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Roli Nigam and Zhan Su

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Roli Nigam & Zhan Su
Université Laval, Québec, Canada

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The world is going global rapidly and internationalisation is being discussed by people as a day-to-day topic, thanks to multinationals. A few decades back multinationals had increasingly become interested in pursuing trade and commerce activities across border in various emerging economies like China, India, Brazil, Indonesia, Vietnam, etc. Reasons were simple as these economies presented various advantages and attractions for the profit seeking multinationals e.g. low wage labour, a future market for their output, among other attractions. The interdependence of economies started with the developed country multinationals going to emerging countries. This encouraged many studies on the subject discussing multinationals reasoning, motivations, implications, adjustments, cultural issues, etc. (Nigam, Su, Elaidaoui and Karuranga, 2009). However, recently the emerging countries have also started playing a strong role by encouraging their multinationals to become tough global players. This trend is strongly continuing with the world getting more globalized each passing day.

Globalisation has played a big part in the growth and development of the emerging country multinationals. It has been described differently by various authors as the mix of

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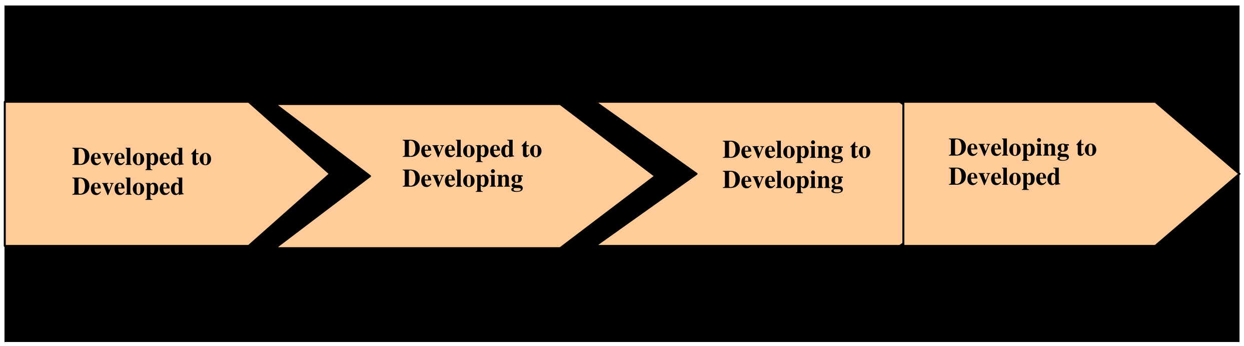
manufacturing, processing, services and technology to the spread and integration of cultures, markets and economies (Smith and Doyle, 2002). Dunning and Narula (1998) have described it as activities across the border ensuing in similar patters, behaviours, habits, etc throughout. It would not be wrong to say that multinationals have proved to be the biggest facilitators of globalisation and again there is not just one specific definition for them. Popularly, they have been defined as firms that invest in countries across border by way of an alliance in or with a foreign company or by setting up a wholly owned subsidiary and thus aim at adding value throughout (Markusen, 1995; Dunning, 1993). A number of firms have come up from the emerging regions like India, China, Indonesia, etc. to become an important part of today's globalized economy. However, with the rise of multinationals, also increases the complexities faced. The emerging economies attract special attention because of the presence of a "variety of great and rising powers experiencing sometimes difficult interstate relations, a changing regional balance of power, a series of still embryonic institutions, a mixture of strong and weak states, and a combination of economic vibrancy and fragility" (Ayson, 2006: 179), all mounting up the complexities present in the region.

This prompted us to review in detail the literature on emerging country multinationals through five generic questions. The questions Who, Why, Where, When and How facilitate us to clearly understand the past and present of the emerging countries and their multinationals. In short – brief overview of the existing literature in this field to better understand and manage complexities in the future.

1. Literature Review

Around 1970s, alliances between developed country multinationals were very popular, while later towards 1980s, attention shifted to the developed country multinationals going towards developing countries. With ongoing globalisation, we are now experiencing a complete u-turn of events with the emerging country multinationals going to other emerging as well as developed countries. Accordingly, we introduce Figure 1, which clearly shows the three phases of multinationals.

