Leveraging Network Capital for Global Expansion: Evidence from Chinese High-tech SMEs

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ABSTRACT

This empirical investigation examines the multidimensional influence of network capital on the internationalization performance of Chinese high-technology small and medium enterprises (SMEs), with government policy functioning as a critical moderating mechanism. Drawing upon the resource-based view, social capital theory, and institutional theory, we develop and test a comprehensive theoretical framework that disaggregates network capital into three distinct yet interrelated dimensions: availability of network resources, access to market opportunities, and access to collaborative partnerships. Employing a cross-sectional survey design, we collected primary data from 342 high-technology SMEs operating in Shenzhen, China's premier innovation ecosystem. Through structural equation modeling and multi-group moderation analysis, our empirical findings reveal that all three dimensions of network capital exert statistically significant positive effects on SME internationalization performance. Furthermore, government policy support demonstrates differential moderating effects, significantly amplifying the relationships between network resource availability and internationalization and between market opportunity access and internationalization, while exhibiting no significant moderation effect on the collaboration-internationalization nexus. These findings contribute to the international business literature by elucidating the boundary conditions under which network capital facilitates SME internationalization in emerging economies. The study offers actionable insights for policymakers designing targeted internationalization support programs and for SME managers strategically leveraging network resources for global expansion.

Keywords: Network Capital, Internationalization, Government Policy, High-Tech SMEs
JEL Classifications: F23, L26, O32, O38, L14

1. INTRODUCTION

These firms from emerging markets are now entering emerging markets-the international version of small and medium-sized enterprises (SMEs) is therefore a critical topic for current international business research, particularly as they increasingly challenge assumptions made by traditional theories on what kind of significant resources need be expended if one wants to grow internationally (Dabić et al., 2020; Paul et al., 2017). Chinese high-tech SMEs have come to the forefront in this new environment (Zhang et al., 2025), becoming noticeable players of talent indeed with the ability to emerge from quite modest conditions (Luo and Tung, 2018; Xie and Li, 2018). There are a few basic que Lions about where the "edges" of this phenomenon lie, so that resource-

constrained firms from emerging markets can really push out into international expansion efforts successfully (Cavusgil et al., 2015).

Network capital, as defined by Huggins and Thompson in 2015, is the total value of resources embedded in and available through networks of relationships, source emanating from them. It has become a critical theoretical perspective for understanding how SMEs make up for limitations in the resources they can control through their international operations. Particularly as of late research is beginning to speak up: Network-embedded resources are strategically replaceable for the firm-specific advantages thought about under multinational enterprise theory (Coviello et al., 2017; Prashantham and Dhanaraj, 2010). The problem with the joint statement is that most of them have only

one network capital is commonly adopted at present for network capital, but as a result the different sources multiple network-based resources have and their internationalization Consequently outcomes are obscured from view.

Furthermore, the institutional context in which network mobilization takes place has not been thoroughly theorized in internationalization of small and medium-sized enterprises (SME) literature. When the pitfall that government intervention is influential of it is considered, in emerging economy context to equal the business environment others can see, the importance of running enterprises is quite different dependent upon where or what you choose (Meyer and Peng, 2016; Peng et al., 2008). And China in particular, the state is a main organizing force in economic operation via many policy measures such as dispensing incentives or penalties, bringing along uniquely structured district patterns that could perhaps change membership-capital relationship (Wang, 2012; Lu et al., 2014).

We have two failed voids to fill, one theoretical empty field and one need for empirical data. In this way, while government policy support for moderation becomes an obvious variable to be counted as an independent variable in the contrastive analysis between Chinese high-tech SMEs and their counterparts overseas both in terms of statistical outcomes Dawes, 1983 We constructed three-dimensional network capital framework. The idea is that networks are all multiple dimensional entities providing resource flows in many ways. (1) Availability of network resources, tangible and intangible assets that can be got via connection with other nodes. (2) Access to market opportunities, which is the information and knowledge flows for recognizing new activities. (3) Access to cooperation; that is joint venture opportunities and alliance mechanisms.

