AKDENIZ UNIVERSITY

INSTITUTE OF SOCIAL SCIENCES

Ayşegül DEMİR

INTERNATIONALIZATION PROCESS OF TURKISH HOTEL GROUPS

Department of Tourism Management

Master's Thesis

Antalya, 2020

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LIST OF ABBREVIATIONS

AKTOB	Mediterranean Touristic Hotels Association
GDP	Gross Domestic Product
GYO	Real Estate Investment Trust
IHRA	International Hotel and Restaurant Association
IT	Information Technology
JV	Joint Venture
MNE	Multinational Enterprises
R&D	Research and Development
SME	Small and Medium-sized Enterprises
TTYD	Turkish Tourism Investors Association
TUROB	Turkish Hoteliers Association
TUROFED	Turkish Hoteliers Federation
USA	The United States of America

SUMMARY

The correct entry mode selection stepping into a market abroad constitutes a vital element for hotel internationalization. The study looks into the selection of entry modes in hotel internationalization and strives so as to define influential factors on the internationalization process. This research aims to define the internationalization process of Turkish hotel companies. The scope of the research was defined as the Turkish hotel firms that have foreign hotel investments abroad.

Quantitative research methods were made use of throughout the study. In the research, the data were collected by means of a questionnaire. Data were obtained through face to face survey method and e-mail communication. In this context, surveys were conducted with 15 hotel managers between October 2017 and March 2018.

Nonparametric tests were applied since the number of the samples was less than 30. The results of this research analyzed via appropriate analysis techniques. Descriptive statistical analyzes were carried out to reach arithmetic mean, frequency, percentage, and standard deviation values. Spearman Correlation analysis, Mann-Whitney U and Kruskal-Wallis Tests were applied.

There is a strong correlation between motivation dimensions and Eclectic Paradigm. Significant and positive relationships between capabilities and entry mode selection dimensions were found out, and there is a positive and significant interrelation between risk and obstacles dimensions. The findings exhibit differences depending on entry mode, differences by entry year and differences by number of stars. With this regard, these findings are expected to make contributions to the literature.

Keywords: Internationalization process, entry modes, internationalization theories

ÖZET

TÜRK OTEL GRUPLARININ ULUSLARARASILAŞMA SÜRECİ

Bir dış pazara doğru giriş modunun seçilmesi uluslararasılaşma için şarttır. Çalışma, otel uluslararasılaşmasında giriş modu seçimini araştırmaktadır. Çalışma, uluslararasılaşma sürecinde etkili faktörleri tanımlamaya çalışmaktadır. Bu araştırmanın amacını Türk otel firmalarının uluslararasılaşma sürecinin tespiti oluşturmaktadır. Araştırmanın alanı yurtdışında otel yatırımı olan Türk otel firmaları olarak belirlenmiştir.

Nicel araştırma yöntemlerinden yararlanılmıştır. Araştırmada veriler anket yardımıyla toplanmıştır. Yüz yüze anket yöntemi ve email olarak veriler elde edilmiştir. Bu kapsamda anketler Ekim 2017 ve Mart 2018 tarihleri arasında 15 otel yöneticisi ile gerçekleştirilmiştir.

Örneklem sayısı 30'dan az olduğu için parametrik olmayan testler uygulanmıştır. Bu araştırmanın verileri uygun analiz teknikleri kullanılarak analiz edilmiştir. Araştırmada frekans, yüzde, aritmetik ortalama ve standart sapma değerleri için betimleyici istatistiksel analizler yapılmıştır. Kruskal-Wallis Testleri, Spearman Korelasyon analizi ve Mann-Whitney U testleri kullanılmıştır.

Eclectic Paradigma ile motivasyon boyutları arasında güçlü bir korelasyon vardır. Yetenekler ve giriş modu seçimi boyutları arasında önemli ve pozitif ilişkiler bulunmuştur ve risk, engel boyutları arasında pozitif ve önemli ilişkiler vardır. Bulgular, giriş moduna göre farklılıkları, giriş yılına göre farklılıkları ve yıldız sayısına göre farklılıkları göstermektedir. Bu yönüyle literatüre katkıda bulunması beklenmektedir.

Anahtar Kelimeler: Uluslararasılaşma süreci, giriş modları, uluslararasılaşma teorileri

INTRODUCTION

In today’s increasingly competitive conditions, businesses are in an effort to sustain their assets and to constantly improve. The international tourism companies that develop in parallel with the development of tourism continue their existence all over the world by using various strategies.

A great number of hotels have expanded their strategies of internalization substantially. (Lee, 2008: 657). Companies working in the area of lodging have, for the last decades, regarded growth on the international basis as their major strategy. This strategy of these firms has significance both on the theoretical and managerial bases and on the basis of academic attention this phenomenon has accumulated. The academic attention is clear considering the great degree of research on the subject carried out during the last ten years (Lee and Jang, 2010: 701). Once a firm has expanded into a market abroad, the first thing it must do is to decide on their entry mode (Martorell et al., 2013: 217). All the prospective decisions and actions of a company that take place in the novel market of the foreign country are affected by these entry modes. Notwithstanding the cruciality of the hotel industry for the world’s economy and the rise of foreign investments regarding the last ten years into this sector, not enough studies have been carried out by reason of analyzing on a holistic level the factors taking part in the entry mode selection (Leon-Darder et al., 2011: 107-108).

What the entry modes used by national hotel companies are, what they cover and what gains and losses they bring about to investors and country tourism, in short, all aspects constitute this master thesis. Hence, for reasons of scientifically exploring the unexplored Turkish international hotel management abroad, this study targets to look into the Turkish hotel internationalization from various aspects. The goals study wants to attain are:

To specify the motivations of the industry in relation to internationalization,

To find out the advantages of internationalization in terms of the rivals of Turkish hoteliers,

To investigate capabilities of the Turkish Hotelier industry with regard to internationalization according to international rivals,

To specify the Eclectic Paradigm advantages of internationalization for hotel industry,

To determine market entry mode factors,

To define the challenges within the internationalization process,

To make the market-oriented evaluations of the Turkish hotel establishments after the internationalization process, To reveal the changes of internationalization.

The sections in the dissertation and their contents are given below:

The subject of the first part consists of the research problem, the purpose embedded in the research, the cruciality of the research, the scope of the research and the research questions. Briefly, the growth of tourism, what the research problem is, the research questions underlying the subject and the lack of literature are mentioned. The purpose of the research and why this thesis was written are discussed. The importance of the research, the contributions it will supply to the literature and some suggestions to hotel managers have been tried to be mentioned. Finally, research scope and research questions are included.

In the second part, there is theoretical information which is an important part of the thesis. Firstly the concept and importance of internationalization are defined. Which factors affect internationalization is revealed. Detailed information about internationalization theories is given. What the importance is and how process affects the internationalization of the hotels, what the advantages are, how the hotels use these internationalization theories are tried to be explained in detail. Entry modes to international market are scrutinized elaborately. The internationalization process in the hotel management sector is discussed. Issues such as the characteristics of international hotel chains, the reasons for the internationalization of hotels, the internationalization of chain hotels have been studied. Academic articles in relation to internationalization of hotel management sector are examined. The articles on the pre-mentioned matters have been put together and summarized. The results found out by the authors are divided into sections and expressed. Lastly, the foreign investments of the chain hotels in Turkey are given information about with respect to the present condition. The theoretical infrastructure to serve the purpose of the dissertation has been tried to be created.

The method is given in the third part. A questionnaire form has been created. The survey questions were taken from English sources. Statistical analyzes are included. Research population and sample was constituted. Hotel list was created for the research sample from different sources.

In the fourth and the last section, the findings are presented. The demographic information about the participants is given. The descriptive statistics are portrayed. The relations between the variables and the differences between the variables have been studied in detail. The comments of the participants are included. With the research findings, the thesis reaches to its end.

CHAPTER ONE
BACKGROUND OF THE RESEARCH

1.1. Research Problem

Turkish hotel companies have substantially grown since 1980's paralleling the development of tourism in Turkey. According to the chairman of Aktob, the total number of bed capacity has reached to 1 million 715.200 by 2019 (Turizmaktuel, 2020). Tourist arrivals have gradually increased from 5.389.308 in 1990 to 51.747.199 in 2019 (Kültür ve Turizm Bakanlığı, 2020) and tourism has become one of the main sector for Turkey. In spite of this growth in tourism, particularly in hotel business, the internationalization extent of the national hotel companies is proceeding to be in infancy period. Despite the international dimension of the tourism industry becoming increasingly essential, little is known regarding the internationalization process of the tourism firms (Corfu and Nistoreanu, 2006: 1). Therefore, this study investigated those Turkish hotel companies which have invested in hotels abroad to reveal the advantages, main motivation, obstacles, capabilities, risks, market entry mode factors, market-oriented evaluation, changes of internationalization of this internationalization process.

The basic research question of this study is to figure out the answer to the question of what sort of entry mode a hotel must opt for during the phase of arranging to establish a hotel that is new in a specific area in a country abroad. Answering this question, the entry modes of internationalization, which will be elaborated in the related literature section. How market-related factors such as the cultural similarity that exists between the domestic and foreign market, legal restrictions, demand uncertainty, market attractiveness, country risk, etc. impact the foreign market entry mode selection depending on the type, size and business experience of these Turkish companies is what the following research question focuses on.

The main research problem is that there aren't a many Turkish hotel investments abroad while investment into this sector by foreign hotel managers is substantial. In other words, there are so many hotels in Turkey invested by international hotel companies and groups, but the investment percentage of the Turkish hotels abroad is only a scratch. If Turkish hotel companies develop their activities abroad, both the relations between Turkey and foreign countries will get better and lodging activities will increase. Thus, it is concluded that Turkish firms should invest more abroad. When the literature on the regarded issue is examined, it is noticed that there are very few studies about Turkish investments into foreign hotels. This study, researching the internationalization process of Turkish hotel companies, aims to fill this void in the literature.

1.2. Purpose of the Research

The main aim of this dissertation is to determine whether there are any factors affecting the internationalization process and the entry modes of national hotel groups and to signify what these factors are. It is thought that the results of this study might be path-lightening for the Turkish companies that have intentions for being internationalized. Upon the completion of the dissertation, it is targeted to obtain clearer information on the hotel management carried out by the Turkish investors on the international level. The primary goal of this dissertation is to generate a theoretically comprehensive framework which can explain the internationalization process. In addition, the results to be obtained will serve as a guiding resource for current and prospective Turkish hotel managements so as to achieve further goals in the internationalization processes in terms of hotel management.

1.3. Importance of the Research

The hotel industry is among the ones that are most highly service-intensive and most globalized. While fierce circumstances of business emerge globally, operators of primary hotels keep pursuing to be present in an international market in order to support home market rivalry and discover prospects of improvement in brand-new markets. Expansion on international basis is regarded to bring outstanding benefits of performance like the attainment of lower-priced supplies and the capability to gain knowledge regarding novel markets. Nonetheless, if these leverages may be achieved by the companies that go international or if they overweigh the costs of internationalization remain as issues of debate (Assaf et al., 2016: 572-573). Very few researches dwelling on the internationalization of Turkish hotel groups are present in the literature. It is of great importance from an overall evaluation of the globalization of the hotel industry point of view so as to shed more light on internationalization strategy. This research aims to compensate for the gap in the literature on international administration only a few of which dwells on the concept of Turkish hotel internationalization. Looking through the review of literature covered, the necessity has arisen for more researches on the concepts posing impacts over internationalization.

Turkish hotel investors operating on their native land might consider spreading their hotel operations abroad; moreover, Turkish investors already operating abroad might also contemplate increasing the amount of their investments. This study aims to guide them regarding how to introduce their brands and images to the world. Turkish executives who play an active role abroad should direct other Turkish hotel owners to the ideas of opening a hotel abroad and encourage them. This way, Turkish managers will introduce their own hotel-wise experience, specific features of their companies world-wide, and will promote their names in more countries.

1.4. Scope of the Research

The study is concerned with the Turkish hotel companies that have foreign hotel investments abroad. Opinions and recommendations of the hotel managers that are actively working in the field were considered. Questionnaires and interviews regarding the internationalization phases of national hotels were implemented on the executive staff of these establishments to achieve insights and obtain information about how they had proceeded so far.

1.5. Research Questions

In this study, following research questions are developed;

What are the motivations of the industry in relation to internationalization?

In terms of the rivals of Turkish hoteliers, what are the advantages of internationalization?

What are capabilities of the Turkish Hotelier industry with regard to internationalization when international rivals are considered?

What are the Eclectic Paradigm advantages of internationalization for hotel industry?

When Turkish enterprising hoteliers decided to embark on the international market, which risks did they take in the process of internationalization?

What sort of impacts do the factors with respect to the market pose over the entry mode selection during the process of going international?

What are the challenges within the internationalization process?

What are the market-oriented evaluations of the Turkish hotel establishments after the internationalization process?

Due to the international activities by Turkish companies, what changes occurred?

What modes of entry do hotels choose to enter foreign markets?

CHAPTER TWO
THEORETICAL FRAMEWORK

2.1. The Concept and Importance of Internationalization

Increasing involvement into foreign markets is highly interrelated to internationalization. The firms' adjustment to actions involving tactic, structure and sources to fit them in international surroundings is the explanation of the process of internationalization (Calof and Beamish, 1995: 116). The term of internationalization was specified by Welch and Luostarinen (1988: 36) as "the phase of rising the extent of involvement in operations on international basis". According to Tsang (1999: 92) "internationalization is the transition of a corporation's organizational and physical technologies from one country to another". Johanson and Wiedersheim-Paul (1975: 306) emphasized the decisions to embark on international ventures and the experiences gained through international activities define an approach of the corporation in such endeavors related to its actions abroad and the phases of the actual carrying out of these activities. The experience gained through the steps of internationalization alters the mentality of the firm towards further internationalization. When all these definitions are combined, it can be said that internationalization makes up a time course of increasing inclusion in cross national business, which calls for resource-commitment and international market adaptation, influencing the attitude and the decisions of the firm to carry their internationalization processes a step forward.

Businesses carry their activities on an international dimension. Whether through export, direct investment, or licensing agreements; internationalization occurs (Erkutlu and Eryiğit, 2001: 150). Companies can extend their operational scope by entering into international markets and offering a variety of products to different nations (Scherer et al., 2018: 39). The process of internationalization that involves the transformation phase via which a corporation converts itself into international extensions through exports and new markets entries by means of direct foreign capital from taking actions on its own in the boarders of its native market is crucial for comprehending a firm's improvement and achievement on international level (Cort et al., 2007: 9).

Internationalization can direct to a reduced level of risk, due to the fact that diversification of market accompanies a more reliable and balanced revenue stream and, thus is less exposed to the shocks of the target country that may be encountered. A firm that is diversified well is less vulnerable to the risk that can be caused by its competitors' aggressive moves as it owns multiple bases via which they have the capacity to retaliate (Jong and Houten, 2014: 314). Firms embark on internationalization through the implementation of strategic decisions regarding the foreign markets' number and types in order to add the specific entry mode for each of the markets. The conceptualization of firm internationalization has been in terms of the entered foreign markets' scope (i.e., the proximity of the markets, the diversity of the markets, the number of the markets), its modes of entry into markets (e.g., exporting, direct non-native investment), and its foreign market earning contribution to its earnings in total (Vithessonthi and Racela, 2016: 31). Spreading into new markets in various different geographies presents an invaluable chance for firm's growth and creation of value (Hsu et al., 2013: 2).

Searching for a market that is located out of the firms' native boarders lies at the basis of internationalization. Companies appear in different markets in order to compete with their rivals in the best way they can. This situation has a prime role in opening up to the world especially in the case of hotel enterprises. Hotel businesses present their goods and services in international markets by partnering or merging with companies based in foreign countries or by making direct investments. Of course, this situation makes the brand image of Turkish hotels expand. Thus, they have the opportunity to introduce themselves to other nations. Internationalization offers excellent innovation opportunities to the Turkish hotels in search of markets. The comprehension of the value of internationalization is very essential in hotel sector to promote the brands of the Turkish hotels.

2.2. Reasons for Internationalization

The globalization, the acceleration of capital flows, the changes in the world markets, the changes in terms of information, communication and transportation technologies have caused businesses to move towards internationalization not only to grow but also to survive and compete. There are many factors that direct businesses to internationalization. The business becomes international taking into account one or more of these factors (Koçak, 2019: 172). Çavuşgil and Knight (2009) listed the reasons for internationalization as follows;

Aiming to grow by entering different markets,

Entering the foreign market considering that it will make more profit,

Utilizing the scales of economies in production and marketing activities,

Amortizing the expenses made by reasons of marketing and product development by operating mostly in the market,

Developing new products with information to be obtained from different markets, Increasing competitive effect in the local market,

Receiving requests from senior executives towards internationalization.

Belniak (2015: 131) pointed out the oncoming factor clusters activating a corporation to become international, and the factors of the framework are so-called:

Market-inflicted factors (media, increased development in advertising, GDP, life style, world-wide perceived globalized life style, consumer preferences, etc.),

Cost elements (improvement in terms of shipping on international basis, technological development, economy of scale, the countries newly being industrialized, the product lifecycle mostly shorter nowadays, the rising of the R&D costs),

Government-based reasons (tariff and non-tariff barriers' removal, the development of a world trade institution, new vibrant and buoyant economies, the establishment of some economy-related institutes, many industries to go private and denationalized, a free market network to be implemented),

Competitive reasons (global alliances, rise of interdependence within international global structures, increase in the appearance of relatively newly-born globalized population, increase in the quantity of nations within the competing market, rapid rise of rotation in the trade world-wide and foreign entity taking part in the structure of ownership).

Further reasons (an altered market of IT market and evolved market of intercommunication, the establishments which refer to journeys for business, financial markets' internationalization).

Many a reason is there for companies to be engaged in the internationalization process. The factors motivating or causing firms to go international can broadly be divided under the two umbrella terms as push factors (also known as reactive motivations) and pull factors (also known as proactive motivations). The firms embedding proactive motivations go international because they wish to be on global market (linkedin, 2020). We can list the reasons for internationalization under four main titles as the driving factors of the homeland boarders, the attractive factors of the foreign country, environmental factors and economic factors (Öztürk, 2014: 31).

2.2.1. Re-active Motivations (Push Factors)

Stewart and McAuley (1999: 507) stated that reactive factors are dependent on pressures or push factors stemming from external or internal environments of the company, leading to passive behavior. Czinkota et al. (2004: 6) stated that the firms responsive to environmental changes are influenced by reactive motivations. Via changing the variety of activities, the firms adjust to these reactive motivations through time.

Competitive Pressures: Dana (2001: 57) mentioned that competitive pressures in internationalization are promoting firms to reduce costs. Laffan (1998: 240) specified that the common market has established a system for the adaptation of domestic firms to competitive pressures. Mohr and Batsakis (2019: 873) defined that competitive pressure expresses external or internal hopes to enhance or maintain a company's market situation over against its rivals. Dibrell et al. (2005: 174) informed that competitive pressure in home countries, many companies are internationalizing in an effort to continue their existence. Cuervo-Cazurra et al. (2018: 9) proposed that competitive pressures within the native boundaries urge the companies that have been coming into being to raise their levels of competitiveness and become internationalized firstly and onto a wider arena. The companies possessing admittance to more sources and facing more pressures of competitiveness ensure them to get better and internationalized.

Overproduction / Excess Capacity: Hollensen (2007: 46) stated that if company goods' sales in the home country are a considerable extent below the expected level, an excessive inert inventory problem may occur. Because it corresponds to a monetary loss with respect to long-run, this can constitute a motivation to begin to export with limited-period reductions on the price of the goods that are exported. In the circumstances, global marketing activities are declining or even terminated as demand in the domestic market recovers. Still, the reuse of that kind of an approach may be troubled for the exporter firm. Many clients from non-native borders are dealt with through longtime working interrelations; however, are not interested in those who are not stable and/or are unregulated. Such foreign reception can result in a fall in the export drive of the firm.

Saturated Domestic Markets: Hollensen (2007: 46) indicated that a saturated native bazaar is identified with the relevant selling figures or bazaar share. Customers in industrialized markets are sophisticated from the product, while the clients that reside in a good number of improving countries are reaching the need level only step by step, and under likewise circumstances, the firm might opt for beginning to market the output in the bazaars that are in emergence stages, thus considerably extending the life cycle. Also, the market's saturation and then recession or declining demand indicate that the unused internal company has productive resources such as production or administrative laxity. Production slack is emerging as a motivation with regard to entering into new bazaars, and administrative laxity may constitute a basis of information resources through gathering, analyzing and putting into practice the knowledge regarding prospective bazaars to enter into.

Proximity to Customers and Ports: The psychology-related and physical affinity that non-native bazaars pose can motivate the firm in terms of initiating cross-national commercial actions. The bazaar's proximity in terms of its location of the market corresponds to cost reductions for delivering goods, and facilitates it to become less difficult to call on the bazaar to investigate and get business connections. Psychological intimacy saves companies from adapting products and reviewing customers' preferences. (Hollensen, 2007: 47).

2.2.2. Pro-active Motivations (Pull Factors)

Czinkota et al. (2004: 4) provided information that the companies which play an active role in international markets make more profit by using the scale economy, and the growth process is fast. Creating unique products using developing technology enables the recognition of companies in the international arena and increases their brand value. Proactive motivations impose stimuli to attempt strategy change. Proactive firms tend to go international because they wish to. Kubickova et al. (2014: 321) stated that thanks to company resources' connective assignment, competitive advantages can be obtained.

Profit and Growth Goals: Czinkota and Ronkainen (2010: 279) mentioned that the company's desire to enhance its profits ensures the strongest incentive for its internationalization. Executives regard non-native bazaars vital for higher profitableness levels in view of potentially higher profit margins and additional earnings. However, the firm's mindset with respect to expansion on the international level can become different afterwards, as the divergence between what is perceived and what is real is usually greater, especially if the firm has not previously been committed to activities on the international level. The reasons that profitability from international operations is very different from real profitability are factors like huge initial costs or inadequate bazaar exploration. In addition, there appear a few elements occurring only in intercontinental selling and are not able to be considered beforehand. To exemplify, these are rapid changes in exchange rates, which can adversely affect elaborate plans of strategy that depend upon bazaar assessment.

Unique Products thanks to Technological Advantage: Czinkota et al. (1999: 368) expressed that a good that is unique or upper-hand with regard to the accessible technology may pose as an else important factor in terms of internationalization. Such upper-hand happens at the instance that a firm generates products or services which are not extensively available in non-native bazaars. As long as outputs or the technology behind them are original, they absolutely supply a notable upper-hand in competition. Nevertheless, even then, the firm ought to conduct an appropriate market survey. Firstly, the genuine and perceived unlikeness has to be precisely distinguished. Many a firm relies on the fact that they preset the unique good in the sector, but it may only apply to their own domestic markets, not on the international level. Second, on condition that the good or service is truly the one and only, it should be given a thought regarding the duration that his upper-hand will continue. Companies must take accounts of the growing creativity of competitors, rapidly evolving competing technologies and the lacking of international patent protection. However, on condition that the firm has successfully improved unprecedented qualifications in the native bazaar, the costs of the opportunity to detail unique resources in new bazaars will be low in a compared fashion, so the prospects of extending these resources on the international basis can be really likely.

Exclusive Information: Czinkota et al. (1999: 369) mentioned that another proactive factor can be private information about external markets or customers. This advantage may be due to in-depth research, specific company information or individual informants that provide non-existent information for other companies. The pre-mentioned elements ensure extra encouragement for access to the bazaar, but will only continue to exist as a special upper-hand for a substantial duration if the company manages to make the international knowledge advantage a continuous course. This may be obtained through providing stable wide bazaar screening or long-term informational privilege. Otherwise, opponents can be expected to exceed the knowledge advantage after a while.

Tax Benefit: Klimchuk (2013: 7) noted that tax benefits may have a grand drive role. Local governments often offer tax benefits to exporter firms so as to reassure their expansion. Aids can cause curtailed expenditure of the firm’s outputs in non-native bazaars or more profit stock as a result of preferential tax procedures. However, considering the existence of a number of international contracts generated by local manufacturers to protect their products from non-native firms that sell their products on the bazaar at a price that is very eligible is required.

Economies of Scale: Hollensen (2007: 44-45) specified that it may be that, as endowed by small and medium-sized businesses, huge economies cannot be created solely through the supplementation of service within the native bazaar. On condition that it is impossible to produce scaled economies in the native bazaar and this element constitutes a great significance to the success of the firm, it can be the main incentive for the starting of the phase of internationalization. Boosted commodity sales by reason of entry into foreign markets facilitate the company to raise production and significantly curtail production expenditures per unit. Thus, going international can make it easier for the company to increase its competitiveness in the home bazaar as owing to risen production, thereby curtailing the production expenditure regarding in-boundary sales. During the period that arranged expenditures (equipment, facilities, R&D and management) spread to more volumes, the cost of production decreases with an increase in manufacturing volume. These factors frequently cause market share becoming the chief target of companies.

2.2.3. Environmental Reasons

Erkutlu and Eryiğit (2001: 152) stated that environmental reasons are the reasons that prepare the necessary environment for internationalization for multinational companies. These can be listed as follows;

Multilateralism: The term can be defined as the transition from bilateral relations to multilateral relations in the international economy which involves regional integrations.

American Foreign Aids: The USA had stipulated the conditions for its own companies to do business in economic aid contracts with other countries.

Political Factors: Political factors can be classified as economic, military and political efforts of democratic countries to act against communism after World War II.

2.2.4. Economical Reasons

Erkutlu and Eryiğit (2001: 152) mentioned that economic reasons that have a driving effect on businesses going abroad. These are;

Foreign Trade Barriers: Restrictions such as customs tariffs, quotas, prohibitions and foreign exchange control on foreign trade have a guiding effect.

Reducing Costs: The purpose of benefiting from cheap labor and rich natural resources abroad causes companies to establish their production facilities in the places where these resources are located.

Ineffectiveness of Local Marketing Organizations: Firms' desire to compensate for their decreasing market shares by opening out due to the insufficient marketing institutions marketing their products in their own markets.

Rivalry: Companies need to compete more effectively with domestic and other international companies and to adapt quickly to changing market conditions; hence they need to take measures against the efforts of competitors to develop new products.

Turkish hotel operators require sufficient economic power in their investments abroad. Minimizing costs in the process of opening up a hotel and making use of the opportunities provided by the state provide the best evaluation of the economy. Economic power allows us to compete more effectively with domestic and foreign international hotels and to adapt to changing market conditions, and to outperform competitors with better services.

2.3. Internationalization Theories

1960s and 1970s marked the first introduction of the Internationalization theories. The development of so many theories since then has aided to the understanding of internationalization (Azuayi, 2016: 3). Most internationalization theories stem from industrial organizations and economics. The roots of the former information go back to 1930s, Coase and proceed with 1950s through Bain stretch to 1970s with Williamson. Previously, 1970s and 1980s marked the development of these theories, when multinationals from the USA began to make investments into Europe, upon SMEs from Europe starting exports generally to boardering homelands (Axinn and Matthyssens, 2002: 437). An empirically testable, related in a regularized way cluster of expressions which include several dogmatic generalizations is called a theory. A theory's aim is to elevate empirical apprehension via a regular construction which has the capacity to both account for and foresee notions that are hard to explain (Andersen, 1997: 30). Some theories have been trying to shed light on any sort of questions regarding firms that are self-involved in business on the international level. Such theories vary from those that are economic to the ones that are behavioral. Theories of economy that have been utilized vary from those defining the reasons behind trade occurring among countries to the ones explaining the economy-related philosophy of becoming international. From another perspective, theories based on behavior stem from business administration, and they are focused on the administrational decisions to be taken by firm on its own or its director, the owner of the firm (Rutashobya and Jaensson, 2004: 161). Various theories have been put forward by researchers to examine the internationalization processes of hotels. These theories provide guidance on when to enter the international investment of hotels, the selection of the appropriate market and which entry mode to choose (Can and Utlu, 2018: 56). Although these theories meet common features in the internationalization process, each model embeds different features (Taş et al., 2017: 159). Internationalization theories account for the way the firms behave and strategize in international markets. They share a variety of constructions and they account for the strategy-based decision-generating of corporations so as to continue their success within the international medium (Andersen et al., 2014: 38).

To summarize internationalization; the Eclectic Paradigm, International Product Life Cycle Model, Transaction Cost Approach, The Uppsala Model, The Network Theory, Stage Model and Innovation Related Models are examined under the forthcoming sections.

2.3.1. The Eclectic Paradigm

The mode and pattern of the internationalization process are explained and predicted by the internationalization model, whereby national firms are transformed into being multinational (Johanson and Vahlne, 1990: 15-16). The theory, also attributed to as the OLI Model (Ownership, Location, Internalization), exerts to account for the reasons and the motivational power of foreign investments and the nature of the interconnection between the resource allocation and the organizational structure of the firms. The theory allows the analysis of market advantages not only on the basis of firm's needs but also from the perspective of the international environment (Dima, 2010: 63).

Schellenberg et al. (2018: 611-612) stated that the benefits based on ownership are attributed to expenses, control and aids of the interrelationships existent among the firms. They are firm-specific and related to the pile of assets of intangibleness besides technology-related skills and/or improvements of new outputs. Such resources are echoed by not only firm-level but also experience on the international level; the capabilities and abilities of the corporation with regard to developing commodities of distinction. Advantages regarding location are attributed to generative and institutional factors simultaneously. The pre-mentioned factors exist in a specific market or a geography. And they are considered to emerge at the times that it is more advantageous for the organization to bind the outputs fabricated in the domestic market with constant elements besides intermediary outputs that come from another location. Internalization advantages are related to decreased coordination and transaction costs which originate from the local actions that are taken in the value-added chain.

The OLI paradigm constitutes a framework the purpose of which is to evaluate the optional ways that would make it possible for the firms to arrange the making and application of the basic capabilities that they have, considering the location-peculiar allurements that are specific to a variety of regions and countries (Dunning, 2000: 164). Oli paradigm guides hotels with respect to their decision to operate in a market, as well as choosing strategies to enter the market. The hotel enterprises elaborate the Oli advantages, determine which advantages they have, and accordingly choose their market entry modes (Güngördü and Yılmaz, 2016: 1014).

Dunning and Mcqueen (1981: 202-203) comprehensively investigated the eclectic theory, which explains specific characteristics of Oli advantages.