Figure 1: The Three Phases of Multinationals



Recently business magazines (Business Week, 2006, July 31) acknowledged a turning trend, with the developing country multinationals going to other countries, "A new breed of ambitious multinational is rising on the world scene, presenting both challenges and opportunities for established global players. These new contenders hail from seemingly unlikely places, developing nations such as Brazil, China, Russia and even Egypt and South Africa. They are shaking up entire industries, from farm equipment and refrigerators to aircraft and telecom services, and changing the rules of global competition." This acknowledgement very clearly points towards a paradigmatic evolution of the emerging country multinationals (ECMs).

Since multinationals from emerging economies are being discussed, it becomes important to identify these emerging countries. Emerging markets may be identified through various indexes. Following are a few indexes that have identified countries under the emerging markets category:

- Morgan Stanley Capital International Emerging Markets Index (2005): Have identified 26 emerging economies and these are Argentina, Brazil, Chile, China, Colombia, Czech Republic, Egypt, Hungary, India, Indonesia, Israel, Jordan, Korea, Malaysia, Mexico, Morocco, Pakistan, Peru, Philippines, Poland, Russia, South Africa, Taiwan, Thailand, Turkey and Venezuela as of May 2005.
- VISTA: Includes Vietnam, Indonesia, South Africa, Turkey and Argentina
- BRIC: Includes the emerging nations Brazil, Russia, India and China
- Fan (2008) has cited the US State Department of Commerce which in 1994 named the 10 big emerging markets. This list included China, India, Indonesia and South Korea from Asia; Poland and Turkey from Europe; Brazil, Mexico and Argentina from South America and South Africa from Africa.

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Once emerging countries have been identified, it is important to note that largely the literature has discussed the developed country multinationals and only their point of view has been considered, discussed and debated upon (Sim, 2006; Nigam and Su, 2010). However, with the growing number of successful multinationals from emerging countries, we propose that the focus needs to shift and things need to be viewed from an altogether different perspective. The successful performance of the emerging country multinationals has been acknowledged both by the literature (Mathews, 2006; Li, 2007) and in current affairs (Business Week, 2006).

- Acknowledgement from the literature: Salehizadeh (2007) observes that some emerging country multinationals included in UNCTAD's top 100 are Hutchison Whampoa from China at 17th position, Petronas from Malaysia at the 59th position, Singtel from Singapore at 73rd position. The simple analysis drawn from above figures is that the multinationals of emerging countries are no longer just some unsophisticated, primitive firms; but are now a part of global competition and that too in diverse sectors and industries. The said survey also revealed that emerging country multinationals were not really specific to any particular sector but spread in diverse areas.

Some other very interesting figures, showing the growing importance of emerging country multinationals have been reported by UNCTAD (2004), which revealed that approximately one-tenth of the global outward FDI stock came from developing countries. An independent survey conducted by a firm named Dealogic, confirmed that the emerging country multinationals were increasingly improving their performance. According to results of the survey, FDI outflows of Indian firms for the year 2005 were double that of 2004. Even more important were results of 2006 which were double of year 2005 figures for just the first nine months. Similar results and figures were also observed in other emerging countries, example other Asian countries, Middle East and Latin America (Salehizadeh, 2007). The UNCTAD (2004) survey also revealed that some of the more important developing country multinationals were becoming trans-nationalised at a rate that is faster than the developed country multinationals.

- Acknowledgement from current affairs: The growing importance and successful performance has also been confirmed by reputed magazines like The Economist (Jan 10, 2008). The magazine has referred to UN Conference on Trade and Development, which in their study reported that five emerging Asian multinationals were on the top 100 largest multinationals for overall assets, while ten others were included in the top 200 in 2004. Emerging country multinationals have been slowly but surely climbing up the success ladder. The same is also clearly evident from the List of Fortune 500 which shows the rise of emerging markets. From Figure 2 we can clearly see that there were only about 25 firms from emerging regions in the Fortune 500 list which increased to 62 just by the year 2007.

Figure 2: Rise of BRIC Country Multinationals

Source: The Economist (Jan 10, 2008)

India has also played an important part in the rise of emerging country multinationals. The number of cross border acquisitions by Indian multinationals has been rising over the years. There were 38 acquisitions in 2003, which increased to 177 by 2006 and by the first eight months of 2007, these multinationals had already made 123 acquisitions overseas. In fact in 2006, for the first time the outbound acquisitions by Indian multinationals exceeded the inbound acquisitions of Indian firms (Pradhan, 2007). Tata group alone has acquired more than 28 firms since 2000 including Corus in steel industry.