Our empirical research is based on primary survey data from 342 small and medium high technology enterprises located in Shenzhen--China's leading innovation hub and a critical node in global technology value chains. We use structural equation modeling and moderation analysis to investigate the direct effects of provision network capital on internationalization performance as well as its impact by government policy support.

This study contributes to both international business and entrepreneurship literatures in several ways. One is to advance our understanding of how network-linked resources of different kinds might matter in SME development at an international level. Two is that we bring insights from institutional theory to bear on the internationalization of SMEs; this involves showing how government policy shaping affects the value and operational channels for network capital. Three is by showing how companies from institutional mixed- (hence "emerging market") environments employ network and institutional resources to transcend traditional obstacles of corporate internationalization. In doing so we broaden research into use of both network and institutional resources by these firms.

2. THEORETICAL BACKGROUND AND HYPOTHESIS DEVELOPMENT

2.1. Resource-Based View and SME Internationalization
The resource-based view (RBV) posits that sustainable competitive advantage derives from valuable, rare, inimitable, and non-substitutable resources (Barney, 1991). In the context of SME internationalization, this theoretical perspective highlights the fundamental resource constraints that smaller firms face relative to their larger counterparts (Paul et al., 2017). Traditional international business theories, particularly the Uppsala model and the eclectic paradigm, suggest that firms require substantial firm-specific advantages to overcome the liabilities of foreignness inherent in international expansion (Johanson & Vahlne, 2009). However, SMEs typically lack the requisite financial, technological, and managerial resources presumed necessary for successful internationalization.

2.2. Social Capital Theory and Network Resources
Social capital theory provides a complementary theoretical lens for understanding how network relationships generate value for internationalizing firms. Nahapiet and Ghoshal's (1998) seminal framework identifies three dimensions of social capital: Structural (network configuration), relational (trust and reciprocity), and cognitive (shared understanding). In the internationalization context, social capital embedded in networks facilitates access to market information, reduces transaction costs, and enables knowledge transfer across geographic and institutional boundaries (Puthusserry et al., 2020).

2.3. Institutional Theory and Government Support
Institutional theory emphasizes the role of regulatory, normative, and cognitive institutions in shaping organizational behavior and strategic choices. In emerging economies, governments actively shape institutional environments through policy interventions designed to promote specific economic objectives, including the internationalization of domestic firms (Peng et al., 2008; Meyer and Peng, 2016). The Chinese government has implemented comprehensive policy frameworks to support outward foreign direct investment and export activities, ranging from financial subsidies to diplomatic support.

### 2.4. Conceptual Framework and Hypothesis Development
Based on the theoretical foundations discussed above, we develop a comprehensive framework that positions network capital as a multidimensional construct influencing SME internationalization performance, with government policy support serving as a boundary condition. Figure 1 presents our theoretical framework.

2.5. Network Capital Dimensions and Internationalization
2.5.1. Availability of network resources
Network relationships serve as conduits for accessing diverse resources that SMEs typically lack internally (Li, 2007). These resources encompass both tangible assets (financial capital, physical infrastructure, technology) and intangible assets

Figure 1: Theoretical framework
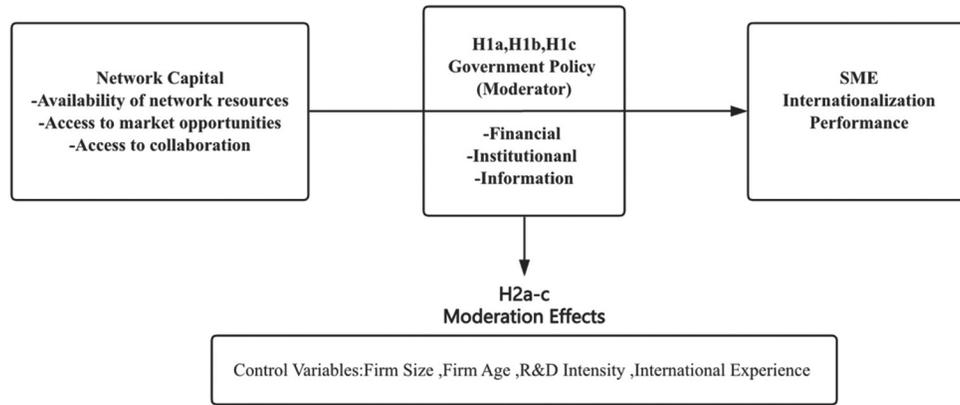
(knowledge, expertise, reputation) essential for international market entry and expansion (Musteen et al., 2010; Zhou et al., 2007). The resource mobilization function of networks is particularly critical for high-technology SMEs, which require specialized knowledge and capabilities to compete in global markets characterized by rapid technological change.

