Case study

How do organisations of the social economy scale across borders? A study on the challenges of internationalising social enterprises

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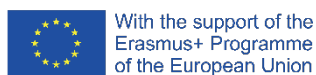
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Abstract

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Introduction

The last years have seen a rapid increase in the number of social enterprises across the world, introducing a broad range of innovations to different industries. Recent estimates suggest that globally, already 12.6% to 29.6% of start-ups operate with a social, community or environmental goal as a primary organisational purpose (Bosma et al., 2016). These social purpose organisations, or social enterprises[1], combine dual social and economic objectives at their very core (Mair & Martí, 2006). They address diverse social and ecological problems and seek to provide innovative solutions to today's most pressing challenges – such as social exclusion, poverty, or food insecurity (Dacin et al., 2010). In doing so, they often lend elements of their organisational design from the commercial sector, rather than the toolbox of traditional non-profits – e.g. by embracing different forms of market income, engaging in institutional flexibility with respect to the choice of legal forms and governance, and by combining instruments, tools and language from both sectors (Mair & Martí, 2006).

Many of these ventures limit their activities to national contexts. They are often deeply locally embedded in complex and strongly regulated service systems (e.g. secondary education) and funding ecosystems (e.g. donations, philanthropy, B2C clients), which are organised along the bounds of federal or state-level administrative units (Angulo-Ruiz et al., 2020). In contrast to many commercial markets, these systems are often less permeable for non-local actors (Yang & Wu, 2015). Similarly, social entrepreneurs' motivations often seem to be locally rooted, and may ultimately inhibit spreading the social purpose to different regions outside of their home markets (Zahra et al., 2009).

Up until now, research has mostly focused on social ventures that operate within the boundaries of national, regional, or local community contexts (Marshall, 2011), while the internationalisation of social enterprises remains a relatively untouched subject. In fact, the potential global nature of social entrepreneurs has only recently attracted growing interest among practitioners and scholars (Alon et al., 2020). In a similar vein, scholars have begun to direct their attention towards social enterprises operating in challenging institutional environments – such as base-of-the pyramid countries (Desa & Koch, 2014), emerging economies (Akter et al., 2020), or transitioning market contexts (Yu, 2016). However, research has so far mostly focused on large-scale country comparisons (Kerlin, 2010), while the concrete individual and organisational antecedents required to undertake these processes have received little attention and are poorly understood.

We argue that the internationalisation process of social enterprises and, consequently, the challenges they face, are likely to be different from those of commercial enterprises – given the

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[1] A social enterprise is understood as an organisation in the social economy, and the organisational outcome of social entrepreneurial actions in this context (Brouard & Larivet, 2010).

particularities of a social enterprises' internal organisational set-up, as well as their vastly complex array of stakeholder groups (Austin et al., 2006). In our study, we aim to shed light on an important question – namely how organisations in the social economy deal with the additional layer of complexity induced through international contexts, and the challenges arising thereof. Considering the dearth of research on social enterprises, we ask: *What challenges do organisations of the social economy face when internationalising? In this context, how do challenges vary across scaling approaches?*

In this paper, we contribute to the emerging literature on international social entrepreneurship by shedding light on the challenges social enterprises face in scaling internationally. Our study has wider implications for how public policy can support organisations of the social economy in their internationalisation endeavours.

The Internationalisation of Social and Solidarity Economic Organisations

Although scholars have paid relatively little attention to the internationalisation of social enterprises, social enterprepreneurs indeed engage in international activities – such as the international trading of goods and services (Marshall, 2011), cross-border franchising (Wang et al., 2015), or international funding (Drori et al., 2020). In research, the subject of social enterprise internationalisation has been conceptualised from two prevailing perspectives – scaling and international social entrepreneurship.