From the recently published papers (Sim, 2006; Li, 2007) in respected journals, we noticed that it is important to study the emerging country multinationals in detail due to their growing significance in the world activities and several complexity issues attached (discussed in detail later in the paper). The databases accessed for our study include ProQuest, Emerald Insight, Science Direct and Google Scholar, amongst the main ones. These databases consisted of some of the most relevant articles on the topic in recent years. Research demands that the emerging country multinationals be studied, discussed and evaluated, and that our understanding about them should develop (Bjorkman et al, 2008; Sim, 2006; Pangarkar, 1998; Yeung, 1994). The reference sections of the relevant articles were also referred and cross-referred in order to ensure that our study should be satisfactory. The different perspectives of these multinationals are important as they have adopted unique management styles. We will try to discover these different aspects by answering the questions 'Who, Why, Where, How and When', in detail. These questions have been carefully chosen to allow us to satisfactorily go through the important studies that

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have been made on the subject. Following a detailed study on the subject, we will then analyse it and suggest future research directions.

2.1 Who are they: The Profile

Although the emerging country multinationals are becoming an important topic of research, a proper definition for them does not exist. During the 1990s, they along with multinationals from other emerging countries were referred to as third world multinationals (Lall, 1983; Wells, 1983; Heenan and Keegan, 1979). Later, Yeung (1994) proposed the use of 'developing country trans-nationals' instead. He attempted to define them by saying that these are indigenous firms from developing countries which have a controlling influence in the decision making process in firms or subsidiaries located outside the domestic borders of their own country.

Mathews (2006) refers to the emerging country firms coming from the Asia Pacific region as the 'Dragon Multinationals'. Towards 2007 and 2008, after several searches in the Journal of International Management and in some other articles as well, we found the use of term multinationals from 'developing countries' and 'emerging countries' (Aulakh, 2007; Cuervo-Cazurra, 2007; Petrou, 2007; Khanna and Palepu, 2006). According to Mathews (2006), these are firms that have been successful at internationalising themselves and are actually recognised as leaders in their respective fields, be it construction, information technology, manufacturing, etc. These firms have made the world take notice of them by performing successfully when nobody imagined that they were capable of that.

Hence, we can say that thanks to their multinationals, the economic, political and social setting of most of these emerging countries is changing. These multinationals are playing an active role in international competition and becoming an important part of the global economy. It is surprising to see that multinationals from emerging regions are not only responding to the global competition but are also challenging the existing players in their own field by creating new segments and positioning. A good example is Tata from India, which has recently introduced $2,500 revolutionary car aimed at the Asian market and according to The Economic Times (Jan, 2008), sales are expected to grow fast. It is expected that this car may increase the Indian car market by as much as 65%. These multinationals have various characteristics of their own and it is surprising to note that these are not always similar to the characteristics of developed country multinationals. Some of the most pertinent characteristics have been discussed in detail as follows:

- **Paradigm of accelerated internationalization:** This is a relatively new concept in the business world, which developed due to the fast internationalization process of the emerging country firms. These firms internationalized very rapidly by making use of connections and leveraging their growth. For example, they developed as contractors for the developed country multinationals or needed to go abroad for satisfying the requirements of global clients and thus entered a new market. However, this concept is now applicable to both, the developed as well as the emerging countries firms (Salehizadeh, 2007; Bonaglia and Goldstein, 2007; Shrader et al, 2001). Since multinationals from emerging regions were late to the process of globalisation, they needed to catch up with the developed country multinationals. Consequently, they applied various strategies to accelerate their internationalisation process (Li, 2007), instead of doing it in the traditional incremental manner.

- **State involvement:** For many emerging country multinationals, especially those coming from the Asian region, the government has been involved tremendously for their internationalization and success. This has been especially true for countries like Singapore, China and Taiwan. For Singapore and Chinese firms, the state promoted them by providing business opportunities, using personal contacts and even by spending resources to build up institutional frameworks (Sim and Pandian, 2003). UNCTAD (2002) notes the success of Chinese multinationals, which are wholly or partly controlled by the state and have successful investments in over 40 countries worldwide. Their internationalization is highly encouraged by the government and is a characteristic which may not be found with the developed country multinationals (Sim and Pandian, 2003).

