriate and advantageous for the comprehensive exploration of a contemporary phenomenon across distinct institutional contexts, such as those found in emerging economies (Kiss et al., 2012).

We purposefully chose six case studies for our analysis based on four specific characteristics. Initially, the company needed to have engaged in inbound international operations. Furthermore, the internationalising corporation needed to have been specifically created in Indonesia. Furthermore, it is required that the firm maintains a workforce of fewer than 100 individuals. Additionally, the firm's assets must not exceed ten billion Rupiah, while its turnover should not exceed fifty billion Rupiah. These criteria align with the Ministry of SMEs and Cooperation of Indonesia's definition of small and medium companies (SMEs). All case firms had a workforce of fewer than 100 employees. The fourth criterion pertains to the recognition of opportunities, as it encompasses both entrepreneurial cognition and conduct.

To ensure diversity in the sample, we chose companies from several industries (Muzychenko & Liesch, 2015). This study also acknowledges the critique that research on entrepreneurial internationalisation tends to be limited to specific sectors, with a tendency to concentrate on high-technology ventures in rapidly expanding globalised sectors of the economy (Wang et al., 2020). Therefore, this study chose low tech industry, including fashion, culinary (food), and jewellery. These sectors are part of creative economy that contributes 7.8% to Indonesian GDP (Masitoh, 2022). The export performance of the creative industry in the third quarter of 2023 recorded a value of USD 17.4 billion, with the fashion subsector contributing up to USD 9.88 billion and the craft subsector contributing USD 6.26 billion (Wisnubroto, 2023).

The primary method of data gathering employed was conducting semi-structured interviews with the founders of each firm from 2019 to 2024. In addition to our interview data, we gathered information from various sources such as observation, firm websites, emails, online articles, and follow-up inquiries to verify the firm's internationalisation progress. Table 1 provides a concise summary of the case profiles.

In the process of data processing, we employed a content analysis methodology that incorporated an editing approach in conjunction with three iterations of continuous coding—open, axial, and selective (Miles et al., 2020). We continuously utilised an ongoing coding technique (Miles & Huberman, 1984) in which we coded every interview transcript prior to conducting an interview with the subsequent research participant. In each instance, we conducted an analysis of the text and found relevant material that pertained to our research subject. Subsequently, we organised the open-coded data into clusters based on conceptual similarities and determined axial codes, which are categories described by these clusters and provide insights into our research inquiries. Axial codes were ultimately included in selective codes, resulting in the creation of theoretical dimensions. Several iterations and pattern matching were conducted to examine the relationship between the data and multidisciplinary theoretical viewpoints taken from the literature (Yin, 2018).

This study has met the criteria for assessing the quality of a qualitative study using the case study approach. All four criteria, namely construct validity, internal validity, external validity, and reliability, have been utilized. Construct validity is attained through the measurement of the underlying notion. An instance of international opportunity recognition was identified in the entrepreneurs' descriptions, namely in the manner in which they perceive and acknowledge foreign opportunities. The researchers additionally carried out other validation procedures using alternative sources, such as Indonesian newspapers and internet

news platforms. Internal validity refers to the degree of trustworthiness of the empirical data and data analysis in this study. To ensure internal validity, the study utilized pattern matching, which entails comparing an observed empirical pattern with a projected theoretical pattern. Enhancing internal validity is possible when the patterns align. Researchers hypothesized that business networks have an impact on the initial identification of foreign opportunities. Subsequently, empirical data was examined to see whether the current literature supports this assertion. External validity is to assess the degree to which the results can be generalized to diverse scenarios or novel contexts outside the original study. This was accomplished by collecting samples from several sectors, including the culinary, fashion, and jewellery industries, located in three distinct geographical regions: Bandung, Jakarta, and Solo. Lastly, reliability testing seeks to assess the consistency of obtaining similar results under identical conditions. The reliability test was assessed by employing a comparable case study process for interviews and constructing a case study database to tackle the issue of reliability.

FINDINGS

The findings of our investigation indicate that six cases demonstrate the recognition of initial international prospects in a serendipitous manner, displaying no hesitation in entering foreign markets. This recognition is a result of fortuitous encounters with local agents, social media advertisements, and social networks. Over time, entrepreneurs expressed their intention to expand into overseas markets and identified international potential from many sources such as previous business experience, business and social networks, and the use of digital marketing. The framework can be seen in Figure 1.