The first and arguably more widely applied perspective on spreading social impact in research is that of scaling. In a social context, scaling is primarily focused on the social mission – meaning that it is about "expanding impact and not about becoming large, the latter being only one possible way to achieve the former" (Uvin et al., 2000, p. 1409). One of the most widely applied works on social enterprise scaling is that of Dees et al. (2004), in which they identify three different ways for social enterprises to expand their impact: dissemination, affiliation and branching – which all vary in their degree of control. The lowest form of control, dissemination, is about enabling others to replicate a model to generate social impact, consequently allowing for adaptation by others (Desa & Koch, 2014). The second strategy, affiliation, offers a wider variety of spreading social impact – including, for example, setting up a network of independent organisations with common activities, objectives, and principles (Weber et al., 2015). This includes particular organisational forms such as joint ventures, as well as social franchise agreements between the social enterprise and other entities willing to replicate its model. Lastly, branching describes the way of scaling in which the social enterprise retains the highest form of control (Dees et al., 2004) – for example, through establishing independent offices in the desired market (Austin et al., 2006). Expanding the conceptualisation brought forward by Dees et al. (2004), the above-mentioned definition also allows for including the export of services and goods as a fourth way of scaling. While the export of services and goods is discussed in international entrepreneurship research

(Paul et al., 2017), literature on export among social enterprises is scarce – although the export of services and products is relevant to social enterprises as well (Yang & Wu, 2015). Considering the above, we identify four major approaches of international scaling: *dissemination, export, franchising* and *branching*.

A second perspective in research explores the internationalisation strategies social ventures embark on. In their study on Canadian social enterprises, Angulo-Ruiz et al. (2020) find that they are less likely to go international than their commercial counterparts, suggesting that the local embeddedness of many social enterprises inhibits internationalisation. Conversely, existing literature points towards a plurality of practices in internationalisation strategies – illustrating that some social enterprises internationalise gradually, while others are born global or internationalise early on in the organisation's life cycle (Zahra et al., 2008). Similarly, many social enterprises are portrayed as international by their very nature (Dacin et al., 2011) – for instance, through generating funds in the founding country while serving beneficiaries abroad (Chen, 2012). On a different note, scholars argue that social purpose organisations tend to cater to both – national and international markets – simultaneously (Kalinic & Pater, 2013). In light of the above, we recognise a limited understanding as to how social entrepreneurs internationalise and how these processes and experiences may differ from those of commercial entrepreneurs.

Opportunities and Challenges for Social Entrepreneur Internationalisation

Scholars suggest that the international dimensions of social entrepreneurship will be of increasing importance in the future (Alon et al., 2020). Several global developments point towards the growing emergence of opportunities for social entrepreneurs to engage in international activities. In the last years, there have been vast changes in the global economic systems, leading to increased interconnectivity independent from national boundaries. For example, value chains or financing options may easily bridge national boundaries (Zahra et al., 2014). At the same time, emerging and developing economies are increasingly entering the global economy – offering stimuli for the emergence of social enterprises in these contexts (Akter et al., 2020). Lastly, crises such as Covid-19 have brought monumental disruption to political and economic systems around the world – making these developments result in an abundance of social issues to be addressed by social entrepreneurs on a global level (Zahra, 2021).

While we perceive a growing potential for social purpose organisations to tackle social problems across borders in the future, these enterprises nonetheless face a variety of challenges. Social enterprises pursue both social and economic objectives simultaneously, which can lead to tensions in the organisation, as well as misunderstanding and conflicts with external stakeholders (Ebrahim et al., 2014; Pache & Santos, 2012). One important reason for that is the need to balance social impact and generating sufficient funds to finance it (Bocken et al., 2016), while at the same time, economic and financial

incentives may be low (Bloom & Smith, 2010). These competing demands, in turn, prescribe wider implications as to how social enterprises organise themselves, and how they engage with external stakeholders – which are usually more complex and heterogeneous compared with the stakeholders of commercial ventures – and their environment (Austin et al., 2006).