The multiple levels at which network resources influence patterns of internationalization. Networks give enterprises the necessary financial resources at the start to tap into international markets (Jean et al., 2010). They are connected to human capital with international experience and technological resources for product adaptation--all through their regular contacts within the industrial environment. Furthermore, network resources typically arrive attached to complementary assets that serve to raise their value. For example, a person who provides funds may also provide guidance and initial access into markets through his network relationships.

Hypothesis 1a: The availability of network resources positively influences SME internationalization performance.

2.5.2. Access to market opportunities
By gaining access to market opportunities through networks such as a distributor's (an organization with deep local technical knowledge, marketing infrastructure, management capabilities significant enough to affect international business in this very real sense) or overseas agent work or alliance, emerging enterprises integrated into world division of labor can get necessary resources relating their production operations and sales channel facilities. Networks operate as information transmission mechanisms that allow enterprises to explore and analyze international market opportunities. With its network of relationships, an SME can tune into the marketplace almost subliminally. A whole raft of new customers, orders and trends is revealed, frequently far in advance that might otherwise be possible only for the largest or most upwardly mobile firms researched by Hilmersson et al. (2017).

Opportunity recognition is made possible by the networks in several ways. Networks provide private information that is unavailable through other means, helping to interpret obscure market signals, and facilitate rapid verification of opportunity hypotheses by granting access to potential customers and industrial experts.

Hypothesis 1b: The networks provide access to market opportunities for SMEs, improving their internationalization performance.

2.5.3. Access to collaboration
Successful small and medium-sized business partnerships are usually networks of relationships where different forms of resources and advantages found in one member company can help the other members instead. International partnerships allow companies to work together, their cull resources and complement each other in ways that cannot be done singularly and for foreign market success becomes essential (Prashantham and Dhanaraj, 2010). Strategic alliances can give a company entry into markets, joint ventures allow it to share risk and make profit--and licensing agreements let a business grow quickly without any major capital investment.

Hypothesis 1c: SME internationalization performance can be positively influenced by access to networks and collaboration.

2.6. The Moderating Role of Government Policy Support
As a pivotal institutional mechanism, government policy support serves to either strengthen or diminish the influence of network capital on small and medium enterprise internationalization processes. The theoretical framework proposed herein conceptualizes government support as a resource amplification mechanism that augments both the utility and availability of resources embedded within networks (Lu et al., 2014; Wang et al., 2012).

Government financial support enhances firms' abilities to leverage network-accessed resources by providing complementary funding for resource deployment. Government programs often facilitate network formation through trade missions and business forums (Gao et al., 2017). Export promotion programs provide market intelligence that complements network-based information, while diplomatic support reduces institutional barriers to market entry.

Hypothesis 2a: Government policy support positively moderates the relationship between availability of network resources and SME internationalization performance.

Hypothesis 2b: Government policy support positively moderates the relationship between access to market opportunities and SME internationalization performance.

Hypothesis 2c: Government policy support positively moderates the relationship between access to collaboration and SME internationalization performance.

3. RESEARCH METHODOLOGY

3.1. Research Context and Sample Design
This study will focus on the representative case of high-tech SMEs in Shenzhen, China. The unique environment provided by the emerging economy provides an excellent example of network-based internationalization. A fishing village three decades ago, Shenzhen has transformed into a global technology hub. The city now hosts over 17,000 high technology firms and the PCT patent applications from it account for roughly 40% of China (Shenzhen Bureau of Statistics, 2023).