1) First International Opportunity Recognition

Serendipitous role

Six cases reported that they did not have a plan to enter the foreign market for the first inter-

nationalisation. The majority of entrepreneurs lacked prior international experiences and international networks before their initial internationalisation, since they mostly relied on local business and social networks.

Business networks (Local agents/distributors)

According to three cases, the initial international possibility was identified by business networks, 2 cases from local agents or distributors (Cases "A and E"), and 1 case from government invitation. Local agents were proactive in establishing communication with enterprises in order to enable the exportation of their products to international markets. In Case A, the entrepreneurs did not engage in exporting, but the local distributor who purchased their items successfully brought them overseas and gained international recognition for their products.

"We did not do exporting. The distributors collected the products and had initiative to export our products overseas, they also managed the necessary permission by themselves. The products were dispatched to Belgium, the Netherlands, and Australia." (Founder of Case A)

Online advertising (Google Ads and Instagram Ads)

The entrepreneurs from 2 cases did not plan to use online advertising to target foreign customers, however, to build their brand recognition and improve sales. For example, cases B and C found that they recognise the first international opportunity though serendipity encounter from online advertising. As experienced by the founder of Case B:

"From 2015 to 2016, there was a significant surge in the utilisation of Instagram among the Indonesian population, prompting me to make the decision to establish an Instagram account. The IT team was requested to develop a website, and they opted to utilise Google Ads. I was astounded by the fact that my advertisements not only reached domestic markets but also extended to international areas. Unexpectedly,

Table 1. Case profiles

| Case | Location | Nature of business | Year founded | Year first int. | First IOR | Subsequent IORs |
|------|--------------------|---------------------------|--------------|-----------------|---------------------------------|--|
| A | Bandung, West Java | Food | 2009 | 2015 | Local distributor | Prior international experiences, business networks |
| B | Solo, Central Java | Fashion (Muslim hijab) | 2014 | 2016 | Online advertising (Google Ads) | Prior business experiences, business networks, website, ads |
| C | Bandung, West Java | Fashion (pyjamas) | 2019 | 2021 | Facebook Ads | Business networks, Instagram ads, TikTok Shop, Facebook Ads |
| D | Bandung, West Java | Fashion (Muslim clothing) | 2009 | 2015 | Local agents | Local agents (business networks) |
| E | Jakarta | Jewellery | 1998 | 2013 | Business networks (government) | Social and business networks, prior business experience |
| F | Jakarta | Jewellery | 2009 | 2009 | Social networks | Social and business networks, prior international experience |

I received an inquiry from a customer hailing from Malaysia.” (Founder of Case B)

Social networks

This study identified an instance where the initial international opportunity was acknowledged via social networks. Social networks have presented unforeseen opportunities in other countries. The founder of firm F was unaware of her ability to appeal to the tastes of overseas consumers. She stated that her friends served as the initial international clientele, which inspired her to venture into the jewellery industry.

“From the inception of my firm, I have ventured into the global market due to the presence of expatriates among my acquaintances, including individuals from Senegal, France, Australia, and South Africa. They have been my purchasers since the beginning. When I attended a meeting in Dubai or Egypt, I adorned myself with elaborate jewellery. Evidently, my friends had a favourable disposition towards everything. Gradually, I thought about why I couldn’t make it myself. Subsequently, a female diplomat acquaintance from South Africa adored my necklace, since I personally crafted it. Ultimately, I visited the lace shop and independently crafted the jewellery.” (Founder of Case F)

2) Subsequent International Opportunity Recognitions (IORs)

In the subsequent IORs, entrepreneurs reported the same sources on how they discover international opportunities: social and business networks, and digital technologies (social media,

website, and online advertising). Subsequent international opportunities can occur through serendipity roles and planned activities. After recognising the potential business in running a business overseas from the first international opportunity, some entrepreneurs have planned activities to enter foreign markets.

Serendipity role

Serendipitous opportunities may arise following the initial overseas opportunity. Several entrepreneurs acknowledged that the opportunity emerged spontaneously without deliberate planning. Entrepreneur F emphasised that her benevolence and proactive approach to connecting with new contacts and nurturing such relationships are crucial for creating further chances.

