




The impact of international macro environment factors on the internationalization of Polish enterprises

IRENEUSZ DRABIK

Pedagogical University of Krakow, Faculty of Social Sciences, Institute of Law and Economics,
ul. Podchorążych 2, 30-084 Kraków, Poland

✉ ireneusz.drabik@up.krakow.pl

 orcid.org/0000-0001-8830-1681

Abstract

Motivation: It is commonly noted that the environment of enterprises changed substantially at the turn of the 20th and 21st centuries. The environment basic and characteristic features are changeability and complexity, i.e. turbulence. It is justified to distinguish the enterprise international macro environment as a separate category. Many different ways of understanding this category and of classifying its structural elements can be found in the literature.

Aim: The theoretical aim of the article is to characterize the essence and structural elements of the international macro environment of enterprises. The practical aim is to assess the impact of individual elements of the international macro environment on the internationalization of business activity in the opinion of the Polish manufacturing companies covered by the survey. The article makes use of a critical analysis of the literature on international management and draws on the results of own surveys conducted among Polish enterprises.

Results: The analysis and monitoring of changes taking place in the international macro environment are of key significance for the strategy of the enterprise internationalization regardless of the stage or intensity of the internationalization process. The influence of international macro environment factors is an important aspect that decides whether a given venture undertaken by the enterprise on foreign markets will be a success. As a result of own studies, the impact of individual types of international macro environment fac-



tors on the internationalization of Polish enterprises was determined. Attention is drawn to the dominant role of factors of the technological environment.

Keywords: enterprise; internationalization; international environment; international management
JEL: D22; F20; F21; L21

1. Introduction

The operating conditions of an enterprise internationalizing its activity can be considered from many angles. The external conditions are created by the environment in which the enterprise functions, programming and organizing the market service processes. The literature usually distinguishes between two types of the company's environment: the direct environment (also defined as the market environment, closer environment or micro environment) and the indirect environment (also referred to as the general environment, farther environment or macro environment).

The direct (micro) environment comprises the factors beyond the enterprise that have a direct impact on its functioning, especially on decision-making processes. The factors include other organizations, as well as individuals, interacting with the enterprise (e.g. customers, suppliers, competitors).

The indirect (macro) environment is less institutionalized. It comprises all the conditions of the functioning of a company resulting from the fact that it operates in a specific country and region, within a specific political and legal system, in a specific climatic zone, etc. The general environment is by far more complex than the market environment because it is created not so much by entities but by various forces and processes among which multilateral and complex links occur.

The ever-changing conditions of a company's operation, the turbulence and the uncertainty of the international environment are among the basic issues that affect the process of creation and implementation of the company's internationalization strategy. The modern manager should treat the above features of the environment as a normal state affecting all organizations and requiring enhanced monitoring in terms of identification of opportunities and threats.

The theoretical aim of the article is to characterize the essence and structural elements (political and legal, economic, socio-cultural, ecological and technological factors) of the international macro environment of enterprises. The practical aim is to assess the impact of individual elements of the international macro environment on the internationalization of business activity in the opinion of the Polish manufacturing companies covered by the survey. The concept of the enterprise internationalization is understood very broadly and means any kind of business activity undertaken by the company abroad (Cavusgil et al., 2017; Czinkota et al., 2005; Peng & Meyer, 2019). In this wide perspective, the use of the concept of internationalization is independent of the achieved degree of intensity and the company's involvement on foreign markets. The article makes use of a critical analysis of the literature on international management

and draws on the results of own surveys concerning the behaviour of Polish manufacturing companies in conditions of the market internationalization and globalization.

The theoretical part of the paper presents a general definition of the enterprise environment and describes the structural elements of the international macro environment. The empirical part presents the results of own studies on the assessment of the impact of the international macro environment factors on the internationalization of business activity in the opinion of Polish manufacturing companies. The following structural elements of the international macro environment and the following partial factors corresponding to them are adopted in the research: political, legal, economic, social, cultural, ecological and technological.

2. Literature review

Referring to organizations treated as a system, the environment is defined as anything beyond the system under consideration that may exert an influence on it (input) or that is affected by the system (output). The environment is therefore a set of all components that do not belong to the system and whose changes can cause the system transition to a state different from the present one (the system state). In a similar approach the environment is all elements not included in the system but related thereto, i.e. elements that affect the system state or are affected by it. The enterprise environment is a set of all factors having an impact on the company's survival and development (Brooks et al., 2011; Hamilton & Webster, 2015; Worthington & Britton, 2006).

In the context of the enterprise internationalization it is justified to separate the company's international macro environment. The literature offers different proposals for capturing its structure in the form of acronyms. The first example is PEST/STEP, where the letters (depending on the order) stand for political, economic, social and technological. A more elaborate formula is SLEPT, which includes the legal environment as a separate category. A wider approach to the structure of the macro environment using an acronym is the PRESTCOM formula, composed of the following groups of factors: political, regulatory, economic, social, competitive, organizational and market. There are also other, less frequently reported groups of variables, such as historical, anthropological or military. Their impact on the functioning of the enterprise seems rather indirect, i.e. it manifests itself in their influence on the factors included in the categories mentioned above or they can in fact be included in one of the mentioned groups (Albaum et al., 2016; Brooks et al., 2011; Clarke & Wilson, 2009; Czinkota & Ronkainen, 2007; Ghauri & Cateora, 2005; Hamilton & Webster, 2015; Worthington & Britton, 2006).

