Special Issue: International Business Review
Competitive Dynamics and Co-evolution of MNCs and Local Rivals in Emerging Markets

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The topic on multinational corporations (MNCs) and local rivals in emerging markets has attracted strong interests from both academia and industry. Scholarly work in this domain is predominantly focused on either MNCs or local rivals, in isolation of each other. A case in point is the rapidly growing body of research on emerging market MNCs, which have often been studied in isolation of the developed market MNCs that operate in emerging economies. With a few exceptions, (e.g., Mutlu et.al., 2015; Chang & Park, 2012), literature has not paid adequate attention to the competitive dynamics between MNCs and local rivals and the consequent co-evolution of these organizations.

Emerging economies have been undergoing fundamental changes in the macroeconomic environment and the institutions underlying the business activities. The institutional transition coupled with the threat of competition by MNCs has compelled many local incumbents to undertake organizational and strategic transformation (Domadenik, Prašnikar, & Svejnar, 2008; Newman, 2000). These changes have resulted in a new breed of emerging market MNCs, which often compete with the developed market MNCs not only in the home markets, but also in the host markets (Luo & Tung, 2007; Mutlu et al., 2015). Developed market MNCs have also been going through a transformation process in response to the institutional transition in emerging markets and the corresponding transformation of the local incumbents (Luo, 2002; Luo, 2007). Developed market MNCs have adopted such strategies as reverse innovation, increased localization, competence renewal, and learning and cooperation with local incumbents. Some scholars (e.g., Luo, 2007) have described the transformation of MNCs as “from foreign investor to strategic insider”.

Yet, prior research does not provide sufficient understanding into such competitive dynamics unfolding between developed market MNCs and local incumbents. Given the lack of studies on this competitive dynamics from an interactive, evolutionary, and longitudinal perspective, there is a need of focused scholarly attention to this topic.

This special issue of International Business Review aims to encourage research that can deepen our understanding of competitive dynamics and the resulting co-evolution of MNCs and local rivals in emerging economies. Scholars are encouraged to develop provocative pieces using multiple approaches that make a meaningful theoretical and/or empirical contribution to the topic. We also welcome papers that facilitate the development of agendas for further research on the important yet under-researched topics. We welcome theoretical, conceptual, and empirical contributions focused on the research issues (not limited to them) as below. In terms of methodology, we take a broad approach and welcome both quantitative studies as well as qualitative studies.

Some research issues as below:
- Theory development on competitive dynamics and co-evolution in the context of MNCs versus local incumbents in emerging economies
The organizational capabilities that facilitate the mutual transformation of MNCs and local rivals

Mutual organizational learning between MNCs and local rivals and the implications of such learning for competitive dynamics and mutual transformation

Competitive advantages and disadvantages of MNCs and local rivals: which competitive advantages could (not) be enhanced and which competitive disadvantages could (not) be minimized

Business model innovation of MNCs and local rivals in emerging economics

Contextual factors (e.g., institutional factors and industry factors) that trigger, facilitate, and inhibit the competitive dynamics and mutual transformation

Catch-up and leapfrog strategies of local incumbents and the responses of MNCs

Renewal and transformation strategies of MNCs and the responses of local rivals

Competition and cooperation between MNCs and local incumbents and spillover effects of the same

Organizational ambidexterity (e.g., use of market and nonmarket strategy) of MNCs and local rivals in the competitive dynamics and mutual transformation

Low cost and reverse innovation, base of pyramid strategy, etc. that could impact the competitive dynamics of MNCs and local rivals in emerging economics

The likely winners of the competitive dynamics and the boundary conditions of the same.

Tentative Dates:
- 31st January, 2017: First submission deadline for SI
- Summer 2018: Final acceptances

Submission Guidelines:

Submitted papers should follow the submission guideline of International Business Review. [http://www.journals.elsevier.com/international-business-review/](http://www.journals.elsevier.com/international-business-review/)

Please submit your paper to the guest editors at IBR2017SI@gmail.com.

References


