Religiosity and Firm Internationalisation

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ABSTRACT

Firm internationalisation is affected by a range of factors. However, little is known about the importance of religiosity in this regard. Drawing on the context of Muslim managers of Malaysian SMEs, this paper explores the potential significance of religiosity in influencing the three key internationalisation decisions (where, when, and how to internationalise). The present paper is a work-in-progress piece in which sixteen hypotheses are presented. The study will be developed further during the coming months, including data collection and analysis, to ensure richer discussion during the AIB-Southeast Asia annual meeting in December.

Keywords: Religiosity; internationalization; culture
1. INTRODUCTION

Despite the fact that 83 percent of the global population is religiously affiliated (Pew Research Center, 2012a), research pertaining to religion remains somewhat marginal in international business (IB) research. Moreover, when religion does appear in the IB literature, our understanding of its influence is somewhat restricted as it is usually subsumed under the broader concept of ‘culture’, alongside things like language and social norms (Boyacigiller, 1990; Ghemawat, 2001). To be fair, this is understandable and in many ways appropriate, given that there is considerable overlap between ‘religion’ and ‘culture’ in terms of their relation to, for instance, morals, ethics, and norms. Despite this overlap, though, it is important for IB researchers to acknowledge religion’s unique and often profound effect on the lives of its adherents. As Harrison (2011: 26) observes, while religion may not be “the only fount of cultural values, beliefs, and attitudes…it is surely one of the most influential”.

Admittedly, this may not always be apparent in large parts of today’s world, where religion’s role in public (and even private) life has become increasingly peripheral, but for a significant portion of people worldwide, religion’s place in life continues to be found very much at the centre, giving people a personal sense of meaning (Park, 2013) and purpose (Tirri & Quinn, 2010).

Crucially, though, religion’s influence can even extend into the ‘public’ realm of business and management, offering guidance on, for example, workplace ethics (Richardson, Sinha, & Yaapar, 2014), strategic leadership (Worden, 2005), and employment relationships (Chan, McBey, & Scott-Ladd, 2011). Although management scholars from a range of disciplines have recognised the importance of religion in shaping organisational practices generally, IB researchers have remained relatively silent on the matter in their specific domain. Given the scope of religious belief, and its impact on both personal and professional activities, we believe that religion merits closer inspection in IB, which is precisely our task here. More
specifically, we investigate the impact of religiosity on the three key decisions facing managers of internationalising firms: where, when, and how their companies internationalise (Williams & Gregoire, 2015). While firm internationalisation represents one of the dominant themes in the IB research agenda (Griffith, Cavusgil, & Xu, 2008; Seno-Alday, 2010), relatively little is known about the role and impact of religion (Dow & Karunaratna, 2006; Li, 2008; Richardson, 2014), and, by extension, religiosity.

We focus our investigation on the Islamic context for two key reasons. First, among the world’s religious traditions, Islam is fairly unique in terms of both its powerful influence on the culture of its faithful (Harrison, 2011) and the scale of religiosity of its followers (Lewis & Kashyap, 2013). The majority of people in several Islamic countries not only abide by ‘personal’ religious rulings regarding actions like prayer and fasting, but even favour a dominant role for their religion in ‘public’ matters such as education and law. Two recent surveys conducted by the Pew Research Center, for example, revealed that in various Islamic countries, the vast majority of Muslims prayed five times a day (2012b), with more than three-quarters of the religion’s followers in South and Southeast Asia favouring Islamic law (the Shariah) as their nation’s official law (2013a). Second, business transactions within the Muslim world have been largely overlooked in the IB literature (Richardson, 2014), despite the fact that (a) nearly a quarter of the world’s population is Muslim (Pew Research Center, 2013b) and (b) a number of countries in the Islamic world are beginning to play a more prominent role in IB (Weir, 2000; Zahra, 2011). Accordingly, our study contributes not only to our understanding of the role of religion in IB activities, but also, on a secondary level, to a particular socio-cultural context that has largely occupied the fringes of IB research.

In the following section, we review the literature relating to firm internationalisation (with particular emphasis on the importance of cultural differences) and religion/religiosity.
Next, we describe the methodological approach that will be adopted in the investigation before presenting ending the article with some expected contributions.