The strategy of a company internationalizing its activity is shaped taking account of the characteristics of individual structural elements of the international environment. The structural elements of the enterprise international macro en-

vironment are quite extensively described theoretically in the literature on international management and international marketing (Limański & Drabik, 2010, pp. 111–154). On the other hand, there are very few comprehensive empirical studies on the impact of individual international macro environment factors on the internationalization of Polish companies. One of the authors describing the results of empirical studies is Witek-Hajduk (2010, pp. 205–211), who analysed the conditions of adapting the company's strategy to the conditions of local markets in the conditions of Poland's accession to the European Union. The environment factors as determinants of the internationalization of Polish exporters were described by Żbikowska (2012, pp. 123–133). Szóstek (2013, pp. 77–91) identified different kinds of risk posed by making direct foreign investments in selected countries (and related to macro environment factors) from the perspective of Polish companies investing abroad. Wach (2016, pp. 7–20) characterized the international environment as a factor of the internationalization of Polish companies.

3. Methods

In the years 2018–2020, as part of the research projects performed at the Institute of Law, Administration and Economics (currently: the Institute of Law and Economics) of the Pedagogical University of Krakow, studies were conducted on the risk related to the internationalization of Polish enterprises in the conditions of the turbulence of the environment. They included a survey carried out in December 2019 and January 2020. One of the investigated issues was identification and description of the impact of the international macro environment factors on the internationalization of business activity of Polish manufacturing companies. The research tool was the postal survey questionnaire. The research sample was developed by Statistics Poland (previously: the Central Statistical Office in Warsaw) — 4000 enterprises — and the criterion for qualifying a company for the survey was:

- firstly, business activity performed in compliance with the Polish Classification of Activities (PKD);
- secondly, domination of Polish capital in the company's total capital, including state or private ownership;
- thirdly, employment of 50 or more workers, which means that the survey covered medium and large enterprises.

Three hundred and fifteen (315) manufacturing companies coming from all over the country and meeting these conditions took part in the survey (survey questionnaires return rate: 7.86%). As already mentioned, the survey covered enterprises employing at least 50 people. 77.1% of those entities employed from 50 to 250 people; the largest entities with the number of employees higher than 250 accounted for 22.9%. 88.6% of the surveyed enterprises were private and 11.4% were owned by the state or by exclusively state-dependent legal entities. The most frequently mentioned production activity areas were: food,



beverages, tobacco products (20%), finished metal products (17.1%), machinery and equipment (14.3%). The respondents most often described their financial situation as very good or good (74.3% in total). One in every five of the surveyed enterprises described their financial situation as average (20.0%) and only 5.7% as bad (no entity described the financial situation as very bad).

The level of the internationalization of the surveyed companies turned out to be significant, i.e. ~75% of them could be defined as actively internationalized, meaning that they sold their products on foreign markets. The forms indicated as the most frequent were: direct export (75% of enterprises operating on the EU markets and 57.1% of enterprises operating outside the EU) and indirect export (54.2% and 66.7%, respectively). 16.7% of the surveyed enterprises operating in the EU countries and 19.1% of the entities operating on other markets had their own production or trade branches/subsidiaries. Licence agreements with foreign partners from the EU countries were indicated as a form of internationalization by 29.2% of enterprises, while in the case of partners from other countries, the indicator was 14.3%. None of the surveyed companies mentioned franchising as a form of internationalization of business activity.

Foreign operations were mainly related to servicing the markets of the EU countries and Ukraine and Russia. The most common EU markets were Germany, the Czech Republic and Slovakia, as well as the United Kingdom (before Brexit), France, Spain, Belgium, the Netherlands, Austria, Croatia, Italy, Denmark, Sweden, Finland, Estonia, Lithuania, Latvia, Slovenia, Bulgaria, Romania and Hungary. The other European countries that were mentioned included Belarus, Norway, Switzerland, Serbia and Macedonia. There were far fewer companies operating on more geographically and culturally distant markets (including for example the USA, Turkey, Armenia, Georgia, Kazakhstan, Iraq, Iran, the United Arab Emirates, Vietnam, India, Nigeria).

The research adopted a classification composed of 7 basic structural elements of the international macro environment and 40 partial factors corresponding to them: the political environment (3 factors), the legal environment (6 factors), the economic environment (11 factors), the social environment (6 factors), the cultural environment (5 factors), the ecological environment (3 factors) and the technological environment (6 factors). The surveyed companies evaluated the impact of the environment factors on their functioning on individual markets (domestic and foreign, the latter meaning markets in and outside the European Union) on a scale from “-3” to “+3”, where “-3” means “very big threat”, “0” means “neutral/insignificant impact” and “+3” means “very big opportunity”. It was assumed in the survey that a positive rating of the international macro environment factors would be a reason to internationalize the surveyed manufacturing companies.

4. Results

The factors of the political and legal environments in individual countries shape the conditions of the functioning of enterprises through different political systems and different legal systems resulting therefrom. The factors affect the availability of markets and the conditions of the operation of companies in different countries, including determination of the freedom to choose adequate strategies for entering and servicing a given market, taking up specific management actions and possibilities of the implementation of marketing strategies (Globerman & Shapiro, 2002, pp. 1899–1919).