Ownership-Specific Advantages: In order to assess the foreign firms' net advantages in the hotel industry, it would be best to initially look into the nature of the output which the manufactury provides. Vitally, it includes three ingredients. The first and the most prominent ingredient is a package of "on premises" services offering a specific life style and atmosphere offered to the customer during the period in which he is a guest in the hotel. All hotels supply their guests with the basic services of lodgings and food and beverage, but the type and quality of accommodation and sustenance change considerably like the other types of services offered. Provision is the second ingredient. It is also known as arrangement, before, at the time or after "off premises" services provided for their guests involving transportation from home or airport to hotel, bookings with restaurants and/or other hotels, local sightseeing tours and excursions and the reservations of facilities for theatres or other kinds of entertainment, cultural and sporting events, etc. The third part of the hoteliers' product is the degree to which a customer can be assured that the services he has actually been sold are the same as the ones he expects to get. A guarantee "trademark" may be especially essential under circumstances where the customers that buy a product have little genuine knowledge regarding what is being offered for sale. It is typical of the international hotel industry to qualify many guests as one-time visitors; and that knowledge of the product to satisfy wishes may only be experienced when it has been bought. In this respect, hotel services can be considered as "goods of experience", and the value of such goods cannot be assessed via visual inspection unlike "search goods", the attributes of which can be checked out and compared to the claims of the supplier having advertised such goods. An experience in one hotel in a chain proud of providing identical or similar accommodation standards across the world may effectively have influence regarding its competitive position in an unfamiliar environment.

Ayazlar (2015: 877) noted that the knowledge related to the kind of product consumers would like to have, the ability to supply this demand and the persuasion of prospective customers to buy your product constitute the main weapons of hotels for competition. The firms knowing about and appreciating that particular market gained their experience either operating in a tourist generating country or providing similar services for other locations will at least have an initial advantage compared to de novo indigenous firms. Proprietary knowledge related with the market also allows MNE hotels to be able to distinguish their output from the ones of their opponents, whereas, in general, supplying for the higher edge of the market. Hotel accommodation characteristics' combination as an experience good with efficient product differentiation makes the "brand image" marketing of the hotel a vital factor for the ownership advantage of international hotel chains. Besides, the hotel sector is does not get its character from specific pieces of knowledge that might be patent-protected. The hotel's trade mark and its reservation system are the closest to such an intangible asset. Within economies of highly developed industries that bear vivid local markets for luxury hotels and that can generate a brand image through their well-developed tourism industry, no way would one be perplexed to find out that the existence of foreign hotels in that location is frequent. In a great variety of economies in which such features are less frequent, these hotels become more vital.

Location-Specific Advantages: Kundu et al. (2008: 571-573) explained that if a hotel would be considered to be valuable to a guest, this consideration would not be independent from its location. Hence, the country choice should be made with a concern about the target guests' needs. Just like in the case of some primary products, the hotel's location is country-specific because they have no other option but to be situated where the tourist wishes to be. The only exceptions are the hotels located near a country border from which tourists may opt to pay during-day visits to another bordering country, or those in countries en route to the travelers' ultimate destination. This does not necessarily mean that an MNE would not benefit from location-related advantages of a country considering a link with a foreign hotel. First, whether to be involved in the hotel business in one specific country has to be decided on. If the decision to be made on that choice is positive, the following decision to be made regards whereabouts of it within the country, how big and what kind of a hotel it will be and what form participation should take. Furthermore, at a certain time or over a period of time, managerial or organizational restraints may arise with respect to expansions or new hotels, and these constraints can be efficiently coped with. With this regard, involving in alternative locations can be reciprocally exclusive, even on condition that each is profitable.

Pinho (2007: 719-720) set forth that there are several factors to determine a specific country' attractions for a hotel involvement- considering the relative ownership advantage of the foreign and domestic firms. These factors are broadly similar to the ones faced by the foreign firms operating in other sectors of economic activity, but their natures exhibit some differences. The first and the most obvious differences lie under each factor defining tourism's role and developmental speed, especially tourism for business related purposes in a specific country. The overall tourism infrastructure constitutes the second while hotel inputs' traits based on their staff and basic services that can no way be imported and their being available constitute the third difference. The fourth is the government policy towards direct foreign investment in general, and the fifth is the country's general bureaucratic, communal and economic stability and the attitude of the local community to the tourists of foreign origin.

Internalization Advantages: Erdener and Shapiro (2005: 419) urged that received theory leans on the assumption that the internalization extent (which is proximate to the degree to which the transferor of resources holds on exercising supervision on the utilization of such resources and the resources of complementary nature that are owned by the transferee) and ownership stake are firmly correlated with one another; a 100% equity stake is called for so as to ensure utter control, a zero equity stake implies no control at all, and anything between signifies control at various degrees -with the vital stake being 51%. Not enough focus has been attributed in the studies that have been carried out up to now to alternatives to equity investment as an instrument to keeping supervision over an intangible asset utilization.

Looking through a legal viewpoint, a de jure control is an ownership function, and it remains until the owner wants to relinquish his/her rights, or until he/she is made to divest. However, some equity investments in foreign hotels undoubtedly have portfolio characteristics rather than direct investment characteristics. The investment is in the assets obtained and the return, either through income or capital appreciation, is presumed to depend on the assets that are profitably utilized without the owner's any "direct" intervention.

In this sense, internalization applies whenever a firm from a nationality has any form of control or vast influence over production located in another country, rather than by an arms length off the shelf or 'spot' transaction. It ranges from subcontracting right the way through to 100% ownership.

Dunning et al. (2007: 534-535) mentioned that two fundamental causes regarding a company's prospects of posing inclination to maintain the supervision on influence over the resources that are transferred to another firm. The former is that it believes it has a better knowledge than the management of the recipient firm does on the best way these resources should be used (i.e. it can operate on a superior production function) and that this particular type of knowledge skills cannot be marketed, at least on an off the shelf fashion. The latter is that the goals of the parent firm looking for the ways to maximize world-wide profits or growth may not always be in perfect relation to the goals of any specific associate or affiliate the concerns of whom may be canalized to growing or the profits on the local base; therefore, the need by the parent company to incorporate decision taking to the affiliate with other parts of the enterprise. Our comprehension of the situation in the hotel sector is that the return to lots of specific ownership advantages of MNEs with foreign hotels can be obtained via contract based internalization. This arises mainly due to the need for internalization, to ensure that the best interests of the parent company are promoted, which is not on general basis necessary in this sector. These results from the common interests of the local hotel and the parent company owing to their belief that what is good for the local hotel will mutually be good for the parent company.

2.3.2. International Product Life Cycle Model

Within the framework of the concept of international product life cycle, which was put forward by Vernon (1966), expenditure extents vary not only in still-growing but also in the countries which are strong in terms of their industry (Reiner et al., 2008: 920). Andersen et al. (2014: 43-44) afore-mentioned theory which was put forward by Vernon (1966) also known as the model of IPLC, which considers internationalization to be a subsequent phase in relation to the variant degrees of fabrication expenditure between a variety of countries. The IPLC model puts forward a new perspective with regard to production activity delocalization. This theory accounts for the way a firm is transformed to FDI from the one which exports. To Vernon (1966), the phase of internationalization occurs simultaneously with the life span of the product to be analyzed in four phases; namely, introduction, growth, maturity and decline phases. Introduction phase is marked by insubstantial production amounts without any regularity, and in this phase, expenses do not constitute a determining element by reason of the firms' focusing on flexibility, communication and control. The growth phase is fore-grounded by the elevated standardization and firms' exertion to curtail production expenses and gain economies of scale. As the product begins the maturity phase, foreign competitors produce alternative products to raise their profitability to high levels and share the market. This stage is characterized by product standardization and companies might place their manufacturing within the countries that are still in progress of their improvement, and which present upper-hands in competition. These countries can also go beyond this and occasionally make imports of their goods produced by the auxiliary institutions of their own within the non-native bazaars. The recession phase is specified by the decline of market demand in developed markets. The IPLC theory proposes a strict and output-oriented model explaining transactions among countries. Even though the IPLC model is concerned with the company only, it mainly concentrates on the intranational transactions. Concentrated on the benefits of native country's region, the theory accounts for the reason behind the various decisions of the companies regarding non-native investments into various foreign markets.

Countries improve new products to meet the characteristic of the domestic market (Sebastian, 1983: 96). These new products are developed and then marketed initially in domestic market, and this is followed by their exportation towards other advanced countries.

Danciu (2012: 33-34) indicated that the product's the transition from one phase to the next one of its life cycle offers two advantages; knowledge and cost reduction. These two advantages account for the differences related to the countries that completed their phases of improvement and that are still in this process. The gap related to the knowledge between developed countries and other countries is pretty much reduced. The cost gap will remain the same because the reality indicates that cost differences exist under many circumstances. Hence, many companies specifically stemming from developed countries use subcontracting, licensing, franchising, acquisitions even in the countries where there exists cost differential allowing cost advantages notwithstanding their levels of development.

The progressive internationalization models are so much admired, yet, they are open to criticisms, too. Many companies do not always experience a consolidation stage in the domestic market before they internationalize, which could affect their initiative. Companies sometimes surpass some phases of the process, or they make a decision to reverse the trend passing from the high to low commitment. The experiences that companies can't overpass a specific internationalization stage are not few.

2.3.3. Transaction Cost Approach

Transaction Cost Approach is an explicit implementation of the theories by Coase (1937) and Williamson (1975) regarding a company (Sharma and Erramilli, 2004: 6). Ivanov and Ivanova (2017: 10) mentioned that the transaction costs involve costs of search and information (attaining information related with product market availability, suppliers, prices and likewise), costs of negotiation (the drafting and signing of a bilaterally agreeable contract), and costs resulting from contract enforcement (monitoring to make sure that each party will be faithful to fulfill their contract obligations and will not display any opportunistic behavior). Within hotel chains context, the transaction costs approach constitute a framework with regard to the scrutiny over the internationalization determination and the choosing of the location and an appropriate mode of entry complying with the circumstances and purposes of the firm. Danciu (2012: 35) clarified that the transaction cost is resourced by exporters' divergent interests and opportunistic behavior patterns. The decision regarding going international is taken upon an elaborate and pertinent analysis of the transaction costs. When the analysis results in the finding that the foreign market-based transactions have a lower cost, the company will externalize accordingly. It will have business relationships with foreign partners through the utilization of various entry modes like export, licensing, subcontracting, and joint ventures. When the partners are finally integrated in an internal organizational structure at lower costs, the company will, mostly via mergers and acquisitions, internalize. The fundamental purpose of internalization via the cost transaction approach is the minimization of the transaction costs as a whole.

Owing to its success in terms of accounting for the determinants of modal choice, Transaction Cost Approach makes up a most often implemented theory come across within the studies on entry mode. When a company is to start working in a non-native bazaar, it can opt for transferring its outputs and/or services out of its boarders handing over a great degree of supervision to the collaborator in the foreign land, or it can opt for internalizing these activities preserving a greater extent of supervision (Kruesi and Zamborsky, 2016: 319). Brouthers and Nakos (2004: 230-231) stated that the theory of Transaction Cost proposes that the particularity of the assets and the ambiguities related with behavior and environment result in two fundamental expenditures: costs of trade bazaar and supervision. During the period that firm may keep their shareholders informed regarding its procedures and push down its expenditures resulting from transactions to minimum via the integration of its actions abroad, besides, it has an obligation to keep the integration necessity and the expenditure resulting from supervising the rank-based structure in symmetry. Transaction Cost Theory offers companies' tendency to choose the modes of entry which equilibrate the leverages gained by assimilation with the further controlling expenditures.

Asset Specificity: Aubert et al. (2004: 922) put forward that transaction costs are partly constituted by investment's asset specificity which is called for upon a new entry into non-native bazaar. Specificity of assets is identified as the sources in terms of both personnel and concrete assets that may be devaluated if utilized an any other way than a firm assigns with regard to fulfilling a particular duty. A firm possessing a specialized knowledge and technological uniqueness in terms of its distinctness is obliged to apply additional measures which would bring about additional expenditures so as to prevent its variety of values from being seized by the competing firms. Moreover, asset specificity might inflict transformational expenditures if prior non-native entrepreneurs do not act the way they should. The investments not requiring substantial amounts of capital include the application of common knowledge; thus, companies are do not have concerns about avoiding such know-how from their rivals, owing to the fact that this know-how is already in their reach. When investment specificity is low, firms confront lower control-based transaction costs due to the fact that the dissemination prospects of knowledge are low. Besides, transformation-related expenses also get lower when the investments are lowly-specific. Transformational expenses arise if a company that invests is required to replace its agent or mode of entry in a non-native bazaar. Transformational expenditure might consist of the expenses resulting from collecting, compromising with, and educating a novice entrepreneur; and alongside them, the expenses made with regard to opportunities that result from unsuccessful transactions. On condition that the particularity of assets is not high, foreign agent substitution can be a really easy assignment because the know-how and/or technological equipment included is of common availability.

Erramilli and Rao (1993: 23) explored that in contrast to this, upon companies' investments with high asset-specificity, ranked capital entry modes exhibit a tendency to be preferred. Under the circumstances where high asset specificity is pervalent, companies are more occupied with keeping their patented technological and informational values out of the reach of their rivals. Anderson and Gatignon (1986: 10) conducted a research that resulted in the finding that the these assets' particularity might create the roots of the competitive advantage particular to firm, and the leaking of this would have adverse effects on the performance of the investing corporation. By reason of this occupancy, companies exhibit a tendency to incorporate non-native actions to have more supervision upon the utilization and prospective abuse of their patented information and technology. At times, in case of substantial asset specificity, losing a non-native agent can turn out to be highly expensive. Non-native intermediaries reach patented knowledge and they can turn into rivals or establish entrepreneurships with the institutions with which they are opposing rivals making use of the knowledge they attained beforehand. Particular assets might also call for comprehensive practice and investing. Both investing and practice wither away under the circumstance of a company being necessitated to change non-native agents.

Behavioral (External) Uncertainties: Klein et al. (1990: 199) emphasized that unforeseeable behaviors result from the incompetence of a firm to pre-guess the individuals' behavior abroad. In accordance with the theory of transaction cost, unpredictable behavior might give way to pragmatic attitudes including cheating, information misuse, unfulfilled duties, and likewise sorts of disloyal attitudes. In order to keep pragmatic attitudes at the lowest possible degree, a firm is to improve some sort of instruments for supervision. Internal control is a type of such control instruments, and it can be established via hierarchic proprietary which allotes the company a legitimate right with respect to controlling the activities manifested by non-native-rooted workers. When a firm is in lack of such super visionary instruments of its own, it might diminish the prospects of pragmatic attitudes by passing supervision over to a non-native intermediary. This phase diminishes the supervision-based handicaps related to behavioral unpredictability via passing liability with respect to supervising the activity over to another organization, which resides in the non-native bazaar. Hence, companies that lack supervision-associated experience on the international dimension exhibit a tendency to select non-equity entry modes as an instrument to control the behavior-related uncertainties resulting from foreign expansion.

Environmental Uncertainties: Brouthers and Nakos (2004: 233-234) explained that environmental uncertainties are the risks related with a host country; a quintessence to these uncertainties is the capability to empower commitments and keep distinct sorts of politics and legislation associated jeopardies under control. If a company wants to be in elevated control, it is supposed to commit additional resources. Nevertheless, through committing the additional sources, a company raises its vulnerability that can result from outer surrounding jeopardies. In such jeopardy exhibiting countries that exhibit risks due to unpredictabilities that are surrounding-related, it might be more advisable for companies to choose the entry modes of non-equity requiring low investment capital. This method “both prevents source engagement and allows competitors to switch associates or rearrange contract terms and work on organizations more headily as conditions improve”. Clinging to a low-resource engagement method in an obscure bazaar, a firm may maintain being flexible. Besides, should there be a necessity, the company can change associate institutions or entirely quit the bazaar, when the circumstances force them to do that.

Andersen (1997: 33) concluded that the Transaction Cost Approach appears to be specifically effective in accounting for vertical integration decisions, and it has been used for predicting mode of entry for fabrication and service companies. Transaction Cost Theory, assets of specificity, commercial swap frequency and the unpredictability that surrounds the source swaps between buyer and seller form the fundamental aspects of the enterprise. The combination of such aspects is the determinant factor for how cost-friendly management modes are appointed to the enterprise. The deciding party is expected to be logical and sometimes to display opportunistic behavior.

2.3.4. The Network Theory

Mtigwe (2006: 15) stated that network theory adopts a different, moderate perspective of the transition through internationalization. The network approach has not been introduced to trading recently while its implementation with respect to company internationalization is relatively new. Regarding bazaar interchange by reason of the noncommittal exchange relationship interactions that occur between the bazaar actors, the network approach came into being. Firm internationalization is therefore a natural growth stemming from connections of people and companies abroad within network. The network of a company is an indispensable asset to that firm because it constitutes a source of information regarding the bazaar, which requires a company a substantial amount of time and capital to attain. Thus, networks constitute a linking structure allowing the internationalization process to be completed rapidly.

Andersen et al. (2014: 47-48) mentioned that networking allows companies to form an interrelational network simplifying reciprocal supportive activities and facilitates them to take advantage of the harmony created thanks to the network with respect to establishing a shared objective. The mother country's networks are where the internationalization of a company begins. Networks are made up of three components that involve actors, actions and sources. The afore-mentioned network-related parts have an associated nature, and they altogether constitute the network. The company, its purchasers or clients, and providers constitute the actors. The afore-mentioned actors set up and maintain the interrelations between each other. Bazaars are formed in shape of networks where a company depends upon its interrelations with actors that are related. Internal and external factors influence the company's outer bazaar entry. The domestic forces regarding entry are comprised of network comprehension, bridged interrelations and globalized network. On the other hand, foreign forces of entry include opposing concerns, company's recognition by distinct actors and external factors' dynamism. Network relations make internationalization processes faster. In accordance with the networks theory, the experience-based comprehension particular to a bazaar utilized by companies refers to the acquaintance with the commercial interrelations that exist among the target bazaar networks. Nevertheless, if companies embark on non-native bazaars, not only internal but also global relationships network might be utilized by them in order for their existence in the market to be established. Hence, setting up networks with the suppliers and business partners of the home country allows the company to extend its activities out of its own country. When companies embark on divergent target bazaars, they may gather a larger amount of experience-based comprehension on the international level. Likewise companies will regard this know-how handier and can display a more efficient implementation. The networks theory brings an extension to the perspective of the theory of social exchange regarding social networks and commercial networks. The theory of social exchange assesses interchanging affairs as an active phase, helping to apprehend purchaser-retailer interrelations. Commercial networks include two or more interrelated commercial affairs between the commercial companies that are the actors included in the network that helps to them establish exchange relations.

Danciu (2014: 37-39) mentioned that the model of business network underlines the relationships’ business related, individualistic and cognitive value among its parts. This model presumes the company’s network organizations to be a major incentive with regard to internationalization adding that firms manufacture their sources through their interactions with different partners. The companies making up the network can be both independent and dependent on the resources that are under control of other companies. The degree of dependence gradually rises, which means that one company’s resources become more dependent on the ones of other companies for the profitability of all parties. The business networks operate via interrelationships of exchanges, and their capacities and needs are moderated by the interactions occurring during these relationships.

The position company is assigned inside a network is a key notion of the network model. This position determines the control of the company present and its access to the resources of the market. The business network lets the company internationalize following three strategies:

Extension, after the company has established relationships with companies and networks in new markets.

Penetration, as long as the company deepens its relationships partially on existing international networks.

Coordination, through improving its already existing relationships within different networks that take place in various markets.

Company’s internationalization depends upon its own condition within the network and within the general framework of the industry’s or market’s internationalization. A four-field matrix of the company within the network may be attained:

The Early Starter: The Company has not yet accomplished business relationships with foreign companies. It has pioneer as no other company within the industry has created such relationships. The company can follow a slow and gradual inclusion in the foreign markets with an agent that will lead to a sales representative and then a fabricating representative.

The Lonely International: The Company has so far had the experience of involvement in relationships with others based in foreign countries, but the competitors and customers of the company are less internationalized then the company is. Under such a circumstance, the company may set up new relationships or deepen the already existing ones.

The Late Starter: The Company is still focused on the domestic market while the other companies in the industry have already established long-term relationships with partners of foreign origins. In comparison to early beginner, the late beginner in general faces difficulty discovering free partners and establishing new placements in a firmly structured market.

The International among Others: Under such a circumstance, the company may take the chance of making use of the positions already existent in one network in order to be connected to other partners and networks with respect to extension as well as penetration. The success to be achieved as a result of such moves is dependent on the international activities' coordination along the value chain.

The networks of international business seem to be evolving and changing easier and faster. Hence, they might be more flexible and find answers more rapidly in relation to the occurring changes in the market and business conditions. As a result, networks of international business become emergent within industries and markets in which the interested parties' coordination achieves important additional revenues.

2.3.5. Stage Model

Theories of internationalization stage have a long history (Zafarullah et al., 1997: 22). Zapletalova (2015: 156) stated that in tune with stage models, firms priorly begin to sell goods in their domestic market, afterwards, they gradually pass on to the stage where they seek new foreign lands and bazaars. A pile of incremental decisions of dedication that depends upon experience, sense, assumptions, experience, administrational capabilities, and likewise form the bases for these gradual, sequential stages. Stage models are generally defined as traditional models grouped into two categories: the process models (the Uppsala model of internationalization also known as the U-model) and innovative models (the modernization-sided models also known as the I-model).

Rutashobya and Jaensson (2004: 163) suggested that the stage model or the Uppsala process model accounts for the internationalization of companies as a gradually developing process in which a firm will begin its endeavor as an exporter with low commitment and gradually turn into being an exporter of high commitment as it receives more and more international marketing related insights and gets over the negative impacts resulting from the phenomenon of distantness. Hence, a company which exports will start via exporting actions of irregular nature. The following stage marks the company's actions of exporting by means of intermediaries or representatives that are independent, and such exportation activities are classified as “indirect exporting”. After it gains experience of the pre-mentioned kind of exporting activities, the company of exportation is going to inaugurate an overseas subsidiary of sales in terms of direct exportation, and in the end begin overseas production and fabricating.

Mtigwe (2006: 14) pointed out that internationalizing was supposed to be a cluster of gradually made decisions. Stepping into market is supposed to start from physically proximal markets and later spread further.

2.3.6. The Uppsala Model

The original Uppsala model took its kernels from inductive research of Swedish national companies consisting of many nations discovered to initiate their being internationalized on bazaars near the domestic bazaar in terms of physical proximity and to progressively enter bazaars that are more distant (Vahlne and Johanson, 2013: 195). Dima (2010: 64) stated that in compliance with the attitude of the theorists from Sweden, companies embark on non-native bazaars in a progressive manner, parallel to the knowledge degree and piled knowledge regarding the target bazaar. Companies get wisdom and knowledge from their transactions in the domestic bazaar, then, at a time, transform into outer bazaars. Outer bazaars present a variety of allurements with respect to the geography and culture related closeness to the native land. The Uppsala Model acknowledges that the companies begin the transactions with the global bazaars through the utilization of the conventional exporting techniques to the closer nations in terms of their geographies and cultures. Then, they increasingly improve convoluted methods to take action as a company within the target country, and into less close ones in terms of their distance with regard to their geographies and cultures.

Forsgren (2002: 258-259) stated in detail that the Uppsala Model handles the accumulation of knowledge acquisition through learning. The main topics in the modal terms are related with the way companies attain information and what kind of impact this learning has on their investment behavior. The Uppsala Model puts forward a simple assumption that missing information regarding the bazaars abroad is a considerable hinderance regarding the activities on the international basis; however, this kind of knowledge is acquirable. Nevertheless, by reason of the natural traits the information regarding the bazaar exhibits, the fundamental resource is inescapably the activities of the company of its own. First of all, knowledge acquisition is a matter of activating oneself in the target surroundings, and it is not a matter of information collection and analyses. Through operations within the bazaar, not only does the firm obtain knowledge regarding the particular bazaar, but it also begins to be so related to the bazaar that utilizing its sources to realize other aims becomes difficult. Johanson and Vahlne (1977: 27-28) suggested that the following major presumption is that the determinations and applications with respect to investing abroad are developed and implemented step by step, not at once, because of market uncertainty. Incrementalism may be regarded to be a phase of acquiring the administrative processes where active learning, in other words, learning through practicing, is foregrounded as the basic logic. As the company gains more knowledge with respect to the bazaar, the anticipated market jeopardies will be at lower extents, and the investing into that non-native bazaar will be at higher ends. The company delays every consecutive move into a particular bazaar till the anticipated jeopardy regarding the new investment becomes less than the extent of the highest copable jeopardy. The anticipated jeopardy is principally a function on the basis of the market-related information that is obtained through one’s actions. Assumption number three is that know-how immensely depends on people themselves, and thus, it is hard to pass on to other persons, places and times. Johanson and Vahlne (1990: 11-13) defined that the model is built on four basic notions: bazaar related comprehension, commitment to bazaar, determinations regarding commitment and presently occurring actions. Comprehension regarding bazaar and dedication, for a definite duration, are believed to have an impact on the dedication determinations and the way actions are to be fulfilled in the consecutive duration, and this will successively affect bazaar comprehension and bazaar dedication at the phases that will follow. Based on the four notions, and through assuming within the framework of incrementalism, it is foreseen by the model that the essential internationalization design of the firms is based on two patterns. The former is beginning and proceeding to finance into only one or several bordering countries instead of financing a number of countries at the same time. The latter is to investing in a particular country in a careful way, consecutively and synchronously hand in hand with the comprehension of the persons who operate in that market. Companies are expected to make entries into new markets taking into consideration the criterion of successive further proximity and the investing of the company into the bazaars improve in accordance with the company group. Carneiro et al., (2008: 86) mentioned that during the process of a company determining a new outer country, this company is going to begin in a commitment mode requiring low amounts of capital and proceed with modes of higher commitment through its process of getting deeper experience in the non-native bazaar.

Whitelock (2002: 342) emphasized that Uppsala model’s key features are of common knowledge. Companies expand their operations in foreign countries gradually and incrementally on the basis of their improvement with regard to information, their adjustment to the distance and realizing the expansion initially the bazaars which present physical closeness, and subsequently into farther bazaars as comprehension they have gained deepens. Experiential knowledge is the knowledge sort to only be received via people's own practices, it is regarded critical; in other words, it does not pose as an objective information type to be taught within marketing on the international level.

Experiential Knowledge: Bhatti et al., (2016: 1568-1569) stated that learning through experiential fashion helps to increase the company's capability to comprehend new output bazaar prospects, to make innovations, and to be adapted to the alterations occurring in the marketplace. The formation of a comprehension method is essential for a firm to fulfill its goals. Comprehension is an indispensable value and its efficient utilization can constitute upper-hands within a race. A well-organized and balanced method offer the chances for bringing more industrious outcomes and boosted productivity into open. Johanson and Vahlne (2009: 1415) placed experiential learning in company globalization phases' center. Learning through practice gives way to a growingly more peculiar vision of non-native bazaars and of the company's capacities of its own. This comprehension enables the improvement of external activities. Azuayi (2016: 4) asserted that there also exists the type of comprehension gained through experimenting, which is obtained thanks to experience on the level of individuals, and it is often difficult to pass such experience that has been acquired. Experimental knowledge is what is mostly required for internationalization due to the fact that it is not eligible to be acquired like general knowledge is.

Psychic Distance: Ojala (2008: 136) stated that internationalization is described by the Uppsala internationalization mode as a course of step by step development where a company passes through several phases as its activities go internationalized. The model explains the choice of market in such a way that firms are called for expanding firstly through close-by markets as a result of the fact that these countries have common or alike languages, cultures, education systems, political systems, industrial improvement levels, and so on. Thenceforth, upon having obtained more comprehension regarding the way to take action on the international level, a firm may expand towards the countries that are farther away.

Johanson and Wiedersheim-Paul (1975: 307) asserted that with regard to the Uppsala model, companies are asked to pass through the forecoming phases while selecting their mode of entry:

1. No regular export activities
2. Export via independent representatives (agent)

3. Sales subsidiary

4. Production/manufacturing

Hence, the actions that take place in abroad are expected to be launched via the entry modes which are indirect (phases 1-2), which do not call for highly inclusive comprehension with regard to the surroundings present in the host country. Not only indirect exporting, but also the direct exporting may be favored. The two activity types of international trade call for bazaar dedication on a smaller scale and may be directed with having limited comprehension related to the host country. As indicated by the model, indirect entry modes elevate the comprehension of a company in relation to the host country and facilitate it to get insights about the way it can handle the customers residing in the country. As soon as familiarity to the country is achieved by the investing firm, it can begin to initiate direct operations in the country (phases 3-4). A company may set up a subsidiary for to realize its sales (phase 3), and it facilitates them to be more knowledgeable and committed to the host country, which is necessary in comparison to indirect modes of entry. Phase 4 refers to the stage where a company can begin to produce or manufacture in the target bazaar. The model excludes joint venture activities or partnerships, additionally calling for intermediary comprehension level and dedication.

Azuayi (2016: 4) suggested that many a company applying the theory of Uppsala achieve success stepping into a new bazaar despite being culturally and geographically distant. Cultural and social distinctions take a crucial part in a company's entrance into a non-native bazaar.

To summarize, distance due to geographical measures affects bazaar choice while the comprehension gained through experiences influences the company's resource commitment design.

2.3.7. Innovation Related Models

Zapletalova (2015: 156) was concentrated on the internationalization models related to innovation. Such models attempt to describe the process of internationalization from an remodeling-related prospect. The decision to internationalize within this framework is accepted as an innovation decisions cluster for the firm. In innovative models, the decision to begin international operation which involves export most times is an innovation with regard to activities that take place in an indigenous market. Adjustment to innovation defines the choice of an innovation from a set of alternatives to be the most adequate one at a certain period.

Dima (2010: 64-65) stated that this model investigates how firms progress in internationalization process and suggest that this process is a group of sequential stages with periods of stagnation, and it is exposed to the effects of the extent inclusion in the economy that is global. During these stationary phases, companies gather the required sources so as to correspond to the confrontations initiated by the global surroundings and to be transformed to the adjacent phase. Innovation enables firms to attain new products of superior features and to curtail costs through the improvement of new production processes and production technologies. In this manner, taking advantage of innovation, firms obtain advantages enabling them to be competitive in international arenas that are distinct from that of the domestic country. As the level of innovation absorption reaches higher levels, the competitive ability follows this trend; and firm expands on various markets in an even more distinctive manner than it does within the origin market.

Kaffash et al., (2012: 48) mentioned that the models based on innovation research the internationalization process undergone by enterprises via innovative approaches. To this model, the regard to internationalization is understood to be a phase of learning that involves adopting innovation or an unprecedented view. In innovation-based models, every one of the consecutive phases is considered to be an innovation signifying the phase of internationalization on gradually evolving stages; and as in the Uppsala model, these models insist on continual and accumulative internationalization phase nature.

Rutashobya and Jaensson (2004: 163) proposed that both the Uppsala model and the innovation based model can properly be considered to be behaviorally oriented. Innovation related model accounts for companies' attitudes during internationalization. Under this circumstance, exportation is regarded as an innovation, and internationalizing is presumed to occur in a gradual fashion. The model seems to be highly connected with the presumptions defined by the model of Uppsala. The phases of the dispersal of innovation are utilized to describe the way companies evolve thorough their journeys from a state where they do not export to turning into being exporters of commitment. Not having experience in terms of non-native bazaars and effects of proximity is curtailed to the minimum level slowly via a gradual attentiveness to more experiential learning and elevated foreign involvement.