2. LITERATURE REVIEW AND HYPOTHESES

Internationalisation decisions

Internationalisation, which refers to the process of adapting firm operations to international environments (Calof & Beamish, 1995: 116), revolves around three critical and interrelated decisions: where (market selection), when (timing of entry), and how (entry mode) to expand (Coeurderoy & Murray, 2008; Isobe, Makino, & Montgomery, 2000; Williams & Gregoire, 2015). It is important that managers treat each of these issues with great care, since the potential gains of internationalisation are plentiful, including positive innovation outcomes (Hitt, Hoskisson, & Kim, 1997), knowledge development (Zahra, Ireland, & Hitt, 2000), and enhanced performance (Kirca et al., 2011). At the same time, though, internationalising firms are also often hindered by a ‘liability of foreignness’ (LoF) (Wocke & Moodley, 2015; Yildiz & Fey, 2012) and limited (experiential) knowledge about a new country and its various cultural, social, and institutional idiosyncrasies (Contractor, 2007; Maitland & Sammartino, in press).

In their efforts to minimise their LoF and to save time and resources on learning about their new environment, firms often base their internationalisation decisions on the degree of cultural proximity between their target and host markets (Johanson & Vahlne, 1977; Maholtra, Sivakumar, & Zhu, 2009; Makino & Tsang, 2011). Where cultural distance is perceived as relatively great, managers anticipate greater difficulties in adapting their operations to the host country, and therefore may rank the market as a less desirable location. By the same measure, entry may be delayed and less advanced modes of entry favoured. In the following sections,
we discuss in more detail how each of the three internationalisation decisions are influenced by culture.

**Culture and market selection (where to internationalise)**

As more and more firms internationalise their activities, analysis of the initial foreign market(s) selected by firms as the starting point in their overseas expansion has taken on great significance (Cuervo-Cazurra, 2011). According to traditional internationalisation models (Cavusgil, 1980; Johanson & Vahlne, 1977; Johanson & Wiedersheim-Paul, 1975), cultural differences play an important role in market selection. These models posit that firms typically begin their international growth in markets perceived as being culturally similar to their home markets prior to entering culturally dissimilar markets. It is argued that managers believe they are less likely to misunderstand and misinterpret consumers, partners, and government actors in culturally close markets. In short, they anticipate fewer risks, challenges, and, therefore, costs (Blomkvist & Drogendijk, 2013). Empirical studies conducted over the years have lent support to these models (Erramilli, 1991; Moen, Gavlen, & Endresen, 2004; Barkema & Drogendijk, 2007).

In some instances, though, such predictions may not hold true (Bell, 1995; Cuervo-Cazurra, 2011). For example, perceived cultural proximity/distance is often exaggerated, a phenomenon referred to by some as the ‘national cultural distance paradox’ (Brouthers & Brouthers, 2001), and whose prevalence is not altogether uncommon (Evans & Mavondo, 2002; Wang & Schaan, 2008). This leads to somewhat surprising cases of, for example, Canadian retail firms struggling in the neighbouring, ‘culturally close’ US market (O’Grady & Lane, 1996), and US-Japanese joint ventures outlasting US-US joint ventures (Park & Ungson, 1997). Furthermore, the recent emergence of ‘born global’ firms that internationalise upon, or shortly after, inception has cast further doubt on traditional
internationalisation models, with some appearing to initiate international activities in culturally distant, rather than proximate, markets (Sharma & Blomstermo, 2003).

Leaving aside these and other exceptions, cultural differences remain an important factor in determining the pattern of firm internationalisation, as demonstrated in several recent studies (Blomkvist & Drogendijk, 2013; Dimitratos, Petrou, Plakoyiannaki, & Johnson, 2011; Malhotra, Sivakumar, & Zhu, 2009; Sakarya, Eckman, & Hyllegard, 2007). In essence, firms—especially those in the initial stages of internationalisation—usually prefer to seek out those markets that, they feel, closely resemble their own home market. Even born globals, which, from the outset, possess “a global view of their markets” (Knight & Cavusgil, 2004: 125; emphasis added), have been shown to prefer commencing their foreign expansion in markets perceived as being culturally similar to their home market before gradually entering more distant markets (Chetty & Campbell-Hunt, 2004; Hashai & Almor, 2004).

