

FROM NETWORK ADVANTAGE TO BOP NETWORK ADVANTAGE: PATH TO SUSTAINABLE VALUE CREATION AND INTERNATIONALIZATION

SULAMAN HAFEEZ SIDDIQUI¹, ISMAIL BIN LEBAI OTHMAN²

ABSTRACT. Recent developments in theories of Base of Pyramid (BoP) focus on engaging low-income population as business affiliates in developing countries. Theories of BoP cluster linkages and firms' internationalization are well established in the literature yet there is scarcity of theoretical postulations which may connect the two. This study, using inductive qualitative methods, aims to extend network theory of internationalization by identifying linkage between inclusive supply chain cluster linkages with BoP firms and internationalization strategy of MNEs in developing host markets. This study focuses on the social sustainability of MNEs operations in host markets. Proposed model postulates sustainable/inclusive supply chain linkages with BoP enterprises as an exogenous variable that generates sustainable value creation process i.e. inclusive innovation and inclusive entrepreneurship. These sustainable/inclusive supply chain linkages, moreover, influence key determinants of MNEs' internationalization strategy such as market knowledge competence, cooperative capability and native capability/local embeddedness. The proposed model offers significant addition to the literature on internationalization of and shared value creation in MNEs.

Key Words: Shared value, Base of Pyramid (BoP) firms, sustainable supply chain, internationalization, economies of networking

JEL Classification: M14, F23, O24, O25

Recommended citation: Siddiqui, S.H., Othman, I.B.L., *From Network Advantage to BoP Network Advantage: Path to Sustainable Value Creation and Internationalization*, Studia UBB Negotia vol. 61, issue 4 (December), 2016, pp. 5-20.

¹ Senior Lecturer, The Islamia University of Bahawalpur Pakistan, sulman.siddiqui@iub.edu.pk

² Associate Professor, University Utara Malaysia, i.othman@uum.edu.my

1. Introduction

Sustainability of MNEs' operations in host markets has been gaining attention by theorists and practitioners along the triple tier approach i.e. economic, social and environmental. A number of studies have reflected upon need and dynamics of sustainable supply chain management i.e. inclusive and green supply chain strategies by MNEs in host markets. After advent of the concepts of Base of Pyramid (BoP) market (Prahalad & Hart, 2002) and blue ocean strategy (Kim & Mauborgne, 2004), MNEs are aspiring to enter developing and emerging economies as potential blue ocean markets. MNEs tend to play central role in the management of global supply chains through inter-firm linkages. Sustainable supply chain strategy of MNEs aims at developing cluster linkages with the micro and small enterprises (MSEs) through inter-firm horizontal and vertical (backward and forward) linkages (Gold, Hahn & Seuring, 2013). Inter-firm linkages between MNEs and indigenous firms have been found to have impact on various sustainable business and development outcomes (Gold, Hahn & Seuring, 2013; Cook & Pandit, 2012; Huang & Xue, 2012; Barrios, Görg & Strobl, 2011; Irawati, 2007). Shareholders and managers of MNEs are interested in sustainable business outcomes of their FDI decision along three tiers of sustainability i.e. economic, social and environmental. Emerging studies in the area of BoP 2.0 and 3.0 strategy also suggest supply chain partnerships with the micro and small enterprises (MSEs) for sustainable outreach of MNE activity in developing and emerging economies (Schuster & Holtbrügge, 2012; Cañeque & Hart, 2015; Follman, 2012; Burki & Khan, 2011; Habib & Zurawicki, 2010; London, 2007; Arnould & Mohr, 2005).

On the other hand, policy makers in emerging and developing economies are facing challenges of ensuring sustainable development outcomes such as competitiveness, poverty alleviation and natural resource preservation. MNEs with their large scale output and resources are being looked at to contribute to national objectives in a meaningful way in addition to philanthropic and charity activities. MNEs are facing greater pressures for sustainability initiatives i.e. environmental and social in their respective home and host markets (Rugman et al, 2012; Kolk and Van Tudler, 2010; Levy et al. 2012; Rodriguez, Siegel, Hillman, and Eden, 2006). The rising focus on MNE activity in emerging and developing