2.4. Factors Affecting the Process of Internationalization

Rialp et al. (2005: 160) identified ten factors likely to account for a company's swift internationalization: 1) international perspective regarding administrational initiation; 2) a high level of past experience regarding internationalization on managers' behalf; 3) administrational dedication; 4) utilizing individualistic and commerce-related networks extensively; 5) having market comprehension and bazaar dedication; 6) unexampled intangible assets which are based on the management of knowledge; 7) manifestation of high value by means of differentiating the variety of products, pioneering in terms of creating extreme-technology products, innovativeness with regard to technology (sometimes associated with a better IT use), and leadership of high quality; 8) a proactive, niche-oriented transnational method in the leading bazaars in various geographical areas dispersed around the world initiated from the very beginning; 9) groups of customers that are defined narrowly through elaborate customer orientation and close relationships constructed with them; and the last of all; 10) being flexible with respect to the adaptation to the external circumstances and conditions that are always in a state of rapid change. Loue (2018: 349) summarized all these elements to be prospective to specify how the company will improve on the international basis. Identifying the elements that have the prospects to boost a firm's development on the international ground is useful, and it helps to identify the particularities, values or inefficiencies a company seeks to improve with respect to international aspects. Some factors affecting the process of internationalization are grouped below:

2.4.1. Complex and Intangible Features of International Assets

Brown and Dev (2000: 342) put forward that prominence, trading abilities, brand name or the company's capability in terms of selling are most fundamental particular values given global companies. Within the industry of hotels, such intangible services hike simultaneously with star count a chain possesses. Pla-Barber et al. (2011: 143) stated that it is hard to transfer these intangible assets due to such bazaar deficiencies as pragmatic tendencies and knowledge that is not of symmetrical nature. Transaction costs rise owing to the hardships resulting from measuring these assets' characteristics and codifying the prospective circumstances via ex-ante contracts. The existence of transaction costs that are present in bazaars constitutes an encouragement to organize contracts that are on the international basis within the firm's borders through the subsidiaries that are possessed wholly. Kogut and Zander (1992: 386) emphasized through another perspective that another major definer of the decisions to make an entrance into non-native bazaars is the very characteristic of know-how being transferred. When the specialized knowledge which is required to barter a service is not easy, modes of full control are fore-grounded to be superior tools to enable the transfer of the particular specialized knowledge within the organization through taking advantage of its work force, utilizing its institutional memory and already existent organization-related standards in order to systematize the problem of transfer. The growth of organizational complexity in a company grows along with the hotel's size. Erramilli et al. (2002: 225) stressed the capabilities and the abstractness to be the most eminent contributor with respect to obtaining an upper hand in competition on ''inimitability''.

2.4.2. The Traditional Elements regarding Location: Potential of Market, Host (Target) Country related Jeopardy, and Culture-Based Proximity

Brouthers (2002: 207) highlighted that countries that are characterized in terms of their high market potential have the capability to absorb more productive capacity, thus, they can present chances for firms to accomplish scaled economies and effectiveness in their actions. Nevertheless, Erramilli (1991: 483) remarked on the contrary that in markets which are static, firms behave reluctantly when they are to initiate commitments of high scales of sources because their selling potential is not at a high degree enough to ingest a big investment. According to the Pla-Barber et al. (2011: 142), this connection is obvious in fabricating companies and firms providing service that requires capital-intensiveness in such fields as telecommunications, energy and airlines where large fixed investments are entailed by the establishment of a newly-appearing subsidiary abroad.

Soto-Camacho and Alvarez-Torrescusa (2018: 134-136) clarified explicitly that the interested market's potential is signified as a vital element to be analyzed by the firm, considering that provided that it finally makes its decision in favor of entering into a new country, the operation and strategy to be followed by this company will be exposed to the impact of the potential of the company that is based in the country. The variables of the potential analysis to be taken into consideration by the hotel chains contain the jeopardy, where politics, society, legislation and economy related elements ought to be evaluated thoroughly, the developmental level in the particular market and lastly, the foreign investment penetration level. The developmental level of the market the hotel firm targets to attain is going to pose a huge effect on the ultimate decision that is to be made. A country that is signified thanks to a highly levelled improvement with respect to its peoples' life standards, its investment into its people, and its infrastructure will constitute a more alluring bazaar open to the inclusion of a new firm. The study by Dunning and Mcqueen (1981) shows that with respect to the hotel industry, the higher the economical development of a country climbs, the more effect the shareholders of the business will have. Another element to define the market's strength is foreign investment penetration. A country representing a chance for investments are going to be more tempting for the firms of hotels wishing access a new market. It stands out obviously that a more tremendous potential of bazaar will expose an affirmative effect on the entry mode opted for so as to facilitate the hotel companies' internationalization, and it entails huger chances with regard to the financing that they would like to realize as well as the fact that they will be paid back and will be successful in the future.

Leon-Darder et al. (2011: 110-111) proposed that the risk inflicted by host (target) country signifies the uncertainty regarding the proceeding of currently existent economy and politics related circumstances and the policies of the government which are considered to be critical for the operations of the company in those borders as they will be the defining factors of the firm's operations' survival and profitability in that country. Kraus et al. (2015: 1502) indicated that the target country has several attributes consisting of its geographic, demographic, economic, and institutional features. Owing to the fact that managers are not equally acquainted with such context bound diversities, they are to make up their minds based on deficient information and by taking into consideration the relative condition of their home market. Risk perceptions are influences by Cross-national differences. Thus, when scholars model decisions regarding internationalization, they are to evaluate the multidimensionality of distance. Contractor and Kundu (1998: 32-33) pointed out that through the curtailment of resource commitment in environments that are regarded to be risky, firms keep their economical vulnerability in cases in which they may be affected negatively or made to terminate their action by unpredicted occurrences at the minimum level. On these terms, it would be a better option for companies of hotels to work with non-equity modes instead of making investments involving utter possession by reason of the fact that the extent of the capital financed is most times less and the resilience with regard to quitting the market is greater. Contracts of management and franchises in the industry of hotels surely enable the chain of hotels to take a larger supervision extent over the operation on the foreign land without the necessity to undertake the investment perils. Additionally, payment via royalties that are associated with sales curtails the risk unquestionably as sales keep being more balanced than the profits from unstable surroundings. Moreover, Pla-Barber et al. (2010: 742) asserted that, capital-intensive service firms' participation in internationalized bazaars necessitates appreciable financing in buildings, machinery, plants and various else physical aids. Considering this, such companies of service select to maintain a soft position within the countries that have immense extent of unsteadiness in terms of their politics and economies.

This way, these firms opt to share the risk of their investment with local partners through internalizing modes of non-equity minimizing their commitments of sources.

Sanchez-Peinado et al. (2007: 71-72) explained via their studies that culture-based diversities is a prominent uncertainty source, and notable cultural distance perceptions between the mother land and the host one are indicated to favor the utilization of the modes that involve commitments of sources of small extents. Information-acquisition costs, and as a result, integrational expenditures can generally be presumed to enlarge in tune with the rising culture-based distance. Based on these premises, companies normally display an impulse to utilize contracts with local companies so as to tackle the burden of being foreign. Nonetheless, the transfer of the hotels' services is dependent upon the cultural margin between the origin land and the target one; and on the cultural features of the service itself as well. Fladmoe-Lindquist and Jacque (1995: 1240) indicated that as cultural distance scales up, a vulnerability that this knowledge's transfer to native partners can be defective as native corporations, measures, and habits exhibit differences comes into being. Particularly, management systems like training methods need translating into the local language and local measures need integrating into the procedures of employee training. Additionally, Garcia-Almeida et al. (2011: 1647) pointed out that cultural agreeableness is in relation with a more effective know-how transference in the hotel chain. Pla-Barber et al. (2011: 143) concluded that in the case of such situations, modes with a high control degree could be chosen within this industry.

2.4.3. The Conventional Firm-Particular Elements: Size and Global Experience

Agarwal and Ramaswami (1992: 7) revealed that the establishment of abroad subsidiaries that are wholly owned presupposes notably greater resource commitments and brings more risk compared to other options. As a result, bigger firms possess a larger scale of capability to dispense sources and ingest perils than do small and medium scaled ones; consequently, the small and medium scaled firms have more prospects to go for the modes of high-supervision and source engagement. Sanchez-Peinado et al. (2007: 73) added that it is possible for firms to attain the required sources for financing internally from their own pockets using their available resources or from commercial markets, in other words, externally. International activities consume time and they are highly demanding, and small companies do not often have the chance to assist the expenses of the information, which is vital and called for.

Brouthers (2002: 207) stated that big companies are thought to own more human and financial sources and economies of higher scales. These attributes enable these large firms to enter into international markets via entry modes with a substantial degree of control and commitment (own subsidiaries). In addition, Pla-Barber et al. (2011: 144) emphasized in their studies that huge groups have effortless admittance to information channels whereas small-scaled companies do not have the capacity to maintain the required substantial data expenses, and the entrepreneurs' and their few collaborates' gifts will not possibly compensate for the necessity to include qualified directors in the very time-demanding actions every time. Hence, barriers in terms of the accessibility of administrational sources make small-scaled firms act via techniques hinged on keeping the levels of jeopardy and dedication at minimum.

Chang and Rosenzweig (2001: 755) specified that making investment in a host market in person is not the unique method to gain experience about it. Firms can gain knowledge via their previous experience as an exporter to that country, or via previous investments in other countries as well. Pla-Barber et al. (2011: 144) made an inference that internationalization entails entry into a complicated surrounding in which the company is obliged to defy various elements a few of which are peculiar to the non-native country. The missing know-how regarding such circumstances is a handicap against the improvement of global actions. To exemplify, a novice investor that had established an utterly possessed subsidiary might make improper decisions regarding subjects like the hotel's location in the host country, the adaptation of services to the requirements of the native bazaar, relations managements with the staff, banks, clients, suppliers, and likewise. As a result, companies make a selection to begin with methods of entry that do not entail a high degree of dedication and jeopardy, in other words, licence. As soon as the practice on the international arena increases, the uncertainty perception falls down and the company starts to embrace the prospects of administrating its activities abroad via the subsidiaries of its own.

Finally, it cannot be passed without mentioning about government support. Government poses a role with regard to policies, regulations and host government concerns (Lam et al., 2015: 833). Assaf et al. (2015: 332) noted that government's role is important regarding facilitating the supplementation of and race for resources via the regulation and deregulation of capital markets, controlling foreign exchanges, making propositions of corporate taxes and other privileges, and controlling the intra-rivalry within the industry. Flexible government policies "can also benefit the hotel industry in terms of attracting international tourism projects and in terms of facilitating the transport of tourists in and out of the destination" (Assaf and Josiassen, 2012: 390). These elements' existence is predicted to develop hotel demand and rise the revenue resources.

2.5. Entry Modes to International Markets

In accordance with Leon-Darder et al. (2011: 107), the entry mode selection is a most critical decision to be made with regard to the success of international strategy. It has effects over every subsequent decision and activity of the company in the aimed country’s bazaar. Sharma and Erramilli (2004: 2) specified a mode of entry as a constitutional adjustment allowing a company to carry out its output bazaar planning in a target country via running solely the marketing operations; for instance via export modes, or the operations of fabrication and retailing hand in hand the target country on its own or in partnership to be set up with others as in joint ventures, contractual modes and wholly owned operations. Shen et al. (2017: 429) set forth that the decision over foreign entry mode identifies the way a firm wishes to implement its commercial actions and the extent of commitment in a bazaar on foreign soil through either exportation, joint ventures, or basing its own subsidiaries. Dev et al. (2007: 13) pointed out that a hotel firm that contemplates to enter into foreign markets has several decisions that they must make related with the most appropriate strategy for entry. The firm must specifically decide the best possession construction and the way it would be most convenient to administer the equity together with native resources.

Andreu et al. (2017: 112) stated that the hotel sector is labeled as an industry of service of flexible nature. One of the peculiar features that service industries have is the simultaneousness fabrication and consuming exhibit, which causes their exportation to be unfeasible, thereby limiting the options for entry mode. Two comprehensive choices are convenient to hotel companies with regard to expanding towards international market depending on if they wish to make a foreign direct investment (FDI). Firms utilize FDIs when they want to maximize supervision and stand in an available position to commit into risen source appropriation. On condition that the firm is unready to make a property investment, contracts constitute the best option. Among the modes of entry that are non-equity based, administration agreements and franchising are the foregrounded selections. Falk (2016: 226) added that non-equity agreement methods of entry are generally accepted as the risk modes of entry that include a less extent of jeopardy. Owing to the fact that the franchising and written managerial agreements are often the favored method of entry in jeopardy-included bazaars or countries. Kruesi et al. (2017: 89) affirmed that due to expenditure-friendly concerns, hotel companies particularly favor the utilization of non-equity entry modes.

Nielsen and Nielsen (2011: 186) suggested that various foreign entry modes constitute distinctive resource commitment, risk, and control levels. Brookes and Roper (2010: 1500) revealed that as control is generally regarded as the only most crucial definer of risk and return in decisions of entry mode, the control degree or type that is afforded by various modes of market entry is a very significant aspect when global strategies of growth are regarded. Blomstermo et al. (2006: 214) remarked that high control entry modes require more resource engagement into foreign countries, and the firm that goes international is vulnerable to a higher unpredictability level. Low control modes demand a less degree of resource engagement, thereby curtailing the unpredictability the internationalizing company would be exposed to. The highest integration / control mode is offered by the high control entry mode while the lowest is offered by low control entry modes like cooperative agreements. Sarapovas et al. (2016: 36) made a suggestion that the long-term challenge for each one of the decision makers is to balance the control necessity with the uncertainty level in foreign markets and the aimed commitment.

2.5.1. Characteristics of Entry Modes

Berbel-Pineda et al. (2017: 770) included in their study that the modes of entry into foreign market accessible to hotel companies can be labeled into three classes:

The first group covers mergers with the firms already existing either through new systematization or acquisition. The phase of merger or acquisition can lead to a newly-born firm or the maintenance of actions via a company already existent. These phases are direct investment modes that incorporate full control.

Group number two is comprised of cooperation contracts agreed upon between companies (Joint Venture and alliances based on global strategy). These written agreements let the company step into non-native bazaars as they normally keep its supervision at some degree on its administration. These phases include direct investment with shared supervision on actions.

Thirdly, entrance may occur if the company wanting to spread into a new bazaar turns over particular assets to a company which is located in the native bazaar by means of license contracts; namely, franchises and management contracts.

These modes of entry may further be labeled into two categories:

Equity-based entry modes (foreign direct investment (FDI) and JV): Through these modes, more resources are committed by the hotel chain in its process of internationalization; however, the hotel chain also has more supervision on its activities of non-native commerce.

Non-equity entry modes (franchises and management contracts): Through these modes, fewer resources are committed by the hotel chain, with the correspondent lower level of control on its operations of foreign business.

Ofili (2016: 209) indicated that upon having improved a globalization approach that is constructed upon meaningful comprehension of the competing surrounding of the variety of interested bazaars, a firm will afterwards be required to devise the most appropriate approach for entry. The selection of entry mode can be under the influence of the resource amount that the company expects to engage into its extension as well as the degree to which it wishes to be included in terms of its operations. While making up its mind, the organization is to consider its organizational development degree that embeds a strong demeanor on the entry mode which will be suitable. Lastly, the organization ought to keep in mind that not only one entry mode strategy is appropriate to be implemented in all markets. Some selections out of which companies may approve as they expand their operations out of their country include licensing, foreign acquisition, and joint venture. All of these modes have edges alongside their obstacles. Kubickova and Toulova (2013: 2385) stated that it is required to reveal the obstacles that can be caused by the internationalizing phase which would affect SMEs' determination to enter into non-native bazaars. Several are more appropriate for particular bazaar circumstances than others do, which is shown in the table below:

Table 2.1 Entry Modes to Foreign Markets

<table>
<tr><th colspan="2">License Agreements</th></tr>
<tr><td>Advantages
* Low prior investment because the firm is not required to establish operation facilities in the target country. The establishment of the such facilities is the duty to be fulfilled by the licensee;
* The company is not exposed to barriers of trade, government policy changes and other types of various political, economic and social conditions;
* The firm has a degree of access to local knowledge, and by reason of the licensee being on ground, it would be easier for itself to take steps to compansate for customer needs.
* Rish of low extent
* Quick acquisition of superior technology
* Altering service in local market.</td><td>Disadvantages
* It is hard to take charge of licensee's operation. And at the first stages, the firm can face challenges identifying and reaching aggreable contractual terms with a prospective licensee;
* The firm may not be prioritized to make sense of and apprehend the dynamics of the foreign business environment;
* The firm might give way to the existence of a rival and might therefore be exposed to imitation.
* Potential competitor
* A low degree of profitability</td></tr>
<tr><td colspan="2">To sum up, licensing strategy ought to be adopted when the service or product is coded or packaged in a way that would not allow copying. The strategy will also be more successful when the hosting country bears a strict regime with respect to the protection of intellectual property rights. Lisencing: finalizing a contract with a foreign enterprise for assigning the priority of making use of a production process, brand, trading secrets in return of receiving remuneration money.</td></tr>
<tr><th colspan="2">Franchising</th></tr>
<tr><td>Advantages
* Attaining a higher degree of control over the process
* Obtaining the benefits thanks to stabilized business
* Relatively high capital return rate</td><td>Disadvantages
* Being greatly required to control
* Inappropriate influence of unsuitable activity of a person possessing license on brand's validity</td></tr>
<tr><td colspan="2">Franchising:special mode of conferring license related with thinking and intangible assets; where, the enterprise which offers privilege negotiates over the right of utilising intangible assets like the trading name in the fields of retailing and service</td></tr>
<tr><th colspan="2">Management Contracts</th></tr>
<tr><td>Advantages
* Being required of low levels of starting investment</td><td>Disadvantages
* Lower income level in comparison to other modes</td></tr>
</table>

<table>
<tr><td>* Lack of dispossession risk
* Quickly beginning to benefit from advantages</td><td>* Lack of management service requirement upon contract expiration due to obtaining the necessary experience</td></tr>
<tr><td colspan="2">Assigning management knowledge when enterprises own an enough level of capital and knowledge so as to establish business and the sole requirement is a set of management knowledge, and to achieve this goal, they assist skilful enterprises.</td></tr>
<tr><td colspan="2">Joint Venture</td></tr>
<tr><td>Advantages
* The risk involvement resulting from the investment is shared with the local partner;
* Similarly, because both of the two firms are capable of sharing resources and know-how, the firm can naturally have an access to its partner’s knowledge of the local environment;
* The firm has the capability to attain substantial input and control over the management and operation of the joint venture.
* Noteworthy political and economic risk decrease
* Having access to superior technology
* Being able to benefit from local support
* The acquisition of more control with respect to production and marketing</td><td>Disadvantages
*The firm might face difficulties identifying the right partner and agreeing upon terms with the partner. And sometimes, even when they agree, they may still bear the prospects of ending up disagreeing down the road;
*The firm does not have full control, thereby significantly hindering its capability to integrate and coordinate its activities across nations;
*The firm might lose its competitive advantage due to being imitated.
* A great initial investment necessity
* Prospects of cultural paradox
* New rival for enterprise holder of technology</td></tr>
<tr><td colspan="2">In essence, joint venture presents appropriateness when the two involved parties take part significantly in the joint venture, and when it is clear that both firms bilaterally necessitate one another in order to survive. Lastly, both parties ought to reach reasonable apprehension in terms of respect and regard to intellectual property protection rights for the joint venture to be triumph. Mutual agreement on establishing a new independent and common enterprise aiming to benefit from the market or technical knowledge of each of the two parties and getting over political and economic obstacles. Generally, one party is the supplier of capital and technical knowledge; and another party sets up physical facilities including land, building and human workforce.</td></tr>
<tr><td colspan="2">Foreign Direct Investment</td></tr>
<tr><td>Advantages
* The firm will obtain ready and clear access to target local knowledge;
* The firm can attain leverage due to the fact that the acquired firm is already on ground of the target market; hence,starting its own operation in the market takes relatively less tiime;
* It will bear significant control on its operations abroad, and also have control on its own technology. Integration and coordination of the various organisational activities will be easier across the different markets in which the firm is present.
* Improving market
* Making use of cheap workforce
* Gaining better access to cheap raw materials
* Releasing tariff and limitations
* Education of skilful human workforce
* Designing employment opportunities
* Improving subsidiary industries
* Increasing income due to tax</td><td>Disadvantages
*The firm may pay more in order for acquisition of the foreign firm;
*There may be obstructions with respect to the absorption and integration of some of the acquired assets;
*The amount of the investment that is involved is usually high, and hence, the risk is at a higher level. And the risk becomes even higher if the local market is underdeveloped such that corporate control becomes difficult.
* Negative change seen in consumption pattern
* Destructive influences resulting from culture
* Superpowers’ political influence
* Not monitoring national benefits
* Refraining from the growth of poor local units</td></tr>
<tr><td colspan="2">Acquisition
A foreign enterprise purchases a local enterprise either in whole or part. Subsidiary branch: establishing a branch on foreign land
Production collaboration
Cooperation of a foreign enterprise with a country for establishing productive business. Upon the termination of contract, the foreign enterprise pays partnership share of local government and operates as independent enterprise.
In summary, firms should undertake this strategy when the target market is developed enough to permit corporate control. The acquiring firm should also ensure there that is substantial synergy between it and the firm it intends to acquire, and it possesses the capacity to effectively absorb the company it intends to acquire.</td></tr>
</table>

Source: Adapted from Ofili (2016: 210-211) and Kaffash et al. (2012: 50-51)

Leon-Darder et al. (2011: 109) informed that in a direct investment that is wholly owned (foreign acquisitions), the hotel company maintains absolute control of the four aspects (1 the daily hotel operation hotel, 2 the physical assets, 3 the routines regarding organizational aspects and the company's tacit elements, and 4 the codified assets, the quintessential to which are the brand or the reserve system; on the other hand, in direct investment, the absolute control is uniquely on codified assets through joint ventures, but often, the else features are divided between the partners.

In managerial contracts, the responsibility for every hotel action is on the hotel chain. The chain carries out systems and procedures, assigns the director of the hotel and inflicts their arrangements on quality alongside with human resources. Shortly, the hotel is administrated as if it were under the possession of the chain. The unique control aspect varying in relation with joint ventures is the exertion over the physical assets. Under this circumstance, it is the hotel possessor who has the right to generate decisions excluding the participation of the hotel chain.

In the last step, in franchise contracts, the members of the chain assign their brand name to the hotel owner. Under exceptional circumstances, this contract consists of the chain's sellings, commencing and system quality check, in which case, the hotel is not managed by the chain. The hotel's physical assets and daily operations are under the control of the hotel owner. The chain uniquely maintains to supervise the assets that are codified, as the implicit supervision over assets is possessed with the hotel.

2.5.2. License Agreements

Contractor (1985: 23-25) specified that an up-going number of international operations are being carried out under contractual arrangements that involve a mix or combination of 1) venture equity sharing by the foreign and local firms, and 2) licensing agreement between the joint-venture company as licensee and the foreign firm, and 3) supplementation of components by the foreign company to the joint-venture, and/or a "buyback" of the venture's output by the firm abroad. By their inclusion, licensing and trading agreements create sub-optimality by maximizing the joint-venture's economic value and for various other national objectives. This denies the existing policy valid in many nations placing limits to the foreign-held equity percentage in joint ventures, while encouraging licensing. Contractor (1980: 47-49) identified that regarding the organization-related international transfers mode, agreements to license may be identified to be between equity affiliates as well as between unaffiliated companies. A non-affiliate licensing arrangement inflicts particular limits on the expenditure on the contract, on the time period of the loan of the personnel, and on the degree of other aids like production control, administration and marketing expertise, upon which the obligations of the licensor end. This is specifically significant when it is understood that under most circumstances, the assistance of the licensor is provided primarily in the non-affiliate licensing deal's very early stages.

Contractor (1990: 40-43) explained that in licensing, joint ventures and else contracts, the transaction costs of the firm that supplies technology can be labeled into three types. The first type consists of the costs of negotiation and the transference of the data and ability to the other company, and their personnel's preparation with required training. These can be gigantic, particularly on condition that the receiving firm is naive and unsophisticated and on condition that long-term uncertainty regarding pricing, "bounded rationality" and the dilemma of disclosure described beforehand give way to very protracted negotiations. Secondly, there exist the costs of opportunity resulting from withdrawal from a market in favor of the licensee or joint venture corporation, which is comprehended through the estimation of the predictable direct sales and profits which the company might have realized by inself in the bazaar, as long as it had not abandoned its existence there through the contract. This is not a cost of transaction, but a cost resulting from the realization of the transaction. The third categorization of transaction expenditure is the peril of constituting a rival in bazaars beyond the agreement's awareness, or beyond the contemplated arrangement time-span. Licensing and management agreements are of particular attraction when one takes into consideration that they contain no investment risk and cash volatility flow is at the lowest degree under this contractual mode. Horstmann and Markusen (1987: 465-466) stated that the licensing firm is not enabled to supervise the licensee in the absence of costs, the licensing agreement is to provide the licensee with incentives to protect the reputation. Effectively, the licensing agreement is required to transfer to the licensee some of the returns on the reputation.

Petersen and Welch (2002: 160) indicated that licensing plays a major role in insuring contractual control on the way the technology of the firm is used and ensuring that the technology is not transferred to anywhere else by the joint venture partner. The licensing agreement has the potential to bring some degree of control on management, marketing and other facets of the operations of the joint venture.

2.5.3. Franchising

Franchising is classified as an organizational aspect "where a protected trademark's owner allocates to a distinct party, for some consideration, the operation right under this trademark in order to produce or distribute a product or service" (Caves and Murphy, 1976: 572). Contractor and Kundu (1998: 29) posited that a good deal of franchising involves competing based on brand as well as on varieties in the procedures and methods of business along with the services presented to clients, which is accepted as "business format franchising" described as "an ongoing business relationship between franchisor and franchisee that involving the product, service, and trademark as well as the entire concept of business itself - a marketing plan and strategy, operating manuals and operation standards, control of quality, and an intermittent assistance and guidance process". Hotel chains have a go at distinguishing themselves from others by foregrounding their brand names, construction types of architecture, service levels, booking systems that are computerized and international logistics. The hotel business incorporates as however much technology or proprietary competing expertise as they can, as schemes of fabrication. Therefore, in the commerce hotels, it is not the only duty of a franchise to sign long contracts and afterwards to passively benefit from the royalties. On the contrary, it is a carrying on connection which may involve an incessant product improvement supports from the franchisor to the franchisees, supplies of everyday items, and never-ceasing bilateral exchange of market-related information and global data strategy. The legislative aspect can be a written agreement; however, the de facto institutional attitude is an expanding strategic alliance of franchisor and his/her franchisees. In the circumstance of a hotel organization which is international, every one of the franchises includes a part of a total international strategical approach.

Expanding on the international level is progressively regarded by franchise companies as a most prominent strategy in their inquiry for being globally recognized, profits, growth and creation of partner value (Aliouche et al., 2012: 77). Niewiadomski (2014: 56) laid emphasis on the fact that in a franchise contract, the possessor or the operator, that is to say, the franchisee of a hotel purchases a particular style of operation from the franchisor, which is a hotel group, which does not become included in the hotel's operation in a direct way. The parent firm supplies a brand and service concept for the hotel owner also offering a variety of supportive activities like employee training and marketing. The operator of the hotel undertakes the control of everyday activities and physical assets while the owner (the franchisor) maintains full control of the values mentioned in the contract. Hence, franchising constitutes business type with low-engagement entailing a low-scale jeopardy and an eligible method of network expansion. As a result, besides the associations that conventionally rely on franchising like Choice Hotels, a lot of hotel associations like InterContinental, through time, have taken a decision to utterly or virtually utterly devote themselves to franchising rather than directing. With respect to time period, written franchise agreements last sooner than the directing agreements. Berbel-Pineda and Ramırez-Hurtado (2012: 286) stated that from the business perspective, the franchise system poses as an alternative to creating companies with less assumed risk, as a result of repeating a successful management model which has been proven. Therefore, franchise involves an extension the structures of which have already been established.

Alon et al. (2012: 382) gave detailed information in their study considering franchising as a model constituting an approach to expanding explaining that the expansion of franchisors into the markets that are coming into being and improving has paralleled with the enlarged multi-unit franchising use as an instrument to curtail perils to a minimum degree and expand swiftly simultaneously. Besides, control period becomes shorter at the time that more than one section reports via a master franchisee or a district franchisee, which hence makes it easier for the franchisor to administer numerous locations in the world every one of which brings its own organizational surrounding. Multi-unit franchising curtails costs of agency including shirking, inefficient risk-bearing, adverse selection, free-riding, quasirent appropriations; thereby promoting internationalization. Firstly, shirking is cut down at the level of sub-system owing to the franchisees detecting the cheating occurring in their local contexts. They have the capacity to make comparisons of the sales realized from one same store in a considered area and are under the franchisor's monitoring requirements. Secondly, a multiple-section franchisee that is normally responsible for the area where s/he lives can get more related district-based data. Franchisees made up of more than one unit have the opportunity to curtail negative choice costs related to recruiting, screening, training and monitoring owing to their geographical and cultural closeness to operations. Thirdly, data flow is elevated since multi-unit franchisees are normally residents in close range to sub-franchisees. This land-based closeness helps the data regarding the bazaar conditions of the district and constitutes the chances for further and superior supervision, which makes convenient and in time adaptions possible to be implemented when required. Fourthly, the act of bearing inefficient risk is curtailed as franchisees of multiple units slide a great amount of values of their own in the venture, and these franchisers are in possession of a more differentiated and varied portfolio that spreads stable expenditures against a more considerable number of outlets. Fifthly, because more units capture the brand-name capital better, free riding troubles are curtailed to minimum. Finally, quasirent allotments are curtailed as franchisees of multiple unit have the capability to gain sufficient income on their venture within the chain.

Kretinin et al. (2020: 423) discovered that franchisees are normally chosen among those that are from the focused bazaar, minimizing the controlling exertions of the franchisors since they have almost the same interests as the franchisees'. Additionally, focal franchisees have more knowledge with regard to the target market; and thus, they supply handy understanding and competence with respect to bazaar circumstances that are country-bound, like culture and language related features, economic conditions and administrative and legislative limits. Franchisees' will to be triumph and pay off their investments gives leverage to the prospects of parent brand survival. Franchisors must own (1) a brand name which is strong, 2) franchising experience which can be regarded sufficient, and 3) market knowledge which is at a remarkable degree. These factors constitute chances for the franchisors to assess and decide correctly regarding internationalization and insure appropriate back up for their activities.