Due to these diverging organisational and contextual factors, scaling of social enterprises is likely to be different than that of commercial enterprises, as social ventures commonly differ in the objectives they pursue, and in products and services they offer (European Commission, 2015). In many cases, social enterprises are rapidly pulled into pursuing growth strategies – for example, due to the pressure by investors, or for the sake of rapidly providing solutions to social problems. Therefore, social enterprises "may often launch into growth and expansion before sufficient thought or planning has been put into it" (Austin et al., 2006, p. 374). This makes international scaling uniquely challenging for social entrepreneurs, while differences in cultural, social, political, and economic systems add another layer of complexity (Marshall, 2011).

Research design and methodology

In order to shed light on the research question, we investigate the internationalisation challenges of social entrepreneurs by applying an exploratory qualitative case analysis (Gioia et al., 2013; Yin, 2009). Given the scarce research on social entrepreneurial internationalisation, this approach was chosen to uncover the challenges entrepreneurs and organisations of the social economy face when going international. Therefore, we applied a theoretical sampling approach based on a long-list of 55 potential cases. This long-list was gathered via research among social entrepreneurship awards, networks as well as online materials. For our analysis, we deliberately chose two cases for each mode of scaling – namely dissemination, export, franchising, and branching – respectively (Corbin & Strauss, 2008). This approach was chosen to obtain a broad understanding of the internationalisation strategies of social ventures, and consequently, to uncover insights on the challenges – and possible nuances – across our informants. For each organisation, we interviewed one founder or internationalisation manager. The semi-structured interviews were conducted with the help of a catalogue of interview questions, which was designed to first develop an understanding of the internationalisation strategies employed by social ventures, and to dive deeper into challenges in a subsequent step. Overall, the interviews were conducted by all three authors of this paper, with the duration of the interviews ranging between 60 and 90 minutes. All organisations within our sample either have their home market in an OECD member country or scale their impact into an OECD member country. Moreover, interview partners stated to be active in two to more than 35 countries. An overview of the interview partners is presented in table 1. In addition to the interviews, we analysed various organisational documents for each case – such as websites, news articles, or previous interview data – in order to triangulate the content of interviews with organisational

artefacts. These materials provided additional background information on the activities and internationalisation challenges of the selected social enterprises.

After transcribing the recorded interviews, the data were analysed according to the method proposed by Gioia et al. (2013). In an initial attempt to make sense of our data, we identified a large number of first order codes, which we subsequently compared, evaluated and reduced to seven second-order themes. Iteratively cycling back and forth between our data, we dropped, merged, and revised several codes (Grodal et al., 2020). At the same time, we looked into existing literature in order to check for evidence or contrasting themes that emerged in our findings (Gioia et al., 2013). Lastly, we identified three aggregate dimensions, which present the overarching framework of our findings. During our research process, we engaged in a continuous recording of memos and regular discussions among the three authors.

Findings

We identified several challenges for internationalisation across the eight cases, which shall be outlined in the following. In table 2, we provide a summary of our qualitative data structure.

Theme 1: Communities, markets and partnerships in foreign contexts

Our qualitative interviews revealed that internationalising social entrepreneurs frequently face challenges evoked by the international, and relatively unknown, market environment. Firstly, and maybe little surprisingly, these difficulties can be traced back to a limited understanding of foreign communities and markets on the social entrepreneur's side. This includes challenges in understanding the needs and socioeconomic structure of foreign communities targeted by the social enterprise, which consequently may hamper realising long-term impact sustainability abroad. One of our informants remarked:

> *"We realised that what has been proven totally worthwhile here, can never work there. [...] Civil engagement was just starting to arise, and it was not so easy to recruit volunteers as it was in Austria, where members of the middle class can well bring in resources or voluntary engagement, for example." (I1)*