The reason for using Shenzhen as a case study is that this high-technology cluster has created a dense inter-organizational network in which there are resources--such as nobody finds gas drops for Wanted, law firms or researchers on campus with specialist knowledge--to be exchanged and spillover effects! Second, Shenzhen is designated special economic zone (SEZ) which offers unique institutional guarantee. It imports foreign intelligence by the shipload, but exports little except some agricultural produce--or, in practice, source-code vegetarian frozen food technology Thirdly, Shenzhen's proximity to Hong Kong and the fact that it is often (a third gateway to international business) bring about natural conditions which favour small to medium-size enterprise internationalization.

3.2. Data Collection Procedures
A multi-stage stratified sampling scheme was used to ensure that different sectors were selected to represent different industries. Thus, in this study, the Shenzhen high-tech enterprise database maintained by Shenzhen science, technology and innovation commission was used as the sampling frame. So, we incorporated some 18,347 companies from industry association membership lists and did a poll. We next revised the target sample. Three basic criteria provided parameters for this: (1) Companies that employed between 10 and 300 people -a criterion which corresponds with China's definition of a small or medium enterprise; (2) companies must have been established for at least 2 years; (3) engaging in any international business activities. As a result, we found 8,426 qualifying businesses. In five high technology fields, sample stratification was completed: electronic information technology (35% of population), software and information services (28%), biotechnology and pharmaceuticals (17%), advanced materials (13%), new energy and environmental technology (7%). Within each stratum, firms were randomly selected in proportion to sector representation Focused on power analysis for structural equation modeling, we aimed at 650 corporations with a predicted 50% response rate.

Survey administration followed a mixed-mode approach between June and November 2023. Initial contact was established through official introduction letters from Shenzhen University. Data collection methods included face-to-face interviews (38%), online surveys (44%), and telephone interviews (18%). The final sample consisted of 342 usable responses, representing a response rate of 52.6%.

3.3. Measurement Development
All constructs were measured using established multi-item scales adapted from prior literature. Items employed seven-point Likert scales (1 = strongly disagree, 7 = strongly agree). The survey instrument underwent rigorous translation and back-translation procedures to ensure semantic equivalence.

Internationalization performance was operationalized as a multidimensional construct using eight items adapted from Knight and Cavusgil (2004), capturing: International sales growth, market share expansion, number of foreign markets, expansion speed, international profitability, strategic objective achievement, competitive positioning, and overall satisfaction.

3.4. Network Capital Dimensions
- Availability of network resources (6 items, adapted from Zhang et al., 2016): assessed access to financial resources, human capital, technological resources, market intelligence, operational support, and reputational resources through networks.
- Access to market opportunities (5 items, adapted from Zhou et al., 2007): measured opportunity identification, customer access, market trends information, competitive intelligence, and opportunity evaluation capabilities.
- Access to collaboration (5 items, adapted from Prashantham and Dhanaraj, 2010): Captured partnership opportunities, alliance formation, joint venture access, technology licensing, and research collaboration possibilities.

Government policy support (6 items, adapted from Lu et al., 2014): measured financial incentives, tax benefits, export credit guarantees, institutional support, market information provision, and diplomatic support.

3.4.1. Control variables
Firm size (logarithm of employees), firm age (years since establishment), international experience (years of international operations), R and D intensity (R and D expenditure/revenue), CEO international experience (years), and industry sector (dummy variables).

3.5. Analytical Strategy
Data analysis employed covariance-based structural equation modeling using AMOS 28.0, following Anderson and Gerbing's (1988) two-step approach. Preliminary analyses included data screening for outliers, missing data patterns, and distributional properties. Missing data (<3% for all variables) were addressed using full information maximum likelihood estimation.

Common method bias was assessed through both procedural and statistical techniques. Procedurally, we separated measurement of independent and dependent variables in the survey instrument.

