AN INTEGRATED THEORETICAL ANALYSIS OF SAMSUNG GROUP'S INTERNATIONALIZATION STRATEGY IN EUROPE

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Abstract
This paper conducted an integrated theoretical analysis of Samsung group's internationalization strategy in Europe. Specifically, this paper integrated the Monopoly Advantage Theory (MAT), Dunning's Eclectic Paradigm (DEP), New Trade Theory (NTT), Heckscher-Ohlin Model (HOM), and Hofstede's Cultural Dimension Theory (HCT) into the theoretical framework to evaluate Samsung Group's internationalization strategy in Europe. This study adopted a conceptual research design grounded in an integrated review to evaluate Samsung group's Internationalization strategy in Europe. The study relied exclusively on peer-reviewed journals, scholarly books, and other reputable institutional publication. This paper confirmed that that no theory by itself can offer a holistic and comprehensive understanding of the issues that surround internationalization processes of multinational companies. In essence, the major breakthrough which Samsung Group has recorded over the years in Europe are attributed to firm-specific advantages, location-specific advantages, international trade, structural resource endowments, and cultural adaptations. Hence, the study conclude that triangulation offers a better approach to explaining international business operations compared to the use of a single theory. Thus, for continued competitive advantage in Europe, Samsung need to invest more in technology, align its corporate strategy with the OLI framework, take full advantage of the economy of scale by incorporating globalization in its manufacturing systems, and improve cultural assimilation through localization. Overall, this paper added to international business theories by provided a holistic approach that integrates firm-specific advantages, location-specific factors, internalization, trade, factor endowment, and culture in one unified model using the triangulation approach.

Keywords: Triangulation, Samsung Group, International Strategy, International Business Theories

1.0 Introduction

Over the years, firm's internationalization strategy has emerged as a strategic imperative for firms seeking to sustain long-term competitiveness in an increasingly dynamic and globally

integrated business environment (Margolis, & Calderon, 2021; Almutairi et al, 2019; Ishigai et al, 2021; Lee et al, 2025; and Alves et al, 2025). Consistent with its broader global expansion policy, Samsung centers its internationalization strategy on significant investment in research and development, strong local responsiveness, strategic alliances, mergers and acquisitions, and foreign direct investments (Ameyaw & Panibratov, 2025). Particularly, Samsung international expansion strategy into European markets is driven by its huge consumer demand, regulatory sophistication, advanced technological ecosystem, cultural diversity, and competitive industrial landscape (Choo, 2025).

Samsung Group draws its internalization strategies from the Monopoly Advantage Theory (MAT), Dunning's Eclectic Paradigm (DEP), New Trade Theory (NTT), Heckscher-Ohlin Model (HOM), and Hofstede's Cultural Dimension Theory (HCT) Monopolistic Advantage Theory (MAT), Dunning's Eclectic Paradigm (DEP), New Trade Theory (NTT), the Heckscher–Ohlin model (HOM), and the Geert Hofstede model (GHM). The Monopolistic Advantage Theory, propounded by Stephen Hymer, emphasizes that for firms to overcome the disadvantages of operating in foreign markets, they must possess unique competitive (firm-specific) advantages (Sharmiladevi et al, 2017; Ferreira et al, 2021; and Thibeault et al, 2023). Dunning's eclectic paradigm builds on this theory by highlighting that, in addition to firm-specific advantages, location-specific advantages, and internationalization advantages determine a firm's internalization (Rao et al, 2019).

The New Trade Theory, developed by Paul Krugman and Elhanan Helpman, underscores that product differentiation, economies of scale, and market imperfections are key drivers of firm's internalization strategy (Figure 1). In contrast, Heckscher Ohlin model argues that cost advantages and access to raw materials are key drivers of firm's expansion strategy, rather than firm-specific advantages, location-specific advantages (Shah et al, 205). Finally, the Hofstede model, advanced by Geert Hofstede, highlights that individualism/collectivism, power distance, uncertainty avoidance, and masculinity/femininity are key drivers of firm's internalization strategy, independent of the firm-specific, location-specific, cost-based advantages, and access to raw materials emphasized by the other theories (Rao et al, 2019).All these theories provide a comprehensive understanding of Samsung's internationalization strategy in Europe**.**