During our interviews, the challenge of tapping into foreign networks became quite evident among all of our informants – regardless of their scaling approach. One of the themes in our data specifically pointed towards challenges in acquiring international partners. Commonly, our informants reported that they perceived the success of their market entry to be strongly dependent on partnerships with local organisations, especially in order to reach local communities abroad. For example, one of our informants mentioned that their business model on electronic education is so much dependent on local partnerships for market entry, that they would dedicate their future activities almost exclusively to

building partnerships with a few selected organisations and institutions. Similarly, other informants remarked that they struggled in evaluating potential partnerships, which would fit both social and commercial objectives. Finding the right partnerships was perceived as an especially demanding factor, given the geographical distance between home market and target communities. Therefore, many of our informants reported that partnerships they initially believed to be fruitful failed in the end:

> *"Every partnership that we tried, five or six, all of them failed. [...] So, you have to take a risk." (I8). "Understanding local markets is very important, and that can only be done so much through kind of online research and talking to people, but it requires a lot more of spending time in the market and building relationships there." (I3)*

As one of the reasons for this, the majority of our informants reported that understanding the *"informal aspects"* of a foreign culture proved particularly challenging. Our interview partners revealed that they commonly had to face different expectations on *"how things are done"* when engaging with foreign partners and authorities. For example, one of the branching entrepreneurs reported that they experienced difficulties in negotiating partnership agreements – as they felt the pressure to safeguard company know-how from potential partners. In addition to partner selection, a great part of our interviewees reported that maintaining and managing partnerships proved to be a profound challenge. For instance, informants mentioned difficulties in enforcing contractual obligations, sustaining communication processes, and aligning the partners working style with the hybrid objectives of the parent organisations. In sum, we did not observe any major differences between the four forms of scaling – which indicates that tapping into social networks is relevant to and prescribes similar challenges for all social entrepreneurs we interviewed. However, the relative importance of these networks may indeed vary across internationalisation stage – as for example, the earlier social entrepreneurs we interviewed relied to a larger extent on collaborative relationships than those in more mature internationalisation stages.

Theme 2: Policy and regulations

Similar to the aforementioned challenges of entering and moving in foreign contexts, entrepreneurs of the social economy perceived barriers imposed by local policies and regulations. Several interviewees stated that for them, local policy requirements can be a significant challenge – as, for instance, local regulations might prevent them from bringing in resources (for example, when providing medical equipment to local communities) or from setting up subsidiaries in certain areas. A compelling reason for this is that the fields of activities of social enterprises are often heavily publicly regulated or embedded in local contexts (Angulo-Ruiz et al., 2020). Therefore, regulatory frameworks are perceived as an important criterion as to how and why future markets for scaling are selected. One of our branching informants even argued favourable government policies to be the most crucial element

for evaluating opportunities of foreign market entry. Commonly, we observed these challenges across all types of scaling forms.

Similarly, our informants remarked that they frequently felt a burden resulting from administrative difficulties. For example, this included challenges such as registering the venture abroad or setting up formal contracts between partner organisations or institutions. One of the exporting social entrepreneurs stated:

> *"You're blindsided by that because you're so interested and motivated to go into a new country and then you realise it's actually very difficult to register or to get started somewhere." (I3)*

At the same time, social entrepreneurs reported difficulties in dealing with local authorities - for example, through language barriers and the limited availability of local solutions. While social entrepreneurs with a rather formalised foreign engagement (i.e. exporting, franchising, and branching) more commonly reported on these challenges, they seemed to be less relevant for openly disseminating social enterprises.

Generally, and across all scaling forms, social entrepreneurs attached a lot of importance to policy and regulatory issues. For example, a social entrepreneur in the field of inclusivity stated that – given their function as a social-business hybrid – they are strongly dependent on support provided by the public sector. Surprisingly, others revealed a lack of governmental support which was particularly related to keeping their running operations sustainable, or to expanding into foreign markets. Another one of our informants – an entrepreneur in the heavily regulated field of education – reported that they did not only feel a lack of support provided by local governments, but a massive headwind in their attempts to attain support for their social mission, both locally and abroad:

> *"They do not offer funding for us – they actually rather block it. So, we are kind of fighting windmills." (I7)*

Overall, our findings suggest that organisations of the social economy could be even more vulnerable to facing regulatory barriers for scaling than commercial firms – as these challenges frequently seem to relate to the social mission, and the nature of the business.