The political system, i.e. the entirety of state bodies, political parties and social organizations and groups (formal and informal) participating in political activities in the country, together with the total of general principles and norms regulating mutual relationships among them, should be treated as the fundamental factor of an institutional nature. The results of the research indicate that the surveyed enterprises perceive the political system as a factor with a neutral character, which has no substantial impact on their business activity in the international environment (cf. Chart 1). However, a certain regularity can be noticed: the factor was rated the highest in relation to the EU countries (0.35). In the case of the domestic market it was much lower (0.14) and for other foreign markets outside the EU the mean value was slightly below zero (−0.05). It is generally assumed that a democratic political system is intrinsically conducive to deeper involvement in the processes of internationalization and globalization of the economy because its economy is usually governed by the market mechanism, which results in its “openness”. This is why the surveyed enterprises view this factor in this way. The small significance of the political system as a factor of internationalization of the surveyed companies can be due to the fact that in an overwhelming majority the enterprises operate on markets in political systems of a democratic nature and have not faced problems related to functioning in other, less favourable conditions.

Compared to the political system, the surveyed enterprises ascribe greater importance to two other separated political factors which are in a sense derivatives of the democratic political system: political security and political stability. Political security means a state of absence of threats, which creates a sense of certainty and a guarantee of maintaining it. Additionally, which is especially worth noting, it also creates an opportunity for development in specific conditions of a (democratic) political system and internationalization of the economy. Political stability, on the other hand, can be linked to the political system durability or invariability.

Both political security and political stability are rated the highest by the surveyed companies in the case of foreign markets from the EU countries (0.83 and 1.00, respectively), which means that on these markets the factors are treated as opportunities for development. They were rated a bit lower in relation to other foreign markets (0.78 and 0.63) and to the domestic market (0.74

and 0.60, respectively). While political security is assessed at a similar level on the domestic and foreign markets, political stability is rated substantially higher in the case of markets in the EU countries compared to others.

The legal environment comprises conditions of the company's operation defined by varied legal regulations created by the authorities of individual countries. Among legal regulations, those concerning general principles of the functioning of the economy and being a manifestation of the implemented economic policy are of particular importance. The following factors of the legal environment were analysed during the research: stability of law, regulations concerning business activity, tax law and tax burdens, antitrust and cartel legislation, legal protection of competition and consumers, labour law (cf. Chart 2).

As many as five of the six legal environment factors mentioned above are rated the highest in relation to markets of the EU countries and only slightly lower in the case of other foreign markets (outside the EU). In the EU countries the factors with the highest ratings are stability of law (1.09), regulations concerning business activity (0.92) and antitrust and cartel legislation (0.87). The exception is labour law, which is rated the highest in relation to other countries — outside the EU (0.58).

It should be emphasized that the legal environment conditions on the domestic market in relation to all the analysed factors are rated substantially lower compared to foreign markets both in and outside the EU. The greatest differences in the assessment of the legal environment factors, to the disadvantage of the domestic market, were recorded in the case of tax law and tax burdens (domestic market: -0.32 , EU markets: 0.61 , markets from countries outside the EU: 0.44), stability of law (0.29 ; 1.09 and 1.00 , respectively), regulations concerning business activity (0.17 ; 0.92 ; 0.74) and antitrust and cartel legislation (0.21 ; 0.87 ; 0.78). Slightly smaller differences in the ratings occurred in the case of legal protection of competition and consumers (0.41 ; 0.68 ; 0.50) and labour law (0.31 ; 0.50 ; 0.58). It is worth noting that in relation to the domestic market the factor concerning tax law and tax burdens was the only one evaluated in terms of a threat (negative value of the factor).

The economic environment variables provide information on the condition of the economy and affect the market volume and absorptiveness. Due to that, they have a substantial impact on the profitability of the enterprise operation on foreign markets. The economic factors make it possible to identify the attractiveness of markets and the opportunity to sell the company's products.

The size of demand and the level of income of the population of a country are among the basic economic variables which make it possible to determine the market attractiveness for an enterprise internationalizing its activity (cf. Chart 3). The surveyed companies rated the two factors the highest, i.e. in categories of opportunities for development, both in relation to the EU markets (size of demand: 1.64 , level of income of the population: 0.95) and to the markets of countries from outside the EU (1.60 and 0.95 , respectively). The third place was taken by the also high-rated level of prices. In the EU countries the factor

value totalled 0.86; outside the EU it was 0.53. The above-mentioned economic factors (the size of demand, the level of income of the population, the level of prices) should be treated as the most important variables (opportunities) conducive to the development of the surveyed enterprises on foreign markets.

The data on the size of demand and thereto related potential consumption should be analysed in connection with other variables, including those of the economic nature, that inform e.g. about the rate, structure and trends of unemployment. In countries with high and permanent unemployment, apart from limited purchasing capacity of jobless consumers, a noticeable decrease can be observed in the consumption by those who have a job but are afraid of losing it. This results in limited opportunities for the sale of products of the enterprises servicing the market. The surveyed companies most often pointed to the unemployment rate in relation to foreign markets outside the EU (0.44). In the case of the domestic market and markets of the EU countries, unemployment was assessed as a neutral factor (0.06 and 0.15, respectively).

