

# **Managing Knowledge in Foreign Entry Strategies: A Resource-Based Analysis**

**Klaus E. Meyer**

School of Management, University of Bath  
Bath, BA2 7AY  
UK

Tel: +44 (1225) 38 36 95

[k.meyer@bath.ac.uk](mailto:k.meyer@bath.ac.uk)

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Department of International Economics and Management, Copenhagen Business School, Denmark

**Mike Wright**

Centre for Management Buy-out Research, Nottingham University Business School  
Nottingham NG8 1BB

UK

Tel: +44 (115) 951 5257

[Mike.wright@nottingham.ac.uk](mailto:Mike.wright@nottingham.ac.uk)

&

Department of Strategy, Erasmus University, Rotterdam  
The Netherlands

**Sarika Pruthi**

King's College London  
150 Stamford Street  
London SE1 9NH

UK

Tel/Fax: + (44) 207 848 3720

[sarika.pruthi@kcl.ac.uk](mailto:sarika.pruthi@kcl.ac.uk)

**forthcoming in**  
*Strategic Management Journal*  
**2009**

When citing please refer to the published version.

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**Abstract**

International strategies vary in their potential to exploit and augment a firm's resources, especially its knowledge base. Resource-based analysis suggests clustering the diverse entry modes in terms of their exploration and augmentation characteristics. We thus introduce a new categorization of entry modes based on their potential to augment the resources of an entrant. We then explore the antecedents of these modes, and advance testable propositions delimiting for which firms and in which circumstances each mode maximizes long-term value creation. Finally, we outline how our resource-based framework complements transaction-cost-based frameworks.

**Keywords:**

International business strategy, entry mode choice, knowledge-intensive firms, resource-based view, resource augmentation.

**Acknowledgements:** The paper was first drafted when Klaus Meyer was visiting Nottingham University Business School, and he thanks the School for the support received. We thank reviewers of SMJ, editor Ed Zajac, Brian Silverman, Shige Makino, Mike Peng, Ruth Aguilera, participants of AIB and the Vaasa IB conference, and seminar participants at NCCU and the National Science Council in Taipei for helpful comments.