“It is imperative to display kindness towards others since it will have a significant influence on future outcomes. We should exchange our business cards and cultivate our professional network. Occasionally, I am astonished when an opportunity arises after our acts of goodwill towards others. Once, I provided transportation for someone to a bus stop after seeing an exhibition. After a few years, he contacted me to become a member of an Indonesian state-owned port operation firm. Unexpectedly, I was dispatched by this company to participate in an exhibition in China.” (Founder of firm F)

Prior International Experiences

All cases confirmed that entrepreneurs did not have prior international experiences before en-

tering the first foreign market. However, over time, gaining international experience from the first internationalisation influenced the recognition of subsequent international opportunities. Prior international business experience is important in IORs. Entrepreneurs have more understanding of customer needs and preferences that enable them to analyse the offering products that match with targeted markets. For example,

“Come see my workshop, see the raw materials. These are pearls, beads, and stones. Then, I twist them up with stove wicks. I dipped them into different colors, like purple. I made something like this into a necklace string. But, now the trend is big belts. I am able to make the products that become best sellers in Europe, America, and everywhere.” (Founder of firm F)

Business and social networks for subsequent IORs

This study demonstrates that both business and social networks have a significant role in helping entrepreneurs identify overseas prospects, whether through chance encounters or intentional efforts. For instance, entrepreneur E did not initially strategize to target overseas markets for her entrepreneurial venture. However, her friends turned into devoted consumers and placed recurring orders without Entrepreneur E implementing any special marketing efforts in those foreign markets. As experienced by entrepreneur F:

“As of now, I continue to receive recurring orders from a customer from Malaysia. I have sustained a relationship with her for a duration of two decades. She has expended a substantial amount of money to purchase my jewels. She has spent a lot of money to buy my jewellery. We both like friends, she keeps asking me when will you come here? I miss you.” (Founder of firm F)

Business networks play a vital role in promoting the recognition of future international opportunities. The subsequent international opportunities were deliberately and inadvertently

acknowledged. For instance, entrepreneur F had the objective of entering global markets by deliberately participating in a government program with curation.

“I plan to travel to the United States to attend the exhibition in August of this year. I was selected through a curating process directly coordinated by the committee in New York. Out of the 20 proposals submitted by the Department of Industry from Indonesia, only three were successfully curated.” (Founder of firm F)

Several entrepreneurs partnered with the government to facilitate the identification of global prospects. The government offers financial support to entrepreneurs who participate in their programs, enabling them to participate in international trade fairs and promote Indonesian products abroad. As experienced by the entrepreneur from Case E, who often received government financial assistance:

“I frequently received invitations from several ministries such as the Ministry of Trade, the Ministry of Industry, and the Ministry of SMEs and Creative Economy Agency. They have implemented a program aimed at enhancing export synergy. These ministries have allocated funds to purchase exhibition spaces at international trade fairs. Upon observing the growth of the jewellery business, they saw me and extended an invitation for me to participate in international trade fairs, granting me complimentary exhibition space.” (Founder of firm E)

Digital Marketing

Digital marketing has helped entrepreneurs to recognise potential international opportunities. The empirical evidence shows that some cases reported to continue using digital marketing, such as Facebook Ads, Instagram Ads, and TikTok, to engage with their clients and potential customers. Entrepreneur from Case C reported:

“Initially, my attention was solely centred towards Facebook Ads. Subsequently, I became a member of the group and guided them towards

WhatsApp or a landing website. Currently, I am actively engaged in creating marketing material on the TikTok platform. The majority of my customers consist of resellers and agencies. I offer them digital instruction on content creation. I have repeated foreign agents from Malaysia.” (Founder of firm C)

DISCUSSIONS

As evidenced by the findings, entrepreneurs identify international potential through fortuitous occurrences (such as visits from local agents, contact from foreign clients who came to the company through Google Ads/Facebook Ads, government invitations, or recommendations from friends). This conclusion presents a contrast to other studies on internationalisation (Crick & Spence, 2005; Oyson & Whittaker, 2015), which highlight that internationalisation typically begins with deliberate and planned initiatives. All cases indicated that the initial international potential and the beginning into foreign markets were unanticipated and accidentally encountered. The study offers enhanced understanding regarding the ability of decision-makers in the field of internationalisation to recognise initial prospects for international expansion, even in the absence of pre-existing motivation or intention to engage in internationalisation (Kiss et al., 2020). The findings suggest that business networks play a crucial role in the recognition of overseas opportunities. The possibility was recognised by only one firm through a social network. This observation corroborates the research conducted by (Kontinen & Ojala, 2011; Pinho & Prange, 2016). The findings indicate that business and social networks are useful in the context of IOR.