economies has added to the debate along the tier of social responsibility i.e. MNEs' contribution to host markets for inclusive growth and innovation. Theories of internationalization are also under revision to incorporate the sustainability dynamics into MNEs international expansion strategies. Outreach to business opportunities at the Base of the Pyramid (BoP) markets has been increasingly necessitating the need for MNEs to involve poor communities in production processes including management of their supply chains. Network theory of internationalization sheds light on how inter-firm linkages in industrial districts, supply chain cluster and affiliate relationship influence firm competitiveness and internationalization performance. Recently extensions of learning and network theories have focused on BoP market to include it into explanations of network perspective (Vahlne & Johanson, 2013; Tasavori, Ghauri & Zaefarian, 2014).

The literature on second and third generation of BoP is based on producer and supply chain partner view of BoP market (Gold et al, 2013; Simanis & Hart, 2008, 2009; London & Hart, 2010; Rangan et al. 2011; Hart & London, 2004; Hart & Enk, 2006; Rashid & Rahman, 2009). Along with concept of shared value by Porter & Kramer (2011), literature on BoP 3.0 offers rich insights on nature and dynamics of inclusive entrepreneurship and innovation through MNE activity (Cañeque & Hart, 2015).

However, current research on the interplay between these distinct yet closely related streams of research namely internationalization, sustainable supply chain and BoP business operation is lacking in a coherent manner in the available literature. There is much little conceptual and empirical evidence of the differential impact of supply chain linkages of MNEs with BoP enterprises on shared competitiveness of MNEs and various sustainable development outcomes in host markets. This necessitates investigation into theoretically grounded and empirically informed models that may align internationalization decisions of MNEs in ways to simultaneously achieve sustainable business and development outcomes. Sustainable/inclusive supply chain strategy offers matching point of 'profit with purpose' between the purpose-seeking behavior of policy makers in developing countries and profit-seeking behavior of managers in MNEs.

Against this backdrop, this study seeks to investigate the relationship between supply chain linkages with BoP enterprises and MNEs' sustainable internationalization process. The study postulates a

sustainable model of internationalization based on shared value creation and BoP network advantage (market knowledge competence, cooperative capability, native capability/local embeddedness) of MNEs through BoP supply chain linkages in host markets. Sustainability of value creation is examined along the social dimension i.e. inclusive innovation and inclusive entrepreneurship. Sustainable internationalization is postulated to be influenced by MNEs' inclusive supply chain linkages with BoP ventures in emerging and developing markets. The role of MNEs and their subsidiaries in developing host markets as the 'BoP Hub' of their respective BoP supply chain clusters offers rich insights into how MNEs can enhance social sustainability of value creation process and contribute to inclusive entrepreneurship and inclusive innovation. This sustainable value creation is postulated to be translated into BoP network advantage i.e. market knowledge competence, native capability, cooperative capability which in turn influence the internationalization performance of MNEs in host market termed here as sustainable internationalization. This paper aims:

- To review, reconcile and synthesize the literature in IB on internationalization; socially sustainable/inclusive supply chain linkages in context of developing economies;
- To identify theoretical gaps and develop propositions about key relationships between BoP supply chain cluster linkages, socially sustainable value creation and firms internationalization strategy to postulate a coherent model;
- To discuss the theoretical and policy implications of the proposed model;

This analytical construct presented in the proposed model is meant to offer sustainable value creation process along social tier of sustainability i.e. inclusive entrepreneurship and innovation based on MNEs supply chain linkages with BoP enterprises. The linkage of inclusive value creation process with MNEs' internationalization strategy would thus offer a sustainable model of MNEs internationalization. On the strategy front, managers in MNEs would get rationale for engaging micro and small firms in supply chain networks in host economies. On the policy making front, the study would encourage economic managers in emerging and developing economies to devise appropriate policy response for the integration of BoP ventures in the international supply chain of home and foreign MNEs.