- **Business group networking:** Lim (1996) pointed out that in the Southeast Asia region, businesses are often organised as large and diversified groups. This view has been widely acknowledged (UNCTAD, 2006; Peng and Zhou, 2005; Yeung, 1998). The major reason is that the economy of these countries is less developed, along with the political factors that also contribute towards this type of a system. The major characteristic of business groups is that they rely heavily on networks and personal relationships. UNCTAD (2006) conducted a global survey, in which they found that three-quarters of the competitive advantages considered by emerging country multinationals were not derived from firm's ownership advantages like managerial skills or technology, but from the ability to bring together advantages from different sources, which greatly requires the use of personal networking relationships.

- **Mindset:** Another important characteristic of the emerging country multinationals is their mindset (Bartlett and Ghoshal, 2000) and its effect on the company's

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performance. Due to their origin from an emerging or an under-developed country, these companies might consider themselves as second class citizens and think that they are not good enough to compete in the world class global market. This may prove to be a big hurdle and may set back the success and growth of these multinationals in the global market. Further, Bonaglia et al (2007) have discussed the 'ethnocentric' and 'polycentric' mindsets of the emerging country multinationals which means doing things domestically as against doing things as done locally. These multinationals have to decide and be open to the mindset which may be best for them under the demanded conditions or situation.

• **Competitive advantages:** Das (2007) has cited Michael Porter explaining that the comparative advantage of a nation lies in its ability to make use of one factor of production, example labour or capital in which that nation possesses an advantage compared to other factors. For example, India is an emerging Asia Pacific country whose comparative advantage lies in being able to leverage the abundantly available and cheaper labour to achieve operational effectiveness. The strength of Indian software giants like Infosys and Wipro lies in their ability to leverage low cost labour to supply products and services, for satisfying the demand in foreign markets. Similarly, the strength of Chinese companies lies in low-cost manufacturing and assembling of final products.

- **Geographical investments:** Bonaglia et al (2007) pointed out that although multinationals from emerging regions invested around the world, most of them were more comfortable investing in regional and/or other emerging countries at an initial stage. In closer regions, these multinationals have a certain familiarity in respect to culture. For example, companies from India and China have been observed to be active in other Asian countries. Similarly, Turkey has also been investing in Asian markets. Other emerging economies like Russia have also invested in countries which were part of the former Soviet Union. In fact, even South African investments are mostly in the Southern part of Africa. Emerging multinationals from Chile, Brazil and Argentina also expanded their international operations mainly by investing in other emerging countries of the region. Normally only after gaining experience in culturally closer markets, they venture to other foreign markets.

- **Push and pull factors:** Bartlett and Ghoshal (2000) have observed two different ways for internationalization followed by emerging country multinationals and these are push and pull factors. First is the 'push from home', which is especially applicable for companies which are highly successful in their home country markets. In this type of situation, it is important for the management of the company to make its employees realise the importance of global markets, which are different and more competitive than the home markets. Second is the 'pull from abroad', which is applicable for companies which have intention and inclination of expanding themselves in the overseas markets, eg. for getting access to natural resources, superior technology, advanced managerial skills, etc.

2. 2 Why are they: The Motivations

Several motivations guide the emerging country firms to internationalize. Deng (2003) divided these motivations into basic and others. His study was based on Chinese firms, however the motivations hold true for all emerging country multinationals. These are discussed in detail as follows:

- **Seeking resources:** These firms go across border to get access to raw materials. They may establish foreign subsidiaries to exploit natural resources. Thus they not only acquire raw materials for their domestic operations but also secure a continual supply of required raw materials (Root, 1994; Dunning, 1993). Additionally, by exploiting resources in foreign countries they obtain supplies at lower costs in part or as finished goods.

- **Seeking technology:** Multinationals from emerging countries are most likely to invest in developed countries for sophisticated technology, learning, and compensating for their competitive disadvantages (Almanac, 2001; Pananond and Zeithaml, 1998). By acquiring an existing firm, they may access the entire package of advantages of the acquired firm. They thus upgrade their manufacturing by using advanced technology on one hand, and develop new products for international markets on the other hand.

- **Seeking markets:** Most multinationals from emerging countries seek markets to invest abroad. For this type of investment, multinationals tend to keep and maintain existing markets and also discover and encourage new markets (Tseng, 1994). A survey was conducted by the UNCTAD (2006), which showed that seeking markets was the primary motivation for firms from emerging countries.

