

Home-Country's Competitive Assets of the Emerging Countries' Multinational Enterprises (EMNEs)

Authors : Philippe Gugler

Abstract : The aim of this study is to investigate how home country patterns may influence the competitiveness of EMNEs in international markets and more specifically their ability to invest abroad. The study examines the dynamic relationship between home country specific advantage and firms' competitiveness. Are EMNEs still driven by strong country specific advantages or are EMNEs increasingly relying on their own firm specific competitiveness? EMNEs are not commonly recognized as a 'homogeneous group'. Therefore, the approaches to these questions need to be specific while still attempting to extract some common evidence. The aim of the study is to elaborate a framework to investigate this issue in a dynamic context of international business's strategies. The study focuses on two major research questions. The first one relates to the role of the home-base context in the internationalization process of EMNEs and more specifically the home-base assets' influence on EMNEs competitiveness. Another question is to investigate the interactions among home-base context, recipient country context and EMNEs competitiveness. The evolution of EMNEs' competitiveness is shaped by the evolution of the home country's business environment. The nature of the home-based components in EMNEs' specific advantages has changed over time due to the increased integration of emerging countries in the world market and the inherent changes related to their institutional, structural and regulatory patterns. The home country offers not only inherited assets but also a productive business environment, allowing firms to innovate, be more productive, create unique value for customers and finally, to face international competition successfully. The more sophisticated the home business environment is, the more opportunities there are for firms to develop exclusive and unique competitive assets. The international expansion of EMNEs is a fascinating but challenging issue. Among the numerous questions raised by the involvement of EMNEs in international competition is the evolving role of the home market. The purpose of this study is to examine some of the theoretical ideas and empirical evidence to allow us to deepen our understanding of the role of emerging home countries in the internationalization process of their domestic firms and more specifically in their ability to compete successfully abroad. How much do home specific assets still influence EMNEs' foreign investment? Which home country assets provide the main competitive drivers to invest and compete abroad? How do EMNEs combine home country assets and host country assets to strengthen their competitive advantages? These questions as well as various others deserve further examination by the scientific community.

Keywords : competitiveness, emerging countries' multinational enterprises, foreign direct investments, international business

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