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## A Strategic Investment Decision: " Internationalization of SMEs" : A Multiple Appraisal Approach and Illustration with a Case Study

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### ABSTRACT

In a highly competitive environment, internationalization is a very attractive strategic investment for all types of firms. However, making the decision on internationalization, like other strategic investments, is very difficult because of high uncertainties and risks. Additionally, decision making process should include the evaluation of the strategic outcomes of internationalization. This study offers to integrate real options analysis into financial analyses in order not to overlook the strategic benefits of internationalization alternatives. A clear-cut approach which includes discounting methods and real options analysis is suggested and explained with a case study.

### KEYWORDS

Strategic Investment Decisions; SIDs; Discounting Methods; Real Options Analysis; Internationalization; SMEs

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