Connell (1997: 215) explained that to adopt franchising as a mode of entry into a non-native market necessitates particular systems of distribution to be given a thought. Such structures consist of direct, corporate and master franchise planning to be made. The company's main distributional strategy and the particular features of every aimed homeland will be reflected by the decisions. For instance, product's nature and each territory's size can be evaluated related to the complexness, jeopardy and expenditure in association with every prospective design. Direct franchising is the first selection to be opted for. This includes the extension of a native or founded non-native district-specific design into new bazaars through adjustment at the lowest level possible. This approach would be the provider of direct contact with franchisees, generating a more inclusive fee for franchise. Master or corporate franchise structures defined below can be made use of as alternatives to direct franchising. In master franchising, the right to sub-franchise is granted to the intermediary whereas no right of that sort is granted in corporate franchising. The contract of a master franchise describes a connection by which a franchisor grants to another party described as a "sub-franchisor" the legislative right to launch franchise outlets and to franchise third parties on its own, and these third parties are explained as "sub-franchisees", and they can launch franchise outlets within a specified or exclusive place.

The other term that needs explaining is a development contract, and it is also acknowledged as a corporate franchise. Connell (1997: 216) clarified that a contract pursuant who is granted privileged rights by a franchisor specified as the "developer" for the purpose of developing an area by launching several franchise outlets on his/her own. Via the launching of such new sections, and converting the provincial networks and individual units already existent, master and corporate franchise systems commonly allow quicker penetration into bazaar. On the other hand, the franchisor gives up direct relation with respective outlets and relinquishes a notable franchise fee to the intermediary company. Corporate agreements are usually chosen around the surroundings where prospective partners are able to exploit the district utilizing their own sources. Alternatively, a master agreement might be utilized so as to secure the wished market coverage, despite the fact that another distribution tier's addition may constitute a more tremendous complexity and problems associated with control.

2.5.4. Management Contracts

Welch and Pacifico (2007: 64) stated that using management contracts in the operations of global commerce increased substantially in the 1970s and 1980s, even though the exact degree of their use is not easy to establish. It is visible, however, that a great number of firms have considered them as a handy alternative mode of operations under certain circumstances, or often as an aid accompanying to other foreign market operations. Management contracts can be thought of as part of a wider diversification process in operation methods' use for optimal penetration into the broad diversity of international markets. Turner and Guilding (2010: 481) explained that a management contract is basically a written contract regarding the parties, an operator and an owner, where the operator is assigned to take action to administer the hotel for the account of, in the name of, and on behalf of the owner. The contract involves an account determining the commission fee of the operator. This contract makes it possible for a hotel owner to maintain the legalized possession of the site of the hotel, equipment and plant, building, decorative items and supplies while the operator undertakes the liability of administrating the day-to-day commerces of the hotel.

Niewiadomski (2014: 55) made clear that a contract of management constitutes a legalized arrangement in which the owner of the asset employs an actor in order to administer the hotel professionally. The owner maintains overall control on the physical assets while the control regarding daily activities is transferred to the operator implementing systems, procedures and standards, employing personnel and usually providing a brand. The operator is given a fee and is assumed to undertake overall liability regarding the performance of the hotel. As a result, hotel owners have a tendency to behave very carefully when they select operators. In spite of the fact that written agreements of management constitute a medium engagement entry mode and not a low one, the majority of famous groups of hotels firmly favor management contracts in comparison to other methods by reason of the maintenance of the high control level. For many of the hotel groups that are of high scales like Four Seasons, Hyatt and Protea, directing is the sole or the most favored mode for expanding. Management agreements are normally long, and they last in 20 to 50 years.

A management contract is a quasi-internalized transaction, in other words, a transaction within the company remaining within the borders of the firm. The management contract presents more control of strategy and operation for the company that enters compared to that which franchises, but at the risk of being more resource-intensive (Kruesi et al., 2017: 89). Management contracting is also used for achieving additional revenue, more control of management, and planting utilization objectives (Petersen and Welch, 2002: 160).

Gannon and Johnson (1997: 196) asserted that all firms of hotels studied were included in written managerial agreements. This mode of entry into bazaar enables high levelled control and regards the transferring of the sources of data vital for successful contract administration. In the industry of hotels, the replacement of administration-related sources and competence is outstanding. As in franchising, one other party is there, and s/he is involved moving managers in administration contracting, the possessor of the property. Many an owner is considered to be “sleeping partners” whereas there exist others playing a more active role in the day-to-day activities of the hotel. It is vital that the choices of the owners be considered, which calls for very fragile approach regarding management transfers by the directors of the human resources departments. One way through which they get acquainted with the distinctions each contract section and each owner feature is to turn the act of travelling into a habit.

2.5.5. Joint Venture

Harrigan (1988: 142-143) explained that joint ventures constitute business agreements through which two or numerous owners construct a separate entity. A joint venture may be a closely held corporation or a partnership, or it can insure a corporation the right of its own. The elevating use of joint ventures requires a normative framework of cooperative strategy so as to amend the practice of management, and a likewise framework is presented herein since managers necessitate a way to consider what impacts joint ventures will pose on their business unit’s industries and on how they are to compete once such alliances have been formed. The following framework suggests what joint venture arrangements are most likely to flourish within different competitive settings.

A joint venture (JV) is the assets’ accumulation in a shared, independent corporation by two or multiple companies, which results in engagement jeopardy at low degree and common risk, control and ownership. In joint ventures (JVs), partners share equity among themselves, which limits each partner's risk to their extent of investment share (Nielsen and Nielsen, 2011: 186). International joint ventures and businesses within the borders of the native land may constitute means for the invaluable transfer of knowledge and an accompanying decrease with respect to the sensed uncertainty related with the environment and politics-related risk levels (Demirbag et al., 2010: 217). The joint venture has the primary role in the achievement of market penetration and the generation of acceptable returns from the operation abroad (Petersen and Welch, 2002: 160).

Giannoukou (2017: 32) stated that a joint venture is a shared international expansion design for hotel companies, which is, to a great extent, because non-native and native partner normally have comprehension and competence in distinctive fields. In the industry of hotels, the non-native associate is often good at the utilization of modernized technology; for instance, regarding global distribution systems; and the native associate is highly proficient in the native culture; for instance, about administrating the local personnel. Joint ventures of hotels are familiarized to snowflakes as two random ones are never alike; though, regardless of the design, all hotel joint ventures are depositories of data. As a consequence, the crucial thing is the way interactions between individuals or groups contribute to the creation of institutional knowledge. No way can joint ventures generate knowledge in the absence of persons, yet if individually owned knowledge is kept from other persons and groups, little benefit will the knowledge gain to the joint venture. To put it in a different expression, the knowledge brought to the international joint venture (IJV) by the foreign and domestic associates must be directed so as to benefit from the partnership.

2.5.6. Foreign Direct Investment

With respect to entry mode, cross-border acquisitions and mergers displayed a major role in the boom, and this accounts for about half or more of the total FDI flows that were recorded in the 1990s (Sumner, 2005: 271). Foreign direct investment (FDI) magnitude in services has been growing more and more rapidly (Endo, 2006: 600).

Boora and Dhankar (2017: 3) defined foreign direct investment as an international investment category reflecting the goal of a local in an economy; in other words, the direct investor; attaining an everlasting enthusiasm in a firm local in some other economy; in other words, the direct investment company. The retained enthusiasm entails an everlasting connection's existence between the direct investor and the direct investment firm, and a notable extent of effect by the investing party on the company's administration. A direct investment connection is achieved if the direct investor reaches 10% or a surpassing extent of the equity shares or strength of voting of a foreign firm. Direct investment does not comprise only the starting transaction constructing the FDI interrelation regarding the direct investor and the direct financing firm but also every consecutive capital transfers between them and among the firms which are associated and locals in distinct economies.

Davidson and Sahli (2015: 168-169) highlighted that FDI act vitally in terms of the modernization of national economies and the promotion of economic growth in developing countries. FDI may pose an impact on financial progress via its effects on capital reserves, the constitution of additional employment, and corporate tax revenues in the recipient country. FDI has the capability to enable the acquisition of novel knowledge, technology and human monetary growth regarding the host country via the training of personnel in latest commercial ventures, competence obtainment and ingestion, and the conveying of more recent and advanced standards of administrational and application standards. Besides, FDI encourages the utilization of the latest technologies by local companies via the accumulation of funds in the foreign country. Moreover, FDI may launch export markets and play a role in the integration of global commerce via the technology-resulted abundance, and the caused rise in terms of productivity. FDI is able to develop surrounding-related and labor standards because non-local financers display a tendency to be occupied with their fame in bazaars. Sumner (2005: 275) noted that host economy’s nature poses a role for FDI. Countries that have higher economic development levels can benefit more, as they are capable of providing local suppliers and / or a skilled labour force, while endowments of resource and cultural, political, and social characteristics also act in mediatory way with respect to the interrelations between the host economy and FDI.

Bezuidenhout and Grater (2016: 1116) informed that the conveniences of FDI have also been accounted for in four categories, namely: resource-seeking FDI, market-seeking FDI, efficiency-seeking FDI and strategic-asset-seeking FDI. The instance of Resource-seeking FDI can be mentioned when MNEs make investments abroad in order to obtain particular resources which are usually more quality and can be afforded at a lower cost than at the cost which they have the capacity to afford in their native borders. This involves natural sources and production inputs such as substances or work force. Market-seeking FDI refers to the financing made by MNEs into non-local bazaars for the purpose of the supplementation of items or services to such bazaars. In the majority of circumstances, exports from the MNE would previously have serviced these markets. The third category of efficiency-seeking FDI is utilized by the companies in search for improving production through curtailing expenses to minimum or economies of scale and scope. Such companies desire to benefit from divergent factor endowments, organizational adjustments, cultures demanding elements and bazaar constructions. The ultimate mode, which is strategic-asset-seeking FDI, is attributed to MNEs engaging in FDI so as to encourage their long-term strategic goals to maintain or escalate their international rivalry.

Karthikeyan (2019: 233) mentioned that FDI supply hosting countries the opportunities to enhance their development in terms of economy and provide home countries with new prospects to optimize their earnings through employing their most appropriate resources and hotel sector. Kundu and Contractor (1999: 302) tried to explain that the variables specific to hotel sector more powerfully account for the delivery of hotel FDI on the international level. For FDI, crucial definers in the sector of global hotels are these variables: 1. The size of the bazaar, GDP, Population; 2. Host economy's internationalization, the ratio of Exports / GDP; 3. Host country business environment index, Political / economic / financial risk indicators of the country; 4. Sector-specific determinants, Tourism receipts, Inward FDI. Davidson and Sahli (2015: 170) stated that the recognition that FDI in tourism is pervalent to some extent owing to global hotel chain branding. Leading hotel groups behave relatively modestly in size and their internationalization extent which is lower in comparison to other sectors where FDI is more common.

2.6. The Elements Effective in terms of the Modal Selection Entry

As Kaffash et al. (2012: 48) stated that enterprises apply different methods so as to enter external markets and there appear numerous elements enormously effective on determination of such kind. The recognition regarding the upper-mentioned elements is very eminent in terms of enterprises. Some of these factors are as follows:

2.6.1. Specific Company Variables Influencing Entry Mode Choice

2.6.1.1. Degree of Internationalization (DOI)

Progressively internationalizing companies competing in an international bazaar that can be fairly described to be active and stimulating, firms' degree of internationalization (DOI) has begun to be a crucial approach to bring success to companies and DOI is acknowledged to possess a notable affirmative effect on companies' accomplishment (Pouresmaeili et al., 2018: 54). Foreign revenues / total revenues measured DOI (Riahi-Belkaoui, 1998: 315). The most commonly used proxy for globalization extent is international sellings as a total sellings ratio, and a change in it constitutes an indicator of how fast a firm internationalizes as soon as the process has been initiated (Autio et al., 2000: 915). The firm's internationalization degree might influence the degree to which it uses external services so as to gain data and knowledge. The internationalization process carries the scope of markets above the domestic scale, and enforces firms to augment and widen their knowledge base and innovation prospects. Internationalization can also behave as an innovation motivator as the firm becomes acquainted with new knowledge sources through its interactions with clients, customers, suppliers and other firms. Following this path, it may become stronger and make amendments on its absorptive capacity (Shearmur et al., 2015: 459-460). The degree of internationalization does not only reflect firm's measure of non-native operations, but also the significance of global operations in comparison to the activities that it exhibits on the domestic bazaar (Cesinger et al., 2012: 1818).

2.6.1.2. Financial Situation

Soto-Camacho and Alvarez-Torrescusa (2018: 138) stated that the moment a company is obliged to decide upon a critical matter which is basically going to pose an influence on the economic condition of the company, it becomes obvious providing that the institution is a one that brings profit, it is placed in a more comfortable position to defy it. On the condition that the institution exhibits a favorable ex-ante profitableness, it proposes it is adequately challenging to achieve profitabilities, also facilitating it to have resources and funds to invest into this operation. The debt level which is indicated by the company demonstrates the extent of its dependency regarding economic items and else elements acting as funding resources. An institution demonstrating a small debt degree will have the capacity to handle investments and expenses which need making through greater solvency. From another point of view, a company that has a moderate debt extent is not necessarily supposed to propose lesser insurance while it is to finance even though its responding capability to economical engagements will be different. In the light shed by the general economic condition's examination, it could be settled if the economic condition is better, contemplating this as a satisfying profitableness degree, substantial internal monetary sources and a small debt extent, it will have the capability to finance in larger scales and achieve better profitablenesses upon its choosing a mode of entry.

2.6.2. External Factors

External factors can be specified as the factors that fall out of the direct control of an organization, and which are capable of influencing the process of choosing an entry mode to market (Kaffash et al., 2012: 48).

2.6.2.1. Size and Prospects Target Country Markets Present

Chen and Hu (2002: 196) highlighted that a foreign market's size plays a significant role in entry mode decisions. Entry strategy choice is driven by incomes' and expenditures' structure, it is successively decided by the surroundings of the firm. One such surrounding-related elements is market size. When it grows, so will the benefits of internalization. The arranged internalization setup costs could be expanded through larger bazaars, hence giving way to the profitablenesses related to the investments at a more tremendous degree. On this condition, a unification will be favorable; while a minor bazaar will give way to more unit expenditures, thereby leading to the option of licensing. Pangarkar (2008: 478) stated that attractive environments which are attributed to the factors like immense bazaar demand and prospects, little peril of investment, preferable stance presented by the foreign governmental authorities towards non-native companies and substantial balancedness in terms of politics and economy provide firms tremendous chances of growing as well as achieving scale economies. Koch (2001: 358) expressed that alikeness and temporariness of general business regulations and practices, infrastructure of business and developmental levels of supporting industries, scope, intensity and forms of competing, client wisdom and client insurance legislative acts are among the attributes of the overseas country business environment that would naturally attract the prospective entrants' attention into a foreign market.

2.6.2.2. Market Growth

Koch (2001: 359) specified that market growth is a criterion regarding the choice of bazaar entry, and the ratio of bazaar enlargement can be foreseen to be of notable significance. If a market is in the process of a progressive growth at a rapid rate, and this enlargement scale does not appear to be conceivable within a few years, the firm will definitely be offered to take advantage of this chance without hesitation and to export indirectly or directly. If demand from a non-native bazaar is contemplated huge, in a few years, the firm's accomplishing its own subsidiaries to manufacture and market might be the most convenient reaction.

2.6.2.3. Home Country Factors

Puljeva and Widen (2007: 18) noted that production, market and environment related factors inside the home country also affect a firm's modal choice of entry to penetrate into target country. A large domestic market lets a company grow to a great size before it goes towards foreign markets. Home market's competitive structure affects the entry mode as well. Firms in oligopolistic industries display tendency to replicate the rival domestic firms' actions threatening to upset competitive equilibrium. There are final two other home country factors entitled to be stated. Home country's extreme production costs relative to the target country encourage the modes of entry that involve local production like licensing, investment and contract manufacture. The second factor stands out as the home government's policy towards exportation activities and non-native financing activities by native companies.

2.6.2.4. Cultural Similarity

Taylor et al. (1998: 395) explained that culture-related alikenesses of the target country and the domestic one give way to curtailed transactional expenditures that are related to bazaar operations, which is because, when market transactions are made use of, there appear costs related to information acquisition regarding local firms and their performance. If cultures possess resemblances to one another, these costs are curtailed as the firm is doing business with a country the merits and traditions of which exhibit resemblances to those that exist in the home country. Koch (2001: 355) emphasized that cultural longitude and power and commercial bounds regarding one's native country and non-native countries, these countries' cliches or predominant sensations, the familiarity of the institution personnel with such countries and determiners' or effectors' individual perceptions pose a notable effect on the market choices and in the line that they are chosen.

2.6.3. Internal Factors

Elements from within constitute the factors that influence the determinations of an organization regarding the mode of entry to outer bazaars (Kaffash et al., 2012: 48).

2.6.3.1. Market Share Targets

Koch (2001: 357) stated that when the maximization of sales or market share is the criterion used in market entry mode selection, the market entry modes considered most prospective to bring out the aimed consequences in specified arrangement durations will be preferred. Exemplify, providing that market share maximization appears contingent on the improvement of the market's own dissemination and after sales network, the firm might determine to choose an utterly possessed / majority marketing subsidiary to become the entry mode to a specific country on the foreign soil. If maximizing income enlargement of sales on exportation within the following few years is its target, it will be likely to utilize indirect exportation rather than other modes of entry as its path into new bazaars.

2.6.3.2. Profit Targets

Koch (2001: 357-358) underlined a variety of market entry modes to have prospects of producing different profit levels; and as importantly as this, the profit obtaining dynamics of various modes like indirect export and investment into a new manufacturing and marketing overseas operation will not be very similar. The former will provide some profits virtually immediately and then might soon be balanced, the latter might provide no profits for three or four years (cycle of construction, the time required to establish all the necessary market contacts, the acquisition of all the necessitated assets, the education and training of the sales force as called for, the development of customer base, etc.). A long decision horizon might go for the latter whereas a short one will opt for the former. The appropriateness of the method made use of with respect to the estimation and comparison of predicted profits between various modes of entry and the reliability of inputs are two other major concerns. Johansson (1997) suggested if the target rates of return turn out to be lower, it is more likely for the company to choose the countries that exhibit more powerful long-term prospects and a more powerful promise to enhance the capabilities of the firm.

2.6.3.3. Company's Strategic Objectives

Koch (2001: 354) stated that approach-related aims may have a lot of formations, and the selection among them depends upon the custom of company, the specificity of industry, or personal preferences and / or interests of the people who are responsible for specifying these goals. They might be attributed to, to exemplify, international or districtal bazaar shares, international or districtal bazaar sales income enlargement, exportation and overall selling income percentage or the aims that are profit-oriented. Some of these can target to accomplish and reinforce a company perception as a bazaar leading figure, or to curtail the strategy related perils which are in relation with the growth, survival, etc. of the company. The strategic planning horizon is a fundamental element regarding this. Johansson (1997) suggests as the time period in which the firm completes its strategic design is longer; it becomes more likely for the firm to choose from the countries that exhibit superior long-period chances over the ones in which uniquely the prompt bazaar chances seem comparedly preferable. This entails the assumption the firms that have a comparedly shorter arrangement duration, under most circumstances, would deny themselves numerous opportunities to augment the skills of the company, capacities and competences via international bazaar taking part. He additionally proposes, while the company seeks most sellings and bazaar share opportunities, the markets that are considered most prospectively to promptly obtain the marketed good are selected.

2.7. Internationalization Process in Hotel Management Sector

Ivanova (2013: 108) stated that chains of hotels constitute a phenomenon that interests the hospitality field, at least due to the fact that they own a group of so particular peculiar characteristics. Contrarily, they act via many outlets, in general inside different countries, and this causes them to be a part of multinational companies. However, because they act in service field; more specifically in that of hospitality, they exhibit the characteristic aspects of the product, hotel, not alike any else product within the circle of services and business. The former are inseparable and tangible, combining producing and consuming, requiring the customers' compulsory participation. This constitutes the reason of their having difficulties of self-reproducing with total precision. Besides, it is nearly inconceivable to sustain a quality that lasts forever while producing them. The product of hotel involves a number of material services and elements, and besides, it requires continuous interrelations with a particular location and the involvement of the clients during the phase of production. Not like many other service industries such as consultation, tour operating, and insurance; hospitality calls for a great starting capital, also constituting the feature of other service-based sectors such as leisure-time industry chains, retailing chains, etc. These features all give way to further distinctions in the hotel chains' phases of internationalization.

2.7.1. The Role of Hotels in Tourism

Song (2016: 144-145) provided detailed information concluding that the hotel industry constitutes a large sector in the industry of tourism, and, in turn, it strikes eyes as one of the fastest growing branches in the sphere of service industry. Hotel industry is essentially important with respect to the tourism's improvement as it has the capacity to meet the accommodation-related requirements that "away from home market" bears. The improvement and state of the present hotel industry has been characterized by a number of economic features to be summed up as follows:

Hotel industry involves a high level of competition. The harsh rivalry is generated as the result of building excess capacity; in other words, overbuilding. On the other hand, the development of internationalization is continuing to increase the number of competitors in the hotel industry, which greatly forces the competition of markets.

This labor intensive industry emphasizes personal service, and so as to provide the clients with quality service, the personnel are obligated to be instructed appropriately, to be well-inspired and well-supervised. Although it costs a lot, training is fundamental as it poses a direct impact on the return of the quests. In other words, positive staff image is a strong determinant of the guests' return, and a negative one ensures the loss of them as prospective customers.

The hotel industry must act specifically sensitively to the fluctuations regarding requirements. The product which is supplied by hotels is difficult to be sustained the same way as always. The diminishing of business-aimed travelling and entertainment-related travelling in an instance of a recessionary time unsurprisingly poses unwanted effects on hotel accommodation, the expenditure on food and drink, and thus, hotel profitableness. Overall, rising inflation causes more expenses with regard to labor, energy and construction and less profitableness specifically at times that the hotel loses its ability to lift room rates proportionately due to the existent bazaar conditions. On the contrary, a stabilized and growing economy is more prospective to affect hotel performance in a positive manner.

Ostadi and Koliver (2014: 343) stated that there fundamentally exist three financing need types to be considered with regard to tourism improvement and hotel administration, and that these are the necessity to provide finances into tourism projects, territorial or national public planning, more elaborate area planning for tourism improvement and feasibility analysis and the plans regarding the realization of special projects. The total financing program levels are normally the state's duty. Financing joint projects depending on local circumstances is required to be done either by the government or by the private sector. Nevertheless, more elaborated planning must still be carried out, and the criteria related to planning are required to be scrutinized and accepted by it. Provided that the financing plan is not locally prospective, international assistance is called for.

2.7.2. The International Hotel Industry within Tourism

The hotel chain is a body of organizations which comprises of two or more hotel units that operate under a decision making mechanism which permits coherent policies that follow a common strategy through one or more decision generating bases where the hotel units and corporate functions are bound to add value to one another through ownership or contractual relationship (Brookes and Roper, 2012: 584). A rising number of hotel brands are in search for attaining the broad territorial coverage which would allow them to expand beyond the boundaries of their native bazaars (Brotherton and Adler, 1999: 261). The hotel industry has a prominent role with regard to binding people in a globalized community and helping countries in terms of opening their economies to the hotel industry. Hotel managers are necessitated to have awareness regarding the evolving customer needs and wishes and to be ready to meet such demands as the global hotel industry keeps growing (Yu et al., 2014: 115). More and more countries are considering tourism to be a prospective profitableness source; hence, the stimulus to improve this activity has been more intensified due to both the number and the attraction of new destinations. The industry of hotels is vital with respect to its role in the generation of job opportunities and the indirect impacts it exhibits on the environment. The hotel presence in a particular territory might encourage the improvement of complementary tourist activities, make better the residents' welfare in the touristic locations, and revitalize several economic activities (Rendon et al., 2014: 272).

2.8. Studies on the Internationalization of Hotel Management Sector

Hotel chains pose as a major part in the industry of hospitality, and tourism has evolved to exist as the fundamental field of economic activity in still-developing countries. Hotel internationalization is essential for tourism as well. Internationalization is a vital element in terms of the development of countries. A lot of studies regarding the internationalization of the hotels take place in the literature. Several studies are aimed to be categorized with regard to the topics they handle some of which are given below:

Several authors have stressed that the choice of entry mode in the hotel industry is crucial for the process of internationalization (Villar et al., 2012; Pla-Barber et al., 2011; Quer et al., 2007; Martorell et al., 2013; Soto-Camacho and Vargas-Sanchez, 2015; Leon-Darder et al., 2011; Karhunen, 2003; Hong, 2003; Brookes and Roper, 2010). Hong (2003) investigated the factors that are influential with respect to foreign country environment and international lodging company. Villar et al. (2012) suggested that researching the service characteristics' moderating influence is specifically pertinent to the hotel industry. Pla-Barber et al. (2011) analyzed the factors that might have an impact on the entry mode selection and echo the peculiar nature the hotel industry embeds. The authors emphasized that hotel industry's internationalization strategy is an elaborate examination that concentrates on the specific aspect of the entry mode selection. Quer et al. (2007) discovered that location-based factors influence the decision on entry mode as well, even if not to a significant degree. Internalization can be a more useful option than contractual agreements so as to refrain from any possible opportunistic behavior of a local partner. An entry mode choice theory within the boundaries of the hotel industry cannot be based uniquely on the circumstances in the environment of the host country. Martorell et al. (2013) put forward that foreign market entry mode choice cannot rest only on host-particular factors. The study results pointed out that the factors that limit a company's expansion via direct investment entry modes most are its size and international experience. On the other hand, Soto-Camacho and Vargas-Sanchez (2015) found out that perceived uncertainty at high levels and the company's size / international experience interaction are negatively related with the extent of property investment at the international level. Being in possession of genuine options might pose negative influence on the image and the access degree to a foreign market on condition that the company implements the option to quit that market. Also Leon-Darder et al. (2011) investigated in their study the entry mode choice in the hotel industry. Their aim is to specify the elements influencing the mode choice of incorporating every one of the new hotels in the chain. Brookes and Roper (2010) unveiled the utilization of differing divisional designs for distinctive entry mode types within individual chains. While globalized firms mature, hotel chains also grow through a blend of managerial written agreements, franchising, strategic alliance contracts and joint venture. Karhunen (2003) described the modal choices companies have made in response to the restriction inflicted by the host market. Relying on the secondary data on the experiences of foreign hotel companies within the Russian market, several tentative conclusions on the mode-decision and the local government's part played in it may be drawn out. In addition to these studies, Ayazlar (2015) investigated the entry mode selection operation of lodging enterprises. The Eclectic paradigm, which was improved by Dunning (1993), is utilized as a conceptual basis for the research the findings of which contribute to the selection of the market entry mode definition process of hotel managers, and provide new acknowledgements in the literature on internationalizing, particularly with regard to the internationalization of Turkish lodging industry.

Cultural distance / proximity, geographic distance and psychic distance constitute another major area with respect to the process of internationalization (Gemar, 2014; Ojala, 2015; Chang et al., 2012; Hakanson and Ambos, 2010; Ellis, 2007; Ramsey et al., 2013; Kontinen and Ojala, 2010). Gemar (2014) looked into the impacts of culture-related distance on the Spanish hotel companies' globalization processes. The study's objective is to analyze the intensity of the international existence of Spanish hotels and its dependence upon cultural differences. In this study, the author underlined that cultural distance must be considered in the studies related to the internationalization of hotels. Cultural distance has an influence over hotel internationalization, especially with regard to hotels' choice of their entry mode. In the internationalization of hotel companies, it is crucial to note some dimensions of Gesteland in order to help establish successful negotiations. Ojala (2015) had a go at contributing to a comprehension of the stabilization of the elements of proximity besides the interactive impacts among proximity-related elements, bazaar attractiveness, and network-related interrelations, with especial consideration regarding the ventures that are small and new. Chang et al. (2012) targeted to account for the selection of entry mode through delving into the impact of the hosting country's quality of governing. The study hypothesizes that the features of governing poses an unforeseen role. The study puts forth a contingent governance quality effect on the interrelationship between cultural proximity and entry mode selection, supplying an account for the "cultural distance paradox" together with the perceived financing risk of the parent company and their experience on the international basis. The study looks into the impact of a corporate-related element - the hosting country's quality with respect to its governance. This aspect supplies a corporate-related account for the culture-related proximity paradox. Hakanson and Ambos (2010) investigated prospective motivators of perceived psychic proximities to non-native countries. These perceptions are indicated to be influenced by a number of culture, geography, politics and economy related elements. Absolute geographic distance that is among the afore-mentioned factors explains the biggest share of the explained variance suggesting physical proximity ought to be assigned a more essential role when it comes to empirical investigation of the international business decisions for which psychic proximity related perceptions might be vital. Ellis (2007) provided a detailed evaluation of four distinct hypotheses regarding the bazaars' location, bazaar entry sequence, the international expansion rate and the interrelations that exist between sequentially-linked bazaars. The results unfold almost no advocating for three conventional hypotheses that link proximity to bazaar with the sequence of bazaars entered and the non-native expansion rate. Ramsey et al. (2013) looked into the relationship between the presently existent culture-related proximity and future mode of entry selection of Brazilian multinational firms. They discovered an unveiled causal relation between presently existent culture-related proximity and future preferences for mode of entry. They make distinctions between cultural applications and values so as to specify whether they have effects over the selection of entry modes differently. Kontinen and Ojala (2010) looked into the ways psychic proximity impacts the process of internationalization, foreign market entry (FME), and the selection of entry mode of the small and medium-sized Finnish family enterprises (family SMEs) that operate in France. The findings unveil that the family SMEs fundamentally embraced a sequential process and preferred indirect entry modes prior to their entry into the French bazaar. The French bazaar was psychically far, but the case companies had the ability to get over the distance through making use of distinctive distance-bridging elements. Given the findings, it can be put forward that psychic proximity poses as an especially important element in terms of internationalization and the non-native bazaar entry of family SMEs, basically due to their general cautions that resulted from family presence.

Studies related to intangibility are important with respect to internationalization (Reynoso and Figueroa, 2010; Cloninger, 2004). Reynoso and Figueroa (2010) investigated the strategies of internationalization embraced by small and medium enterprises (SMEs) of Jalisco. They improved an analytical framework founded upon the firms' resource-based view and upon the Uppsala and the Born-Global, which are two internationalization models. The aim is to facilitate the analyses of distinctive typologies of SMEs that have gone internationalized. The experimental outcomes indicate SMEs' internationalization strategies embrace two main trends: the former points to a step by step internationalization, as the Uppsala model suggests while the latter points to an accelerated internationalization, in line with the born-global approach. An astonishing finding is that internationalizing at an accelerated pace is not an exclusive behavior that is adopted by technology intensive or innovating firms. Actually, it is eligible to encounter born-global SMEs even in mature and conventional sectors, and the likeliness of this is due to the control of strategic intangible sources such as managers' experience and relational capital. Cloninger (2004) reported a test regarding the effect of intangibility on the declaration of earnings from non-native bazaars, and the moderating effect of international managerial experience. The results suggest tangibility to be positively connected with the declaration of non-native earnings and with the facilitation of higher control modes of entry, which support the idea that intangibility is a significant variable in terms of the comprehension of value creation and internationalization.