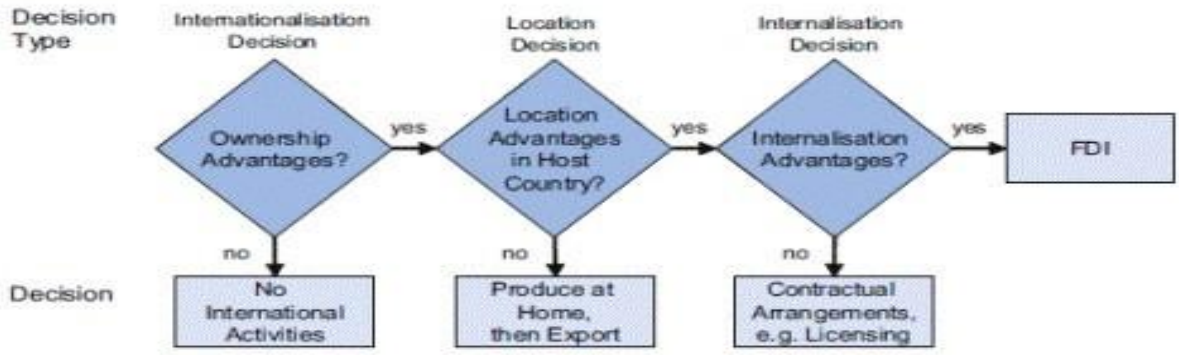


Figure 1: Dunning's Eclectic Paradigm

Source: Adapted from Sudarsanam 2003, p. 201; Welch/Benito/Petersen 2007,p. 31

Despite extensive empirical validation of the Dunning's Eclectic Paradigm, relatively limited empirical studies has explicitly evaluated the Monopolistic Advantage Theory, New Trade Theory, the Heckscher–Ohlin Model, and Hofstede's framework independently. More importantly, there is a notable absence of empirical findings integrating these theories within a unified theoretical framework (Triwastuti & Poulter, 2018; Nguyen et al, 2019; Ashiru & Oni, 2022; Wajid et al, 2022; Şahin & Kaplan, 2023; and Zhang, 2024). These identified literature gaps limit theoretical pluralism and restrict the formulation of a comprehensive and multidimensional understanding of firms' internationalization strategies. In the light of this, this paper conducted an integrated theoretical analysis of Samsung group's Internationalization strategy in Europe.

2.0 Methodology

The paper adopted a conceptual research design to analyze the internationalization strategy of Samsung Group in Europe. This research design is the best fit for this paper since it aims at critically analyzing the different perspectives available in the literature on the internationalization process and not empirical hypothesis testing using primary data collected. Thus, a conceptual research design fits perfectly well since its main aim is to generate new knowledge based on the application of already available theory into practice.

All the information used in this analysis were sourced derived from learned publications. This was done mainly because the analysis in this study is based on theoretical construction and interpretation. Moreover, emphasis was put on relevant literature on international business, foreign direct investment, strategic management, and cross-cultural studies. This will help provide credibility to the research findings while also ensuring reliance on diverse literature streams.

The research utilized the theoretical triangulation method in its analysis in order to comprehensively explain the internationalization strategy of Samsung. The rationale behind this is the fact that multinationals operate in a complex environment where decisions were affected by not only resources and firm-specific factors, but also location advantages, international business interactions, institutions and culture. Therefore, it would be insufficient to employ a single theory in analyzing the internationalization process since doing so would lead to fragmented and possibly an incomplete interpretation of the said process.

The paper followed a structured sequence. The essence is to improve the methodological rigour and transparency of this paper. The paper began with defining the underlying assumptions and core tenets of each theory. The essence is to ensure that the analysis of each theory is based on the theoretical assumptions originally postulated. Second, the strength and weaknesses of each theories were analyzed. The next step is to compare the three theories. The last step is to synthesize the theories.

Lastly, the criteria used for evaluating each theory included the assumptions on which it is based, the breadth of its explanatory power, strengths, weaknesses, practical relevance, and contribution

towards understanding the internationalization strategy of Samsung Corporation. The use of standard criteria provided a basis for comparing theories objectively.