A very important issue in the analysis of the economic environment factors is the economic growth rate, which was not rated very high by the surveyed enterprises in relation to foreign markets (EU countries: 0.14, countries outside the EU: 0.30). Interestingly enough, the factor gained the highest value in the case of the domestic market (0.65). Referring to the characteristics of the economic factors presented above, it may be concluded that although the domestic market is perceived worse compared to foreign markets in terms of the size of demand and the level of income of the population, it is still treated as promising due to the economic growth rate.

Another group of issues are economic factors concerning production costs. They are thus related to increasing the enterprise efficiency and raising its profitability. In this case, the reduction in production costs and, consequently, a rise in the profit rate gain particular importance. Issues such as the increase in labour productivity and the availability of cheaper credits and a generally easier access to financial means in the country of investment (including investment incentives) can also be included in the group of cost-related factors. Based on the survey results, it is found that cost-related factors were not the most important in the context of internationalization of the surveyed companies. This is due to the fact that cost related factors gain significance in connection with the implementation of more advanced forms of internationalization (direct foreign investments in particular), which are still rare among Polish companies.

Another economic variable is inflation, i.e. a constant rise in prices caused by an excessive growth in demand in relation to supply, an excess of money in circulation causing money depreciation, an increase in costs resulting in a rise in prices of products and an outflow of capital abroad. The inflation level belonged to the factors that in the case of the domestic market and the markets outside the EU reached negative values (–0.12 and –0.21, respectively). Such factors, although not very significant, were viewed as threats. In the case of the EU markets, the value of the analysed factor was 0.09, which makes it

neutral in terms of the impact. Inflation determines the real change in the value of money over time and the degree of a given country's economic stability. If the inflation rate is on the rise, a country is perceived as an area posing a high investment risk because inflation has an unfavourable effect on the income of consumers and on production costs.

An enterprise functioning on foreign markets should analyse the oscillations in currency exchange rates and the resulting exchange risk, to which attention was drawn especially in relation to the countries from outside the EU (factor value at the level of -0.47). The stability of the exchange rate is in the interest of companies operating on foreign markets. Unfavourable changes in the exchange rate lead to a decrease in revenue and an increase in liabilities due to the fact that the enterprise operates on diverse foreign markets.

The last issue analysed in the group of the economic environment factors was the level of customs duties. Customs duties are the money collected by the state on the import, export and transfer of goods the moment that they cross the customs border. It is thus a kind of tax that raises the price of a product and decreases the product competitiveness on the internal market. Despite the fact that in the conditions of the economy globalization, formation of integration groups (e.g. the EU) and liberalization of international trade customs duties are losing significance, the survey results indicate that they are still perceived by Polish companies in categories of a serious threat to the possibility of functioning on foreign markets outside the EU (factor value at the level of -0.83).

The social environment includes variables characterizing the population and social phenomena in various countries and the changes taking place in this area. The following can be mentioned: demographic variables concerning the birth rate, the age and gender structure, as well as variables related to the level of education, changes in consumer behaviour, the rise of social mobility, the degree of social disparities or the formation of the civil society (cf. Chart 4). Some of those factors are easy to identify and describe. They can be determined based on commonly available information (e.g. the birth rate, the age and gender structure, the level of education). However, many others require deeper studies and analyses (e.g. changes in consumer behaviour, civil society characteristics).

The survey results indicate that the demography of the society is very highly rated as an internationalization factor in relation to foreign markets from outside the EU (factor value at the level of 0.83), compared to the EU countries (0.27) and especially to the domestic market (0.09). Analysing the results of the evaluation of the other social factors, it is impossible to unequivocally identify regularities or make conclusions. In some cases the analysed factors are rated similarly in relation to domestic markets and to foreign markets both in and outside the EU. This is true for social mobility (domestic market: 0.41 , EU markets: 0.48 , markets outside the EU: 0.33) and for the level of the civil society development (0.35 ; 0.32 and 0.26 , respectively). There are also factors which in the case of the domestic market are rated much higher or lower com-

pared to foreign markets. The level of education in the case of the domestic market was evaluated at 0.59, whereas for the EU markets the factor value totalled 0.38; for the markets outside the EU the value was 0.33. The degree of social disparity for the domestic market was evaluated at -0.12 (negative value, factor with a minor-threat impact). In the case of the countries in and outside the EU the factor value was 0.23 and 0, respectively. The last of the factors under analysis, i.e. consumer behaviour, is evaluated higher for the domestic market (0.48) and the markets outside the EU (0.47) compared to the EU markets (0.27).

The cultural environment variables are considered as more difficult to define in the context of the company internationalization. While many elements of the political, legal or economic environments discussed above are relatively easy to identify because the data and information on the political system, legal regulations or economic indicators can be obtained from the resources of various institutions gathering and processing them, the unique nature of social conditions makes them difficult to define or include in the activity of the enterprise (Steenkamp, 2001, pp. 30–44).