Culture and timing of entry (when to internationalise)

The traditional internationalisation models also showed that firms internationalise their operations only after establishing themselves domestically—and often only in response to external stimuli such as an unsolicited export order (Cavusgil, 1980; Johanson & Wiedersheim-Paul, 1975; Johanson & Vahlne, 1977). It was argued that firms were reluctant to operate beyond the radius of their existing knowledge (i.e. their home markets) due to the costs and challenges associated with learning about international business and foreign markets. As a result, during the early stages of internationalisation, attention was focused very much on culturally close markets.

The rapid advances in technology that have taken place over last four decades has enabled firms to access information more easily than ever before, thus accelerating the pace of international expansion for many companies (Oviatt & McDougall, 2005). Despite this, though, a lack of knowledge of the socio-cultural fabric of foreign markets continues to pose a
problem not only for pre-exporters (Pinho & Martins, 2010) but even, to some extent, for born globals (Uner, Kocak, Cavusgil, & Cavusgil, 2013). As a result, firms are naturally hesitant to enter culturally distant markets early on. They may, however, be inclined to engage in early internationalisation in culturally proximate countries that share various commonalities. As Williams & Gregoire (2015) have suggested, early entry into a culturally close market not only presents fewer challenges than distant markets, it may actually be advantageous, facilitating efficiency and flexibility, while maximising the use of limited resources already in their possession.

**Culture and entry mode (how to internationalise)**

Firms engage in IB in different ways and to different degrees, ranging from the comparatively low-risk exporting all the way to foreign direct investment. Some opt for shared-control entry modes like joint ventures; others favour full-control modes such as wholly owned subsidiaries (Nielsen & Nielsen, 2011). The decision on how to internationalise rests on several factors and can vary according to industry (Morschett, Schramm-Klein, & Swoboda, 2010). One of the most important of these factors, however, is culture (Li & Parboteeah, 2015; Nielsen & Nielsen, 2011).

Research has shown that cultural distance between the home and host countries exhibits a strong influence on entry mode decisions, though the effects are slightly ambiguous (Morschett et al., 2010; Tihanyi, Griffith, & Russel, 2005). Notwithstanding this ambiguity, however, a key point of entry mode choice concerns the avoidance or minimisation of uncertainty (Johanson & Wiedersheim-Paul, 1975). As argued by Williams & Gregoire (2015), managers will incline towards low-commitment entry modes in markets they regard with greater cultural uncertainty and unfamiliarity. Transferring proficiencies to culturally distant host countries incurs high learning costs and thus firms may favour lower-level entry modes (Morschett et al., 2010).
Religion and firm internationalisation

Although firm internationalisation is one of the most widely studied phenomena in IB, one factor that is often overlooked in the literature is religion. Typically, when discussing religion, IB scholars seem to play down its importance by treating it as just one of the (many) components of ‘culture’ (Ghemawat, 2001; Tihanyi et al., 2005). That religion is afforded such limited attention is in some ways understandable when one considers the fairly minor role it plays in public life in many modern societies, particularly in much of the Western world. However, it should not be forgotten that in other parts of the world, religion is very much a central feature in both the private and public domains, including the realm of business and management (Richardson et al., 2014). Despite this, however, IB scholars have, for the most part, failed to give due consideration to religion, particularly when discussing firm internationalisation. Although, as we elucidated earlier, cultural differences in general continue to affect the pattern of internationalisation, little is known about the influence of religion specifically. Since this investigation focuses on the Islamic context, we will limit our discussion to this particular religious tradition, though much of what we write may also be applicable to other religious contexts.

The Islamic context

The Islamic world is not a monolith. It encompasses people of different colours, languages, and cultures. This diversity is evident and reflected in the arts, architecture, cuisines, and dress of the 1.6 billion people who identify as Muslims. To aid our understanding of this issue, scholars have described five broad and distinct Islamic cultural ‘zones’: the Arabic, Iranian, Turkish, Malay, and Sub-Saharan African zones, each of which contains a number of sub-zones (Nasr, 1981; Tibi, 2001). At the same time, however, it should be noted that Islamic civilisation remains governed by a Divine Norm centred upon the notion of tawhid, which is usually translated as ‘oneness’ or ‘unity’ (Turner, 2006). Although Divine oneness is the most
fundamental assertion of *tawhid*, the concept applies also at the societal level, with observant Muslims recognising and striving to uphold the global ‘community of Muslims’ (the *ummah*). Interestingly, the very word *ummah* itself is rooted in the Arabic *umm*, meaning ‘mother’, thus suggesting that Muslims should treat one another as if born from the same mother (Safi, 2010), which is also consistent with the Koranic dictum that “The believers are naught else than brothers” (49:10). In fact, to take a step back from our focus on the Islamic tradition, the very word ‘religion’ itself derives from the Latin *religare*, which means ‘binding’ (Nasr, 1989), thus implying a potential to unify things that are distinct in nature.