Several studies consider firm size's effectiveness with respect to internationalization (Lee et al., 2014; Irungu, 2017; Svetlicic et al., 2007). Lee et al. 2014 investigated the presence of a negative synergy impact of being internationalized and company size on company performance for publicly traded US hotels. What they tried to do was to investigate internationalization as an interrelated element with regard to the connection between a firm's prominent characteristic and performance. What the study found supports the positive synergy effect of going international and company size on performance. Irungu (2017) looked into the way company age and size have effects over the small and medium sized company to be transformed from local to international bazaar. The study concluded that if Kenyan medium sized companies increased their operation size sustainably, while they age, this would escalate the state of their readiness with respect to internationalizing their activities. Thus, they would obtain a superior capacity to reach up to maximum levels on any prospect which can arise in relation to doing business in non-native bazaar. Svetlicic et al. (2007) looked into the distinctiveness in outward foreign direct investment (FDI) activity between small and medium-size enterprises (SMEs) and large enterprises in five Central European economies (CEEs). The authors analyze the impacts of company size on barriers, motives and the competing upper-hands of outward financing. The results point to more alikenesses than distinctivenesses in internationalization designs and prove SMEs capable of internationalization.

The internationalization studies related to international experience takes an important place (Clarke et al., 2013; Hsu et al., 2015; Bruneel et al., 2010). Clarke et al. (2013) stated that in light of the significance of international experience with regard to the explanation of company internationalization, the researchers have been discovering the way the company's experience on the international level will define the limits to its implementation in non-native bazaars. Specifically, the researchers make distinguish between international experience which depends on location and non-location-bound international experience as sources of firm-specific advantages (FSAs). The FSAs the company improves making use of its experience with equity and non-equity modes of entry are given as quintessences of particular FSAs improved within the company's bundle of FSAs regarding internationalization. Hsu et al. (2015) looked into the impact of research and development (R&D) internationalization on company innovation performance. The unfolded results unveil a curvilinear U-shaped relationship, which suggests the benefits of R&D internationalization eventually surpass the expenditures after critical intensity and diversity levels. Moreover, they discover that a company's experience with regard to non-native expansion might play an affirmative moderating role on the connection between R&D internationalization and innovation performance, and this proposes the impact to be contingent on the company's ability to deal with the complexities and obscurities embedded in international business. Bruneel et al. (2010) referred to a critical aspect for entrepreneurs and managers that have been pursuing strategies for internationalization, and this aspect concerns the way companies may gather the information and capabilities needed to be successful at international expansion. Particularly, they look into how baby companies can make up for their missing company-level international experience through utilizing other knowledge resources. They reach the conclusion that a company's international experience level moderates the impacts of congenital and inter-organizational learning on internationalization extent in a negative way. In other words, the less a company's experiential learning is, the more important the impacts of the beginning team's beforehand international information base and the information and abilities obtained through key partners are.

Motivations in the hotel industry are significant for the process of internationalization (Song and Lee, 2020; Yang et al., 2009; Zekiri, 2016). Song and Lee (2020) examined the motives underlying going international based on the neo-institutional theory. They utilize a hierarchical linear modeling (HLM) so as to test the hypotheses that have been proposed making use of the annual company-level data regarding the tourism industry, and reveals that the tourism companies involving hotels, restaurants and casinos are discouraged to vary their international expansion into various countries as the rivals they have enlarge the scope of countries where they operate. Nevertheless, if a company contemplates its rivals as accelerating the internationalization process, that company will also speed up its internationalization pace. Moreover, this relation that takes place between rivals and focal companies' internationalization depends on surrounding-related circumstances such as complexity, dynamism, and munificence. Yang et al. (2009) compared and contrasted the growth of Chinese and Korean multinational enterprises (MNEs). They specify the alikenesses and divergences that exist between Chinese and Korean MNEs with respect to internationalization motivations, expanding approaches, and the paths they have followed. Their objective is to concentrate on host-country circumstances to home-country circumstances in accounting for the motivating factors for the internationalization of the companies. Their conclusion is that companies have motivation to extend their activities abroad when they encounter native competing obstacles that result from the non-existence or lack of one or more of Porter's Diamond features in their home bazaar. Zekiri (2016) had a go at clarifying several of the issues that arise in international bazaar choice. The researcher evaluates that prior to entry into a specific bazaar, the motivations and prospective elements playing an important role during the phase of making decision with regard to bazaar choice. The author's main aim is to evaluate the right elements and motivations playing a decisive role in penetration into bazaar. The author's key aim is, moreover, to underline the rising significance of businesses internationalization within the global economy.

The advantages and drawbacks constitute a different topic related to the internationalization process (Liang et al., 2012; Clipa and Clipa, 2011). Liang et al. (2012) tried to specify the level to which aids/obstacles of source endowment and organizational capacity of Chinese private enterprises including both the enterprises owned by the state and the non-native financed companies at home might bring about outward internationalization and impact their tendency to risk-taking when they go international. They put forward a ‘‘comparative’’ look into competing-related favors and obstacles relative to domestic opponents in studying private companies’ international-level extending into the economies which are transitional. They conclude company’s source income and capacities regarding organizations are in interactive relation with each other and mutually improve each other’s effects on outward internationalization similarities. Clipa and Clipa (2011) indicated that standing for the upper-hands and obstacles to be resulted from the aspects of internationalizing for the firm wishing to improve abroad, which is referred to as cost-benefit analysis, is improper. The administration of it will target to achieve a hierarchy regarding the pre-mentioned phases, the comparison of them based on criteria more or less objective.

Several authors point out that capacities and abilities are substantial in terms of the internationalization process (Weerawardena et al., 2007; Prange and Verdier, 2011; Riviere and Suder, 2016; Tartaglione et al., 2019). Weerawardena et al. (2007) put forward a conceptual born global firm internationalization model. A set of dynamic capabilities built and nurtured by internationally-motivated entrepreneurial founders conjectured by them facilitate these companies to improve cutting-edge knowledge intensive outcomes, clearing the path for their accelerated entry into bazaar. Prange and Verdier (2011) argued there to be two disputing groups of explorative and exploitative capabilities that are distinctively connected to output variables. The concept of third-order capabilities to balance trade-offs and maximize internationalization performance has been introduced by them. Riviere and Suder (2016) dwelled on the literature regarding both internationalization and strategy to look into what is acknowledged about ‘if’ and ‘how’ companies restore their abilities by means of internationalization. They feel the field of internationalization poses an inverted U-shape effect on the capability of the firm to constitute alternatives for restoration, hence facilitating the improvement of restoration-related capacities. However, they also shed attention on the elements that might stand as limitations to internationalization’s role for strategic restoration. Internationalization approaches connected with timing, location, and venture mode decisions are come before capacity restoration approaches, which are uncovered as linear vs. non-linear restoration ways. Tartaglione et al. (2019) looked into the international growing of gradual global SMEs through the adaptation of the dynamic capabilities framework. Via the case study regarding a company from South Italy, the study they carried out targets to investigate the role which is taken on by dynamic capabilities in the growing and triumph of a gradual global SME in international bazaars. The results indicate that the capabilities to foresee chances and threats within the international setting, to catch opportunities via adapting and to be reactive and reconfiguring have been essential in order for the international triumph of the firm studied.

Studies related to obstacles are pointed out in internationalization process (Samiee, 1999; Cuervo-Cazurra et al., 2007). Samiee (1999) looked into the past of bazaar accessing and trends, the obstacles to the international marketing of services, and key issues including classifying techniques and regulatory, cultural and economic obstacles, and to present chances for future improvement in the marketing of internationalized service. Cuervo-Cazurra et al. (2007) was concentrated on the reasons of the difficulties that are encountered by companies as they internationalize in their search for new bazaars. They add on the theory based on resource to advocate that the hardships in internationalization may be divided into three basic groups depending upon their connection with advantage: loss of advantage which is supplied by the sources that are transferred to foreign countries; occurring of a disadvantage due to sources' transferring to foreign lands; and the missing of complementary sources which are needed to take action abroad. In every group, they further distinguish hardships particular to a company from those common to a group of companies. They support that few of the resulting difficulty types of internationalization are unique to the foreign extension, and put forward solutions addressing the core reason of every type.

2.9. Current State of Foreign Investments of Chain Hotels in Turkey

It is quite difficult to reach a detailed and clear collective statistical data relating to chain hotels' foreign investments in Turkey. However, it is possible to make an evaluation based on the published reports and the data presented in the studies.

Prominent international hotel chains have been getting more and more interested in hotel investment in Turkey for long years. Many companies that sense the prospects in hotel management are initiating hotel investment. As specified in Tourism, Investment Business and Industry Magazine (2014: 9-10), in terms of tourism investments, the strong developmental status of Turkey is attracting the attention of the international chains is increasingly every passing day. After the Hilton brand that entered Turkey in 1955, the existence of international chain groups has been rapidly growing. The chains that operate mainly using management and franchise models not taking over ownerships in Turkey bring not only their main brands but also their sub-brands into this country.

Table 2.2 International Chains' Date of Entry into Turkey

INTERNATIONALCHAINS' DATE OF ENTRY INTO TURKEY

International Chain and Brands	Date of Expansion into Turkey	International Chain and Brands	Date of Arrival in Turkey	International Chain and Brands	Date of Arrival in Turkey
Hilton	1955	Kempinski Hotels	1991	Courtyard	2009
Club Med	1966	Movenpick Hotels	1991	Sentido Hotels	2009
Pullman/Mercure	1970	Conrad	1992	LTI	2009
Intercontinental	1971	Global Hyatt	1993	Primasol	2009
Valtur	1971	Penta	1993	Hilton Garden Inn	2010
Sheraton	1975	Renaissance	1994	Doubletree by Hilton	2010
Robinson Clubs	1984	Marriott	1994	Holiday Inn Express	2010
Ramada Hotels	1986	Four Seasons	1996	Edition	2010
Meridien	1986	Radisson Blu	1998	Hampton by Hilton	2011
Aldiana	1987	Ritz Carlton	1999	Club Seno-TUI	2011
Alba Club	1987	Iberostar	2002	Le Meridien-Starwood	2011
Inter	1987	Crowne Plaza	2003	Lugal Luxury-Starwood	2011
Best Western	1988	Maritim Hotels	2004	Viverde -TUI	2011
Iberotel	1988	Barcelo Grubu	2004	Purovida -TUI	2011
Marco Polo	1988	Calimera	2005	Sunprime Resort-T.Cook	2012
Steigenberger	1988	Ibıs	2007	Smartline-Thomas Cook	2014
Paradise	1988	Novotel	2007	SunConnect-Thomas Cook	2014
Grup Sol	1989	Blue Collectıon	2008	Jumeriah Hotels	2014
Holiday Inn	1990	Sensimar Hotels	2008	Shangri- La Hotels	2014
Corinthia Hotels	1990	W Hotels	2008	Missoni	2015
Swissotel	1991	Howthorn	2008		

Source: Tourism, Investment Business and Industry Magazine 2014: 9

Looking into the history of the chains in Turkey, Hilton arriving in Turkey in 1955 has attracted great attention from many foreign chains that have followed Hilton to Turkey, namely Club Med in 1966, Pullman and Mercure brands by Accor in 1970, and Intercontinental Group in 1971 while Starwood Group entered in 1975 with the Sheraton brand, Wyndham Group came coming to Turkey in 1986 with the Ramada brand. Also, Luxury brands such as Swissotel and Kempinski entered into the Turkish market in 1991.

The developmental phase of the foreign chains in Turkey is bilateral; with resorts on one side and city hotels on the other. As the city hotels appeal to individual tourists more, the target groups that contribute to the improvement of the resort hotels are predominantly the concept hotels of the tour operators such as TUI, Thomas Cook, Rewe and Alltours.

As stated in Tourism Report (2010: 27), foreign hotel chains are virtually competing with each other to come to Turkey for business. Hilton entering the Turkish market in 1955 is the longest investor in Turkish market with their 65 years of international experience in this country out of all the foreign chains having entered this market. Hilton has brought other brands within its structure recently including Hilton Resort, Hilton Garden Inn, Hilton Worldwide Resort Double Tree and Hampton by Hilton. Chains and other groups of the umbrella brand as well as sub-brands such as Hilton are being brought to Turkey. Turkey is such an attractive market for foreign chains in terms of the management of accommodations that tour operators are also offering accommodation in every new brand even when they have just initiated their business in this country's market. Out of these new investors of the Turkish market, TUI has established, its new brand, Sensimar, in terms of accommodation while Thomas Cook has established their new hotel brand Sentido's first facilities in Turkey.

Table 2. 3 Current State of the Investments of Chain Hotels in Turkey

Key Statistics	**2018**
Total number of chain hotels	942
Total number of chain rooms	177.785
Average size of chain hotel rooms	25
Country hotels stock (overall supply)	4.910
Country rooms Stock (overall supply)	487.027
Average size per hotel in rooms	30
Chain penetration percentage by hotels	19%
Chain penetration percentage by rooms	37%
Total number of brands	60
Domestic brands	44
International brands	16
International chain hotels*	331
Domestic chain hotels*	611
International chain rooms*	46.200
Domestic chain rooms*	131.585

Source: European Chains and Hotels Report 2019: 142
* Includes double counting with only the data of 2018 available.

To realize the objectives of Turkey's tourism, domestic and globalized chains of hotels have a vital role to achieve the target. At the time of the study, the number of domestic and foreign chain hotels is 942 in total. Total number of chain rooms is calculated as177.785, and each room is 25 m2 on average. Total number of hotels is 4.910 while total room number has reached to 487.027. Chain penetration percentage by hotels is 19% whilst chain penetration percentage by rooms is 37%. The number of operational hotel chains in Turkey is 60, with 44 of these being domestically owned and 16 being owned by foreigners.

Table 2.4 Current State of the International Chain Groups in Turkey

	International Chain Groups	Hotels	Rooms
1	Wyndham	75	10.953
2	Hilton	63	12.674
3	Accor	42	7.453
4	Marriot	30	5.686
5	IHG	27	5.026
6	Radisson	13	2.590
7	Sentido Hotels	12	3.300
8	Corendon Hotels & Resort	5	1.696
9	Club Med	4	1.750
10	Choice Hotels	4	682

Source: European Chains and Hotels Report 2019: 144
Only the data of 2018 are available.

The international chain groups that ranked in the top 10 in the table are listed by size. Given the example of Wyndham hotel, even though the total number of hotels possessed by them is higher than other chain hotels, the number of their rooms is a bit under Hilton's. In terms of international hotel number, Hilton hotel is placed in second row. Accor Hotel follows the first two by owning 42 hotels that include 7453 rooms. Club Med and Choice Hotels have fewest the number of hotels that include proportionately numbered rooms. When the hotels in general are considered, it is seen that the worldwide known hotel groups grow more than the others.

Table 2.5 Current State of the International Chain Brands in Turkey

	International Chain Brands	Hotels	Rooms
1	Ramada	56	8.319
2	Hilton Garden Inn	19	3.050
3	Double Tree by Hilton	17	2.732
4	Holiday Inn	14	2.097
5	Radisson Blu	14	2.847
6	Hampton by Hilton	13	1.619
7	Hilton	13	4.720
8	Ibis	13	2.003
9	Crowne Plaza	9	2.251
10	Mercure	9	1.938

Source: European Chains and Hotels Report 2019: 144
Only the data of 2018are available.

Considering international chain brands, the top 10 chain brands are presented in the table. With this regard, the brand chain with the highest number of hotels is Ramada, which has, by far, the largest number of hotels and rooms compared to the other chain brands. Hilton Garden Inn and Double Tree by Hilton brands precede it. Crowne Plaza and Mercure brands are fore grounded as having the least number of hotels and proportionately numbered rooms.

Turkey is a country of tourism with its many natural and historical attractions. Thus, the country obtains huge revenues thanks to tens of millions of foreigners visiting Turkey each year. Foreign investors are aware of this business potential that Turkey offers and are willing to make investments in this country. International hotel chains invest in Turkey, contributing to the country's tourism and economy, thereby making Turkey's hotel capacity grow substantially day by day.

CHAPTER THREE
METHOD AND FINDINGS OF THE RESEARCH

In the theoretical part of the research, the internationalization process of the hotel groups was detailed and the previous studies were examined. The process of providing data for the research involved two steps; primary and secondary data were acquired and used. Questionnaire technique was used to obtain primary data. Data were obtained through face to face survey method and e-mail communication.

3.1. Research Design and Survey Instrument

In this research, motivations, the advantages, capabilities, Eclectic Paradigm advantages, risk factors, entry mode determinants, obstacles, market evaluation factors and changes of internationalization topics have been elaborated.

A survey form (see Appendix) was implemented firstly as the data collection tool in the research. The first part of the survey form included the characteristic features of the Turkish hotels abroad. The first page contained the name of the country, entry mode, star, the number of rooms, the type of business, entry year and the contribution level to company performance. The other pages included scales of motivation, the advantage, international capability, internationalization advantage, risk, market entry mode factor, obstacle, market-oriented evaluation and the changes occurring after internationalization. Following in the questionnaire were the questions involving the firms' internationalization entry mode, an open ended question, their 5-year growth plans and the number of their domestic and foreign hotel establishments, the number of employees they have on their pay roll and the amount of their investments asked to the participants. The questionnaire finally comprised of a part regarding the demographic characteristics of the participants.

The questions regarding internationalization motivations were obtained from Nisar et al. (2012). The advantage-related questions were acquired from Liang et al. (2012). With regard to measuring capability; the scale used in the study by Camison and Villar (2009) was utilized. So as to measure prominent advantages, the scale used in the field study of Dunning and Kundu (1995) was chosen. The risk scale was based on Demirbag et al. (2010), dealing with risk factors. The questions regarding to market entry mode factors were adapted from Lu et al. (2011), Lee and Huang (2009), Andreu et al. (2017), Brouthers and Brouthers (2003). The obstacle scale was derived from Kubickova and Toulova (2013). The market-oriented evaluation related questions were attained from the dissertation of Tan (1993). The questions in relation to the changes inflicted after internationalization were received from Akben's dissertation (2008). The entry mode question is gathered from Masum and Fernandez (2008). All items were measured on a five-point Likert type scale ranging from not at all important (1) to very important (5).

3.2. Population and Sampling

Turkish hotel companies that have foreign hotel investments abroad constituted the population of this study. At the beginning of the study, there was a need to obtain an up-to-date list of Turkish group hotels investing abroad, because it was not known which hotels the survey would be applied to and what their most recent statuses were. Having achieved it marked the beginning of the study. E-mails were sent to organizations such as Turob, Aktob, Turofed, Ihra, Luxury Hotel Association and various establishments. The extent of the existence of the Turkish hotel investments abroad was not known, and thus, it was decided to create an updated, currently valid list. To reach the total population of the Turkish hotel investments abroad, necessary information was collected from newspapers, magazines and news, companies' own web sites, related organizations' web sites (e.g., TTYD), and personal contact with the companies (Table 3.1). As a result 22 companies were defined which have hotel investment abroad. All companies were invited to participate to the research but only 15 companies accepted to participate. The data collection was completed between October 2017 and March 2018.

Table 3.1 The Characteristics of the Hotels Abroad

THE CHARACTERISTICS OF THE HOTELS ABROAD							
Company Name	**Country Name**	**Entry Mode**	**Star Number**	**Room Number**	**Business Type**	**Entry Year**	**Source**
Adalı Holding*	The USA						Turizmaktuel
Aska Hotels	Germany	Direct Investment	4 Star	185	City Hotel	2015	Questionnaire
Aydeniz Group	The Maldives	Direct Investment	5 Star	122	Resort	2011	Questionnaire
Bilgili Holding*	The USA						Turizmgazetesi
Concorde Hotels	Cyprus		5 Star	569	Resort	2018	Own Websites
Corendon Group**	Holland	Direct Investment	4 Star	263	City Hotel	2015	Questionnaire
Corendon Group	Holland	Direct Investment	4 Star	40	City Hotel	2014	Questionnaire
Corendon Group	Spain	Direct Investment	4 Star	313	Resort	2016	Questionnaire
Dedeman Hotels	Iraq	Management Agreement	5 Star	151	City Hotel	2013	Questionnaire

Dedeman Hotels	Kazakhistan	Management Agreement	5 Star	133	City Hotel	2014	Questionnaire
Divan Hotels	Iraq	Management Agreement	5 Star	227	City Hotel	2012	Questionnaire
Divan Hotels	Georgia	Management Agreement	4 Star	65	City Hotel	2014	Questionnaire
Divan Hotels	Azerbaijan	Management Agreement	4 Star	62	City Hotel	2012	Questionnaire
Doğuş Tourism Group***							Turizmaktuel
Elite World Hotels****	Russia						Ekonomist
Fark Holding*	Portugal						Turizmgazetesi
Gürallar Group	The Maldives	Direct Investment	5 Star	90	Resort	2018	Questionnaire
Gürallar Group	The Maldives	Direct Investment	5 Star	120	Resort	2019	Questionnaire
Kaya Hotels	Kyrenia	Direct Investment	5 Star	261	Resort	2018	Questionnaire
Kaya Hotels	Cyprus	Direct Investment	5 Star	739	Resort	2007	Questionnaire
Kaya Hotels	Iran	Management Agreement	5 Star	220	City Hotel	2016	Questionnaire
Limak Hotels	Cyprus	Direct Investment	5 Star	600	Resort	2018	Questionnaire
Limak Hotels	Macedonia	Direct Investment	5 Star	140	City Hotel	2020	Questionnaire
Marsan Marmara Holding	The USA	Direct Investment	4 Star	32	City Hotel	2000	Questionnaire
Marsan Marmara Holding	The USA	Direct Investment	4 Star	52	City Hotel	2002	Questionnaire
Nashira Resort Hotel	Germany	Direct Investment	Private Hotel	1	City Hotel	2014	Questionnaire
Nashira Resort Hotel	Germany	Direct Investment	4 Star	108	City Hotel	2017	Questionnaire
Nashira Resort Hotel	Germany	Direct Investment	3 Star	48	Other (Thermal Hotel)	2017	Questionnaire
Nashira Resort Hotel	Germany	Direct Investment	4 Star	170	Other (Conference Hotel)	2014	Questionnaire
Otium Hotels	Egypt	Direct Investment	5 Star	400	Resort	2015	Questionnaire
Özyer Group	Hungary	Direct Investment	5 Star	150	City Hotel	2019	Questionnaire
Permak Group	Venice		5 Star	175	Resort	2003	Turizmaktuel
Rixos Hotels*****	The United Arab Emirates		5 Star	231	Resort	2012	Questionnaire
Rixos Hotels	The United Arab Emirates		5 Star	650	Resort	2014	Questionnaire
Rixos Hotels	The United Arab Emirates		5 Star	443	Resort	2016	Questionnaire
Rixos Hotels	Egypt		5 Star	695	Resort	2012	Questionnaire
Rixos Hotels	Egypt		5 Star	254	Resort	2014	Questionnaire
Rixos Hotels	Egypt		5 Star	783	Resort	2014	Questionnaire
Rixos Hotels	Croatia		5 Star	254	Resort	2008	Questionnaire
Rixos Hotels	Switzerland		5 Star	49	City Hotel	2014	Questionnaire
Rixos Hotels	Russia		5 Star	114	Resort	2014	Questionnaire

Rixos Hotels	Kazakhstan		5 Star	184	City Hotel	2005	Questionnaire
Rixos Hotels	Kazakhstan		5 Star	236	City Hotel	2009	Questionnaire
Rixos Hotels	Kazakhstan		5 Star	176	City Hotel	2014	Questionnaire
Rixos Hotels	Kazakhstan		5 Star	200	City Hotel	2012	Questionnaire
The Marmara Hotels	The USA	Direct Investment	4 Star	109	City Hotel	1992	Questionnaire
The Marmara Hotels	The USA	Direct Investment	5 Star	128	City Hotel	2016	Questionnaire
Titanic Hotels	Germany	Direct Investment	3 Star	226	City Hotel	2011	Questionnaire
Titanic Hotels	Germany	Direct Investment	5 Star	208	City Hotel	2015	Questionnaire
Titanic Hotels	Germany	Direct Investment	4 Star	400	City Hotel	2016	Questionnaire

*In the news it is mentioned that the holdings invested abroad.
**Since Corendon Tourism Group Co-Founder is Turkish, Corendon Tourism Group is included in the research.
***Doğuş Tourism Group has hotels in various countries such as Italy, Rome, Croatia and Switzerland. There is no exact data about the number.
****The executive of Elite World Hotels has started hotel investments in Russia.
***** A strategic partnership was established between Rixos Hotels and Accor Hotels in 2017.Therefore, there is no clear information about the entry mode of Rixos Hotels.

The Marmara Hotels started its first Turkish hotel in the USA in 1992.In 2000, Marsan Marmara Holding followed it. Then, Permak Group opened its hotel in Venice in 2003. Kaya Hotels opened its hotel in Cyprus in 2007. Turkish domestic hotel groups started to open up to the world. The number of their establishments is increasing steadily. When domestic and foreign hotel investments are compared to one another, the level of internationalization of the national hotel companies is still in its infancy period. Although firms have made investments under the title of internationalization, these investments are not yet at a level to be compared with international hotel chains and groups. The number of these investments can be increased with more to be invested abroad.

3.3. Analysis of Data

Descriptive statistical analyzes were implemented on the data gathered so as to specify the frequency, percentage, arithmetic mean and standard deviation values. Since the number of the samples was less than 30, nonparametric tests were carried out on the data. In the analysis of the relationship between variables, Spearman Correlation analysis was performed. The differences among the variables were determined via Mann-Whitney U Test and Kruskal-Wallis Test, which are among the methods for the analysis of the differences. The validity and reliability analyses of the measurement tools were conducted.

3.4. Profile of Participants

Table 3.2 depicts the demographic information of the participants. Participants' gender, position, educational level and total working duration in tourism sector are presented in Table

3.2. While two of the participants are female, the others are male. The duties of the participants vary as financial officer, business development specialist, member of board, general manager, general coordinator, fiscal manager and board chairman. The majority of the participants have a high level of education. Most participants' work experiences in tourism are 10 years and above.

Table 3.2 Demographic Information about Participants

Gender	Position	Educational Level	Total Working Duration in Tourism Sector
Female	Financial Officer	Undergraduate	10 years and above
Male	Financial Controller	Postgraduate	Between 5-10 years
Male	Business Development Specialist	Undergraduate	1 year and above
Male	Member of Board	Undergraduate	10 years and above
Male	General Manager	Postgraduate	10 years and above
Male	Chief Financial Officer	Undergraduate	Between 5-10 years
Male	Accounting Supervisor	Undergraduate	1 year and above
Male	General Coordinator	Postgraduate	10 years and above
Male	General Manager	Undergraduate	10 years and above
Male	Fiscal Manager	Undergraduate	Between 5-10 years
Female	Accounting Supervisor	Undergraduate	10 years and above
Male	General Coordinator	Undergraduate	10 years and above
Male	Board Chairman	High School	10 years and above
Male	General Coordinator	Postgraduate	10 years and above
Male	Purchasing Manager	Undergraduate	10 years and above

3.5. Descriptive Statistics

Survey data were collected from 15 firms participating in the research. It is remarkable that 15 firms have a total number of 43 hotel businesses abroad. When the distribution of the firms participating in the survey is analyzed by continents, 46.5 % (n = 20) of the total 43 enterprises are in Asia, 34.9 % (n = 15) are in Europe, 9.3 % (n = 4) are in America and 9.3 % (n = 4) are in the African continent.

The entry mode status of the firms participating in the study having been examined, it was seen that 80.0 % (n = 24) prefer direct investment and 20.0 % (n = 6) prefer management agreement.

5 star hotels dominates (66.7 %, n=28) followed by four star hotels (28.5%, n=12). 3 star hotels accounts for only 4.8% (n=2) of the total hotels invested abroad by the Turkish hotel companies.

According to the size of the hotel, companies mostly chose to invest in hotels with more than 201 rooms 44.1% (n = 19). 32.6 % of the hotels (n = 14) have 125 rooms and under, and 23.3 % (n = 10) have between 126 and 200 rooms.

Turkish hotel companies prefer to invest in mostly to city hotels (58.1%, n=25) followed by resort hotels (37.2%, n=16) and 4.7% (n = 2) are contained in the category of others. It is also seen that most of the companies 67.4% (n = 29) have just started to internationalization year 2012 and before whereas 32.6 % (n = 14) in 2013 and after (Table 3.3).

Table 3.3 The Distribution of Firms' Characteristics

Firm Characteristics	Number (n)	Percentage (%)
Continent		
Europe	15	34.9
Asia	20	46.5
America	4	9.3
Africa	4	9.3
Total	43	100
Entry Mode		
Management Agreement	6	20.0
Direct Investment	24	80.0
Total	30	100
Star		
3 Star	2	4.8
4 Star	12	28.5
5 Star	28	66.7
Total	42	100
Number of Rooms		
125 and under	14	32.6
Between 126-200	10	23.3
201 and above	19	44.1
Total	43	100
Type of Business		
City Hotel	25	58.1
Resort	16	37.2
Other	2	4.7
Total	43	100
Entry Year		
2012 and before	14	32.6
2013 and later	29	67.4
Total	43	100

In Table 3.4, the arithmetic means and standard deviations of the contributions of the firms' abroad are given. It is clearly seen that the general contribution average is at high values ($\bar{X}$= 4.35; sd= 0.56).

When the contributions of the enterprises abroad are assessed; hotels abroad makes contribution to the company mainly for brand value ($\bar{X}$= 4.70) and image ($\bar{X}$= 4.60) which are mostly related to prestige of the company. Other contribution areas are also above average like profitability ($\bar{X}$= 4.00), Rate of Growth ($\bar{X}$= 4.20), Market Share ($\bar{X}$= 4.40), Productivity ($\bar{X}$= 4.10), Quality of Products ($\bar{X}$= 4.50), and Innovation ($\bar{X}$= 4.30). In the light of this information, it is possible to say that from a broad perspective, these enterprises obtain a high-level contribution to themselves from their facilities abroad.