Statistically, Harman's single-factor test revealed that no single factor accounted for more than 31.4% of variance. The unmeasured latent method factor technique showed minimal improvement in model fit (ΔCFI = 0.013), suggesting common method bias was not a serious concern.

Hypothesis testing employed structural equation modeling with maximum likelihood estimation. Model evaluation followed established guidelines using multiple fit indices: χ^2/df < 3.0, CFI > 0.95, TLI > 0.95, RMSEA < 0.06, and SRMR < 0.08. Moderation hypotheses were tested using multi-group analysis, dividing the sample into high and low government support groups using median split.

4. EMPIRICAL RESULTS

4.1. Sample Characteristics and Descriptive Statistics
The final sample of 342 firms exhibits characteristics broadly representative of Shenzhen's high-technology SME population. The industry distribution reflects the region's technological composition, with electronic information technology comprising 32.2% (n = 110) of the sample, followed by software and information services (28.7%, n = 98), biotechnology and pharmaceuticals (18.1%, n = 62), advanced materials (13.2%, n = 45), and new energy and environmental technology (7.8%, n = 27).

In terms of firm size, the sample predominantly consists of smaller enterprises, with 40.6% employing 10-50 workers, 32.7% employing 51-100 workers, 19.9% employing 101-200 workers, and only 6.8% employing 201-300 workers. The age distribution indicates a relatively young firm population: 25.1% established within the past 3 years, 34.5% operating for 4-6 years, 25.4% for 7-10 years, and 15.0% exceeding 10 years of operation.

The internationalization scope varies considerably across the sample. Approximately 39.2% of firms operate in 1-3 international markets, 31.6% maintain presence in 4-6 markets, 19.0% have expanded to 7-10 markets, and 10.2% operate in more than 10 international markets, reflecting diverse internationalization trajectories among Chinese high-tech SMEs.

Non-response bias was assessed by comparing early and late respondents across all study variables, finding no significant differences (all P > 0.10). Table 1 presents descriptive statistics and correlations.

4.2. Measurement Model Assessment
Confirmatory factor analysis established the reliability and validity of measurement scales. The five-factor measurement model demonstrated excellent fit (χ^2 = 412.8, df = 340, χ^2/df = 1.21, CFI = 0.98, TLI = 0.97, RMSEA = 0.025, SRMR = 0.038), significantly outperforming alternative models. Table 2 reports psychometric properties.

All constructs exceed recommended thresholds (CR > 0.70, AVE > 0.50), confirming reliability and convergent validity. Cronbach's alpha (a) values, critical for determining instrument reliability (Aman-Ullah et al., 2024), varied from 0.87 to 0.93, suggesting good to high reliability. Discriminant validity should be established using the Fornell-Larcker criterion (Ahmad et al., 2022), with the square root of AVE exceeding inter-construct correlations for all constructs (Salleh et al., 2018).

4.3. Structural Model and Hypothesis Testing
The structural model testing our main effects hypotheses demonstrated excellent fit (χ^2 = 524.6, df = 398, χ^2/df = 1.32, CFI = 0.97, TLI = 0.96, RMSEA = 0.031, SRMR = 0.042). Table 3 presents standardized path coefficients and hypothesis testing results.

All three network capital dimensions significantly influence internationalization performance, supporting H_{1a-c}. Access to market opportunities exhibits the strongest effect (β = 0.41), followed by network resources (β = 0.26) and collaboration access (β = 0.22). The model explains 65.7% of variance in internationalization performance.

4.4. Moderation Analysis
Multi-group analysis examined the moderating role of government policy support. The sample was divided into high (n = 171) and low (n = 171) government support groups using median split (median = 4.31). Measurement invariance testing confirmed configural (χ^2 = 837.4, df = 796, CFI = 0.97) and metric ($\Delta\chi^2$ = 19.7, Δdf = 23, P = 0.66) invariance. Table 4 presents moderation results.