2. Literature Review

2.1. MNEs' Internationalization Strategy

Literature in international marketing and international business has had observed both growth and innovation in the studies pertaining to MNEs' business activities in international markets which is also termed as firms' internationalization. According to Galan et al. (1999) the MNEs' decision making related to internationalization strategy involves three dimensions: decision to go abroad; choice of location of foreign activities; and mode of entry into those locations. The study by Hafeez Siddiqui et al (2014) has summarised the literature on firms' internationalization strategy and its measures surveyed from available literature. Various other studies have also provided a synthesis of the internationalization literature, including Johanson and Vahlne (2009), Buckley and Hashai (2009), Buckley and Ghauri (2004) and Dunning (2001). The premiere work of on the topic is of Johanson and Vahlne (1977) from Uppsala school in the context of export development to explain the process approach of internationalization. Whitlelock (2002) has summarized the literature on internationalization in terms of four approaches namely Uppsala model; the eclectic paradigm; transaction cost analysis; and the network approach.

Given the focus of the study to analyze the impact of supply chain linkages with BoP firms in host market on MNEs internationalization, this study will use network theory of internationalization to explain the rationale underlying the variables and their relationships. Network linkages of foreign firms in the host market significantly improve their internationalization strategy and performance by increasing market knowledge, reducing the psychic distance, enhancing access to local resources and better in-roads into host market (Johanson and Vahlne, 2009; Vahlne & Johanson, 2013). The study by Bruneel, Yli-Renko & Clarysse (2010) elaborates importance of learning in networks that is translated into better internationalization performance.

3. Methodology

This study has made use of qualitative inductive methods to postulate the theoretical model and key relationships/propositions

therein. The grounded theory research method is employed to make postulation about the hypothesized relationships grounded into literature and secondary data. The study begins by presenting an analytical framework derived from extensive review of literature on internationalization theories of MNEs, theories of firms' sustainability and theories of BoP market. Critical review and reconciliation of literature has made possible to draw the implications of sustainable supply chain linkages of MNEs with BoP enterprises in host market for variables related to MNEs' internationalization strategy.

4. Proposed Model: BoP Network Advantage for Sustainable Internationalization Strategy

Figure 1 and 2 depict the process of sustainable value creation through network linkages in BoP supply chain cluster. The proposed model is extension of network theory of internationalization (Vahlne & Johanson, 2013; Bacchiocchi, Florio & Giunta, 2014; Hohenthal, Johanson, & Johanson, 2014) and theory of industrial districts/cluster. By engaging with BoP firms in their supply chain network, managers in MNEs reap benefits of BoP network advantage. BoP firms have experience and expertise of working in BoP market and thus possess important knowledge assets that MNEs may need to thrive in host markets.

4.1. Dynamics of MNEs' Supply Chain Linkages with BoP Firms for Sustainable/Shared Value Creation: Inclusive Innovation and Inclusive Entrepreneurship

Adding BoP cluster in the supply chain strategy of MNEs has implications for sustainable value creation. Social sustainability is the hall mark of BoP firms, which can be linked with the global value creation process through supply chain linkages of MNEs (Figure 1). BoP suppliers and resellers share the opportunity of innovation and entrepreneurship with MNEs through exchange of information through supply chain network. BoP firms share their social and knowledge capital with MNEs due to their experience and expertise of doing business at BoP. The MNEs in turn also add to the competitiveness of these small and micro firms by sharing their surplus knowledge assets

with them. Participation of MNEs in global value chains and their knowledge assets encourage and enable these firms to remain internationally competitive in terms of products and processes. BoP clusters link micro and SMEs to global markets and thereby keep these firm internationally competitive and abreast with global trends. Cluster linkages with BoP supply chain partners offer MNEs significant cost advantage in labor intensive operational activities. This results into a two way flow of competitiveness in the value creation process between MNE and BoP firms through dynamics of BoP cluster.