Table 3.4 Contributions of Foreign Investments to Companies

	Arithmetic Means	Standard Deviation
Profitability	4.00	0.94
Rate of Growth	4.20	0.78
Image	4.60	0.69
Brand Value	4.70	0.67
Market Share	4.40	0.84
Productivity	4.10	0.87
Quality of Products	4.50	0.52
Innovation	4.30	0.82
General Mean	**4.35**	**0.56**

Scale: 1= lowest, 2= low, 3= neither low nor high, 4= high, 5= highest

Table 3.5 shows the growth plans of the internationalized firms for the following 5 years. According to the table, national growth targets for the next 5 years, as company officials state, are as follows: Kaya Hotels 20 hotels, Özyer Group 15 hotels, Corendon Group 14 hotels and Aska Hotels 9 hotels. When International growth targets for the following 5 years are considered, the establishments' plans are to reach the following figures: Corendon Group 13 hotels, Kaya Hotels 10 hotels, Dedeman Hotels 5 hotels, Gürallar Group 4 hotels and Özyer Group 4 hotels. It is obvious that the 15 firms' total sales revenue involves the minimum share rate as 13% from their facilities abroad. It is also seen that the maximum share of 15 firms in total sales revenue from foreign facilities rates 40 %.

Table 3.5 Firms' Growth Plans for the Next 5 Years and the Share of Each Firm

Number of Hotels	National Goal	International Goal	% per Each Firm
Aska Hotels	9	2	
Aydeniz Group	-	1	25
Corendon Group	14	13	40
Dedeman Hotels	5	5	13
Divan Hotels	-	-	
Gürallar Group	2	4	
Kaya Hotels	20	10	
Limak Hotels	1	2	
Marsan Marmara Holding	5	3	
Nashira Resort Hotel	-	1	20
Otium Hotels	5	3	15
Özyer Group	15	4	10
Rixos Hotels	-	-	30
The Marmara Hotels	-	-	
Titanic Hotels	2	2	26.6

When Table 3.6 is evaluated, the distribution of the hotel groups in terms of their features of being domestic or abroad is seen on the basis of hotels. According to the table, the hotels with the highest number of hotels in Turkey are Divan Hotels with 17 hotels and Dedeman Hotels / Koç Holding with 15 hotels. Moreover, the hotels with the most rooms in the domestic country are Özyer Group (6.000 rooms) and Rixos Hotels (4.221 rooms). In addition, Kaya Hotels with 5.000 employees and Rixos Hotels with 4.825 employees are group hotels with the highest number of employees employed on the native land when the numbers of the employees are considered. Finally, the mostly invested hotels in the domestic country are Titanic Hotels, 600M $, and Otium Hotels, 250M $, as group hotels. On the other hand, the hotels with the highest number of hotels abroad are Rixos Hotels (13 hotels) and Nashira Resort (4 hotels). The hotels with the most rooms in abroad are Rixos Hotels (4.269 rooms) and Kaya Hotels (1.220 rooms). Rixos Hotels (2.377 employees) and Kaya Hotels (807 employees) are group hotels with the highest number of employees in abroad hotels. As for the hotels that invest most abroad, the Gürallar Group takes the lead with 180M $ and Titanic Hotels with 168M $ follows it taking the second place as group hotels.

Table 3.6 Distribution of Hotel Groups by Hotel Features as Domestic and Abroad

Name of hotel	Domestic				Abroad			
	Number of hotels	Number of rooms	Number of workers	Investment Amount (M/$)	Number of hotels	Number of rooms	Number of workers	Investment Amount (M/$)
Aska Hotels	3	1124	600	16.5	1	185	-	27.5
Aydeniz Group	-	-	-	-	1	122	300	100
Corendon Group	4	1521	1200	114	3	616	400	120
Dedeman Hotels/Koç Holding	15	2509	-	-	2	284	-	-
Divan Hotels	17	2521	1500	-	3	354	250	-
Gürallar Group	3	2880	1300	150	2	210	-	180
Kaya Hotels	11	3062	5000	-	3	1220	807	-
Limak Hotels	9	2600	2000	-	2	740	500	-
Marsan Marmara Holding	3	179	125	2	2	84	88	3
Nashira Resort Hotel	1	497	325	39.5	4	327	50	36
Otium Hotels	4	1200	900	250	1	400	250	12
Özyer Group	10	6000	2500	-	1	150	-	-
Rixos Hotels	9	4221	4825	-	13	4269	2377	-
The Marmara Hotels	8	900	750	-	2	237	80	-
Titanic Hotels	9	2727	3500	600	3	834	250	168

As it is seen in Table 3.7, 28 % of the total number of hotel firms participating in the survey is composed of hotels abroad. In terms of the number of rooms, this rate is at the level of 24 %. When reviewed from the point of the number of employees, it is seen that 18% of the total number of employees work at the hotels abroad. On the other hand, the investment amounts of the firms making hotel investments abroad are on average US $ 80.8 million per firm and US $ 646 million in total, constituting around 35% of the total investment amount. These data present that, although firms have made investments in the name of internationalization, these investments are not yet at a level to compare with international hotel chains and groups. For instance, Wyndham Hotels ranks first in terms of the number of facilities with 76 hotels in its chain. Wyndham, which owns Wyndham Grand, TRYP by

Wyndham, Ramada and Hawthorn brands has 11.160 rooms. Within Curio, Conrad, Waldorf, Hilton, Double Tree by Hilton, Hilton Garden Inn and Hampton by Hilton brands owned by Hilton Worldwide's holding have a total of 12.674 rooms in 63 hotels in Turkey (turizmgunlugu, 2020).

Table 3. 7 Distribution of Hotel Groups by Hotel Features as Domestic and Abroad

Features	Domestic			Abroad			
	Frequency (n)	Percentage (%)	Mean	Frequency (n)	Percentage (%)	Mean	Total
Number of hotels	106[a]	71.1	7.5	43[d]	28.9	2.9	149
Number of rooms	31.941[a]	76.1	2.281	10.032[d]	23.9	668	41.973
Number of workers	24.525[b]	82.1	1.886	5.352[e]	17.9	486	29.877
Investment Amount (M/$)	1.172[c]	64.4	167.4	646.5[f]	35.6	80.8	647.672

[a]14 hotel data, [b]13 hotel data, [c]7 hotel data, [d]15 hotel data, [e]11 hotel data, [f]8 hotel data

In Table 3.8, the arithmetic mean and standard deviation values for expressions that measure the motivations leading to the internationalization process of group hotels are given. Generally, when the averages of the motivations leading to the internationalization process of the group hotels are regarded, it is seen that the motivation levels leading to the internationalization process are above the average values ($\bar{X}$= 3.65; sd= 0.66).

When the motivations of internationalization process are investigated carefully, market power and development dimension ($\bar{X}$= 3.98; sd= 0.61) is the most important motivation factor of the companies and financial synergy dimension ($\bar{X}$= 3.88; sd= 0.92) follows it. Interestingly, location advantage ($\bar{X}$= 2.86; sd= 1.06) is seen as the least motivation factor. Other motivation factors are; managerial synergy ($\bar{X}$= 3.93; sd= 0.84), technology development R-D intensity ($\bar{X}$= 3.80; sd= 1.08) and operational synergy ($\bar{X}$= 3.53; sd= 1.17).

While "facilitate international expansion" with "enable product diversification" are among the most motivating issues for firms to invest abroad, "access to natural resources" and "cultural similarity" attract the attention as the least motivating elements.

Table 3.8 The Motivations of Internationalization Process

Statements	Arithmetic Mean	Standard Deviation
Market Power and Development	**3.98**	**0.61**
Speed of entry into foreign market	4.06	0.88
Increase market share	4.00	0.84
Reduce competition	2.93	1.16
Enable product diversification	4.46	0.63
Facilitate international expansion	4.46	0.74
Financial Synergy	**3.88**	**0.92**
Tax advantages	3.40	1.24
Gain revenue/profit enhancement	4.26	0.88
Reduce risk of exchange rate	3.73	0.88
Reduce transaction cost	3.46	1.06
Location Advantage	**2.86**	**1.06**
Cultural similarity	2.80	1.26
Access to natural resources	2.60	1.29
Access to local suppliers and customers	3.20	1.61
Managerial Synergy	**3.93**	**0.84**
Level of management control	3.80	1.01
Access to management know-how	4.06	0.79
Technology Development R-D Intensity	**3.80**	**1.08**
Access to advanced technology	3.80	1.08
Operational Synergy	**3.53**	**1.17**
Achieve economies of large scale	3.93	1.43
Reduce cost by globalizing supply chain	3.13	1.24
General Total	**3.65**	**0.66**

“Not at all important: 1”, “Not important: 2”, “Neither important nor unimportant: 3”, “Important: 4”, “Very important: 5”

In Table 3.9, the arithmetic mean and standard deviation values of statements that measure the advantages of the enterprise against other domestic / foreign investors are presented. In general, when the average of the advantages of the group hotels in the face of other domestic / foreign investors are evaluated, it is indicated that the degrees of business advantages signify high values ($\bar{X}$= 4.21; sd= 0.41).

If the averages of the dimensions of the advantages of the firm against other domestic / foreign investors are to be illustrated in figures, they are visible to be: access to physical and financial resources dimension ($\bar{X}$= 3.78; sd= 0.53), managerial competence dimension ($\bar{X}$= 4.10; sd= 0.59) and customer and market search dimension ($\bar{X}$= 3.70; sd= 1.18).

The most important advantages attributed to firms against the foreign competing investors is “brand identity development”, followed by “maintaining customer relationship”. The least important advantages attributed to these firms are “enjoy government inducement”, followed by “access to human resource”.

Table 3.9 The Advantages of Internationalization against Other Domestic / Foreign Investors

Statements	Arithmetic Mean	Standard Deviation
Access to Physical and Financial Resources	**3.78**	**0.53**
Access to human resource	3.60	0.82
Access to bank loans	3.92	0.91
Access to external investment	4.07	0.91
Access to important business information	4.00	0.67
Access to key raw material/parts	4.00	0.87
Enjoy government inducement	3.07	1.43
Managerial Competence	**4.10**	**0.59**
Utilization of social network	4.20	0.94
Operational efficiency	4.13	0.83
Cost control	3.93	0.88
Innovation	4.13	0.74
Customer and Market Search	**3.70**	**1.18**
Market exploration	4.00	1.03
Response to market/ customer needs	4.42	1.08
Maintaining customer relationship	4.46	0.83
Brand identity development	4.73	0.45
Features of the offered service	4.28	0.61
General Total	**4.21**	**0.41**

"Very weak: 1", "Weak: 2", "Medium: 3", "Strong: 4", "Very strong: 5"

The arithmetic mean and standard deviation values for the expressions that measure the factors determining the operating capabilities of the group hotels in the internationalization process are demonstrated in Table 3.10. The averages of the factors determining business capabilities have emerged at high values ($\bar{X}$= 3.97; sd= 0.45). Human and organizational capability ($\bar{X}$= 4.17; sd= 0.49) was regarded as the most important business capabilities factor. Commercial capability ($\bar{X}$= 4.10; sd= 0.51) and innovation and technology capability ($\bar{X}$= 3.65; sd= 0.63) are the other capabilities needed in the process of internationalization. Brand image (4.66), customer service structure (4.60), and internal communication (4.50) are foregrounded among the most crucial capabilities of the companies in the internationalization process. "Proximity to the business technological frontier" and "R-D capacity" draw the attention as the least important capabilities.

Table 3.10 The Business Capabilities in the Process of Internationalization

Statements	Arithmetic Mean	Standard Deviation
Innovation and Technology Capability	**3.65**	**0.63**
Product innovation	4.13	0.74
Process technology and innovation	4.06	0.88
R-D capacity	3.53	0.83
Proximity to the business technological frontier	3.00	0.92
Level of scientific-technical information	3.53	0.83
Human and Organizational Capability	**4.17**	**0.49**
Staff qualification	3.93	0.59
Integration into the company	4.07	0.99
Internal communication	4.50	0.51
Staff motivation	4.35	0.49
Commercial Capability	**4.10**	**0.51**
Brand image	4.66	0.48
Distribution network	3.66	1.24
Customer service structure	4.60	0.63
Knowledge of markets	4.14	0.86
External communication	3.86	0.63
Delivery time period	3.84	0.89
General Total	**3.97**	**0.45**

“Not at all important: 1”, “Not important: 2”, “Neither important nor unimportant: 3”, “Important: 4”, “Very important: 5”

The arithmetic mean and standard deviation values for the statements that measure Eclectic Paradigm in the internationalization process are expressed in Table 3.11. All things considered, the averages of the advantages of the group hotels have become evident at high values ($\bar{X}$= 4.06; sd= 0.56).

Ownership dimension ($\bar{X}$= 4.19; sd= 0.63) seems to be most important factor whereas location dimension ($\bar{X}$= 3.97; sd= 0.67) and internalization dimension ($\bar{X}$= 3.99; sd= 0.69) follow it consecutively.

The most significant prominent advantage attributed to the firms is “opportunities for tourism”, followed by “trade mark and brand image”. On the other hand, the least significant prominent advantage attributed to the firms is “availability of good quality and low cost inputs”, followed by “physical proximity of host country”.

Table 3.11 Eclectic Paradigm in the Process of Internationalization

Statements	Arithmetic Mean	Standard Deviation
Ownership	**4.19**	**0.63**
Size of firm	4.46	0.74
International experience	4.06	1.03
Trade mark and brand image	4.66	0.48
Extent and scope of training programs	4.13	0.83
Access to referral and reservation system	4.26	0.88
Knowledge of tastes and requirements	4.60	0.63
Size and structure of home industry	3.80	1.26
Economies of scope and joint supply	3.80	1.01
Economies of scale	4.00	0.96
Location	**3.97**	**0.67**
Size and growth of markets in host economy	4.13	0.91
Size and nature or the city or region in host country	4.33	0.89
Opportunities for tourism	4.71	0.61
General infrastructure of host country	4.00	1.06
Physical proximity of host country	3.46	1.35
Host government policy towards inward direct investment	3.86	0.99
Political. social and economic stability of host country	4.13	1.06
Availability of good quality and low cost inputs	3.26	1.22
Internalization	**3.99**	**0.69**
Ensure adequate quality control	4.28	0.91
Experience in international business	4.13	0.99
Coordinate the capabilities of parent company	4.20	0.86
Activities of parent company	4.26	0.96
Minimize negotiation and transaction costs	3.80	0.67
Exploit economies of scope	3.80	0.77
Economic and financial condition of host country	3.86	1.18
Host country policy towards foreign direct investment	4.20	1.01
The strength of the Turkish lira and interest rates relative to the invested country	3.50	1.28
General Total	**4.06**	**0.56**

“Not at all important: 1”, “Not important: 2”, “Neither important nor unimportant: 3”, “Important: 4”, “Very important: 5”

Table 3.12 shows the arithmetic mean and standard deviation values of the statements that measure the risks taken when the group hotels decided to enter the international market. On the whole, appraising the averages of the risks taken once group hotels decided to enter international market, it is clear that the levels of risks taken are above the average values ($\bar{X}$= 3.68; sd= 0.95).

Turkish hotel companies perceive international relations of the host country ($\bar{X}$= 4.00; sd= 1.05) as the most important risk factor while deciding to embark international market. Political and economical uncertainties ($\bar{X}$= 3.92; sd= 1.12) comes after that. Existence of illegal groups and role of feudal figures are seen least risk factors (Table 3.12).

Table 3.12 The Taken Risks in the Process of Internationalization

Statements	Arithmetic Mean	Standard Deviation
Ethical Uncertainties and Arbitrariness	**3.45**	**1.02**
Level of bribery	2.42	0.60
Level of corruption	2.50	1.55
Business ethics	3.84	1.28
Uncertainties in payments	4.06	1.33
Uncertainties in trading conditions	4.21	1.31
Attitude Towards FDI	**3.88**	**0.92**
Attitude towards foreigners	3.73	1.09
Attitude towards private sector	3.93	0.88
Attitude towards technology transfer	3.71	1.13
Attitude towards expatriates	3.60	1.29
Risk of Interventions	**3.70**	**1.18**
Intervention on terms of trade	3.78	1.25
Barriers in repatriation of earnings	3.78	1.31
Intervention on prices	3.78	1.36
Intervention on foreign exchange rates	3.60	1.54
Political Economic Uncertainties	**3.92**	**1.12**
Economic crises	4.06	1.43
Political stability/instability	4.28	1.13
License allocations	3.76	1.36
Legal uncertainties	3.78	1.31
International Relations of The Host	**4.00**	**1.05**
Relations with its neighbors	4.00	1.10
Relations with the home country	4.00	1.13
Relationship with international establishments	4.00	1.10
Law and Order	**3.07**	**1.43**
Existence of illegal groups (mafia etc.)	3.07	1.49
Role of feodal figures	3.07	1.43
General Total	**3.68**	**0.95**

“Not at all important: 1”, “Not important: 2”, “Neither important nor unimportant: 3”, “Important: 4”, “Very important: 5”

In Table 3.13, the arithmetic mean and standard deviation values of expressions that measure the determining factors in the selection of the group hotels' entry mode to the international market are included. Through a broad perspective, looking elaborately into the average of the determining factors related with the selection of the international market entry mode of the group hotels, it is highlighted that the determining factors in entry mode selection are of high values ($\bar{X}$= 4.00; sd= 0.70).

When the averages of the dimensions of the determining factors in the option for international market entry mode are scrutinized, they are to be explained clearly to be: restriction and uncertainty dimension ($\bar{X}$= 3.75; sd= 0.91), market dimension ($\bar{X}$= 4.03; sd= 0.69), experience dimension ($\bar{X}$= 4.08; sd= 0.79), and lastly intangible and tangible assets dimension ($\bar{X}$= 4.25; sd= 0.63).

The most crucial determining factor in the selection of international market entry mode is “brand equity”, and it antecedes “market potential”, which is the second most crucial factor. The least significant determining factor happens to be "cultural proximity/distance", followed by "demand uncertainty".

Table 3.13 Determining Factors of International Market Entry Mode Selection

Statements	Arithmetic Mean	Standard Deviation
Restriction and Uncertainty	**3.75**	**0.91**
Government restrictions	3.40	1.24
Host country risk and uncertainty	3.93	1.33
Country risk	3.60	1.24
Demand uncertainty	3.33	1.44
Legal restrictions	3.73	1.22
Openness of your home country	4.00	0.84
Trust propensity	4.13	0.74
Risk propensity	3.93	0.96
Market	**4.03**	**0.69**
Cultural proximity / distance	3.06	1.16
Market attractiveness for investment	4.20	1.14
Market attractiveness for tourism revenues	4.40	0.73
Market potential	4.46	0.74
Market competition	4.13	0.74
Market size	4.33	0.89
Market expansion	3.93	1.03
Competitive situation	3.73	1.16
Intensity in the sector	4.06	0.70
Experience	**4.08**	**0.79**
International experience	4.00	1.06
Domestic experience	3.80	1.26
Business experience	4.46	0.74
Intangible and Tangible Assets	**4.25**	**0.63**
Intangibles (fortune. enterprise value)	4.06	0.70
Brand equity	4.60	0.63
Financial capability	4.46	0.63
Company size	4.06	0.88
Management skills	4.26	0.70
Level of income	4.06	0.96
General Total	**4.00**	**0.70**

"Not at all important: 1", "Not important: 2", "Neither important nor unimportant: 3", "Important: 4", "Very important: 5"

In Table 3.14, the arithmetic mean and standard deviation values for expressions that measure the barriers encountered during the phase of internationalization are given. The averages of the obstacles encountered in the internationalization process being considered from a general perspective, it is seen that they are above the average values ($\bar{X}$= 3.45; sd= 0.80).

The averages of the dimensions of the barriers encountered during the internationalization process having been assessed, they are acquired to be: product development dimension ($\bar{X}$= 3.50; sd= 0.95), financial risk dimension ($\bar{X}$= 3.60; sd= 1.03), knowledge acquisition dimension ($\bar{X}$= 3.41; sd= 0.93), and finally communication and network dimension ($\bar{X}$= 3.36; sd= 1.06).

"Need to improve product quality while maintaining the current price level" together with "difficulty in finding foreign business opportunities" are among the biggest obstacles in the internationalization process of firms, conversely, "lack of information for foreign market analysis" and "difficulty in comparing the prices of products with foreign competition" are detected as the least significant obstacles.

Table 3.14 Encountered Obstacles in Internationalization Process

Statements	**Arithmetic Mean**	**Standard Deviation**
Product Development	**3.50**	**0.95**
Need to improve product quality while maintaining the current price level	3.71	1.20
Need to develop new products for the foreign market	3.42	1.28
The necessity of service production to meet the needs of foreign customers	3.35	1.21
Financial Risk	**3.60**	**1.03**
Occurrence of exchange rate risk	3.50	1.40
Lack of support (financial or bureaucratic) from state	3.66	1.29
Knowledge Acquisition	**3.41**	**0.93**
Difficulty in finding foreign business opportunities	3.71	0.91
Lack of manager's time for searching and analyzing the options for foreign market entry	3.66	1.39
Lack of information for foreign market analysis	3.06	1.24
Technical. health and safety standards in foreign market	3.53	1.24
Difficulty in comparing the prices of products with foreign competition	3.13	1.06
Communication and Network	**3.36**	**1.06**
Difficulty in establishing contacts with customers on foreign market	3.13	1.40
Difficulty in obtaining a reliable foreign representation	3.69	1.10
General Total	**3.45**	**0.80**

"Not at all important: 1", "Not important: 2", "Neither important nor unimportant: 3", "Important: 4", "Very important: 5"

The arithmetic mean and standard deviation values for the statements that measure the market evaluation of the group hotels when they decide to invest in foreign markets are indicated in Table 3.15. All in all, the averages of market evaluation of the group hotels when they decide to invest in foreign markets have been found out to be at high values ($\bar{X}$= 4.04; sd= 0.61).

The averages of the dimensions of the market evaluation of group hotels when they have made the decision to finance in foreign markets having been appraised, they are ranked to be: market and competition dimension ($\bar{X}$= 4.00; sd= 0.64) and financial success dimension ($\bar{X}$= 4.11; sd= 0.78).

The most essential market evaluation feature stands out to be "expected market potential", while the second most essential one is clarified as "profitability". On the other hand, the least essential market evaluation feature is "importance of a wide product line", preceding "breakeven volume".

Table 3.15 Market-related Evaluation in Internationalization Process

Statements	Arithmetic Mean	Standard Deviation
Market and Competition	**4.00**	**0.64**
Expected market potential	4.46	0.63
Diversity of consumer tastes and preferences	4.06	0.79
Intensity of competition	3.93	0.79
Importance of a wide product line	3.60	1.05
Rate of change in demand	3.93	0.79
Financial Success	**4.11**	**0.78**
Expected annual growth rate	4.13	1.06
Profitability	4.33	0.89
Breakeven volume	3.86	1.06
General Total	**4.04**	**0.61**

"Not at all important: 1", "Not important: 2", "Neither important nor unimportant: 3", "Important: 4", "Very important: 5"

Table 3.16 exhibits the arithmetic mean and standard deviation values of the expressions that measure the changes experienced by the group hotels owing to their international activities. When the averages of the changes experienced by reason of the international activities of the group hotels in general are observed, the change levels seem to have been experienced at high values. ($\bar{X}$= 4.21; sd= 0.41).

The averages of the dimensions of the changes experienced owing to the international activities of the group hotels having been examined, they have been obtained to be: financial dimension ($\bar{X}$= 4.09; sd= 0.62) and nonfinancial dimension ($\bar{X}$= 4.34; sd= 0.36).

Depending on the financial and nonfinancial dimensions means, "company image" is the most notable attribution to firms, followed by "turning to new investments" whilst "costs" stands out as the least notable attribution.

Table 3. 16 Changes of Internationalization

Statements	Arithmetic Mean	Standard Deviation
Financial	**4.09**	**0.62**
Profitability	4.00	0.85
Productivity	3.92	0.86
Efficiency	4.30	0.75
Market share	4.46	0.66
Costs	3.53	1.05
Capacity	4.30	0.63
Nonfinancial	**4.34**	**0.36**
Company image	4.61	0.50
Competition power	4.15	0.68
Turning to new investments	4.58	0.51
Employee morale situation	4.50	0.52
Cultural change	4.08	0.79
Customer satisfaction	4.15	0.55
Product and service quality	4.30	0.63
General Total	**4.21**	**0.41**

"Very negative: 1", "Negative: 2", "Neither positive nor negative: 3", "Positive: 4", "Very positive: 5"

3.6. Correlations between the Variables

3.6.1. Correlations between Motivation and Advantage Factors

The motivations that lead the company to internationalization support the advantages of the company positively against domestic and foreign investors. That is to say, as the motivations of the company increase, the advantages become prominent which is seen in Table 3.17.

All motivation dimensions, except financial synergy, has correlation with at least one advantage factor of internationalization. On the other hand, managerial competency advantage is only correlated positively and significantly with market power development motivation factor (0.569, p=.027) (Table 3.17).

Table 3.17 Correlations between Motivation and Advantages of Internationalization

Variable	Dimension	MPD	FS	LA	MS	TD	OS	APFR	MC	CMS
Motivation	MPD	1.000								
	FS	.694** .004	1.000							
	LA	.543* .036	.159 .571	1.000						
	MS	.624* .013	.331 .229	.727** .002	1.000					
	TD	.594* .020	.416 .123	.571* .026	.762** .001	1.000				
	OS	.686** .005	.647** .009	.436 .104	.411 .128	.614* .015	1.000			
Advantages	APFR	.670** .006	.201 .473	.654** .008	.469 .078	.471 .076	.529* .043	1.000		
	MC	.569* .027	.360 .188	.358 .191	.398 .142	.237 .394	.468 .078	.495 .061	1.000	
	CMS	.813** .000	.502 .056	.706** .003	.727** .002	.665** .007	.729** .002	.842** .000	.680** .005	1.000

****** (p<0.01) level is meaningful (2- tailed). ***** (p<0.05) level is meaningful (2- tailed).
(MPD: Market Power Development, FS: Financial Synergy, LA: Location Advantage, MS: Managerial Synergy, TD: Technology Development, OS: Operational Synergy, APFR: Access to Physical and Financial Resources, MC: Managerial Competence, CMS: Customer and Market Search).

3.6.2. Correlations between Motivation and Eclectic Paradigm

The results of Spearman Correlation analysis indicate that there is a positive and significant correlation between the dimensions of the motivations and dimensions of Eclectic Paradigm in the internationalization process (Table 3.18).

According to the analysis results in Table 3.18, the motivations that lead the company to internationalization support the advantages of the company in the internationalization process. In other words, as the motivation of the firm rises, the advantages of the firm against other enterprises also rise.

Table 3.18 Correlations between Motivation Dimensions and Eclectic Paradigm

Variable	Dimension	MPD	FS	LA	MS	TD	OS	O	L	I
Motivation	**MPD**	1.000								
	FS	.694** .004	1.000							
	LA	.543* .036	.159 .571	1.000						
	MS	.624* .013	.331 .229	.727** .002	1.000					
	TD	.594* .020	.416 .123	.571* .026	.762** .001	1.000				
	OS	.686** .005	.647** .009	.436 .104	.411 .128	.614* .015	1.000			
Eclectic Paradigm	**O**	.812** .000	.739** .002	.273 .325	.420 .119	.424 .116	.535* .040	1.000		
	L	.554* .032	.127 .652	.394 .146	.715** .003	.610* .016	.358 .190	.515* .049	1.000	
	I	.839** .000	.685** .005	.359 .189	.415 .124	.579* .024	.642** .010	.762** .001	.468 .078	1.000

****** (p<0.01) level is meaningful (2- tailed). ***** (p<0.05) level is meaningful (2- tailed).
(MPD: Market Power Development, FS: Financial Synergy, LA: Location Advantage, MS: Managerial Synergy, TD: Technology Development, OS: Operational Synergy, O: Ownership, L: Location, I: Internalization).

3.6.3. Correlations between Motivation and Changes of Internationalization

In the analysis of the Spearman Correlation (See Table 3.19), it was widely detected that there is a moderate positive and significant relation between dimensions of the motivations with the Financial dimension of the changes in the company after internationalization.

There is a positive relation between market power development dimension and financial (r= 0.628, p= .000<0.05) dimension. The relation between managerial synergy dimension and financial (r= 0.673, p= .000<0.05) dimension figure is positive. Technology development dimension and financial (r= 0.616, p= .000<0.05) dimension are positively and moderately related. Finally, operational synergy dimension and financial (r= 0.582, p= .000<0.05) dimension have a positive relation.

As long as the motivations of the firm improve, profitability, productivity, efficiency, market share, costs and capacity of the firm increase, too whereas there is no indication of relationship between motivation and non-financial changes of the internationalization.

Table 3.19 Correlations between Motivation and Changes of Internationalization Dimensions

Variable	Dimension	MPD	FS	LA	MS	TD	OS	F	N
Motivation	**MPD**	1.000							
	FS	.694** .004	1.000						
	LA	.543* .036	.159 .571	1.000					
	MS	.624* .013	.331 .229	.727** .002	1.000				
	TD	.594* .020	.416 .123	.571* .026	.762** .001	1.000			
	OS	.686** .005	.647** .009	.436 .104	.411 .128	.614* .015	1.000		
Changes of Internationalization	**F**	.628* .021	.379 .201	.476 .100	.673* .012	.616* .025	.582* .037	1.000	
	N	.519 .069	.509 .075	-.118 .702	-.060 .845	-.023 .939	.292 .333	.260 .392	1.000

****** (p<0.01) level is meaningful (2- tailed). ***** (p<0.05) level is meaningful (2- tailed).
(MPD: Market Power Development, FS: Financial Synergy, LA: Location Advantage, MS: Managerial Synergy, TD: Technology Development, OS: Operational Synergy, F: Financial, N: Nonfinancial).

3.6.4. Correlations between Company Advantages and Entry Modes Determinants

By and large, there is an affirmative, meaningful and temperate level of connection between the dimensions of company advantages against domestic/foreign investors and determinant factors of entry mode which is seen in Table 3.20.

Managerial competence dimension is affirmatively related with market ($r= 0.576$, $p= .000<0.05$), experience ($r= 0.574$, $p= .000<0.05$), and intangible and tangible assets ($r= 0.616$, $p= .000<0.05$) dimensions. Next, customer and market search exhibits positive connections with market ($r= 0.541$, $p= .000<0.05$), and ultimately intangible and tangible assets ($r= 0.576$, $p= .000<0.05$) dimensions.

Based on these results, as the advantages of the firm against domestic and foreign investors multiply, the factors that determine the entry mode of the company can be specified more clearly; at the same time, it can be said that these factors provide the opportunity to predict which entry mode determinants will contribute more to the company.