The identification of global prospects relies on familiarity with overseas markets derived from previous business experiences, as supported by the research conducted by Chandra et al. (2009) Additionally, the utilisation of networks aligns with the findings of (Laperrière & Spence, 2015). Furthermore, case studies offer a novel perspective by revealing that social media serves as a platform that facilitates fortuitous possibilities. Prior studies have indicated

that companies that utilise online platforms can facilitate global access to potential clients (Gabrielsson & Gabrielsson, 2011). However, these studies have not addressed the utilisation of social media and have not provided empirical data in the field of information engineering research. The empirical evidence indicates that possessing prior knowledge and experience in international contexts significantly influences the ability to recognise international opportunities. The possession of extensive foreign knowledge and expertise holds significant importance for Indonesian enterprises, as it directly impacts the pace of internationalisation and the recognition of international prospects (Kraus et al., 2017).

This study corroborates previous research indicating that establishing connections with government officials or participating in government programmes is advantageous for businesses from underdeveloped countries or emerging markets to expand their operations internationally (Njinyah, 2018). Our finding shows that entrepreneurs recognise international opportunities from government networks (Ge & Wang, 2013). Government export assistance programmes are crucial in facilitating the internationalisation process of SMEs, like international trade fairs. These programmes have a significant impact on several elements connected to the firm and its management, which in turn influence the firm’s international marketing performance. The research offers a framework for SMEs to effectively utilise export assistance programmes to enhance their favourable attitudes towards the export market environment, expand their knowledge, and strengthen their dedication to exporting (Shamsuddoha et al., 2009)

Digital marketing may facilitate the internalisation of SMEs in various ways in the present period. This capability allows organisations to effectively engage with a worldwide audience, broaden their market reach, and bolster their competitive advantage (Gong et al., 2019). The results of our study offer fresh data from SMEs in emerging markets who employed digital marketing strategies to identify oppor-

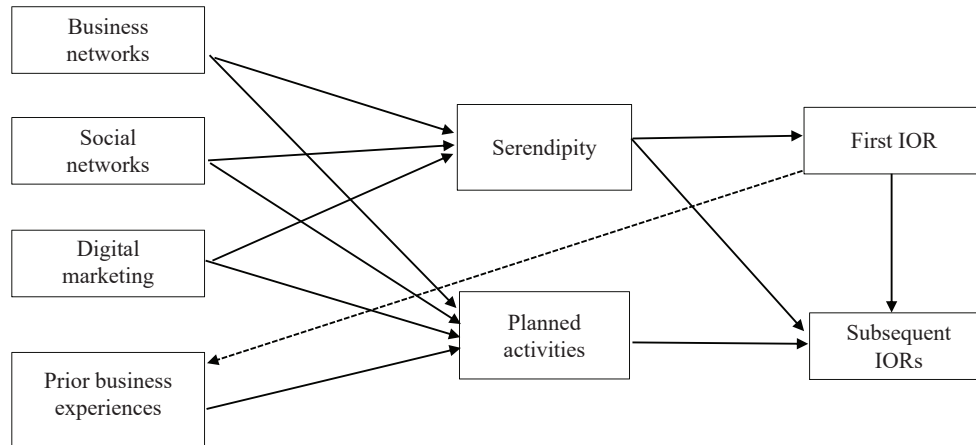


Figure 1. The framework of first and subsequent IORs

tunities. However, it is worth noting that the first internationalisation process happened by chance. This study supports the current article that the advent of digitalisation has facilitated the adoption of digital tools by entrepreneurs, hence enabling them to generate possibilities and expand their client base in global markets (Yang et al., 2023). Thus, we answered for call to fill the gap that there is a lack of comprehensive knowledge on international digital entrepreneurial marketing in the global marketplace (Monaghan et al., 2020). Our findings corroborate previous research indicating that entrepreneurs utilised social media platforms such as Tik Tok Shop, Instagram, Facebook, and Facebook Ads to capitalise on the global connectivity and extensive reach provided by these platforms (Fraccastoro et al., 2021). This enabled them to promote themselves on an international scale, target a wide range of stakeholders, enhance social interaction, and attain growth (Haenninen et al., 2018).