3.0 Integrated Theoretical Framework and Policy Proposition

Multinational companies face myriads of challenges while trying to move from one region to another. As a result, internationalization process of multinational corporations is quite a complex procedure. This suggests that, it is insufficient to analyze the internationalization process of multinational corporations from one theoretical approach. The internationalization of Samsung Group into Europe demonstrates how firm-specific factors, location-specific variables, international trade characteristics, resource allocation factors, and cross-cultural variables are all working together at once. Therefore, in this research, a combined model has been created based on five theories that include: Monopoly Advantage Theory, Eclectic Theory of International Business proposed by Dunning, New Trade Theory, Heckscher-Ohlin theory, and Hofstede Cultural Dimension. To achieve this, the paper followed various steps. The first step towards building this theoretical model is done through the application of Monopoly Advantage Theory (MAT), according to which companies equipped with their own technologies, brands, innovations, and management skills have better chances of handling liabilities in foreign countries. For Samsung, this means that its specific assets will allow successful entry and competition in Europe.

Firm-level advantages can be supplemented by the Eclectic Paradigm (OLI Framework) introduced by Dunning, explaining that international growth results from the combination of advantages in ownership (O), location (L), and internalization (I). In this case, O accounts for the technology and intellectual properties possessed by Samsung, L denotes the market potential of Europe as regards infrastructure, institutional environment, purchasing power, innovation culture, and I emphasizes that the need for firms (Samsung inclusive) to keep control over strategically important processes (Giakoulas, & Kottaridi, 2020; and Surana et al, 2024; Rowlinson et al, 2025)

Drawing from a broader perspective, the New Trade Theory (NTT) helps explain why Samsung could use economies of scale, product differentiation, and innovation as its competitive advantages abroad. The justification is that, Samsung benefit from increasing returns to scale, which allow them to become leaders in highly competitive industries like consumer electronics and semiconductors through strategic investments in research and development. Meanwhile, the Heckscher-Ohlin model (HOM), brings yet another perspective to light, and that is the factor endowment theory, which highlights the differences in the factor endowments of different countries. The strategies followed by Samsung can be explained in terms of the optimal use of capital, labour, and technological skills in its manufacturing process. Consequently, Figure 2 provided a theoretical framework, which guided this paper:

environment factors.