Table 3.20 Correlations between Advantages and Entry Mode Determinants

Variable	Dimension	APFR	MC	CMS	RU	M	E	ITA
Advantages	**APFR**	1.000						
	MC	.495 .061	1.000					
	CMS	.842** .000	.680** .005	1.000				
Entry Mode Determinants	**RU**	.208 .457	.379 .164	.286 .301	1.000			
	M	.313 .256	.576* .025	.541* .037	.886** .000	1.000		
	E	.468 .079	.574* .025	.460 .085	.750** .001	.705** .003	1.000	
	ITA	.307 .267	.616* .015	.576* .025	.818** .000	.929** .000	.691** .004	1.000

****** ($p<0.01$) level is meaningful (2- tailed). ***** ($p<0.05$) level is meaningful (2- tailed).
(APFR: Access to Physical and Financial Resources, MC: Managerial Competence; CMS: Customer and Market Search; RU: Restriction and Uncertainty; M: Market; E: Experience; ITA: Intangible and Tangible Assets).

3.6.5. Correlations between Company Advantages and Changes of Internationalization

It was seen that that there is a moderate positive and significant correlation between the dimensions of the advantages of the company against domestic / foreign investors with the financial dimension of the changes in the company after internationalization according to Spearman Correlation analysis in Table 3.21.

Access to physical and financial resources dimension and financial ($r= 0.753$, $p= .000<0.05$) dimension have positive and high correlation. Managerial competence dimension and financial ($r= 0.667$, $p= .000<0.05$) dimension are also positively correlated. Once for all, there is a positive and high correlation between customer and market search with financial dimensions ($r= 0.881$, $p= .000<0.05$).

Subject to these consequences, the advantages of the company against domestic and foreign investors and the financial dimension of the changes in the company after internationalization affect each other. Thus, it can be said that as the advantages of the firm against domestic / foreign investors increase, it will contribute to the rise of the firm financially.

Table 3.21 Correlations between Advantages and Changes due to Internationalization

Variable	Dimension	APFR	MC	CMS	F	N
Advantages	**APFR**	1.000				
	MC	.495 .061	1.000			
	CMS	.842** .000	.680** .005	1.000		
Changes due to Internationalization	**F**	.753** .003	.667* .013	.881** .000	1.000	
	N	.363 .223	.660* .014	.381 .199	.260 .392	1.000

** (p<0.01) level is meaningful (2- tailed). * (p<0.05) level is meaningful (2- tailed).
(APFR: Access to Physical and Financial Resources, MC: Managerial Competence, CMS: Customer and Market Search, F: Financial, N: Nonfinancial).

3.6.6. Correlations between Capabilities and Entry Modes Determinants

As a result of the Spearman Correlation analysis in Table 3.22, as a whole, it was found that there is a solely moderate positive and significant correlation between CC Commercial Capability dimension and the factors determining the capabilities of the business in the internationalization process with respect to the entry mode choice of the enterprise's international market and the levels of the determining factors M: Market: E: Experience; ITA: Intangible and Tangible Assets.

Commercial capability dimension and market (r= 0.520, p= .000<0.05), experience (r= 0.660, p= .000<0.05), besides intangible and tangible assets (r= 0.532, p= .000<0.05) dimensions are positively correlated.

In the process of the internationalization of the firm, commercial capability dimension positively influences the determinant factors of the firm's choice of market entry mode. More specifically, the more the firm increases its commercial capabilities, the more positively it can make the choice of entry mode and this attitude may prevent possible wrong choices that the company may experience making.

Table 3.22 Correlations between Capabilities and Entry Mode Determinants

Variable	Dimension	ITC	HOC	CC	RU	M	E	ITA
Capabilities	ITC	1.000						
	HOC	.133 .636	1.000					
	CC	.647** .009	.146 .604	1.000				
Entry Mode Determinants	RU	.319 .246	-.004 .990	.458 .086	1.000			
	M	.415 .124	-.017 .951	.520* .047	.886** .000	1.000		
	E	.510 .052	.073 .795	.660** .007	.750** .001	.705** .003	1.000	
	ITA	.409 .131	.160 .569	.532* .041	.818** .000	.929** .000	.691** .004	1.000

** (p<0.01) level is meaningful (2- tailed). * (p<0.05) level is meaningful (2- tailed).
(ITC: Innovation and Technology Capability; HOC: Human and Organizational Capability; CC: Commercial Capability; RU: Restriction and Uncertainty; M: Market; E: Experience; ITA: Intangible and Tangible Assets).

3.6.7. Correlations between Eclectic Paradigm and Risk Factors

As seen on Spearman Correlation analysis in Table 3.23, as a general expression, it was stated that there is a temperate positive and significant relatedness between the dimensions of Eclectic Paradigm in the internationalization process Ownership (O) and Internalization (I) with dimensions of the risks taken for the enterprise when it decides to enter the international market EUA: Ethical Uncertainties and Arbitrariness, ATFDI Attitude Towards FDI, RI Risk of Interventions, PEU Political Economic Uncertainties and IRTH International Relations of The Host.

Ownership dimension and ethical uncertainties and arbitrariness ($r= 0.533$, $p= .000<0.05$), attitude towards FDI ($r= 0.534$, $p= .000<0.05$), risk of interventions ($r= 0.537$, $p= .000<0.05$) and international relations of the host ($r= 0.532$, $p= .000<0.05$) dimensions occur to be positive. Internalization dimension and ethical uncertainties and arbitrariness ($r= 0.556$, $p= .000<0.05$), attitude towards FDI ($r= 0.674$, $p= .000<0.05$), risk of interventions ($r= 0.606$, $p= .000<0.05$), political economic uncertainties ($r= 0.604$, $p= .000<0.05$) immediately afterwards international relations of the host ($r= 0.627$, $p= .000<0.05$) dimensions are positively related. There is no significant relationship between location dimension of the firm's prominent advantages in the internationalization process and the dimension of the risks taken for the enterprise when it has made the decision with regard to entering the international market.

The levels of ownership and internalization advantages in the internationalization process of the firm positively affect the determination of the risks it takes when it is decided to enter the market. Accordingly, what risks will be taken and what precautions will be taken against these risks can be determined; thus the company can get rid of the maximum damage in the face of prospective risks.

Table 3. 23 Correlations between Eclectic Paradigm and Risk Dimensions

Variable	Dimension	O	L	I	EUA	ATFDI	RI	PEU	IRTH	LO
Eclectic Paradigm	**O**	1.000								
	L	.515* .049	1.000							
	I	.762** .001	.468 .078	1.000						
Risk	**EUA**	.533* .041	.061 .828	.556* .032	1.000					
	ATFDI	.534* .040	.221 .428	.674** .006	.806** .000	1.000				
	RI	.537* .039	.217 .438	.606* .017	.703** .003	.891** .000	1.000			
	PEU	.469 .078	.247 .376	.604* .017	.687** .005	.872** .000	.949** .000	1.000		
	IRTH	.532* .041	.244 .380	.627* .012	.751** .001	.661** .007	.749** .001	.776** .001	1.000	
	LO	.266 .357	.184 .529	.301 .296	.720** .004	.586* .028	.639* .014	.691** .006	.612* .020	1.000

****** ($p<0.01$) level is meaningful (2- tailed). ***** ($p<0.05$) level is meaningful (2- tailed).

(O: Ownership; L: Location; I: Internalization; EUA: Ethical Uncertainties and Arbitrariness; ATFDI: Attitude towards FDI; RI: Risk of Interventions; PEU: Political Economic Uncertainties; IRTH: International Relations of the Host; LO: Law and Order).

3.6.8. Correlations between Eclectic Paradigm and Entry Mode Determinants

Spearman Correlation analysis outcome sets out that, on the whole, there is a statistically significant and positive interrelation between dimensions of Eclectic Paradigm in the internationalization process O Ownership and I Internalization within the chosen entry mode of the enterprise’s international market, the dimensions making up of the determining factors for which are RU Restriction and Uncertainty, M Market, E Experience, ITA Intangible and Tangible Assets dimensions.

Ownership dimension and restriction and uncertainty ($r= 0.790$, $p= .000<0.05$), market ($r= 0.766$, $p= .000<0.05$), experience ($r= 0.528$, $p= .000<0.05$), and what’s more, intangible and tangible assets ($r= 0.675$, $p= .000<0.05$) dimensions are positively correlated. Internalization dimension and restriction and uncertainty ($r= 0.724$, $p= .000<0.05$), market ($r= 0.792$, $p= .000<0.05$), experience ($r= 0.742$, $p= .000<0.05$), additionally intangible and tangible assets ($r= 0.730$, $p= .000<0.05$) dimensions are significantly associated. There is no significant relationship between the location dimension of the company’s prominent advantages in the internationalization process and in the choice entry mode of the enterprise’s international market dimensions of factors determination levels.

The Eclectic Paradigm in the phase of internationalization has effects over the factors of market entry mode selection positively. In other words, ownership and internalization advantages contribute to the studies by determining which mode to select for market entry mode determinants, which can be thought to be useful in terms of choosing the correct entry mode.

Table 3. 24 Correlations between Eclectic Paradigm and Entry Mode Determinants

Variable	Dimension	O	L	I	RU	M	E	ITA
Eclectic Paradigm	**O**	1.000						
	L	.515* .049	1.000					
	I	.762** .001	.468 .078	1.000				
Entry Mode Determinants	**RU**	.790** .000	.232 .405	.724** .002	1.000			
	M	.766** .001	.494 .061	.792** .000	.886** .000	1.000		
	E	.528* .043	.367 .178	.742** .002	.750** .001	.705** .003	1.000	
	ITA	.675** .006	.388 .154	.730** .002	.818** .000	.929** .000	.691** .004	1.000

** (p<0.01) level is meaningful (2- tailed). * (p<0.05) level is meaningful (2- tailed).
(O: Ownership, L: Location, I: Internalization, RU: Restriction and Uncertainty, M: Market, E: Experience, ITA: Intangible and Tangible Assets).

3.6.9. Correlations between Eclectic Paradigm and Market Evaluation Factors

Relying on the results of Spearman Correlation analysis, it is seen that there is a significant and positive relationship between dimensions of Eclectic Paradigm in the internationalization process O Ownership and L Location and the only FS: Financial Success dimension of market evaluation of the firm when it is decided to invest in foreign markets.

Ownership and financial success (r= 0.602, p= .000<0.05) dimensions are positively related to each other. Location and financial success (r= 0.552, p= .000<0.05) dimensions are positively correlated to each other, too. There is no meaningful relationship between the internalization dimension of the firm’s prominent advantages in the internationalization process and the dimensions of market evaluation of the firm when it is decided to invest in foreign markets.

Table 3. 25 Relationship between Eclectic Paradigm and Market Evaluation Dimensions

Variable	Dimension	O	L	I	MC	FS
Eclectic Paradigm	O	1.000				
	L	.515* .049	1.000			
	I	.762** .001	.468 .078	1.000		
Market Evaluation	MC	.125 .657	.398 .142	.344 .209	1.000	
	FS	.602* .018	.552* .033	.439 .102	.673** .006	1.000

** (p<0.01) level is meaningful (2- tailed). * (p<0.05) level is meaningful (2- tailed).
(O: Ownership, L: Location, I: Internalization, MC: Market and Competition, FS: Financial Success).

3.6.10. Correlations between Eclectic Paradigm and Changes of Internationalization

In Spearman Correlation analysis in Table 3.26, a statistically significant and positive correlation is observed among the dimensions of Eclectic Paradigm in the internationalization process O Ownership, L Location and I Internalization and the dimensions of the changes in the company after internationalization F Financial, N Nonfinancial.

Ownership dimension and nonfinancial (r= 0.655, p= .000<0.05) dimension are positively and moderately correlated. There is a positive and high correlation between the location dimension and the financial (r= 0.710, p= .000<0.05) dimension. Also, internalization dimension and nonfinancial (r= 0.573, p= .000<0.05) dimension have a positive correlation.

Table 3. 26 Relationship between Eclectic Paradigm and Changes of Internationalization Dimensions

Variable	Dimension	O	L	I	F	N
Eclectic Paradigm	**O**	1.000				
	L	.515* .049	1.000			
	I	.762** .001	.468 .078	1.000		
Changes of Internationalization	**F**	.373 .209	.710** .007	.548 .052	1.000	
	N	.655* .015	.154 .615	.573* .041	.260 .392	1.000

****** (p<0.01) level is meaningful (2- tailed). ***** (p<0.05) level is meaningful (2- tailed).
(O: Ownership; L: Location; I: Internalization; F: Financial; N: Nonfinancial).

3.6.11. Correlations between Risk Factors and Entry Mode Determinants

Spearman Correlation analysis is performed to statistically test the significance of risk dimensions and entry mode determinants dimensions in Table 3.27. Overall, a positive and significant relationship was found. These are: dimensions of the risks taken for the enterprise when it is decided to enter the international market EUA: Ethical Uncertainties and Arbitrariness, ATFDI: Attitude Towards FDI, RI: Risk of Interventions, PEU: Political Economic Uncertainties, IRTH: International Relations of The Host, LO: Law and Order and in the enterprise's international market entry mode choice the dimensions determination factors of which are RU: Restriction and Uncertainty, M: Market, E: Experience, ITA: Intangible and Tangible Assets.

There is a positive connection between ethical uncertainties and arbitrariness dimension and restriction and uncertainty (r= 0.713, p= .000<0.05), and afterwards experience (r= 0.517, p= .000<0.05) dimensions. Attitude towards FDI dimension and restriction and uncertainty (r= 0.614, p= .000<0.05), market (r= 0.523, p= .000<0.05), and experience (r= 0.538, p= .000<0.05) dimensions are positively related. Risk of Interventions dimension and restriction and uncertainty (r= 0.580, p= .000<0.05) dimensions are positively related to each other. Political economic uncertainties dimension and intangible and tangible assets (r= 0.517, p= .000<0.05) dimensions are positively correlated. International relations of the host dimension and restriction and uncertainty (r= 0.570, p= .000<0.05) dimensions are positively correlated. Finally, law and order dimension and restriction and uncertainty (r= 0.584, p= .000<0.05) and experience (r= 0.603, p= .000<0.05) dimensions are positively connected.

Table 3.27 Relationship between Risk and Entry Mode Determinants

Variable	Dimension	EUA	ATFDI	RI	PEU	IRTH	LO	RU	M	E	ITA
Risk	**EUA**	1.000									
	ATFDI	$.806^{**}$ .000	1.000								
	RI	$.703^{**}$ .003	$.891^{**}$ .000	1.000							
	PEU	$.687^{**}$ .005	$.872^{**}$ .000	$.949^{**}$ .000	1.000						
	IRTH	$.751^{**}$ .001	$.661^{**}$ .007	$.749^{**}$ .001	$.776^{**}$ .001	1.000					
	LO	$.720^{**}$ .004	$.586^{*}$ .028	$.639^{*}$ .014	$.691^{**}$ .006	$.612^{*}$ .020	1.000				
Entry Mode Determinants	**RU**	$.713^{**}$ .003	$.614^{*}$ .015	$.580^{*}$ .023	.511 .052	$.570^{*}$ .027	$.584^{*}$ .028	1.000			
	M	.498 .059	$.523^{*}$ .045	.498 .059	.464 .082	.481 .069	.434 .121	$.886^{**}$ .000	1.000		
	E	$.517^{*}$ .048	$.538^{*}$ .039	.407 .132	.467 .079	.499 .058	$.603^{*}$ .022	$.750^{**}$ .001	$.705^{**}$ .003	1.000	
	ITA	.477 .072	.513 .051	.460 .085	$.517^{*}$ .049	.482 .069	.442 .114	$.818^{**}$ .000	$.929^{**}$ .000	$.691^{**}$ .004	1.000

****** ($p<0.01$) level is meaningful (2- tailed). ***** ($p<0.05$) level is meaningful (2- tailed).
(EUA: Ethical Uncertainties and Arbitrariness; ATFDI: Attitude towards FDI; RI: Risk of Interventions; PEU: Political Economic Uncertainties; IRTH: International Relations of the Host; LO: Law and Order; RU: Restriction and Uncertainty; M: Market; E: Experience; ITA: Intangible and Tangible Assets).

3.6.12. Correlations between Risk and Obstacle Factors

In Spearman Correlation analysis in Table 3.28, a temperate positive and significant interrelation is observed among dimensions of the risks taken for the enterprise when it decides to enter the international market; namely among ATFDI Attitude Towards FDI, RI Risk of Interventions, PEU Political Economic Uncertainties, IRTH International Relations of The Host, LO Law and Order with dimensions of the obstacles encountered in the internationalization process of firms, KA Knowledge Acquisition and CN Communication and Network.

Attitude towards FDI dimension and communication and network ($r= 0.594$, $p= .000<0.05$) dimensions are positively associated. Risk of Interventions dimension and communication and network ($r= 0.560$, $p= .000<0.05$) dimension are positively associated with each other. There is a positive association between political economic uncertainties dimension and knowledge acquisition ($r= 0.622$, $p= .000<0.05$) and communication and network ($r= 0.647$, $p= .000<0.05$) dimensions. The relationship between international relations of the host dimension and knowledge acquisition ($r= 0.589$, $p= .000<0.05$) dimension seem to be positive. Law and order dimension and knowledge acquisition ($r= 0.587$, $p= .000<0.05$) and communication and network ($r= 0.756$, $p= .000<0.05$) dimensions are positively interrelated as well. There is no meaningful relationship between the dimensions of the risks taken for the enterprise when it decides to make an entrance into the international market and dimensions of the obstacles encountered in the internationalization process of firms PD: Product Development and FR: Financial Risk.

Table 3.28 Relationship between Risk and Obstacles Dimensions

Variable	Dimension	EUA	ATFDI	RI	PEU	IRTH	LO	PD	FR	KA	CN
Risk	EUA	1.000									
	ATFDI	.806** .000	1.000								
	RI	.703** .003	.891** .000	1.000							
	PEU	.687** .005	.872** .000	.949** .000	1.000						
	IRTH	.751** .001	.661** .007	.749** .001	.776** .001	1.000					
	LO	.720** .004	.586* .028	.639* .014	.691** .006	.612* .020	1.000				
Obstacles	PD	-.054 .855	.008 .978	-.100 .734	-.064 .828	.005 .988	.123 .676	1.000			
	FR	.130 .645	.302 .274	.177 .529	.186 .506	.338 .217	-.030 .918	.617* .019	1.000		
	KA	.403 .136	.491 .063	.503 .056	.622* .013	.589* .021	.587* .027	.452 .104	.389 .152	1.000	
	CN	.397 .143	.594* .019	.560* .030	.647** .009	.363 .184	.756** .002	.493 .073	.234 .402	.835** .000	1.000

****** (p<0.01) level is meaningful (2- tailed). ***** (p<0.05) level is meaningful (2- tailed).
(EUA: Ethical Uncertainties and Arbitrariness; ATFDI: Attitude Towards FDI; RI: Risk of Interventions; PEU: Political Economic Uncertainties; IRTH: International Relations of The Host; LO: Law and Order; PD: Product Development; FR: Financial Risk; KA: Knowledge Acquisition; CN: Communication and Network).

3.6.13. Correlations between Risk and Market Evaluation Factors

Spearman Correlation analysis is applied to statistically assess the significance of the dimensions of the risks taken for the enterprise when it decides to make an entrance into the international bazaar and the dimensions of market evaluation of the company when it is decided to invest in foreign markets in Table 3.29. In general, a moderate positive and significant relationship was found. These are: dimensions of the risks taken for the enterprise when it is decided to enter the international market ATFDI: Attitude Towards FDI, RI: Risk of Interventions, PEU: Political Economic Uncertainties, LO: Law and Order with dimensions of market evaluation of the firm when it is decided to invest in foreign markets MC: Market and Competition, FS: Financial Success.

The relatedness between Attitude Towards FDI dimension and market and competition (r= 0.595, p= .000<0.05) and financial success (r= 0.634, p= .000<0.05) dimensions occur to be positive. Risk of interventions dimension and market and competition (r= 0.672, p= .000<0.05) and financial success (r= 0.662, p= .000<0.05) dimensions are positively interrelated. There is a positive relationship between political economic uncertainties dimension and market and competition (r= 0.662, p= .000<0.05) and financial success (r= 0.590, p= .000<0.05) dimensions. Law and order dimension and financial success (r= 0.580, p= .000<0.05) dimensions are positively correlated. There is no notable relationship between ethical uncertainties and arbitrariness, and international relations of the host dimensions of the risks taken for the enterprise when it decides to embark on the international market and dimensions of market evaluation of the firm when it is decided to invest in foreign markets.

Table 3. 29 Relationship between Risk and Market Evaluation Dimensions

Variable	Dimension	EUA	ATFDI	RI	PEU	IRTH	LO	MC	FS
Risk	**EUA**	1.000							
	ATFDI	.806** .000	1.000						
	RI	.703** .003	.891** .000	1.000					
	PEU	.687** .005	.872** .000	.949** .000	1.000				
	IRTH	.751** .001	.661** .007	.749** .001	.776** .001	1.000			
	LO	.720** .004	.586* .028	.639* .014	.691** .006	.612* .020	1.000		
Market Evaluation	**MC**	.287 .299	.595* .019	.672** .006	.662** .007	.407 .132	.486 .078	1.000	
	FS	.407 .132	.634* .011	.662** .007	.590* .021	.386 .155	.580* .030	.673** .006	1.000

****** (p<0.01) level is meaningful (2- tailed). ***** (p<0.05) level is meaningful (2- tailed).
(EUA: Ethical Uncertainties and Arbitrariness; ATFDI: Attitude Towards FDI; RI: Risk of Interventions; PEU: Political Economic Uncertainties; IRTH: International Relations of The Host; LO: Law and Order; MC: Market and Competition; FS: Financial Success).

3.6.14. Correlations between Risk Factors and Changes of Internationalization

Relying on the outcomes of the Spearman Correlation analysis, it is visible that there is a temperate positive and observable correlation between the dimensions of the risks taken for the enterprise when it makes the decision to embark on the international market EUA: Ethical Uncertainties and Arbitrariness, IRTH: International Relations of The Host N: Nonfinancial dimension of the changes in the company after internationalization.

There exists a positive correlation between ethical uncertainties and arbitrariness dimension and nonfinancial (r= 0.671, p= .000<0.05) dimension. International relations of the host dimension and nonfinancial (r= 0.576, p= .000<0.05) dimensions are affirmatively correlated. No meaningful relationship is signified between ATFDI Attitude Towards FDI, RI Risk of Interventions, PEU Political Economic Uncertainties, LO Law and Order dimensions of the risks taken for the enterprise when it bears the idea to enter the international market and just the financial dimension of the changes in the company to be observed after internationalization.

Table 3. 30 Relationship between Risk and Changes of Internationalization Dimensions

Variable	Dimension	EUA	ATFDI	RI	PEU	IRTH	LO	F	N
Risk	**EUA**	1.000							
	ATFDI	.806** .000	1.000						
	RI	.703** .003	.891** .000	1.000					
	PEU	.687** .005	.872** .000	.949** .000	1.000				
	IRTH	.751** .001	.661** .007	.749** .001	.776** .001	1.000			
	LO	.720** .004	.586* .028	.639* .014	.691** .006	.612* .020	1.000		
Changes of Internationalization	**F**	-.088 .776	.356 .233	.169 .582	.229 .452	-.067 .828	.093 .775	1.000	
	N	.671* .012	.498 .083	.338 .259	.343 .251	.576* .040	.410 .186	.260 .392	1.000

****** (p<0.01) level is meaningful (2- tailed). ***** (p<0.05) level is meaningful (2- tailed).
(EUA: Ethical Uncertainties and Arbitrariness; ATFDI: Attitude Towards FDI; RI: Risk of Interventions; PEU: Political Economic Uncertainties; IRTH: International Relations of The Host; LO: Law and Order; F: Financial, N: Nonfinancial).

3.6.15. Correlations between Entry Mode Determinants and Market Evaluation Factors

The outcome of Spearman Correlation analysis sets out that, normally, that there is a moderate positive and statistically significant interrelation among the levels of elemental dimensions in the choice of entry mode of the enterprise's international market entrance RU: Restriction and Uncertainty, M: Market, E: Experience dimensions with FS: Financial Success dimensions of market evaluation of the firm when it is decided to invest in foreign markets.

There stands out an affirmative relationship between restriction and uncertainty dimension and financial success (r= 0.713, p= .000<0.05) dimensions. The relationship between market dimension and financial success (r= 0.580, p= .000<0.05) dimensions seem to be positive. Spearman Correlation results indicate that experience dimension and financial success (r= 0.517, p= .000<0.05) dimensions are positively related. No significant relationship is observable between the levels of the determinant factors posing impacts over the dimensions within the entry mode choice of the enterprise's international market and the intangible and tangible assets dimension and financial success dimension of market evaluation of the firm when it is decided to invest into foreign markets. No meaningful relationship is foregrounded between the determining levels of the factors that play roles on the selection of entry mode of the enterprise's international market entry and market and competition dimension of market evaluation of the firm when it is decided to invest ino foreign markets.

Table 3.31 Relationship between Entry Mode Determinants and Market Evaluation Dimensions

Variable	Dimension	RU	M	E	ITA	MC	FS
Entry Mode Determinants	**RU**	1.000					
	M	.886** .000	1.000				
	E	.750** .001	.705** .003	1.000			
	ITA	.818** .000	.929** .000	.691** .004	1.000		
Market Evaluation	**MC**	.174 .535	.346 .206	.263 .344	.283 .306	1.000	
	FS	.580* .023	.585* .022	.514* .050	.477 .072	.673** .006	1.000

****** (p<0.01) level is meaningful (2- tailed). ***** (p<0.05) level is meaningful (2- tailed).
(RU: Restriction and Uncertainty; M: Market; E: Experience; ITA: Intangible and Tangible Assets; MC: Market and Competition; FS: Financial Success).

3.6.16. Correlations between Entry Mode Determinants and Changes of Internationalization

In Spearman Correlation analysis, it was widely detected that a moderate positive and significant relation is existent between dimensions of RU Restriction and Uncertainty, M Market, E Experience, ITA Intangible and Tangible Assets in the selection of entry mode of the enterprise's international market entry dimensions' determinant factor levels and merely N Nonfinancial dimension of the changes occurring in the company after internationalization.

Restriction and uncertainty dimension and nonfinancial ($r= 0.692$, $p= .000<0.05$) dimension embed a positive relationship that exists between them. The correlation between market dimension and nonfinancial ($r= 0.655$, $p= .000<0.05$) dimension also appear to be positive. Spearman Correlation results illustrate that experience dimension and nonfinancial ($r= 0.608$, $p= .000<0.05$) dimension are positively correlated. Intangible and tangible assets dimension and nonfinancial ($r= 0.732$, $p= .000<0.05$) dimension are positively related as well. There is no indication to any meaningful relationships between the determinant factor levels regarding the dimensions in the choice of entry mode of the enterprise's international market entry and solely F Financial dimension of the changes in the company after internationalization.

Table 3.32 Relationship between Entry Mode Determinants and Changes of Internationalization

Variable	Dimension	RU	M	E	ITA	F	N
Entry Mode Determinants	**RU**	1.000					
	M	.886** .000	1.000				
	E	.750** .001	.705** .003	1.000			
	ITA	.818** .000	.929** .000	.691** .004	1.000		
Changes of Internationalization	**F**	.117 .705	.361 .225	.416 .157	.369 .215	1.000	
	N	.692** .009	.655* .015	.608* .027	.732** .004	.260 .392	1.000

****** (p<0.01)) level is meaningful (2- tailed). ***** (p<0.05)) level is meaningful (2- tailed).
(RU: Restriction and Uncertainty; M: Market; E: Experience; ITA: Intangible and Tangible Assets; F: Financial; N: Nonfinancial).

3.7. Differences between Variables

3.7.1. Differences in Expressions by Entry Mode

Table 3.33 shows the results of the Mann-Whitney U test conducted to determine the differences between the answers given by the hotels to the expressions made according to the entry mode in their international investments during the phase of internationalization.

The results of the analysis illustrate a significant difference determined between the direct investments and the management agreement according to the “product innovation” (p..029 <.05), which is one of the criteria for determining the capabilities of the enterprises. It has been determined that with direct investment entry mode have higher ranking average than those with management agreement, and there appears a notable difference between them.

Within the internationalization process of companies, in accordance with the Eclectic Paradigm advantages “access to referral and reservation system (p..047<.05) and economic and financial condition of host country (p..044<.05)”, a significant difference was observed between the entry mode management agreement and the direct investment modes. It has been detected that those with direct investment in entry mode have higher ranking average than those with management agreement and there is a significant difference between them.

A significant distinction was specified between the direct investments and the entry mode management agreement according to the “domestic experience (p..023<.05)”, which refers to the factors in the choice of the mode of entry to the international market of enterprises. It has been found that with direct investment in entry mode have higher ranking average than those with management agreement, and there is a significant difference between them.

From the obstacles encountered in the internationalization process "director's time lack for scrutinizing and analyzing the choices for foreign market entry (p..028<.05)" a significant difference was found between those who directly invested with the entry mode management agreement. It has been determined that those with direct investment in entry mode have higher ranking average than those with management agreement and there appears a significant difference between them.

Table 3. 33 Differences in Expressions by Entry Mode (Mann-Whitney U Test)

Expression	Entry Mode	Number (n)	Mean Rank	Mann-Whitney U	Wilcoxon	Z	Asymp. Sig. (p)
Product Innovation	Management Agreement	2	2.00	1.000	4.000	-2.183	**0.029**
	Direct Investment	12	8.42				
Access to Referral and Reservation System	Management Agreement	2	2.50	2.000	5.000	-1.985	**0.047**
	Direct Investment	12	8.33				
Economic and Financial Condition of Host Country	Management Agreement	2	2.25	1.500	4.500	-2.010	**0.044**
	Direct Investment	12	8.38				
Domestic Experience	Management Agreement	2	1.50	0.000	3.000	-2.278	**0.023**
	Direct Investment	12	8.50				
Lack of Manager's Time for Searching and Analyzing the Options for Foreign Market Entry	Management Agreement	2	1.75	0.500	3.500	-2.201	**0.028**
	Direct Investment	12	8.46				

3.7.2. Differences in Expressions by Entry Year

Table 3.34 portrays the results of the Mann-Whitney U test to comprehend the differences between the answers provided by the hotels in reply to the expressions related with the entry year in the internationalization process.

According to the "level of scientific-technical information (p..005<.01)" and "delivery time period (p..043<.05)" criteria of determining the capabilities of the enterprises in the results of the analysis, a significant difference was found between the firms with an entrance to abroad market year 2012 and before and those with the abroad market enterence year 2013 or later. It has been determined that those with an entrance year of 2013 and after are higher than those of 2012 and before, which constitutes a significant difference between them.

From Eclectic Paradigm advantages in the firms' internationalization process "size and growth of markets in host economy (p..016<.05)", a significant difference was observed between the firms with an entrance year 2012 and before and those with 2013 or later. It has been determined that those with an entrance year of 2012 and before are higher than those of 2013 and after, which signifies a substantial difference between them.