While religion is closely tied to culture, the two are not necessarily synonymous. The populations of two nations may largely share the same religious identity but could be culturally quite different. Egyptians and Indonesians, for example, may speak different languages, practice a range of different customs, and differ in terms of uncertainty avoidance but, for the most part, they share the same religious identity. The point we are making here is that religion may have the potential to trump such inter-country differences, reducing cultural distance and thus facilitating early and enhanced forms of firm internationalisation between the markets in question. Though this may at first glance appear slightly implausible for those of a secular disposition, a recent study demonstrated that, despite cultural differences, many devout Muslim managers do indeed have a preference for selecting markets with Muslim-majority populations, or where there are at least sizeable minorities of Muslims, precisely because they feel an emotional connection based on shared religion (Richardson, 2014). Therefore, there appears to be a link between religious belief and firm internationalisation patterns, which we feel needs to be better understood. The present study seeks to contribute to this endeavour by paying closer inspection to the role of religiosity, which we discuss next.
Religiosity and firm internationalisation

Although, as noted earlier, the majority of the world’s population is religiously affiliated, the degree of acceptance of, and adherence to, religious teachings varies quite considerably, even among those that proclaim a religious identity. To better understand this variation, we need to understand the concept of religiosity, which concerns one’s relationship with a supreme being and the expression of this relationship within society (McDaniel & Burnett, 1990). Religiosity has been shown to have a powerful influence in a variety of areas, including consumer behaviour (LaBarbera, 1987), corporate social responsibility (Mazereeuw-van der Duijn Schouten, Graafland, & Kaptein, 2014), and organisational ethics (Weaver & Agle, 2002), though its influence in IB activities remains largely unknown.

Rather than being an all-encompassing phenomenon, religiosity consists of multiple components (De Jong, Faulkner, & Warland, 1976). Drawing on Allport & Ross (1967), Cornwall, Albrecht, Cunningham, & Pitcher (1986), and Mazereeuw-van der Duijn Schouten et al. (2014), we operationalise religiosity in this study along four dimensions. The first of these is the cognitive component, which refers to belief in traditional doctrines (Cornwall et al., 1986). In the case of Islam, this revolves around the religion’s testimony of faith (the shahadah), which affirms the oneness of God and the prophecy of Muhammad (la ilaha illa ‘Llah, Muhammadun Rasulu ‘Llah; there is no divinity but the sole Divinity, Muhammad is the Messenger of the Divinity). Unsurprisingly, the notion of tawhid lies at the centre of the shahadah, with the first part affirming Divine oneness, which, Muslims believe, is relevant and true not just for them, but for all of humanity since it stipulates that, in effect, there is no reality save the Absolute Reality and that, as a result, all other ‘realities’ are merely relative and transitory (Nasr, 1993; Schuon, 1998). The second part also has ‘tawhidić’ implications, though it pertains specifically to the religion of Islam, since Muslims acknowledge that the followers of other religions do not view Muhammad as one of their prophets (Alavi, 2007).
Therefore, while the first part of the *shahadah* is more universal in nature, the second part unites those who believe and accept the message and laws believed to have been revealed to Muhammad. Thus, rather than uniting people through blood ties, culture, language, or customs, the followers of Islam are united by their relationship with God (Geaves, 2010).

Given the significance of *tawhid* contained within the *shahadah*, it is expected that the greater a manager’s degree of cognitive religiosity, the greater will be his/her sense of unity among his/her co-religionists, and thus the more likely his/her firm will select a Muslim-majority market to initiate international activities, enter the market early, and employ high-commitment modes of entry:

*H1a: The greater the manager’s cognitive religiosity, the greater his/her preference for initiating internationalisation in a market whose population largely shares the same religion as him/her*

*H1b: The greater the manager’s cognitive religiosity, the earlier he/she prefers to enter a market whose population largely shares the same religion as him/her*

*H1c: The greater the manager’s cognitive religiosity, the greater his/her preference toward high-commitment entry modes in a market whose population largely shares the same religion as him/her*

The second component of religiosity is the *intrinsic* element. It has been suggested that individuals who are intrinsically motivated in their attitude towards religion tend to conform and strictly adhere to orthodox beliefs, and are more likely to translate their religious conviction into conduct (Batson, 1976; Mazereeuw-van der Duijn Schouten et al., 2014). According to Allport & Ross (1967: 434), intrinsically religious individuals “find their master motive in religion [with other] needs, strong as they may be...regarded as of less ultimate
significance...so far as possible, brought into harmony with the religious beliefs and prescriptions”.