Theme 3: Organisational tensions

The last theme that emerged during our qualitative analysis was how organisations of the social economy were confronted with changes that, either abruptly or in a gradual process, occurred with the step towards internationalisation. In this context, social entrepreneurs frequently indicated that they had

to deal with novel challenges in managing and aligning organisational structures and processes towards the international set-up. Some social entrepreneurs reported shifting roles and responsibilities within the organisation – which became especially evident with founders that went from managing small, formerly local social enterprises towards coordinating roles in larger and more complex structures. In a similar vein, many of our informants noted that they experienced changes in their organisational identity once they scaled abroad. For example, one of the social entrepreneurs we interviewed told us that as soon as they disseminated their operations across Europe, they shifted from being a local and autonomous venture towards a small unit in a *"complex, sluggish entity"*. Another interviewee remarked:

> *"Suddenly, we were facing questions like 'how to build a working micro-climate with our partners', 'how to navigate cultural differences', 'how to develop a strategy' […]. We went from operational activities to the role of the franchisor, to a system builder"* (I6)

On another note, many social entrepreneurs indicated that their turn to international engagement induced a pressure to professionalise internal organisational processes. One of our informants in the field of inclusivity and health care stated that internationalising their social franchise led to *"a struggle between structure and flexibility"*, in that new challenges for coordinating organisational processes with foreign partners arose. While social entrepreneurs engaging in dissemination and franchising commonly highlighted the additional complexities in coordinating their activities across borders, social entrepreneurs that scaled through branching emphasised the challenges in building teams and attaining new talent abroad.

With steps towards internationalisation, many social entrepreneurs perceived increasing tensions between combining both, their social and business objectives – as cross-border engagement required a stronger focus on commercial activities (such as human resource or financial management) than it was previously the case. In this context, social entrepreneurs reported to have attracted growing attention from their core stakeholders once they began to dedicate more resources to commercial activities. This seemed to be a particular issue for disseminating and franchising entrepreneurs, with key stakeholders fearing a potential drift away from the organisation's core mission towards a stronger business focus (Grimes et al., 2019). In a similar vein, many informants also faced problems in how they communicated their newly-defined actions to their diverse stakeholder groups. For example, one informant noted that they realised their initial approach was not going to prove efficient, and consequently had to change their course:

> *"When the trial came to an end – and it was quite obvious that the [initial approach] was not important – we had a massive communication problem on our hands. It was a momentary challenge 'How are we going to deal with that?' - and this is where having a clear vision, a clear purpose is really important."* (I2)

Lastly, our interviews revealed that internationalisation brought growing financial tensions for the social entrepreneurs across all scaling approaches. In comparison to their commercial counterparts, social enterprises rely heavily on funding support, as access to financial capital is a key enabler for social venture growth (Bocken, 2015). Yet, social entrepreneurs have fewer financial instruments and resources readily available to them (Austin et al., 2006). This also seemed to be the case for many of the social entrepreneurs we interviewed, as many of them struggled to obtain funding for and during their scaling endeavours. Interestingly, one of the exporting entrepreneurs in the field of inclusivity and fair production stated that, while they received a lot of funding for pursuing the idea on a local level, scaling efforts were barely supported:

> *"There is hardly anyone who's willing to give you a grant or willing to invest time and resources in it. I say that as a very practical challenge that I see with a lot of social enterprises [...] You see a lot more, almost over mobilisation on the programming end of the service to the farmer. And then, almost like limited resources, almost nothing when it comes to market expansion." (I3)*

In sum, we find that the step towards internationalisation brings several organisational tensions for social enterprises. While internal challenges include adapting structures and processes within the social enterprise as well as financial management, we also identified a potential for tensions in relation to external stakeholders and their perception of the organisation's actions. Therefore, we argue that challenges are not merely limited to the organisation but do also refer to its broader contexts.