- **Seeking diversification**: A number of emerging country multinationals diversified through product diversification or otherwise and accordingly accelerated their growth (Aulakh, 2007) into international markets. Some other's also internationalised in order to avoid risks and uncertainties (Zhan, 1995).

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- **Seeking strategic asset**: It has been mutually agreed upon that multinationals have global strategic aims, missions and vision when they enter foreign markets (Root, 1994). These strategic aims are designed at the corporate level with the objective of maximizing overall corporate performance. In today's global marketplace, firms find it essential to engage in cross boarder investments.

- **Other motivations:** Besides the above five basic investment motivations, there may be other motivations which may be unique to specific countries, eg. access to foreign exchange in China is restricted and direct access to foreign capital markets is also prohibited, therefore, the motivation for some Chinese firms to invest in foreign markets is to gain access to foreign capital markets, as pointed by Deng (2003).

Another motivation may be linked to the non-economic factors. For instance, in many countries foreign investors are granted residency or citizenship rights. The emerging country companies may, therefore, engage in investment in these countries simply to gain access to the benefits of those rights of citizenship for professional or personal reasons, eg. the right of residency, the tax advantages for home firms, legal protection, higher level of education, social security, medical advantages, etc. (Deng, 2003).

2.3 Where do they go: The Destinations

Research interest also lies in studying where the multinationals from the emerging regions tend to invest. The decision of the firm to choose a geographical location for internationalization is guided by various strategic objectives like production capabilities, knowledge, political stability, favourable government policies, etc. Normally, 'where' is decided after an overall consideration of the corporate goals, economic policies, financial and political stability (Salehizadeh, 2007). More recently, the institutional factors or regional agreements have also played a big role.

- **Institutional factor:** ASEAN, MERCOSUR, NAFTA, SADC are only a few examples of the regional agreements which have played a major role in aiding and facilitating emerging firms for choosing the final destination for trade and investment purposes. These agreements provide various incentives for strategic trade relations within the region/s specified by them. Some examples of the incentives provided by them include low taxes and tariff rates, double taxation treaties, other fiscal incentives, etc. They also encourage bilateral investment agreements.

- **Psychological distance:** The 'where' would not be complete if we fail to mention it in the context of the Uppsala model. Many have questioned the applicability of emerging country multinationals, concerning the concept of 'psychological distance' introduced by the Uppsala model (which promoted incremental learning process). The Uppsala model suggests that the lack of knowledge about foreign markets leads them to export initially in countries geographically and culturally closer to them. The choice of targeted market follows reasonably and progressively, step by step based on the concept of 'psychological distance' (testing factors for or against information and knowledge flow between the firms and the foreign markets - differences in languages, culture, political environment, educational environment, level of industrial development, business practices, etc.) (Johanson and Vahlne, 1977; Johanson and Wiedersheim-Paul, 1975). However, Erramilli et al. (1999) suggested that while the concept of 'psychological distance' plays a critical role in the selection of markets early in the process, the economic factors tend to become more important during subsequent years.

2. 4 When do they do: The Models

'When' proposes an insight into the internationalisation of emerging country multinationals. The question of interest is to see under what conditions these multinationals internationalise, when they have the OLI advantage or the LLL advantage. The literature on the issue is loosely based on many rough theories. The basic understanding is that these multinationals are different from the developed country multinationals on the basis of their characteristic and behaviour. The interesting debate going on in the academic world raises the question as to what would be more suitable for discussing the emerging country multinationals – the old models or the new models, or maybe both. It is clear that much more research is required for understanding these multinationals and how they are different or similar to the developed country multinationals.

- **Eclectic paradigm – the OLI model:** OLI (Ownership, Location, Internalization) is a well known model for explaining the internationalization process of multinationals (Dunning, 1977). These three variables of the model define advantages that firms might have on going abroad (Salehizadeh, 2007; Sim, 2006; Dunning, 1997). The OLI model however was designed from the perspective of developed country multinationals (Dunning, 1981, 1986; Johanson & Vahlne, 1977). This is so because these multinationals usually benefited from large financial resources, had high advanced technology, were involved in R&D activities as well as were known for their superior managerial skills. However, the emerging country multinationals are less known for their superior brand names, technology or managerial skills. The model is hence, more specific to the multinationals from developed countries, and less for the emerging country firms.