Government policy support significantly moderates the relationships between network resources and internationalization ($\Delta\chi^2$ = 8.76, P < 0.01) and between market opportunities and internationalization ($\Delta\chi^2$ = 5.43, P < 0.05), supporting H_{2a} and H_{2b}. However, the moderating effect on collaboration-internationalization is non-significant ($\Delta\chi^2$ = 0.38, P > 0.05), failing to support H_{2c}.

4.5. Robustness Checks
There were several robustness checks that confirmed our findings. We used continuous interaction terms as alternative operationalizations, and the results were the same. Employing

Table 1: Descriptive statistics and correlations

Variable	Mean	SD	1	2	3	4	5
1. Internationalization performance	4.88	1.20	1.00				
2. Network resources	4.83	1.22	0.65***	1.00			
3. Market opportunities	4.95	1.15	0.72***	0.67***	1.00		
4. Collaboration access	4.72	1.27	0.63***	0.62***	0.64***	1.00	
5. Government support	4.32	1.39	0.52***	0.46***	0.48***	0.41***	1.00

***P<0.001

quadratic terms to test for non-linear effects, no notable nonlinearities were evident (P > 0.10 for all). Parallel industry analyses highlighted consistent results across sectors, although the effect magnitudes varied slightly. By using lagged network measures to allay endogenous concerns and performing instrumental variable analysis, we obtained practically identical coefficients.

5. DISCUSSION

This study examined the multidimensional influence of network capital on Chinese high-technology SME internationalization performance, with government policy support serving as a critical moderating mechanism. Our empirical findings reveal several important insights that challenge conventional assumptions about network-based internationalization strategies in emerging economy contexts.

The results demonstrate that all three dimensions of network capital exert statistically significant positive effects on SME internationalization performance. However, the differential magnitude of these effects provides nuanced insights into the relative importance of various network-embedded resources. Access to market opportunities exhibits the strongest influence ($\beta = 0.41$), followed by availability of network resources ($\beta = 0.26$) and access to collaboration ($\beta = 0.22$). This hierarchy challenges resource-based explanations that emphasize physical resource constraints as the primary impediment to SME internationalization.

The pronounced effect of market opportunity access suggests that information asymmetries and opportunity recognition capabilities represent more critical bottlenecks than resource limitations per se. Networks function primarily as sensing mechanisms that enable firms to identify, evaluate, and act upon international opportunities, with resource mobilization and collaborative partnerships playing important but secondary roles. This finding extends international entrepreneurship theory by demonstrating that opportunity recognition, rather than resource accumulation, constitutes the primary mechanism through which networks facilitate SME internationalization.

The moderation analysis reveals differential government policy effectiveness across network dimensions. Government support significantly amplifies the relationships between network resource availability and internationalization performance and between market opportunity access and internationalization performance. However, government policy support exhibits no significant moderating effect on the collaboration-internationalization relationship. This pattern indicates that government interventions are most effective when addressing specific market failures in resource and information markets rather than attempting to orchestrate organic inter-firm relationships.

The non-significant moderation of collaboration effects suggests that collaborative relationships derive their value from organic development processes characterized by mutual trust, complementary capabilities, and aligned strategic objectives. Government-facilitated partnerships may disrupt these natural processes, reducing their effectiveness. This finding contributes to institutional theory by demonstrating that the boundaries of effective state intervention vary across different types of network capital.

These results contribute to the emerging market internationalization literature by revealing a distinctive "network-institutional orchestration" strategy employed by Chinese high-technology SMEs. Unlike resource-seeking strategies typical of larger

Table 2: Measurement model results

Construct	Items	CR	AVE	α	Factor loading range
Network resources	6	0.92	0.66	0.91	0.78-0.84
Market opportunities	5	0.89	0.62	0.88	0.77-0.82
Collaboration access	5	0.88	0.59	0.87	0.74-0.79
Government support	6	0.93	0.69	0.92	0.79-0.86
Internationalization	8	0.94	0.68	0.93	0.79-0.86