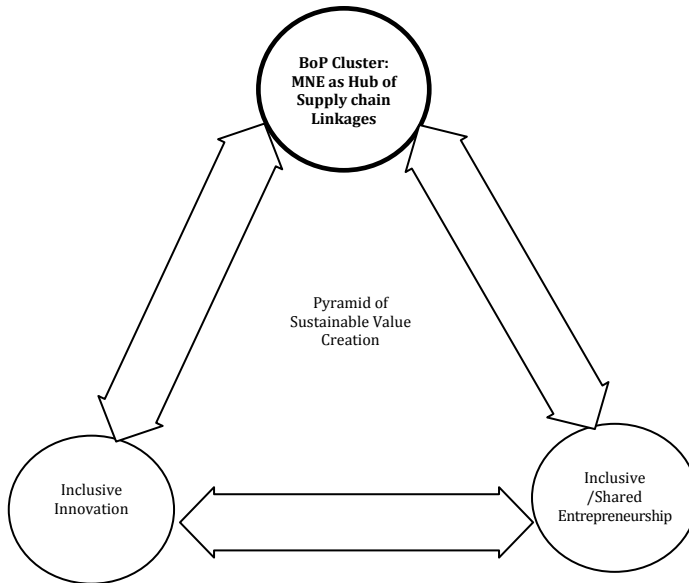


Figure 1. Innovation and Inclusive Entrepreneurship in BoP Supply Chain Cluster: Pyramid of Sustainable Value Creation

4.1.1. Economies of Networking

Savings in average cost and gains in quality associated with spread of activities across the value chain network through vertical and horizontal linkages is hereby termed as economies of networking. This concept is clearly different from economies of scope, which encouraged firms to agglomerate the backward and forward activities under one

management. Economies of scope thereby resulted in increased firm size and reduced responsiveness at high bureaucratic costs. Theory of industrial clusters established by Marshall (1907) has already gained further theoretical advancement elaborating its implications for growth, employment, productivity and innovation. Successful empirical results from the industrial and technology clusters in developed countries have further strengthened the theoretical construct of industrial clusters. Economies of networking have their roots in the theory of industrial clusters and theory of strategic alliances, which elaborate the role of supply chain/ value chain linkages capitalized through strategic alliances within the cluster. Network theory of organizational structures and strategic alliances has given these firms an opportunity to shed the load of these non-core activities and not only become smart and responsive but also more competitive by spreading their activities across the global value chains. Arnould & Mohr (2005) have coined the theory of BoP clusters to expand the horizon of economic activity to BoP markets through business partnerships and alliances using country level analysis. MNEs are increasingly interested in outsourcing the weight of activities/processes accumulated during race for economies of scope. BoP clusters can be vital mechanism for MNEs to capitalize on economies of networking without compromising economies of scale. Quest for economies of networking can be important incentive for the formation and success of BoP cluster by MNEs to capitalize on labor cost advantages of family-run BoP businesses.

4.1.2. Locally Inclusive and Globally Competitive SME sector at BoP

Taking MNE as the hub of BoP cluster enables the supply chain to create inclusive entrepreneurial ventures. These BoP ventures also contribute to the international competitiveness of hub MNE through their cost advantage arising out of family labor and social capital at BoP. MNEs have surplus knowledge assets (K), which is complemented with BoP supply chain ventures through forward and backward linkages to improve quality of supplier and reseller activities. Global character of MNE enables participation of these BoP firms in international markets and keeps them updated with global tastes and trends. Transfer of learning from MNE to these ventures significantly improves the competitive ability of BoP ventures. Inclusive character of BoP cluster creates and enables shared

international competitiveness with varying sections and subsections of market in developing countries. The cost advantages (C) of these small ventures add to the international competitiveness of MNEs in the area of operational activities.

4.2. Dynamics of BoP Supply Chain Cluster for Sustainable Internationalization Strategy: BoP Network Advantage

Figure 2 depicts the proposed model of sustainable internationalization strategy stemming from MNEs' supply chain linkages with BoP enterprises in host markets. Simanis and Hart (2008) have coined the concept of embedded innovation through *Business model intimacy* which entails an interdependence and sense of shared identity in the business model innovations wherein the company and community are committed to each other's long term well-being and success. Their study emphasizes a strategy combining the resources and capabilities possessed by MNEs and income-poor communities. A strategy that brings corporations together in deep partnership with BoP communities to build a locally-embedded business and it requires that companies must *become native* to the community and is termed as native capability. Here comes the point of interplay between firms' internationalization theory and the theory of BoP cluster or supply chains linkages.