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- **The LLL model:** The LLL (Linkage, Leverage and Learning) model has been conceptualized by Mathews (2006) and signifies that the emerging country multinationals want to achieve new competitive advantages. They use the triple L advantages since they were lagging behind in technology, management skills, etc. (Pananond and Zeithaml, 1998). The emerging country multinationals build linkages with the developed country multinationals in various strategic ways that helped them to take advantage of their latecomer status and internationalize accordingly (Bonaglia and Goldstein, 2007).

This model is different from the earlier OLI model in the sense that it implies a dynamic process of multinationals formation in contrast to the static OLI model (Mathews, 2002). "Any firm which lacks resources in foreign countries can take advantage of the new features of the global economy, particularly its globally interconnected character, to become an international player" (Mathews, 2006:23). Hence, we may conclude that multinationals from emerging regions may want to go abroad not as the OLI model suggests but based on the advantages that they have domestically developed, as suggested by the LLL model.

2.5 How do they do it: The Entry Modes

Few studies have investigated specific modes of entry used by multinationals from emerging countries in their internationalization process as suggested by literature. In particular, the question on the application of the Uppsala model to the specific case of emerging countries multinationals is not very clear and has been only been debated a little in the present literature. We present some significant features of this model according to the available research.

- **The Uppsala model:** The process of globalisation of firms may be described by using the Uppsala model (Johanson & Vahlne, 1977; Johanson & Weidersheim-Paul, 1975). This model defines the internationalisation process of a firm by dividing it into various incremental steps. Each higher step is symbolic of higher knowledge gained and higher learning experienced, leading ultimately to a higher level of commitment in the international market. The gradual process may be defined in four stages (Sim, 2006) from no regular export activity to starting an export activity with the help of a representative in the foreign market to opening up a personal office in the foreign market to finally opening up a production house in the foreign country.

This incremental path of learning is often slow because of many factors (like language, culture, level of development, government policies, etc.). Other reasons hampering progress could be lack of resources (technology, finances, managerial skills, brand name, etc.) and competition in the home market due to economic liberalisation. A firm faces considerable uncertainty while engaging in international expansion. Therefore, firms choose a market for entry which is culturally as well as geographically closer (Bonaglia et al, 2007; Sim, 2006).

- **The late comer advantage:** Pangarkar (1998) explains that several Asian multinationals adopted strategies that allowed them to skip the standard initial stages of internationalization. One of the major problems for these emerging country firms is that they are too late in their process of going international. These firms thus have to pay attention to advantages of being late comers, since all the advantageous positions, segments, industries, businesses, etc have already been taken up by the developed country multinationals. This is known as the first movers' advantage and companies like Pepsi, Nike, and Microsoft are examples of this category.

According to literature, the Asian multinationals take advantage of the niche that the developed country multinationals have missed out. They try to take advantage of the loop-holes that have been left by the existing firms because of their early moves and hence, lack of experience or technology at the time or for any other reason (Bartlett and Ghoshal, 2000). By using various strategies, these multinationals have been able to compete with the developed country multinationals on the same scale.

2.6 What do they do: The Strategies

The multinationals from emerging regions have in fact adopted some different strategies in order to be successful in the world market. For example, by using the support of their respective governments and diversifying in various sectors, segments and in several markets around the world (Pangarkar, 1998). Some strategies that have been more popularly used by them, according to the literature have been discussed below:

- **Strategic innovations:** The emerging country multinationals are know to make use of a variety of strategies, which are not always traditional strategies that have been used by the developed country multinationals, eg. contracting, licensing new technologies, forming other alliances, etc. Thus their most relevant strategy was to complement the existing (developed country) multinationals rather than competing against them, which proved to be beneficial to both. These linkages and leverages have provided large number of opportunities for the emerging country firms (Mathews, 2006).

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- **Mergers & acquisitions:** These multinationals are not dependent on just the export strategy for internationalizing their operations but are making use of other forms of strategies as well eg. mergers and acquisitions (M&A's). There exist various high profile examples of strategic acquisitions made by these multinationals, like Lenovo of China; Tata, Reliance and Mittal Steel of India (Aulakh, 2007). For example, Tata steel acquired Europe's Corus to emerge as the world's fifth largest steel producer. This fact is highly prominent from Figure 2, which shows the increasing number of mergers and acquisitions (UNCTAD) that have been made by the emerging country multinationals over the years.