Returning to the religious context in the present study, it has already been noted that Muslim unity constitutes one of the core tenets of Islam, in line with the spirit of tawhid. Consistent with this, one of the unique characteristics of Islamic civilisation, particularly in today’s world, is its great emphasis on ‘intra-religious’ economic cooperation, to the extent that Muslims around the world strive to strengthen economic integration among Muslim countries using well known economic blocs elsewhere, such as the European Union and the North American Free Trade Agreement, as inspiration (Raimi & Mobolaji, 2008). To cite an example, the Organisation of Islamic Cooperation (OIC), an international organisation that works to safeguard and protect the interests of the Muslim world, states on its website that one of its chief aims is to “strengthen intra-Islamic economic and trade cooperation; in order to achieve economic integration leading to the establishment of an Islamic Common Market” (Organisation of Islamic Cooperation, 2014). Interestingly, this is also reflected at a more micro level by Muslim managers feeling a greater degree of ‘sentiment’ when working with fellow Muslims overseas (Richardson, 2014). In light of these observations, we put forward the following hypotheses:

H2a: The greater the manager’s intrinsic religiosity, the greater his/her preference for initiating internationalisation in a market whose population largely shares the same religion as him/her

H2b: The greater the manager’s intrinsic religiosity, the earlier he/she prefers to enter a market whose population largely shares the same religion as him/her
H2c: The greater the manager’s intrinsic religiosity, the greater his/her preference toward high-commitment entry modes in a market whose population largely shares the same religion as him/her.

Religiosity’s third component is the *behavioural* component which centres on how one ‘acts out’ and manifests one’s religion through such actions as personal prayer, scripture study, financial contributions, and church/mosque/temple attendance (Cornwall et al., 1986). In the Islamic tradition, action, in a sense, lies at the very heart of religious life, with the word *islam* (meaning ‘to submit’) itself denoting not just belief but action (Murata & Chittick, 2006). Moreover, the five ‘pillars’ of the faith—declaring the *shahadah*, the five daily prayers, the fast of the month of Ramadan, charity, and the pilgrimage to Mecca—also go beyond mere heart-felt ‘feelings’ and emotions and involve some form of action. It is not hugely surprising, therefore, that studies pertaining to Muslim religiosity often attach great importance to this particular aspect of religiosity (Krauss et al., 2006; Rehman & Shabbir, 2010).

Research has suggested that behavioural religiosity affects an individual’s actions in his/her workplace (Kutcher, Bragger, Rodriguez-Srednicki, & Masco, 2010). As a possible explanation, Kutcher et al. (2010) suggest that attending religious services and reading religious texts could serve as a reminder to always place religion at the centre of one’s actions, which, in Islam’s case, as noted above, includes forging closer ties and cooperation among Muslims. Furthermore, in the case of Islam, the daily life of a pious individual is punctuated and guided by a range of religious duties and guidelines, including multiple prayers, dietary rulings, and strict rules governing cross-gender interactions. As Richardson (2014) highlighted, devout Muslim executives sometimes feel uncomfortable when their partners/clients abroad are unaware of these various principles and suggest, for example, that men and women socialise together in bars where alcohol is served. In anticipation of such situations, observant Muslim managers may prefer to enter a market where religious protocol
and customs are more widely understood and heeded, even if that market is, in other ways, culturally dissimilar from their home market. In line with this, we put forward the following hypotheses:

**H3a:** The greater the manager’s behavioural religiosity, the greater his/her preference for initiating internationalisation in a market whose population largely shares the same religion as him/her

**H3b:** The greater the manager’s behavioural religiosity, the earlier he/she prefers to enter a market whose population largely shares the same religion as him/her

**H3c:** The greater the manager’s behavioural religiosity, the greater his/her preference toward high-commitment entry modes in a market whose population largely shares the same religion as him/her

