

PREFACE

Innovation and internationalization of business have always been of interest to both researchers and practitioners. There are varieties of approaches to study the phenomena and their interaction. Numerous publications explore the role of multinational enterprises from developed and emerging economies on internationalization and globalization and the success factors for the process among which is always innovation – lead-user, open, disruptive, social, sustainable, frugal, digital, etc. SMEs have limited resources but also contribute to the internationalization of innovation by exploiting specific advantages and discovering niche markets in a regional or global scope.

This book is intended to present the practice of Bulgarian SMEs and the interdependence of innovation and internationalization in their international business decisions. It takes an integrative approach to their experience. The Bulgarian small open economy is a major reason for internationalization. However, many companies develop business with a focus on the domestic market. For others international activities create opportunities for fast growth and transformation from a SME into a large company.

Chapter 1 of the book reviews major contemporary approaches to innovation, digitalization and digital transformation as innovation as well as their impact on the global business decisions of the company. There is also an analysis of the contemporary theories of internationalization and their justification of business practices.

Chapter 2 presents briefly the Bulgarian business environment conducive to innovation and internationalization. It gives an overview of the business of ten Bulgarian companies, two of which grew from SMEs into large global businesses. Case studies examine the internationalization of Bulgarian SMEs that were

among the competitors for the national innovation awards in the country in the period 2012-2018 or received international awards for their achievements. The cases present Bulgarian companies from different industries and sectors – bio-chemicals, food processing, sports and entertainment, education and digital transformation services. They are divided into two groups: rapid internationalizers and social innovators.

Both groups have a lot of similarities but the social innovators have one additional organizational characteristic. They create specific social value which is an additional driver for internationalization. However, the commercial success depends on many other circumstances like capital access, innovation sustainability, partnering, etc. The factors researched in the book are the entrepreneurial characteristics of the companies' founders and owners and the organizational characteristics.

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