When it comes to the cultural environment factors included in the survey, in each and every case they were rated the highest in relation to the markets of the EU countries (cf. Chart 5). The following factors were evaluated in relation to the EU markets as definitely positive, i.e. in the category of opportunities: lifestyle (0.71), society members' attitude to foreign products and companies (0.68). The system of values and ethics were rated a bit lower (0.57 and 0.52, respectively). The generally high ratings of cultural factors in the case of the EU countries can be explained by the fact that they are perceived as being at a high level of cultural development. The cultural factor that was evaluated in relation to the EU countries as the least significant was religion (0.13). Despite the fact that religion is commonly treated as a source of enormous differences between cultures involving the need for adaptation to individual markets (religion requires its followers to comply with different principles and rules, which among others affects human resource management on foreign markets and has an impact on consumer behaviour influenced by the need to obey specific dictates and prohibitions), the surveyed enterprises perceive it as a neutral factor in the process of internationalization in relation to markets both in and outside the EU.

In each analysed case the cultural factors were rated higher in relation to the EU markets compared to the domestic market. The biggest difference can be observed for ethics (the EU countries: 0.52; domestic market: 0.17). Slightly smaller differences can be seen in the case of the lifestyle (0.71 and 0.46, respectively), the attitude to foreign products and companies (0.68 and 0.53) and the system of values (0.57 and 0.38). For religion the differences were the smallest: (0.13 and -0.03). In each case the cultural factors were evaluated the lowest in relation to foreign markets outside the EU, which proves the cultural distance between them and the markets in the EU countries. The biggest differences in the ratings can be noticed in the case of the lifestyle (the EU coun-

tries: 0.71; countries outside the EU: 0.20), the system of values (0.57 and 0.16, respectively) and ethics (0.52 and 0.05). Slightly smaller differences can be seen in the case of the attitude to foreign products and companies (0.68 and 0.42). For religion the differences were the smallest: (0.13 and -0.05).

The ecological environment (also described as natural, wildlife or geographical) is first and foremost determined by climatic conditions, legislation on environmental protection, ecological awareness of consumers and the consumers' attitude to environmental protection (cf. Chart 6). These factors shape the lifestyle of people in different countries, affect the use of specific goods and services and therefore have an impact on the purchase structure and consumer behaviour both in the case of individual and institutional purchasers. They also affect the company's decisions on the location of production, applied technologies, acquisition of natural resources, etc. (Kotler, 2011, pp. 132–135; Leonidou et al., 2013, pp. 151–170).

The climatic conditions are related to the course of weather phenomena in the area (temperature, air humidity, precipitation), which often increase the demand for a specific product, render it useless (the product cannot be sold on the market) or create the need for the product adaptation. In the case of the domestic market and the EU markets, the factor is evaluated low and at a similar level (0.03 and 0.17, respectively), which is the effect of the markets similarity in the analysed aspect. But in the case of markets outside the EU climatic conditions are perceived in categories of a threat, although the threat intensity is not very high (-0.28).

It is necessary to mention the growing significance of legislation on environmental protection. The degradation of the natural environment involves an increase in the intensity of actions undertaken in individual countries and on the international level to protect the environment. Among others, these actions are reflected in environmental protection legislation. However, this factor is evaluated at a similar but rather low level in relation to the markets under analysis (domestic market: 0.14; markets of the EU countries: 0.13; countries outside the EU: 0.22). This may be due to the fact that the enterprises have already realized the importance of the ecological approach in business activity and they are adapting themselves on an ongoing basis to the increasingly strict legislation in this regard treating it as a normal state and not in the categories of opportunities or threats.

Of the analysed ecological factors, the surveyed enterprises gave the highest ratings to consumers' awareness of environmental protection issues (domestic market: 0.43; markets of the EU countries: 0.23; countries outside the EU: 0.33). Greater ecological awareness is shown on the part of consumers whose behaviour may manifest itself in avoiding the purchase and consumption of products harmful to the environment, searching for shops offering ecological products (conducive to environmental protection), paying attention to ecological labelling of products, preferring more expensive products with an ecolabel rather than cheaper, non-ecolabel, products. Adapting the product offer to suit

ecologically aware consumers may be treated as an opportunity for the company to stand out on the market against competitors.

Of all the analysed structural elements of the international macro environment, the surveyed enterprises evaluated the highest the importance of technological variables. They viewed technological factors as an essential opportunity for development in the process of business activity internationalization (Berthon et al., 2012, pp. 261–271; Drabik, 2007). Precise identification of the technological environment factors turns out to be an extremely important issue in the conditions of the modern, knowledge-based, economy, where the creation and utilization of information and knowledge are of fundamental significance.

The important factors of the technological environment include the level of outlays on research and development (R&D) and the innovativeness of the economy. It should be emphasized that in recent interpretations the meaning of innovativeness has been broadened considerably. It has been transformed from a single invention into a whole complex of phenomena and processes creating new patterns of production and operation. Interestingly enough, with respect to the level of outlays on R&D and the innovativeness of the economy, the surveyed companies evaluated the domestic market slightly higher compared to foreign markets (cf. Chart 7). When it comes to outlays on the R&D, in the case of the domestic market the factor value totalled 1.00 (the EU countries: 0.92, the countries outside the EU: 0.89), and the innovativeness of the economy was evaluated at the level of 0.83 (the EU countries: 0.78, the countries outside the EU: 0.75). Computerization and the Internet popularization were rated high both in relation to the domestic market (0.97) and foreign markets (the EU countries: 0.88, the countries outside the EU: 0.95). As for the speed of transfer of new technologies, foreign markets were evaluated at a similar level (the EU countries: 0.96, the countries outside the EU: 0.95), and slightly higher compared to the domestic market (0.83). Also in relation to the availability of distribution channels the domestic market was evaluated lower than foreign markets (domestic market: 0.91; the EU countries: 0.96; the countries outside the EU: 1.05). The transport and communications infrastructure was evaluated the highest in the case of the EU markets (1.35). Next comes the domestic market (1.12). The markets of the countries outside the EU are substantially lower in this respect (0.63).