Considering one the changes in the company after internationalization, “profitability (p..042<.05)”, a significant difference was found between the firms with an entrance year 2012 and before and those with 2013 or later. It has been determined that those with an entrance year of 2012 and before have higher profit levels than those entering the foreign markets in 2013 or after then, which signifies a crucial difference between them.

Table 3.34 Differences in Expressions by Entry Year (Mann-Whitney U Test)

Expression	**Entry Year**	**Number (n)**	**Mean Rank**	**Mann-Whitney U**	**Wilcoxon**	**Z**	**Asymp. Sig. (p)**
Level of Scientific-technical Information	2012 and before	6	4.33	5.000	26.000	-2.792	**0.005**
	2013 and later	9	10.44				
Delivery Time Period	2012 and before	5	4.40	7.000	22.000	-2.026	**0.043**
	2013 and later	8	8.63				
Size and Growth of Markets in Host Economy	2012 and before	6	11.17	8.000	53.000	-2.419	**0.016**
	2013 and later	9	6.17				
Profitability	2012 and before	6	8.50	6.000	27.000	-2.031	**0.042**
	2013 and later	6	4.50				

3.7.3. Differences in Expressions by Classification

Table 3.35 depicts the results of the Mann-Whitney U test to determine the differences between the hotels’ responses to the statements made by classification in the internationalization process.

According to the “distribution network (p..004<.01)” criteria of determining the capabilities of the enterprises, in the results of the analysis, a significant difference was found out between the firms in the tourism and hotel management field and those labeled as holding and group companies. It was determined that those in the tourism and hotel management field have higher ranking average than those labeled as holding and group companies, and this points to a significant difference between them.

Table 3.35 Differences in Expressions by Classification (Mann-Whitney U Test)

Expression	**Classification**	**Number (n)**	**Mean Rank**	**Mann-Whitney U**	**Wilcoxon**	**Z**	**Asymp. Sig. (p)**
Distribution Network	Tourism and Hotel Management	5	12.60	2.000	57.000	-2.909	**0.004**
	Holding and Group Companies	10	5.70				

3.7.4. Differences in Expressions by Star Number

Table 3.36 illustrates the results of the Kruskal-Wallis test the purpose of which is to facilitate the comprehension of the differences that are present between the answers provided by the hotels based on the number of stars they had at the entrance to the internationalization process.

As a result of the analysis, from the motivations that lead the companies to the internationalization process “reduce risk of exchange rate (p..038<.05)”, the answers given in response to the statement related to the number of stars of the hotels differ significantly. It has been determined that the average rankings of 3 and 5 star enterprises are higher than 4 star enterprises and there is a significant difference between the given two groups.

According to the “integration in the company (p..010<.05)” and “brand image (p..032<.05)” criteria of determining the capabilities of the enterprises in the analysis to reach results, the responses provided in response to expressions differ significantly depending on the number of hotels’ stars. In the responses provided in return to to the statement regarding the integration of the company within the enterprise, it is defined that the average ranking of the 5 star enterprises is higher than the 3 and 4 star enterprises, and this indicates a notable difference between them. Elaborating the answers provided as responses to the brand image expression, it was specified that the ranking averages of 3 and 5 star enterprises are higher than the 4 star enterprises, which marks the another significant difference existent between them.

Table 3.36 Differences in Expressions by Star Number (Kruskal-Wallis Test)

Expression	**Star Number**	**Number (n)**	**Mean Rank**	**Chi-Square**	**Asymp. Sig. (p)**
Reduce Risk of Exchange Rate	3 Star	1	13.50	6.515	**0.038**
	4 Star	5	4.50		
	5 Star	9	9.33		
Integration in the Company	3 Star	1	1.00	9.210	**0.010**
	4 Star	4	3.88		
	5 Star	9	9.83		
Brand Image	3 Star	1	10.50	6.907	**0.032**
	4 Star	5	4.50		
	5 Star	9	9.67		

3.8. Comments of Participants

This section incorporates the answers to the open-ended question in the survey.

One of the participants mentioned that when investing abroad, first of all, it is necessary to evaluate political and economic risks. He added “However, no matter wherever you invest within the world, you are still an outsider, and you are treated accordingly. It is, thus, required that there be no contradiction against the rules and laws of the country where you invest so that the investment process will progress faster and easier".

One of the hoteliers emphasized the importance of being more advantageous in the Direct Investment real estate market, suggesting direct investments gave investor management authority. He further stated that direct investors focused on increasing productivity to increase profitability, thereby introducing new technology or making changes to the way of production.

One of the participants drew attention to the fact that pre-feasibility studies related to the supplementation of materials and products being transacted to selected foreign locations. He mentioned the difficulty in transporting the products from Turkey to abroad. He stated that they had problems due to difficulties inflicted by time limitations and transportation. He advised the hotel managers about the internationalization of hotel management assimilation at home country infrastructure, capacity and then expanding abroad. He underlined the essentialness of internationalization to promote their brands to the world and gain more guests, adding that it was among their main goals to get their guests to be accommodated in their facilities more than once and then to get the same guests to be accommodated in the hotels abroad under the very same brand.

One of the coordinators doesn't think a company using international management systems will have a hard time, mentioning that the most important issue is the source of opportunity and strong financial infrastructure in terms of internationalization.

One of the managers stated that the difficulties of the related country and geography to be invested into were important determinants, and that investor policies and the state of political relations between the investing and the invested countries are among the challenging factors.

One of the directors expressed the fundamentality of protecting the cultural assets of nature known to exist and paying attention to tourism diversity. He stated that he invested into Germany because it was a stable country, adding that Turkish-German relations are good. He also supplied an interesting piece of information relating to the nature of his business, mentioning that he ran a one-room hotel established by the transformation of a historical building into an accommodation unit.

One coordinator from another establishment stated that there was an isolation-driven attitude from Cyprus, explaining that direct flights neither to not from there were eligible, and that flying between these two countries was only possible via a connecting flight, being is a huge problem causing fewer tourists arrive in Cyprus due to the unpleasant burdens of cost and time. The lack of direct flights definitely seems to be affecting the internationalization activities of hoteliers negatively, and this is an issue that the two countries' investors might consider solving through informing their related government offices via their chambers of commerce, whom they must inform firstly to initiate negotiations between the government officials of these two countries on bilateral basis.

Another participant said that they tried to revive tourism having invested into a region located in the middle of nowhere, explaining that unlike others, they adopted unrecognizability. He stated that investment discounts and benefiting from tax benefits were among the reasons for internationalization. He further talked about the difficulties of persuading the public before starting the hotel then about business challenges. He emphasized the importance of the quality of service for success. He added every decision called for a cost and more detail, and that success, to a great extent, goes through detail check.

One of the managers said, "The biggest challenge in our facilities still under construction results from them being built on 2 separate islands in the Maldives, and our investment in logistics requires a great expenditure. He also mentioned "The wish to obtain the equipment related to our investment from Turkey, the considerable distance between the countries, time management with regard to the providing of the equipment have taken elaborate planning, and the provision of quality workforce to the workplace in construction is another problem".

Divan group's representative mentioned "We prefer the business agreement abroad as a growth strategy, and it is acted according to the standard regulations and opinions. The Divan group has a growth strategy with a management agreement only at home and abroad." He also mentioned that they did not have a growth strategy by investing, for this reason, they did not have a process such as purchasing, partnership, participating in investment and that they acted in tune with the developments in the tourism world.

One other participant company representative mentioned about the problems experienced due to adaptation process to the target country's working culture. He emphasized the importance of the current know-how transferring skills at hand as advantages. He further talked about their ability to produce practical solutions in the face of difficulties and to quickly process them. He pointed out that significant deviations in the investment budget were risky due to difficulties in accessing sufficient, effective information on time.

CONCLUSION

This study aims to reveal the factors affecting the internationalization process and entry modes of national hotel groups. In line with this purpose, first of all, the concept of internationalization, its causes, theories, process and entry modes are explained. Then, a survey was conducted for the Turkish firms that have foreign hotel investments abroad within the framework of these issues and concepts.

Within the boundaries of the relational propositions which are determined within the research's scope, whether the factors affecting the internationalization process of the companies differ according to the international market entry mode, the year of entry, the classification and the number of stars is statistically analyzed. Appropriate techniques of analysis were utilized in order to specify the hotels' entry modes to the international market, how many stars they have, their type of organization, and entry year to the interntional market distinctions regarding the investments group hotels made in terms of internationalization in the light shed by the data gathered from the questionnaire implemented. The data were tested with the analysis techniques used and the results obtained were revealed.

As stated in the population and sample size of the study, this study was applied on the Turkish firms that have foreign hotel investments abroad. The characteristics of the companies participating in the research are detailed. Accordingly, how the expressions in the survey were prepared within the scope of internationalization differ according to the characteristics of the companies.

In order to determine the contribution rates of internationalization to companies, questions of profitability, the company growth rate, image, brand value, market share, productivity, product quality and innovation were addressed. In line with the answers given, it has been determined that all of the companies' contribution to the organization of the companies abroad stants out to be at high rates. The fact that the abroad goals of the internationalized companies for the following years regarding their growth plans in terms of their number of hotels are fewer compared to those in the domestic market attracts attention. Firm managers who answered the survey questions stated that the company used the same strategies and methods as when they were first internationalized. Another noteworthy factor is that the investments of the companies into their foreign facilities and the amount of income obtained from these facilities are in harmony.

Looking into the responses of the firm administrators' replies to the expressions regarding the motivation, risks, and obstacles within the process of internationalization, results above average are encountered. In addition to this, when looking at the advantages (compared to competitors), international capabilities (according to international competitors), advantages of internationalization, market entry mode factors, evaluation regarding the market and the changes experienced, high level of results are encountered. In the light of these results, it can be said that managers think that internationalization has positive results in terms of the growth and development of companies.

Within the scope of the research, spearman correlation analysis was performed to specify the relationships between the variables.

As a result of the analyses carried out, the dimesions of motivations carrying a firm to internationalization and the dimensions making up the firm's advantages against the domestic / foreign investors and the dimensions constituting the Eclectic Paradigm advantages of the organization in the process of internationalization (Ownership, Location, Internalization) stands out as highly positive and meaningfully relevant.

It was found out that there exists a medium-leveled affirmative and significant relationship between the dimensions defining the entry-mode selection levels Market, Experience, Abstract and Concrete Assets, and the dimensions which constitute the advantages of the firm against the domestic / foreign investors Administrative efficiency, and Customer and Market Search.

As a whole, it was discovered that there exists a sole moderate positive and significant correlation between the Commercial Capability dimension and the factors determining the capabilities of the business in the phase of internationalization within the selection of entry mode of the enterprise's international bazaar the dimensions' determinant factor levels of Market, Experience, Intangible and Tangible Assets. Datta et. al (2002: 93) highlighted that the success related to foreign market entry is greatly dependent upon a firm's ability to accumulate knowledge, which is achieved through linking and leveraging the resources contributing to competitive advantage in the entry strategies' implementation.

It is determined that there is a temperate positively significant relatedness between the dimensions of the risks taken for the enterprise when it decides to enter the international market and the only Nonfinancial dimension of the changes in the company after internationalization.

The result of the the Mann-Whitney U test conducted in order to determine whether the level of participation in statements made to the managers of the companies participating in the research shows a significant difference according to the input mode variable in their international investments, the "product innovation" which is one of the criteria that determine the capabilities of the companies, "access to the referral and reservation system" "The economy and finance related circumstances present in the non-native country", the factors in the choice of mode of entry into global market, “experience within the country”, and the obstacles encountered in the phase of internationalization, the level of “administrator's failure to take time to conduct research and analysis on foreign market entry” showed a significant difference. The results obtained reveal that firms whose input mode is direct investment prefer an innovative approach focused on technology and development with their experiences based on firms with an input mode management agreement

As a result of the Mann-Whitney U test conducted so as to determine if the participation level in the statements directed to the managers of the companies shows a notable difference within the globalization phase with respect to the entry year variable, "scientific-technical knowledge level" and "delivery time" are among the advantages that determine the capabilities of the companies. As a result of the size and size of the markets in the economy and the activities, it was determined that the levels of “profitability” differed significantly in terms of the year of introduction. According to these results, it is seen that firms with an entrance year of 2013 and after participated more in the expressions of scientific-technical knowledge and delivery time compared to firms from 2012 and before. As pointed out by the obtained outcomes, it is possible to say that firms with an entry year of 2012 and before are paying more attention to the prominent advantages of the business and the changes experienced as a result of activities compared to firms with an entry year of 2013 and after.

Finally, as a result of the Kruskal-Wallis Test carried out so as to specify whether the level of participation in the statements directed to the managers of the companies shows a significant difference in terms of the number of stars they have at the beginning of the internationalization process, “reduction of exchange rate risk”, which is one of the criteria for determining the capabilities of the companies, “integration” and “brand image” levels were found to differ significantly in terms of the number of stars they have. According to these results, it is seen that 3 and 5 star enterprises are more involved in the decrease in the exchange rate risk and brand image expressions compared to 4 star enterprises, in addition, 5 star enterprises are more involved in the expression of the integration of employees compared to 3 and 4 star enterprises.

Theoretical Implications

With this study, it has been tried to measure how the factors affecting the internationalization process will differ according to the international market entry mode, entry year, classification and number of stars. This study shows that the studies that have been carried out in Turkey and abroad regarding the internationalization of hotel groups exhibit resemblences to each other. It has been demonstrated that a small number of Turkish companies have become internationalized. The research has a unique research feature with this aspect. With this research, it is thought that the factors affecting the internationalization process and the entry modes of the hotel groups will be determined and the results will contribute to the literature. In addition, the results obtained will serve as a guiding resource in reaching their later targets in internationalization processes in terms of hotel management. It is anticipated that the research will be of great importance with these aspects.

Practical Implications

The following suggestions have been provided for the purpose of eleminating the differences that were detected within this research;

Companies can evaluate the possibilities of increasing their profit shares if they enter the international market by trying the entry modes other than management agreement and direct investment.

The companies with an international market entry year after 2013 can increase their profitability rates by examining the strategies and current market situations of the companies that have previously entered international market, this will also help them eliminate the problem of adapting to the size of the markets in the host economy.

Future Research Recommendations

The questionnaire applications of the conducted research were applied in a certain period. For this reason, the survey studies of the research related to the subject may be repeated in the following years. Thus, it is thought that different results may be obtained. For this reason, it is recommended that the studies be carried out in a periodical fashion.

Although this study is a study for the framework of hotel businesses, its application for businesses in different sectors is also suggested because it can produce different results that may be invaluable in terms of the effects they may inflict on the sectors.

Limitations

The results of this study could be more generalizable if more data could have been obtained within the framework of this study. However, a small number of institutions were possible to be reached. Besides, there has been a shortage of resources regarding some issues such as the immense difficulty to find and reach resources for the causes of internationalization. The factors affecting the internationalization process are also the examples of the situation. Sufficient information was not found with subheadings related to the factors and thus, the subheading change was made. Factors from a new source are combined and grouped into paragraphs. A lot of resource reviews were made when writing the literature section. Consequently, this study certainly has some limitations. It would be wise to be witty generalizing the outcomes due to the fact that the research is concentrated on the hotel industry in Turkey. Thus, future studies can give insight into the practicability of our outcomes in distinctive contexts. The study could also have been more comprehensive via the inclusion of new modes of entry such as joint venture, franchising, etc.; new factors, or even via performing more partial analyses regarding every single one of the possibilities of the dependent variable. Lastly, the studies that will follow should make analyses regarding the bind between determining elements and company performance so as to reveal insights into if the proper entry modes' alignment with likewise elements really opens the doors to better outcomes. Nevertheless, in spite of the afore-mentioned limitations, the dissertation constitutes an extension to the studies carried out in distinctive settings. Through the revision and extension of the empirical evidence that was discovered before this study in the context of a late investor country, the current research seeks to extend the knowledge we have regarding the vital interrelationships on the internationalization of the hotel industry.

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APPENDIX

SURVEY FORM

Dear Participant,

This study is part of the master thesis study which is being carried out in the framework of the Master of Tourism Management Program of Akdeniz University.

The aim of the thesis study is to collect information on the Internationalization Process and Entry Modes of the National Hotel Groups. We are to examine the internationalization process of Turkish hotel chains, how they overcome the difficulties experienced in this process, what are the advantages of internationalization, and so on, it is planned to collect information on these topics and contribute to the elimination of deficiencies in this area.

All information obtained from you completely will be kept private and only will be used for academic study. To acquire exact scientific datas, I request that you read and answer every question with care; I thank you a lot for your contributions to my thesis study.

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PLEASE FILL THE FOLLOWING TABLE FOR EACH HOTELS IN ABROAD ABOUT YOUR ABROAD INVESTMENTS…																					
NAME OF COUNTRY	**ENTRY MODE** **A)**License Agreements **B)**Franchising **C)**Management Agreement **D)**Joint Venture **E)**Direct Investment					**STAR** **A)**3Star **B)**4 Star **C)**5 Star			**NUMBER OF ROOMS**	**TYPE OF BUSINESS** **A)** City Hotel **B)** Resort **C)** Other…..			**ENTR YEAR**	**CONTRIBUTION LEVEL TO COMPANY PERFORMANCE** Please score the following boxes (lowest 1 - highest 5)… **1 2 3 4 5**							
														Profitability	**Rate of Growth**	**Image**	**Brand Value**	**Market Share**	**Productivity**	**Quality of**	**Innovation**
	A	B	C	D	E	A	B	C		A	B	C									
	A	B	C	D	E	A	B	C		A	B	C									
	A	B	C	D	E	A	B	C		A	B	C									
	A	B	C	D	E	A	B	C		A	B	C									
	A	B	C	D	E	A	B	C		A	B	C									
	A	B	C	D	E	A	B	C		A	B	C									
	A	B	C	D	E	A	B	C		A	B	C									
	A	B	C	D	E	A	B	C		A	B	C									
	A	B	C	D	E	A	B	C		A	B	C									
	A	B	C	D	E	A	B	C		A	B	C									
	A	B	C	D	E	A	B	C		A	B	C									
	A	B	C	D	E	A	B	C		A	B	C									
	A	B	C	D	E	A	B	C		A	B	C									
	A	B	C	D	E	A	B	C		A	B	C									

1)WHAT ARE THE MOTIVATIONS IN INTERNATIONALIZATION PROCESS IN HOTEL SECTOR?

PLEASE DETERMINE THE IMPORTANCE LEVELS…

1 NOT AT ALL IMPORTANT – 5 VERY IMPORTANT

Speed of entry into foreign market	1	2	3	4	5
Increase market share	1	2	3	4	5
Reduce competition	1	2	3	4	5
Enable product diversification	1	2	3	4	5
Facilitate international expansion	1	2	3	4	5
Tax advantages	1	2	3	4	5
Gain revenue/profit enhancement	1	2	3	4	5
Reduce risk of exchange rate	1	2	3	4	5
Reduce transaction cost	1	2	3	4	5
Cultural similarity	1	2	3	4	5
Access to natural resources	1	2	3	4	5
Access to local suppliers and customers	1	2	3	4	5
Level of management control	1	2	3	4	5
Access to management know-how	1	2	3	4	5
Access to advanced technology	1	2	3	4	5
Achieve economies of large scale	1	2	3	4	5
Reduce cost by globalizing supply chain	1	2	3	4	5

2) WHAT ARE THE ADVANTAGES IN OTHER DOMESTIC / FOREIGN INVESTORS? Please compare your company's advantages to the state-owned enterprises and foreign-invested enterprises in your industry respectively on the following aspects. Please tick the correspondent score (1 = significant disadvantage; 3 = no advantage or disadvantage; 5 = significant advantage).
PLEASE DETERMINE THE IMPORTANCE LEVELS …

1 WEAK– 5 STRONG

Access to human resource	1	2	3	4	5
Access to bank loans	1	2	3	4	5
Access to external investment	1	2	3	4	5
Access to important business information	1	2	3	4	5
Access to key raw material/parts	1	2	3	4	5
Enjoy government inducement	1	2	3	4	5
Utilization of social network	1	2	3	4	5
Operational efficiency	1	2	3	4	5
Cost control	1	2	3	4	5
Innovation	1	2	3	4	5
Market exploration	1	2	3	4	5
Response to market/ customer needs	1	2	3	4	5
Maintaining customer relationship	1	2	3	4	5
Brand identity development	1	2	3	4	5
Features of the offered service	1	2	3	4	5
Other ………………………………………………………… ………	1	2	3	4	5

3) WHICH FACTORS MORE DETERMINE OF BUSINESS' CAPABILITIES IN THE PROCESS OF INTERNATIONALIZATION?(When responding to the following items, please consider the firm's international capability based on its stock of capabilities to be made use of at the international level. Evaluate the strength of the firm's competitive position in terms of each item in relation to the international competitor average on a scale of 1-5 where 1 is much worse, 3 is approximately the same and 5 is much better).

PLEASE DETERMINE THE IMPORTANCE LEVELS …

1 NOT AT ALL IMPORTANT – 5 VERY IMPORTANT

Product innovation	1	2	3	4	5
Process technology and innovation	1	2	3	4	5
R&D capacity	1	2	3	4	5
Proximity to the business technological frontier	1	2	3	4	5
Level of scientific-technical information	1	2	3	4	5
Staff qualification	1	2	3	4	5
Integration in the company	1	2	3	4	5
Internal communication	1	2	3	4	5
Staff motivation	1	2	3	4	5
Brand image	1	2	3	4	5
Distribution network	1	2	3	4	5
Customer service structure	1	2	3	4	5
Knowledge of markets	1	2	3	4	5
External communication	1	2	3	4	5
Delivery time period	1	2	3	4	5

4)WHAT ARE THE ADVANTAGES OF BUSINESS IN THE PROCESS OF INTERNATIONALIZATION?

PLEASE DETERMINE THE IMPORTANCE LEVELS…

1NOT AT ALL IMPORTANT – 5VERY IMPORTANT

Size of firm	1	2	3	4	5
International experience	1	2	3	4	5
Trade mark and brand image	1	2	3	4	5
Extent and scope of training programs	1	2	3	4	5
Access to referral and reservation system	1	2	3	4	5
Knowledge of tastes and requirements	1	2	3	4	5
Size and structure of home industry	1	2	3	4	5
Economies of scope and joint supply	1	2	3	4	5
Economies of scale	1	2	3	4	5
Size and growth of markets in host economy	1	2	3	4	5
Size and nature or the city or region in host country	1	2	3	4	5
Opportunities for tourism	1	2	3	4	5
General infrastructure of host country	1	2	3	4	5
Physical proximity of host country	1	2	3	4	5

Host government policy towards inward direct investment	1	2	3	4	5
Political, social and economic stability of host country	1	2	3	4	5
Availability of good quality and low cost inputs	1	2	3	4	5
Ensure adequate quality control	1	2	3	4	5
Experience in international business	1	2	3	4	5
Coordinate the capabilities of parent company	1	2	3	4	5
Activities of parent company	1	2	3	4	5
Minimize negotiation and transaction costs	1	2	3	4	5
Exploit economies of scope	1	2	3	4	5
Economic and financial condition of host country	1	2	3	4	5
Host country policy towards foreign direct investment	1	2	3	4	5
The strength of the Turkish lira and interest rates relative to the invested country	1	2	3	4	5

5) WHICH RISKS DID YOU TAKE WHEN YOU DECIDE TO ENTER INTERNATIONAL MARKET, PLEASE EVALUATE ACCORDING TO THE IMPORTANCE LEVELS…

1NOT AT ALL IMPORTANT – 5 VERY IMPORTANT

Level of bribery	1	2	3	4	5
Level of corruption	1	2	3	4	5
Business ethics	1	2	3	4	5
Uncertainties in payments	1	2	3	4	5
Uncertainties in trading conditions	1	2	3	4	5
Attitude towards foreigners	1	2	3	4	5
Attitude towards private sector	1	2	3	4	5
Attitude towards technology transfer	1	2	3	4	5
Attitude towards expatriates	1	2	3	4	5
Intervention on terms of trade	1	2	3	4	5
Barriers in repatriation of earnings	1	2	3	4	5
Intervention on prices	1	2	3	4	5
Intervention on foreign exchange rates	1	2	3	4	5
Economic crises	1	2	3	4	5
Political stability/instability	1	2	3	4	5
License allocations	1	2	3	4	5
Legal uncertainties	1	2	3	4	5
Relations with its neighbors	1	2	3	4	5
Relations with the home country	1	2	3	4	5
Relationship with international establishments	1	2	3	4	5
Existence of illegal groups (mafia etc.)	1	2	3	4	5
Role of feodal figures	1	2	3	4	5

6) WHEN YOUR BUSINESS IS IN THE INTERNATIONAL MARKET ENTRY MODE SELECTION, WHAT KIND OF FACTORS DETERMINE WHICH LEVEL?

PLEASE DETERMINE THE IMPORTANCE LEVELS…

1DISAGREE – 5 AGREE

Government restrictions	1	2	3	4	5
Host country risk and uncertainty	1	2	3	4	5
Cultural proximity / distance	1	2	3	4	5

Market attractiveness for investment	1	2	3	4	5
Market attractiveness for tourism revenues	1	2	3	4	5
International experience	1	2	3	4	5
Domestic experience	1	2	3	4	5
Intangibles (fortune, enterprise value)	1	2	3	4	5
Brand equity	1	2	3	4	5
Financial capability	1	2	3	4	5
Market potential	1	2	3	4	5
Market competition	1	2	3	4	5
Company size	1	2	3	4	5
Management skills	1	2	3	4	5
Market size	1	2	3	4	5
Level of income	1	2	3	4	5
Market expansion	1	2	3	4	5
Country risk	1	2	3	4	5
Demand uncertainty	1	2	3	4	5
Legal restrictions	1	2	3	4	5
Openness of your home country	1	2	3	4	5
Competitive situation	1	2	3	4	5
Intensity in the sector	1	2	3	4	5
Business experience	1	2	3	4	5
Trust propensity	1	2	3	4	5
Risk propensity	1	2	3	4	5

7) WHAT KIND OF OBSTACLES YOUR BUSINESS ENCOUNTERED IN WHICH LEVELS IN INTERNATIONALIZATION PROCESS?

PLEASE DETERMINE THE IMPORTANCE LEVELS…
1NOT AT ALL IMPORTANT – 5 VERY IMPORTANT

Need to improve product quality while maintaining the current price level	1	2	3	4	5
Occurrence of exchange rate risk	1	2	3	4	5
Difficulty in finding foreign business opportunities	1	2	3	4	5
Lack of manager's time for searching and analyzing the options for foreign market entry	1	2	3	4	5
Lack of support (financial or bureaucratic) from state	1	2	3	4	5
Need to develop new products for the foreign market	1	2	3	4	5
Difficulty in establishing contacts with customers on foreign market	1	2	3	4	5
Lack of information for foreign market analysis	1	2	3	4	5
The necessity of service production to meet the needs of foreign customers	1	2	3	4	5
Technical, health and safety standards in foreign market	1	2	3	4	5
Difficulty in comparing the prices of products with foreign competition	1	2	3	4	5
Difficulty in obtaining a reliable foreign representation	1	2	3	4	5

8) WHEN YOU DECIDE TO INVEST IN FOREIGN MARKETS, EVALUATION OF YOUR COMPANY RELATED TO MARKETWHICH IS THE RELATIONSHIP BETWEEN THE FOLLOWING DIMENSIONS?

PLEASE DETERMINE THE IMPORTANCE LEVELS… 1NOT AT ALL IMPORTANT – 5VERY IMPORTANT					
Expected market potential	1	2	3	4	5
Expected annual growth rate	1	2	3	4	5
Profitability	1	2	3	4	5
Diversity of consumer tastes and preferences	1	2	3	4	5
Intensity of competition	1	2	3	4	5
Breakeven volume	1	2	3	4	5
Importance of a wide product line	1	2	3	4	5
Rate of change in demand	1	2	3	4	5

9) AS A RESULT OF INTERNATIONAL ACTIVITIES OF YOUR COMPANY, CHANGES IN YOUR COMPANY PLEASE EVALUATE THE FOLLOWING CRITERIA FRAMEWORK.

PLEASE DETERMINE THE IMPORTANCE LEVELS

(1=negative, 3= neither positive nor negative, 5=positive).

1 NEGTIVELY/ 5 POZITIVELY					
Profitability	1	2	3	4	5
Productivity	1	2	3	4	5
Efficiency	1	2	3	4	5
Market share	1	2	3	4	5
Costs	1	2	3	4	5
Capacity	1	2	3	4	5
Company image	1	2	3	4	5
Competition power	1	2	3	4	5
Turning to new investments	1	2	3	4	5
Employee moralesituation	1	2	3	4	5
Cultural change	1	2	3	4	5
Customer satisfaction	1	2	3	4	5
Product and service quality	1	2	3	4	5

10) WOULD YOU STILL USE THE SAME STRATEGIES AND METHODS TODAY TO GO INTERNATIONAL THAT YOU DID DURING THE FIRST TIME? WHY?

	First strategy	Second strategy
License Agreements		
Franchising		
Management Agreement		
Joint Venture		
Direct Investment		

EXPLANATION:……………………………………………………………………………… ………………………………………………………

11) IN THE FRAMEWORK OF YOUR EXPERIENCES,WHEN YOUR INTERNATIONALIZATION PROCESS EVALUATIONWHAT DO YOU WANT TO ADDOTHER VIEWS AND RECOMMENDATIONS? (Strategies, challenges,

advantages disadvantages, risks, motivation etc.)
12) WHAT IS YOUR GROWTH PLANS FOR 5 YEARS IN THE FUTURE? PLEASE SPECIFY. **Number of National Hotels:…………** **Number of International Hotels:………….**
13) WITHIN THE STRUCTURE OF YOUR COMPANY HOW MANY DIFFERENT HOTEL GROUPS ARE THERE? **A) 1 B)2 C)3 D) 4 and above**
14) IN YOUR TOTAL SALES REVENUES THE SHARE OF FACILITIES IN ABROAD? %……….

Please fill in the table below…

	Domestic Hotel	Foreign Hotel
Number of Hotels		
Number of Rooms		
Number of Employees (Annual Average)		
Investment Amount		

Gender	a)Woman b)Male
Position	
Level of education	
Full operating time in Tourism sector	a) 1 year and above b) 5-10 years c) 10 year and above

CURRICULUM VITAE

<table>
<tr><td>Name and SURNAME</td><td>Ayşegül DEMİR</td></tr>
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<tr><td>Foreign Languages</td><td>English (intermediate), Russian (beginner)</td></tr>
<tr><td colspan="2">ACADEMIC ACTIVITIES</td></tr>
<tr><td colspan="2">Aksu, A. A., Yaşar, S., Öz, K., Demir, A., Turgut, A. Y. and Fauziah S. (2016). “Sustainability Practices of Turkish Hotels: A Research in the City of Antalya, Turkey”. Turizam International Scientific Journal, vol.20, pp.128-140.
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