Discussion

In our study, we asked: W*hat challenges do organisations of the social economy face when internationalising? In this context, how do challenges vary across scaling approaches?* Applying a qualitative, exploratory research approach, in which we shed light on the insights from internationalising social entrepreneurs of eight organisations, we show that social enterprise internationalisation is associated with a large and multifaceted variety of challenges. This is coherent with research suggesting that social enterprises, due to the pursuit of both a social and a commercial mission, are inherently diverse (Mair & Martí, 2006). In accordance with this, our study provides evidence that scaling social impact across borders adds another layer of complexity.

Firstly, we recognise that some challenges may arise irrespective of the international scaling approach – i.e. *dissemination, franchising, export,* or *branching* – chosen. This is, for instance, the case for general hurdles that are frequently mentioned in internationalisation literature – including dealing with cultural differences and local authorities, or accessing foreign networks (Johanson & Vahlne, 2009). Yet, some challenges appear to be much more specific to social enterprises than for commercial

firms. For example, our interview partners frequently mentioned difficulties in finding and managing partnerships, which would align with the hybrid social and business objectives of the social enterprise. Overall, social entrepreneurs across all cases prescribed a lot of importance to collaborative relationships in internationalisation – which is coherent with the understanding that social entrepreneurial scaling is shaped by partnerships for the sake of overcoming entry barriers (European Commission, 2015). This finding is also consistent with the more generally recognised role of networks in international entrepreneurship to "help entrepreneurs identify international opportunities and establish credibility" (Oviatt and McDougall, 2005, p.54) and to overcome the liabilities of outsidership (Johanson & Vahlne, 2009) – indicating that an internationalising firm suffers most fundamentally from being an outsider in the target market. Taken together, this suggests that for internationalising social enterprises tapping into networks could be even more crucial than for local organisations. In a similar vein, regulatory and policy issues were equally important for all social entrepreneurs we interviewed, irrespective of the scaling strategy that was chosen. This may be due to the fact that social enterprises strongly depend on public sector support for their activities (for example, in funding) and target specific, and at times, more regulated areas of activity (such as medical supply) (Angulo-Ruiz et al., 2020). Lastly, we find that taking the step from a locally-embedded social enterprise to an internationalising one has wider implications for social entrepreneurs – as not only internal structures and processes call for alignment, but as roles and identities change during the process as well.

Secondly, we find that different scaling approaches may indeed lead to varying challenges. On the one hand, differences in challenges became evident with regard to the degree of commitment in a foreign country (Dees et al., 2004). Social enterprises that chose a more committed form of scaling, such as branching, commonly reported on challenges resulting from finding the right talents and building teams abroad. On the contrary, social entrepreneurs who comparatively chose a lower form of commitment (in this case, dissemination and franchising) mentioned that they faced backlash or lost funding support once they turned their attention towards commercial activities. Additionally, while being relevant for all modes of scaling, particularly franchising social entrepreneurs stated to have faced major challenges related to changing organisational roles and team structures.

Interestingly – and contrasting the notion that some organisations of the social economy are born global by nature (Zahra et al., 2008) – almost all of the social entrepreneurs we interviewed reported that they entered foreign markets sequentially. This understanding is coherent with the Uppsala model developed by Johanson and Vahlne (2009), which prescribes that organisations enter foreign markets in a sequential manner. Correspondingly, some of our informants remarked that they felt pressured into opting for a gradual internationalisation approach, given their lack of experience in foreign markets. All in all, it becomes evident that social entrepreneurship internationalisation, in comparison with commercial entrepreneurship internationalisation, comes along with distinct challenges – with the results of our analysis pointing towards specific support needs for social entrepreneurs. A more detailed

analysis on support needs of internationalising social entrepreneurs in contrast to both, non-internationalising social entrepreneurs, and internationalising commercial entrepreneurs can be found in tables 3 and 4 in the appendix. Further information about the quantitative study is available with the authors.