5. Conclusion

Two basic conclusions can be drawn from the survey results. Firstly, it can be expected that internationalization of Polish companies will intensify. The domestic macro environment factors are in many cases rated substantially lower compared to foreign markets, which can be treated as a reason for internalization of the surveyed entities (cf. Chart 8). The disparities in the evaluation of the macro environment factors in favour of foreign markets, in the EU countries in particular, are clearly visible especially in relation to the legal environ-

ment (the mean value of the factor in the case of the domestic market totalled 0.18, whereas for the EU markets and for the markets outside the EU it was at the level of 0.78 and 0.67, respectively). For the political environment the factor totalled 0.50; 0.73 and 0.45), cultural: 0.30; 0.52 and 0.16) and economic: 0.22; 0.42 and 0.31, respectively. Secondly, the leading significance of technological factors should be assessed very positively. It is among them that the surveyed enterprises see fundamental opportunities for development both in relation to the domestic market (0.94) and in the process of internationalization of their business activity (the EU markets: 0.97 and the foreign markets outside the EU: 0.87).

Modern companies intensifying the process of their business activity internationalization are now facing enormous challenges presented by the turbulence of the environment, i.e. by the increasing changeability and complexity of its structural elements. A company functioning on foreign markets must not act as a passive observer of the conditions of operation only. It should strive to anticipate and even actively shape them. Although at initial stages of the enterprise internationalization the analysis of the international environment can be somewhat simplified (this actually concerns most of the surveyed entities), the awareness of the process long-lasting significance grows as the company's involvement on foreign markets increases (Drabik, 2018, pp. 55–65; Limański et al., 2018, pp. 43–55).

This enhanced involvement of the company in foreign operations should lead to what is referred to as reactive monitoring, i.e. monitoring in terms of the company's response to the situation on foreign markets. The international environment is for the enterprise a source of opportunities and threats, and the implemented strategies can be treated as the effect of the impact of specific conditions of the environment which programs and organizes market service processes. The turbulence of the environment and the resulting uncertainty of operation put the enterprise in a difficult situation in the face of many unknowns. It has to adapt itself quickly to the changing and complex environment, which is a prerequisite for its survival. On the other hand, a company functioning in a specific environment satisfies its needs and to a greater or lesser extent contributes to its development. With greater turbulence of the international environment compared to the past, the enterprise is now given great opportunities for extended operation provided that it can not only adapt to the new conditions but also anticipate and shape them. This is the reason for the growing importance of proactive monitoring, which stands out with its definite forward-looking orientation and the precisely defined scope taking account of the company's specificity.

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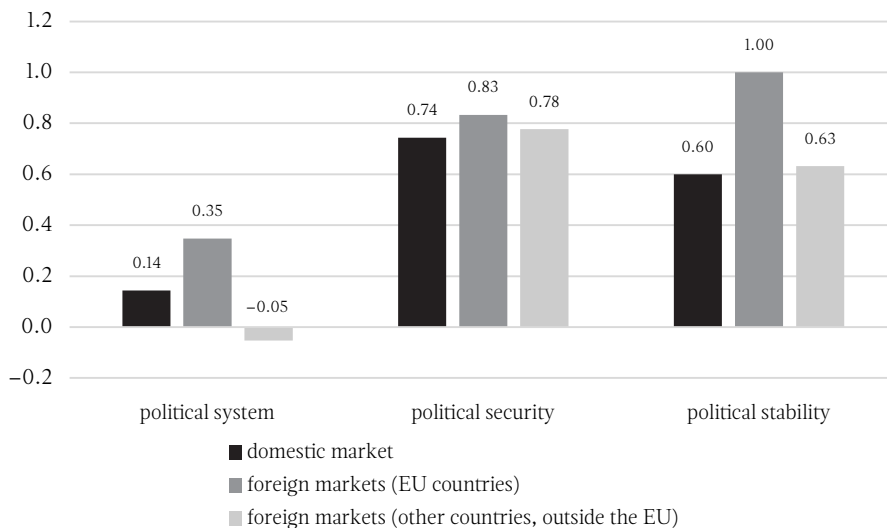
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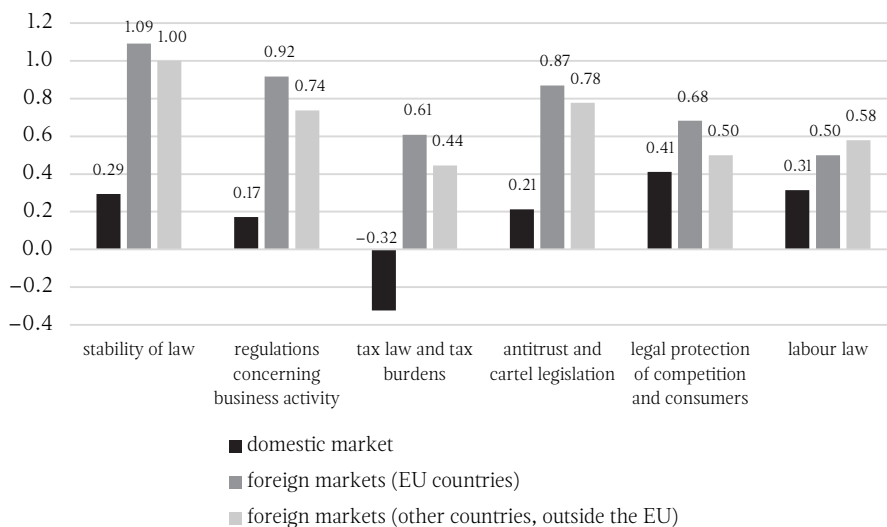
Appendix