The fourth component of religiosity, *extrinsic* religiosity, contrasts quite significantly with the other three components, particularly, as the name suggests, with intrinsic religious orientation. Extrinsic religiosity concerns an individual’s use of his/her religion for social convention, status, and comfort and is thus more self-serving in nature (Allport & Ross, 1967; Donahue, 1985; Mazereeuw-van der Duijn Schouten et al., 2014). In short, “the extrinsically motivated person uses his religion, whereas the intrinsically motivated lives his religion” (Allport & Ross, 1967: 434; emphasis in original). Research has suggested that extrinsically religious individuals are less conservative, traditional, sentimental, and rigid than their intrinsically religious counterparts, as well as being more pragmatic and free thinking (Wiebe & Fleck, 1980).

For these reasons, some authors claim that that intrinsic religiosity is a more accurate measure for ‘genuine’ and lived religiosity than extrinsic religiosity (Fischer, Greitemeyer, & Kastenmuller, 2007; Kirkpatrick & Hood, 1990). Although we concur with this argument, we
include the extrinsic dimension of religiosity here in order to present a more complete picture of religiosity. In short, based on the above discussion, we expect that managers with a high level of extrinsic religiosity will be more flexible and open to initiating early and more advanced forms of IB in markets that do not share the same religious tradition as their home market:

H4a: The greater the manager’s extrinsic religiosity, the less his/her preference for initiating internationalisation in a market whose population largely shares the same religion as him/her

H4b: The greater the manager’s extrinsic religiosity, the later he/she prefers to enter a market whose population largely shares the same religion as him/her

H4c: The greater the manager’s extrinsic religiosity, the less his/her preference toward high-commitment entry modes in a market whose population largely shares the same religion as him/her

3. METHODOLOGY

We aim to test these hypotheses with a sample of Muslim-operated small- and medium-sized enterprises (SMEs) in Malaysia. Although Malaysia is home to sizeable non-Muslim minority groups, Islam is the official religion of the country and is followed by roughly 61 percent of its population (Department of Statistics, Malaysia, 2011). Moreover, there is an interesting tendency among SMEs in Malaysia to be somewhat ethnically homogeneous, which was deemed important in this study in order to allow for a greater focus on the significance of religiosity. For example, it may be that Malaysian firms seeking entry into the Indian or Chinese markets could rely on ethnic Indian and Chinese managers to lead the strategy respectively, thus distorting the data. In order to bolster participation in the study, we have already begun working with two government departments in the country that provide
assistance and support for internationalising firms—the Malaysia External Trade Development Corporation (MATRADE) and SME Corporation Malaysia (SME Corp.)—to identify Muslim managers of recently-internationalised (last five years) SMEs, who have founded and are heading the firms (Williams & Gregoire, 2015).

Firms will be selected from a wide range of sectors, with the notable exception of the food and beverage (F&B) industry. We have decided to exclude this particular industry due to the culture-specific nature of its products among Muslims, whose religion compels the consumption only of ‘halal’ (permissible) products for its followers. Although it is widely known that Muslims avoid porcine and alcohol-related products, the standards required for halal classification can be rather complex and many Muslims are reluctant to consume anything that has not been approved by a recognised halal-certifying agency. Given the impact of a product’s culture-specificity on internationalisation patterns (Fan & Tan, 2015), we were concerned that including this industry in our study would introduce some bias in our results.

A mail survey will be conducted, with respondents contacted in advance of the mailing with a request to participate in the study, thus boosting the response rate (Uner et al., 2012). The items in our questionnaire have all been adapted from existing literature, with Williams & Gregoire’s (2015) study providing the scales for the dependent variables (the where, when, and how of internationalisation) and the independent variables (the four dimensions of ‘religiosity’) adapted from Mazereeuw-van der Duijn Schouten et al. (2013), Kraus et al. (2006), and Krauss, Hamzah, & Idris (2007).

4. CONTRIBUTIONS

The absence of an in-depth discussion on religiosity in the internationalisation discourse is surprising given the pervasiveness of religion—particularly within the Islamic world—and its
significance on IB activities (Richardson, 2014). This study, therefore, will provide important theoretical insight concerning religiosity’s relationship to internationalisation, thus helping us better understand the factors shaping the cross-border expansion of firms. At the same time, our focus on the Islamic context will also increase our understanding of business activities within and between Muslim-majority markets—something which has also received relatively minor attention from IB scholars.
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