Naturally, our study is not without limitations, as our qualitative cases are not comprehensive of all possible social enterprise forms and activities. Taken together, our findings have wider implications for the internationalisation of social enterprises and the support needs that are associated with scaling abroad. From our study, it becomes evident that there is not a "one size fits all" model to all internationalising social enterprises. Instead, our study points towards differences in challenges and support needs.

Conclusion and recommendations

With our study, we provide novel insights on the challenges of international scaling. Taken together, our findings underline the need for providing targeted support for internationalising social entrepreneurs. Firstly, our findings suggest that there is a capacity gap in the internationalisation of social enterprises – implying the need for capacity building as well as opportunities to build cross-border social capital early in the venture development process. In this context, support provision needs to be tailored to the respective scaling approach chosen by the social entrepreneurs – as well as to the challenges that arise from the fact that they scale impact and not merely commercial operations. This also calls for a stronger scaling-orientation among international social enterprise support networks, which seem well positioned to reduce transaction costs for social start-ups in their scaling endeavours – such as the Impact Hub, Social Impact Award, or the Unreasonable Institute.

Secondly, we recognise the need for funding support among social enterprises. Commonly, funding of social enterprises is usually promoted in local or domestic contexts (Angulo-Ruiz et al., 2020). However, our study points towards the need for dedicated funding of international scaling – for example, through impact bonds or philanthropic funds. To conclude, we believe that international organisations such as OECD and EU can play a crucial role in providing a clear mandate for internationalisation among social entrepreneurs.

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APPENDIX

Interview partner	Social mission	Home market	International markets	Mode of scaling
I1	Social transfer	Austria	European network	Dissemination
I2	Medical access	United Kingdom	Global change	Dissemination
I3	Inclusivity and fair production	Costa Rica	BRA, NIG	Export
I4	Recycling	Austria	>35 countries worldwide	Export
I5	Inclusivity	Germany	AUT, SUI, IND, MEX, COL	Franchising
I6	Inclusivity	Austria	SUI, GER	Franchising
I7	E-learning	Romania	USA	Branching
I8	Sustainable energy	United States	IND, TZA, NIG	Branching

Table 1 – Overview on the eight cases of internationalisation.

First order concepts	Second order themes	Aggregate dimensions
Challenges in understanding foreign communities	Limited understanding of foreign communities and markets	Communities, markets, and partnerships in foreign contexts
Socioeconomic differences complicate scaling abroad		
Challenges in ensuring long-term impact sustainability abroad		
Market entry dependent on acquiring local partners	Difficulties in acquiring and managing foreign partners	
Importance of identifying and acquiring the right partner that fits the hybrid social-business structure		
Partners must be convinced by the scaling form		
Local regulations impede market entry	Policy barriers	Policy and regulations
Favourable government policies as a necessary criterion for market entry		
Dependence on (regional) public sector support		
Administrative difficulties as a barrier for market entry	Administrative barriers	
Language barriers in dealing with local authorities		
Change in founder roles	Initiation of internal structural changes	Organisational tensions
Change in organizational identity		
Hiring and changes in personnel and / or volunteers		
Conflict between structure and flexibility		
External stakeholder pressure to keep the mission focus	Increased social-business tensions	
Negative stakeholder responses towards shifting activities		
Little funding support for scaling endeavours	Financial tensions	
Little organizational slack		

Table 2 - Data structure.