Chart 1.
Evaluation of factors of the political environment



Source: Own preparation.

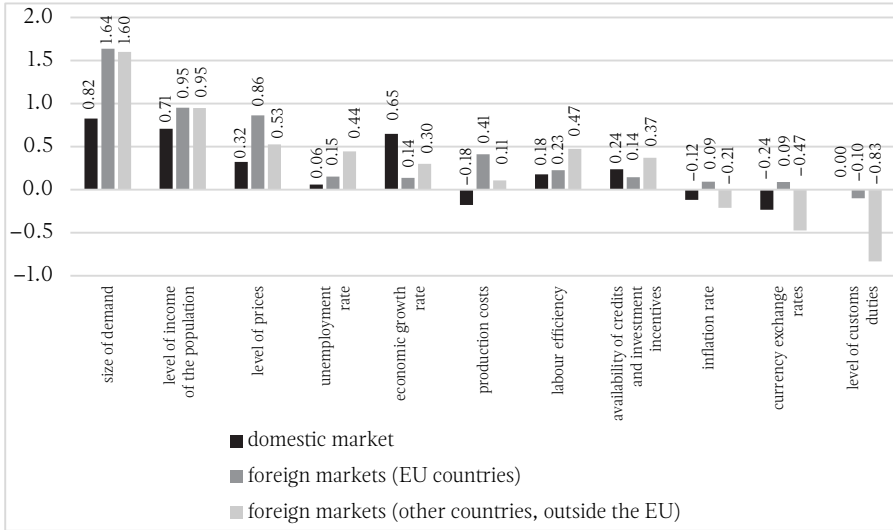
Chart 2.
Evaluation of factors of the legal environment



Source: Own preparation.

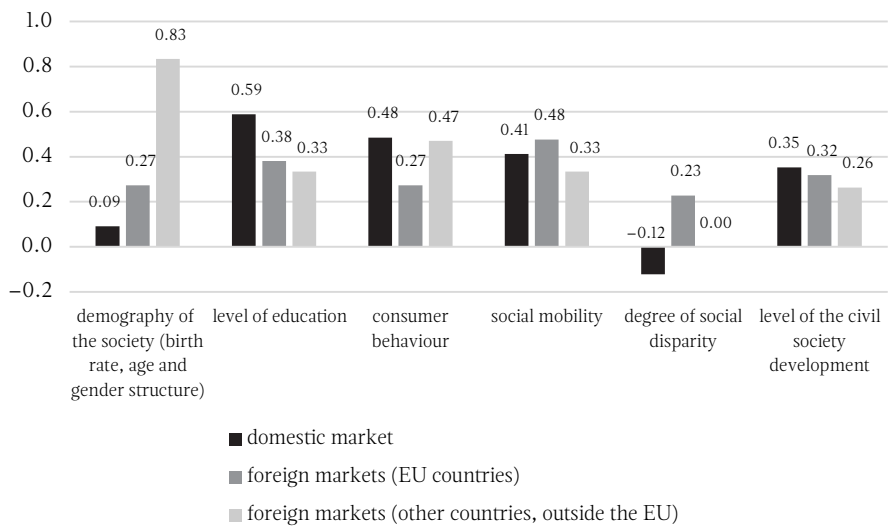


Chart 3.
Evaluation of factors of the economic environment



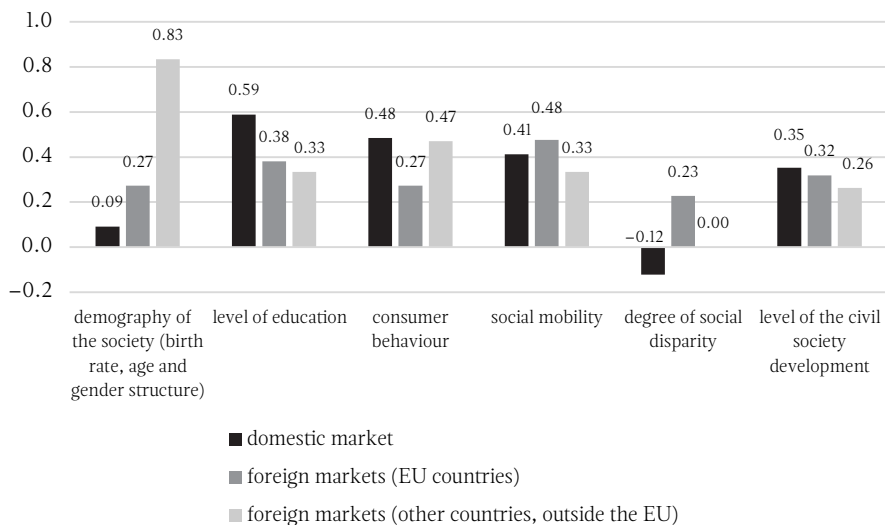
Source: Own preparation.