Figure 3: M&A's of Emerging Country Multinationals

Source: The Economist (18 Sept, 2008)

Moreover, BCG (2006) made a study on the internationalization strategies of 100 multinationals from emerging countries and they found that mergers and acquisitions were on the rise (15 operations in 2000, 40 in 2004 and 59 in 2005 for 100 companies).

- **Joint ventures:** According to Sim (2006), most companies from the emerging countries make use of joint ventures to enter a new market in contrast to the developed contrary multinationals which have a preference for the wholly owned subsidiaries. This is said to the preferred mode of entry as it not only helps them to catch up rapidly with the early movers but is also considered safe for first time entry into a new market (Li, 2007; Mathews, 2002; Ernst, 2000). Choice of joint ventures indicates a desire to be on a safer play ground and thus minimising the risk. Developed country multinationals on the other hand have a desire for higher control and hence are less interested in using joint ventures.

- **Outsourcing:** Multinationals from emerging countries have adopted the 'outsourcing of technology' strategy. They thus overcome their week point of being backward in the technology arena. In most cases the supplier of technology was himself sourcing the finished goods to be sold in his own market and hence it became important for this supplier to ensure that technology was transferred in a proper way and that the buyer of technology had a complete understanding as to its application. This was important in order to produce quality goods along with consistency in production of the final product (Pangarkar, 1998). The author further explains that the above provision also brings managers of the emerging country firms into contact with the latest management techniques by being in constant touch with their suppliers and in trying to understand their requirement. In time some of the more successful firms were able to create their own ownership advantages, example semiconductor memory chips created by Samsung.

- **Organizational innovation:** Emerging country multinationals have not followed the conventional organizational forms; rather have gone for more integrated and global operations. Therefore, they have a global outlook right from the start of their internationalization process instead of waiting for a later stage. An example is of Acer which consists of global clusters of semi autonomous businesses which have been integrated with each other and also with suppliers and clients through multiple connections. This avoids the unnecessary time gap of passing information and taking permissions to and fro between company headquarters and its subsidiaries. Extra attention has to be paid for maintaining a good communications flow which has been made possible by following a set of laid down rules (Mathews, 2006; Bonaglia et al, 2007).

2. Concluding Analytical Discussion

Multinationals from developed western countries represent the majority of global multinationals in the world today. However, with advancement in globalization, the situation is slowly but surely changing. Multinationals from emerging regions have started attracting attention worldwide. The paper discusses the emerging country multinationals by answering the six generic questions. On the basis of the above literature review and discussions, we can say that some specific factors do influence the successful preformance of these multinationals and these factors may not always be similar to that of the developed country multinationals. Some of the more significant influential factors for the emerging country multinationals as summed up from our literature review may be summarized in figure 4.

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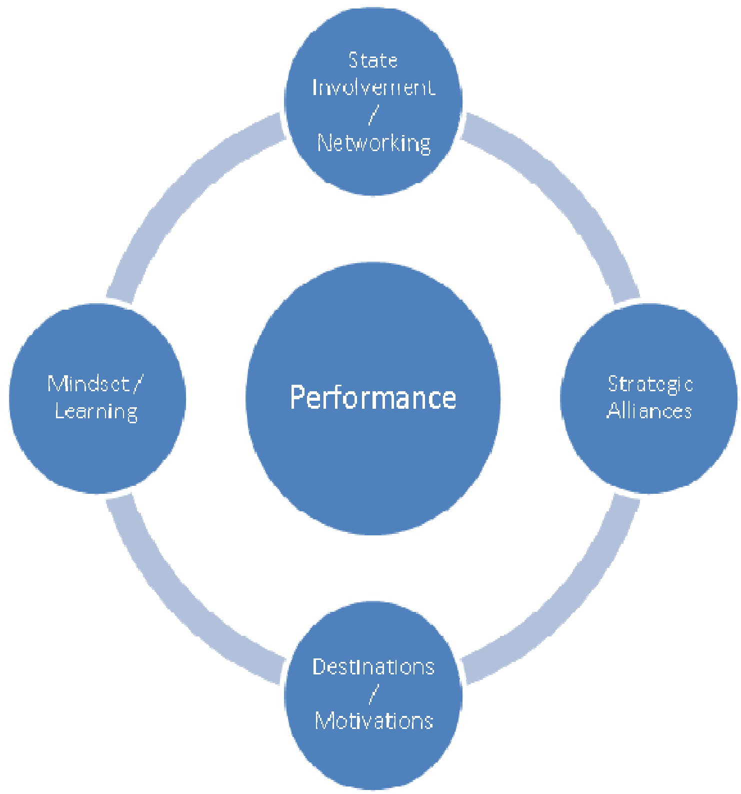
Figure 4: Influential Factors for Emerging Country Multinationals