Support need	Internationalising social entrepreneurs (n=28)			Non-internationalising social entrepreneurs (n=551)			Difference
	Avg.	Std. dev.	Share "very important"	Avg.	Std. dev.	Share "very important"	
Gain visibility and credibility	2,64	0,49	64%	2,31	0,69	44%	20%
Feel part of a larger community and network	2,39	0,63	46%	2,37	0,62	45%	2%
Find and keep good talent and staff	2,32	0,67	43%	1,94	0,80	29%	14%
Access new clients or beneficiaries	2,29	0,81	50%	2,21	0,74	40%	10%
Build international connections	2,29	0,76	46%	1,86	0,78	25%	22%
Connect to advisors, experts and supporters	2,18	0,61	29%	2,29	0,62	38%	-10%
Expand into new geographic areas	2,14	0,71	32%	1,65	0,75	17%	15%
Come up with new ideas and initiatives	2,14	0,71	32%	2,18	0,69	34%	-2%
Learn about new issues and topics	2,11	0,69	29%	2,05	0,67	25%	3%
Partner and collaborate with other members	2,07	0,60	21%	2,12	0,66	29%	-7%
Generate revenue	2,07	0,72	29%	2,01	0,77	30%	-2%
Obtain financial capital	1,96	0,79	29%	1,77	0,80	24%	5%
Develop skills and capabilities	1,96	0,69	21%	2,15	0,69	32%	-11%
Evaluate impact of own activities	1,96	0,74	25%	1,94	0,71	22%	3%
Strengthen your personal motivation	1,93	0,81	29%	2,23	0,72	40%	-12%
Advocate for better policy frameworks and market conditions for my activities	1,93	0,72	21%	1,64	0,71	14%	8%
Access better working infrastructure	1,89	0,74	21%	2,03	0,72	28%	-6%
Start an own project or venture	1,64	0,78	18%	1,88	0,81	28%	-10%

Table 3 - Support needs of internationalising social entrepreneurs and non-internationalising social entrepreneurs

Support need	Internationalising social entrepreneurs (n=28)			Internationalising commercial entrepreneurs (n=54)			Difference
	Avg.	Std. dev.	Share "very important"	Avg.	Std. dev.	Share "very important"	
Gain visibility and credibility	2,64	0,49	64%	2,24	0,75	43%	22%
Feel part of a larger community and network	2,39	0,63	46%	2,22	0,74	41%	6%
Find and keep good talent and staff	2,32	0,67	43%	1,96	0,85	33%	10%
Access new clients or beneficiaries	2,29	0,81	50%	2,11	0,79	37%	13%
Build international connections	2,29	0,76	46%	2,24	0,73	41%	6%
Connect to advisors, experts and supporters	2,18	0,61	29%	2,20	0,66	33%	-5%
Expand into new geographic areas	2,14	0,71	32%	2,19	0,78	41%	-9%
Come up with new ideas and initiatives	2,14	0,71	32%	2,15	0,71	33%	-1%
Learn about new issues and topics	2,11	0,69	29%	2,09	0,71	30%	-1%
Partner and collaborate with other members	2,07	0,60	21%	2,06	0,76	31%	-10%
Generate revenue	2,07	0,72	29%	2,19	0,80	43%	-14%
Obtain financial capital	1,96	0,79	29%	1,74	0,85	26%	3%
Develop skills and capabilities	1,96	0,69	21%	2,04	0,67	24%	-3%
Evaluate impact of own activities	1,96	0,74	25%	1,83	0,69	17%	8%
Strengthen your personal motivation	1,93	0,81	29%	2,24	0,78	44%	-16%
Advocate for better policy frameworks and market conditions for my activities	1,93	0,72	21%	1,50	0,61	6%	16%
Access better working infrastructure	1,89	0,74	21%	2,24	0,70	39%	-17%
Start an own project or venture	1,64	0,78	18%	1,72	0,83	24%	-6%

Table 4 - Support needs of internationalising social entrepreneurs and internationalising commercial entrepreneurs