Chart 4.
Evaluation of factors of the social environment



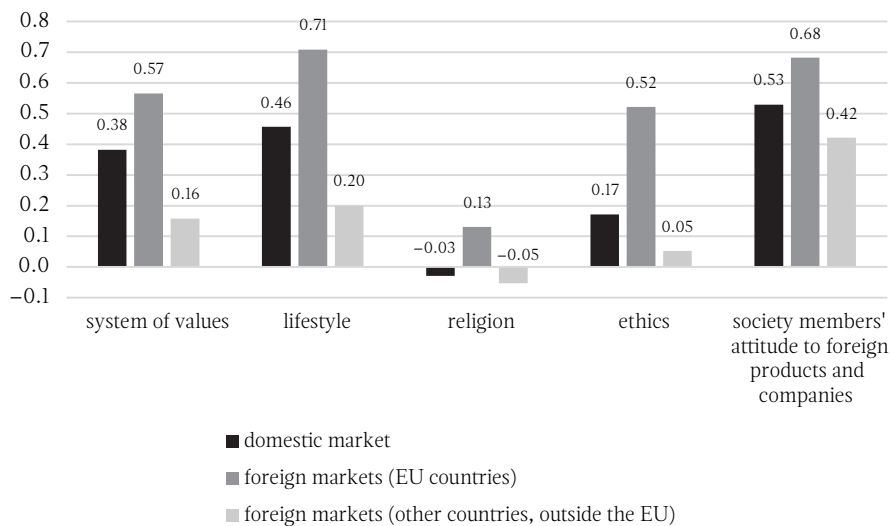
Source: Own preparation.

Chart 5.
Evaluation of factors of the cultural environment



Source: Own preparation.

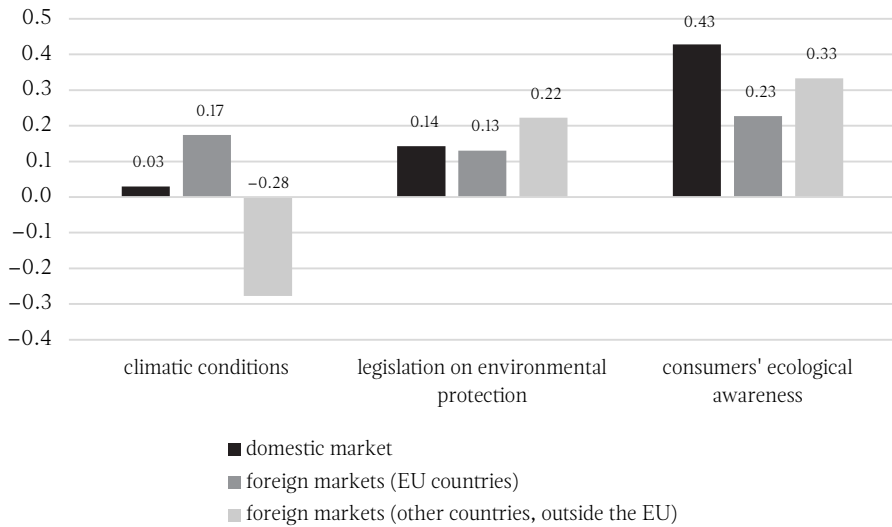
Chart 6.
Evaluation of factors of the ecological environment



Source: Own preparation.

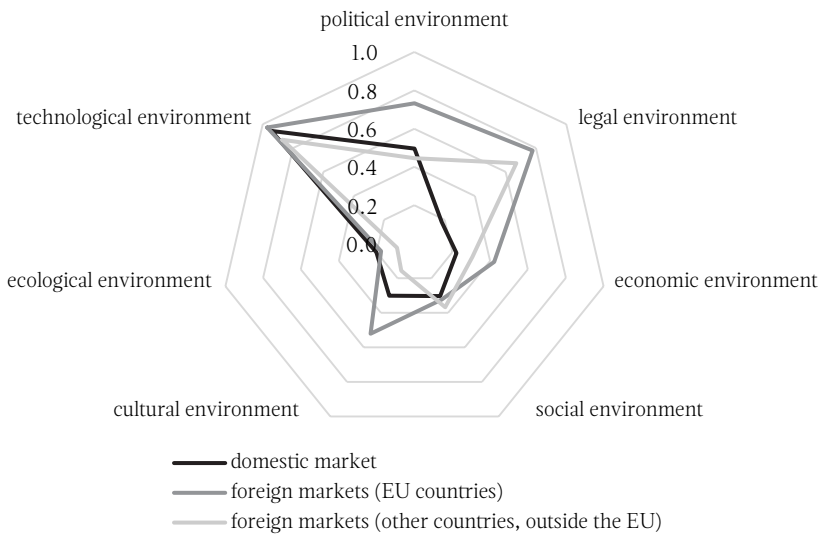


Chart 7.
Evaluation of factors of the technological environment



Source: Own preparation.

Chart 8.
General evaluation of factors of the international environment



Source: Own preparation.