The results of our study are in line with the conclusion of Peng and Delios (2006) and Chang (2006a, 2006b), who discussed emerging country multinationals from Asia, and emphasized on the use of business groups or networking strategy for this particular region. "As long as markets, especially capital markets, are imperfect and Asian governments continue to influence resource allocation, business groups and conglomerates will not only survive but may also prosper in the region", Peng and Delios (2006: 399) said based on the study of Chang (2006a, 2006b). It is interesting to note that this is one of the important identified factors of our study too. Besides business groups, we also highlight the importance of state involvement, the significance of right mindset, the strategic alliance used by them, which also led to the introduction of the paradigm of 'accelerated internalisation'. Further, the importance of destinations chosen by the emerging country multinationals and their related motivations have also been highlighted, as may be clearly seen in Figure 4. The figure also emphasises that these factors have an influence on the performance of the multinationals.

Another relevant issue discussed in our study was regarding a suitable model for the emerging country multinationals. As we discussed that the OLI model is based on the experiences of the developed country multinationals which already have the capability and resources to fulfill their objective of expanding globally. Accordingly, the model has been challenged increasingly in literature in respect to the emerging countries (Mathews, 2006, 2002; Li, 2003; Yeung, 1994). This is because when these firms decide to go international, they normally do not have enough resources (finances, brand name, managerial experience or technology). They also face disadvantages in the home market because of economic liberalisation, and almost no time for learning. Hence, emerging country multinationals have to internationalise, not to exploit their advantages but in order to actually build advantages (Bonaglia et al, 2006). Many authors have called for updating of the model in respect of the emerging country multinationals (Mathews, 2006; Li, 2003, 2007). On the other hand, the LLL model which was introduced by Mathews, especially for multinationals from emerging countries. Since the tripple L model suports the emerging region multinationals to go abroad according to the advantages that they have developed locally. However, this too has its drawbacks as it is not very clear about the differences between the proposed linkages, leverages and learning. Confusion arises when linkages and leverages are seen as a result of learning while learning means a continual procedure of linkages and leverages. It also looks as if linkages and leverages are interconnected and hence one would not work without the other (Li, 2007).

Many authors have rejected one or the other model in relation to the multinationals from the emerging countries. Dunning (2006), after studying the LLL model, suggested that the two models, OLI and LLL are complimentary. The same has been suggested by Li (2007), who has proposed the integration of the OLI model (with an internal focus) and the LLL model (with an external focus) to arrive at a more balanced model for explaining all kinds of multinational's evolution. He stressed that this integration will enable us to enhance our understanding of the changing activities of multinationals from emerging countries.

Several authors have pointed out that the existing literature on multinationals from emerging countries is still very sparse; lacking in theoretical, conceptual as well as in empirical studies (Mathews, 2006; Li, 2007; Li, 2003) and relies only on some 'anecdotal' sources (Aulakh, 2007). Little has been done but a lot more needs to be done since we realise that a systematic body of literature (Bonaglia and Goldstein, 2007) is still missing, and in high demand. There still exist numerous doubts and questions that require to be explored in detail. Through this study, we have made a contribution in the scientific literature towards a better understanding of the emerging country multinationals. The study also has direct implications for International Business researchers and practitioners as it will help them to increase their awareness on emerging countries and their multinationals. It is aimed at providing them an insight regarding the approach and sustainability in these countries.

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Our study is an attempt to raise awareness, take further the literature and raise issues which will lead us towards a better understanding of this rich and emerging field. Elaborate research is required on each topic mentioned in this paper. Future studies should be made keeping in mind that these multinationals are expected to continue to face challenges, not just the old challenges faced by the developed country multinationals but also many new challenges, thanks to the dynamic business environment. Much demand has been made for better understanding the characteristics and nature of these firms as such and also in comparison with the developed country established multinationals. The related literature is still in exploratory stage and hence, they need to be studied till a reasonable understanding about them starts to develop.

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