CONCLUSION

This study offers a rigorous and thorough examination that can assist new researchers and practitioners in expanding their understanding of the theoretical foundation and extent of international opportunity recognition (IOR) research in emerging markets. The process of IE commences with the recognition of opportunities, as the absence of recognition hinders the exploitation of opportunities (Terán-Yépez et al., 2021). This study has been motivated by

the need for additional research on the recognition of international opportunities (Di Gregorio et al., 2022). The focus of this study was to investigate the initial and subsequent recognition of international opportunities, as well as the factors that influence it, within the context of SMEs operating in emerging markets. The purpose of this study was to enhance our comprehension of the factors that impact the initial and subsequent recognition of foreign opportunities. The initial debut into a foreign market was fortuitously acknowledged through online advertising on popular social media platforms such as Facebook and Instagram, as well as local business and social networks (Kontinen & Ojala, 2011; Pinho & Prange, 2016). Although entrepreneurs initially did not possess the goal of reaching foreign markets, these trigger events serve as facilitators for their internationalisation (Kiss et al., 2020). The foundation for comprehending global markets and identifying subsequent international prospects is in the acquisition of knowledge (Fuerst & Zetting, 2015) derived from local and intergovernmental business networks, digital marketing strategies, and previous business encounters during initial international expansion.

There are various theoretical contributions made by this work. This study addresses the need for additional research on the recognition of international opportunities in the context of emerging market firms (Chandra et al., 2015; Knight, 2015). This study provides further insight into the early process of recognising inter-

national opportunities and emphasises the significance of the entrepreneur in facilitating this process. Furthermore, in contrast to previous research conducted by (Crick & Spence, 2005) the present study integrates various factors that influence the recognition of international opportunities. These factors include serendipitous and systematic search, prior business experience, and business and social networks. As a result, this study provides a more comprehensive understanding of the process of recognising international opportunities, both during the initial stages and subsequent stages of internationalisation. Moreover, it provides novel perspectives on the process of internationalisation for SMEs in the creative industry. This is achieved by adopting an opportunity-based approach and emphasising the networks of entrepreneurs (Chetty et al., 2015). This study emphasises the significance of digital marketing, including online advertising and social media, in drawing attention to international prospects that have received limited attention in existing literature (Di Gregorio et al., 2022).

This study addressed the lack of research in the IE field about the limitations of low-tech enterprises. The existing literature has comprehensively analysed the process of entrepreneurial decision-making in the creative industries, specifically in the games sector in Indonesia, with a focus on early internationalisation (Astuti, 2024). This study aims to elucidate the determinants that motivate entrepreneurs in low-tech sectors within creative industries, specifically in fashion, jewellery, and food, to recognise and pursue international prospects from the initial stages of internationalisation to succeeding phases of expansion.

We acknowledge the presence of certain limitations in our methodology and recommend that further study be conducted to effectively address these concerns. Future research directions could be explored by the implementation of a qualitative study that incorporates diverse nation and industry contexts to empirically examine the findings presented in this study. An intriguing inquiry for future research is if multi-

national corporations (MNCs) employ comparable IOR procedures as those utilised by SMEs in this study. Further investigation is required about the disparities in the recognition of international opportunities between firms that are born global, have an early and quick entry into foreign markets, and traditional internationalising firms (Kalinic et al., 2014).

Our study not only makes a valuable contribution to the existing body of knowledge in the fields of entrepreneurship and international business but also provides significant insights that may be applied in practical settings (Mainela et al., 2014). This research provides useful information that might benefit managers and entrepreneurs in the creative industry. First, entrepreneurs lacking foreign business experience or international social networks need not be concerned while seeking to market their products abroad. Entrepreneurs must be willing to embrace serendipitous opportunities that arise when foreign opportunities present themselves. They can get knowledge from the entrepreneurial process. It is imperative for them to have confidence in the quality of their product and to establish and maintain strong relationships with new foreign networks. If a company can sustain a solid connection with foreign customers, these customers will exhibit loyalty, place recurring orders, and endorse the company's items to other acquaintances. Corporate networks have the potential to transform into social networks, which can help them thrive in international corporate endeavours. It is necessary for them to react favourably to new networks that want collaboration, since this can lead to prospective opportunities, such as participating in international exhibitions to promote their creative products. Furthermore, aspiring international entrepreneurs and SMEs must make effective use of digital platforms, social media, websites, and online advertising to access foreign markets. The case studies demonstrate that creative items originating from Indonesia gained significant attention from international markets. Consequently, businesses must employ digital marketing strategies to extend the reach of their creative

products beyond domestic boundaries. Finally, SMEs that aim to take advantage of on chances in foreign markets should possess an understanding of the specific attributes that can provide them with a competitive edge in terms of identifying international prospects. The findings of the analysis indicate that a majority of SME entrepreneurs possess

knowledge about policy efforts, such as export promotion programs, but fail to actively involve government authorities in order to capitalise on these opportunities. Therefore, a viable approach is for entrepreneurs to actively pursue support from programs by actively reaching out to or establishing connections with the pertinent government departments (Njinyah, 2018).

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