Table 3: Direct effects-hypothesis testing results

Hypothesis	Path	β	SE	t-value	95% CI	Results
H_{1a}	Network resources→internationalization	0.26***	0.061	4.262	(0.141, 0.379)	Supported
H_{1b}	Market opportunities→internationalization	0.41***	0.068	6.029	(0.277, 0.543)	Supported
H_{1c}	Collaboration access→internationalization	0.22***	0.057	3.860	(0.108, 0.332)	Supported
Control variables:						
Firm size→internationalization		0.12**	0.043	2.791	(0.036, 0.204)	-
R and D intensity→internationalization		0.15***	0.041	3.659	(0.070, 0.230)	-
International expesrience→internationalization		0.13**	0.045	2.889	(0.042, 0.218)	-

Note: N = 342. β = standardized coefficient; SE = standard error; CI = confidence interval. Model fit: χ^2/df = 1.32, CFI = 0.97, TLI = 0.96, RMSEA = 0.031, SRMR = 0.042. R^2 = 0.657. ***P<0.001, **P<0.01; R^2=0.657

Table 4: Moderation effects-multi-group analysis

Hypothesis	Path	Low GPS β (SE)	High GPS β (SE)	$\Delta\chi^2$	Result
H_{2a}	Network Resources→Int'l	0.19** (0.084)	0.39*** (0.079)	8.76**	Supported
H_{2b}	Market Opportunities→Int'l	0.34*** (0.091)	0.48*** (0.086)	5.43*	Supported
H_{2c}	Collaboration Access→Int'l	0.24** (0.078)	0.26*** (0.074)	0.38	Not Supported

GPS: Government policy support; ***P<0.001, **P<0.01, *P<0.05

emerging market multinationals, our findings indicate that high-tech SMEs employ sophisticated network mobilization combined with selective utilization of institutional support. This approach enables resource-constrained firms to transcend traditional barriers through strategic leverage of external relationships and government resources.

The research provides actionable guidance for multiple stakeholder groups. SME managers should develop differentiated network portfolios that prioritize market opportunity access while maintaining complementary resource and collaboration networks. The alignment of network strategies with available institutional support mechanisms emerges as critical, particularly for leveraging government financial support and market intelligence services. However, managers should maintain realistic expectations regarding government-orchestrated partnerships, which may yield limited returns compared to organically developed relationships.

6. CONCLUSION AND IMPLICATIONS

This study contributes to international business literature by providing comprehensive empirical evidence of how network capital facilitates SME internationalization in emerging economy contexts. Through analysis of 342 Chinese high-technology SMEs operating within Shenzhen's innovation ecosystem, we demonstrated that network capital operates through three conceptually distinct dimensions that each contribute independently to internationalization performance, while government policy support serves as a differential moderating mechanism across these dimensions.

Our theoretical framework, grounded in resource-based view, social capital theory, and institutional theory, successfully predicted the direct effects of all three network capital dimensions on internationalization performance. The empirical results reveal that access to market opportunities exerts the strongest influence, followed by availability of network resources and access to collaboration. This hierarchy underscores the primacy of information-based resources and opportunity recognition capabilities in SME internationalization processes.

The moderation analysis demonstrates that government policy support significantly amplifies the effectiveness of resource availability and market opportunity networks while exhibiting no meaningful impact on collaboration networks. This differential pattern provides important insights into the boundary conditions of institutional support effectiveness, indicating that government interventions achieve maximum value when addressing specific market failures rather than attempting comprehensive network orchestration.

These findings advance international business theory by elucidating the multidimensional nature of network capital and demonstrating how institutional context shapes the value of network-embedded resources. The research reveals a distinctive internationalization approach that combines network leverage with selective institutional support utilization, expanding our understanding of how resource-constrained firms from emerging economies overcome traditional expansion barriers.

The study offers practical implications for multiple stakeholder groups. SME managers should develop strategically differentiated network portfolios that prioritize market opportunity access while maintaining complementary resource and collaboration capabilities. Government support alignment with specific network dimensions emerges as a critical success factor, with particular emphasis on financial support and market intelligence services. Policymakers should design targeted intervention programs addressing specific market failures rather than providing generic support across all network types, with financial mechanisms and information services representing high-value investments compared to orchestrated partnerships.

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