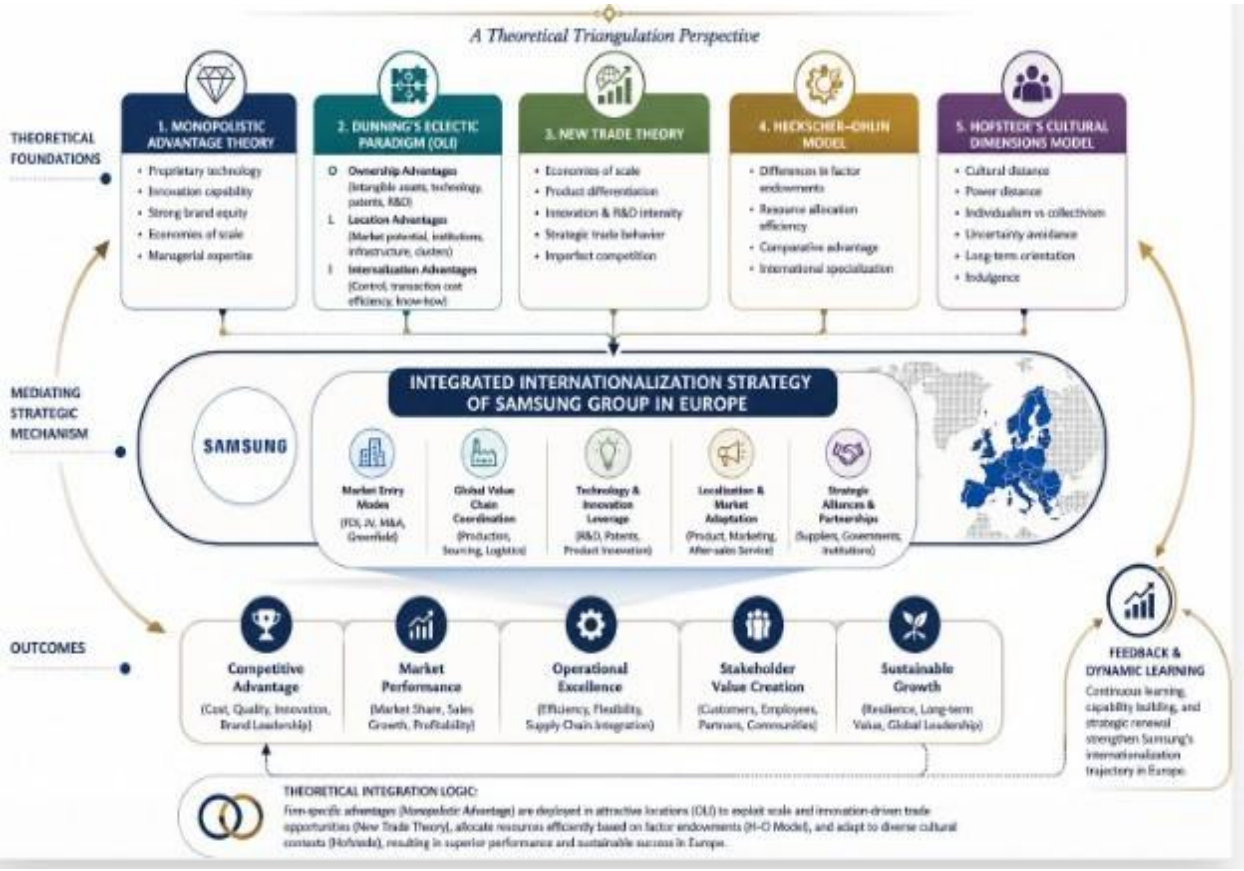


Figure 2: An Integrated Conceptual model of Samsung's European strategy

Source: Author's Conceptualization (2026)

The conceptual model helps to advance the theory, as it clearly shows that the process of internationalization should be viewed as an integrated effort involving economic, strategic, organizational, and socio-cultural forces (Adamovic, 2023). From the methodological perspective, it is helpful in demonstrating the advantages of applying theoretical triangulation in conceptual research, while in practice, it enables managers and policymakers to consider internationalization efforts through various dimensions.

4.0 Conclusion

The study integrated the Monopoly Advantage Theory, Dunning's Eclectic Paradigm, New Trade Theory, Heckscher-Ohlin Model, and Hofstede's Cultural Dimension Theory into the theoretical framework to evaluate Samsung Group's internationalization strategy in Europe. This paper confirmed that that no theory by itself can offer a holistic and comprehensive understanding of the issues that surround internationalization processes of multinational companies. In essence, the major breakthrough which Samsung Group has recorded over the years in Europe are attributed to firm-specific advantages, location-specific advantages, international trade, structural resource endowments, and cultural adaptations. Hence, the study

conclude that triangulation offers a better approach to explaining international business operations compared to the use of a single theory. Consequently, the paper offered the following recommendations:

i. To compete favourable in Europe, Samsung should invest more on technology-oriented industries, such as electronics and semiconductors.
ii. For Samsung Group to enjoy ownership, location, and internalization benefits, the ownership, location, and internalization benefits must be align with strategic goals of the business.
iii. For Samsung to stay competitive in price-driven and innovation-focused environments, economies of scale should be achieved by organizations through global production systems and integration of value chains
iv. **To** maximize productivity and cost efficiency, Samsung group's global production and operational networks should be structured based on optimal allocation of labour, capital, and technological resources across different regions
v. To effectively communicate with local consumers and managers, Samsung Group needs to integrate cultural training and localization programs

Overall, this paper added to international business literature by evidencing that the internationalization process can only be adequately appraised through an integrated theoretical lens. Again, this paper added to international business theories by provided a holistic approach that integrates firm-specific advantages, location-specific factors, internalization, trade, factor endowment, and culture in one unified model using the triangulation approach. Moreover, this paper brings together in order To further provide more holistic understanding of global business strategies, the study was able to bridge the knowledge gap that exist on micro and macro explanations of internationalization. Finally, integration of the various theories to the case of Samsung in Europe added value to the understanding of how successful multinationals combine technological capability, resource allocation, scale efficiency, and cultural adaptation to remain relevant in in advanced markets.

Notwithstanding the contributions, several limitations were noted. First, the study is purely theoretical in nature. Finally, the focus of the case study on Samsung's European expansion implies that the resulting framework cannot be generalized for the use in other cases. These limitations suggest several ways to build on the study. For example, future research might focus on empirically testing and validating the proposed model using techniques such as structural equation modeling (SEM) or panel data analysis. Longitudinal studies aimed at evaluating the dynamic process of firm internationalization would also yield useful results. Finally, moderation analysis based on variables such as digital transformation would be a welcome development.

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