Myer, Mudami and Narula (2011) have discussed the role of local embeddedness of MNEs in their international expansion strategies. Their categorization of local context into institutional frameworks and resource endowments and their relationship to MNEs strategy has important implications for linking BoP ventures with MNEs' supply chain networks in host markets. Their study reveals that MNEs meet the challenge of local embeddedness through network with local subsidiaries. Yet their study focuses only the MNEs central role in knowledge clusters and knowledge spillovers management across borders through subsidiary linkages and does not shed any light on the BoP clusters in the host markets that can be equally, and in some cases more effectively, helpful to meet the challenge of local embeddedness. The supply chain linkage with BoP cluster can help MNEs bridge important host market variables like psychic distance (Johansen & Vahlne, 1977), cultural distance (Kogut & Singh, 1988) and institutional distance (Kostova, 1999; Estrin, Baghdasaryan & Meher,

2009), while also responding to transaction cost of production and innovation in host markets (Rodrik, Subramaniam & Trebbi, 2004). These BoP linkages translate into native capability of MNEs (Simanis & Hart, 2008) and become important determinant of their success in emerging and developing markets. In their efforts to be locally embedded through BoP supply chain linkages, MNEs tend to contribute to entrepreneurship and innovation especially in emerging and developing economies, which is inclusive in its nature and dynamics.

This inclusive entrepreneurship and inclusive innovation through BoP supply chain linkages also influence the social tier of sustainability of MNEs operations in host market and thus lead to sustainable internationalization of MNEs. The concept of sustainable supply chain management through MNEs' supply chain linkages with BoP ventures is also elaborated by Gold, Hahn and Seuring (2013) yet their study does not relate these BoP supply chain linkages to MNEs' internationalization strategy or process.

The concept of sustainable internationalization based on BoP linkages framed in this study also takes its roots from theory of cooperative internationalization, which focuses on the cooperative capability of MNEs i.e. strategic alliances, joint ventures, export consortiums and agreements with host market firms as the determinant of international expansion and success of MNEs (César Camisón, Ana Villar, 2009; Robson & Katsikeas, 2005; Narula & Duysters, 2004; Nielsen, 2010; Sarkar et al., 1999; Glaister & Buckley, 1999). Bringing BoP ventures into value creation process of MNEs tends to enhance the cooperative capability of MNEs and thereby enhances their internationalization through cooperative arrangements.

Study by Camison & Villar (2008) explains the cooperative internationalization strategy of MNEs. Their study measures the impact of MNEs' cooperative capability on internationalization. Cooperative capability refers to the tacit knowledge of managers at MNEs to build and manage cooperative alliances arising from their experience of network membership. MNEs participation in the BoP supply chain cluster enables their managers to accumulate specialised knowledge related to alliance management in the host market. This in turn lowers the perceived psychic distance leading to higher degree of MNEs internationalization.

Hart & London (2005) have coined the term native capability that refers to local knowledge and expertise to operate in host market, which results from engaging BoP suppliers in the MNEs supply chain. According to Meyer et al (2011), MNEs tend to develop local embeddedness leading to lower perceived psychic distance through their alliances with the indigenous firms in host market. The concept of local embeddedness is closely related to the cooperative capability of managers at MNEs in terms of operational outcome. The study by Santangelo & Meyer (2011) elaborates the role of inter-firm networks on market commitment decisions of MNEs. To sum up the model and explanation of key relationships, following propositions have been made.

- P1 Supply chain linkages with BoP enterprises in host market positively influences MNEs internationalization strategy.
- P2 Supply chain linkages with BoP enterprises in host market lead to inclusive innovation in MNEs and BoP firms.
- P3 Supply chain linkages with BoP enterprises in host market lead to more and better entrepreneurial activities in MNEs and BoP firms.
- P4 Supply chain linkages with BoP enterprises in host market improve market knowledge competence of managers of MNEs.
- P5 Supply chain linkages with BoP enterprises in host market improve native capability of managers of MNEs.
- P6 Supply chain linkages with BoP enterprises in host market improve cooperative capability of managers of MNEs.
- P7 Market knowledge competence of managers working in BoP supply chain cluster significantly reduces their perceived psychic distance about host market.
- P8 Native capability of managers working in BoP supply chain cluster significantly reduces their perceived psychic distance about host market.
- P9 Cooperative capability of managers working in BoP supply chain cluster significantly reduces their perceived psychic distance about host market.
- P10 Impact of supply chain linkages with BoP firms on BoP network advantage and internationalization differs across backward and forward and horizontal linkages.

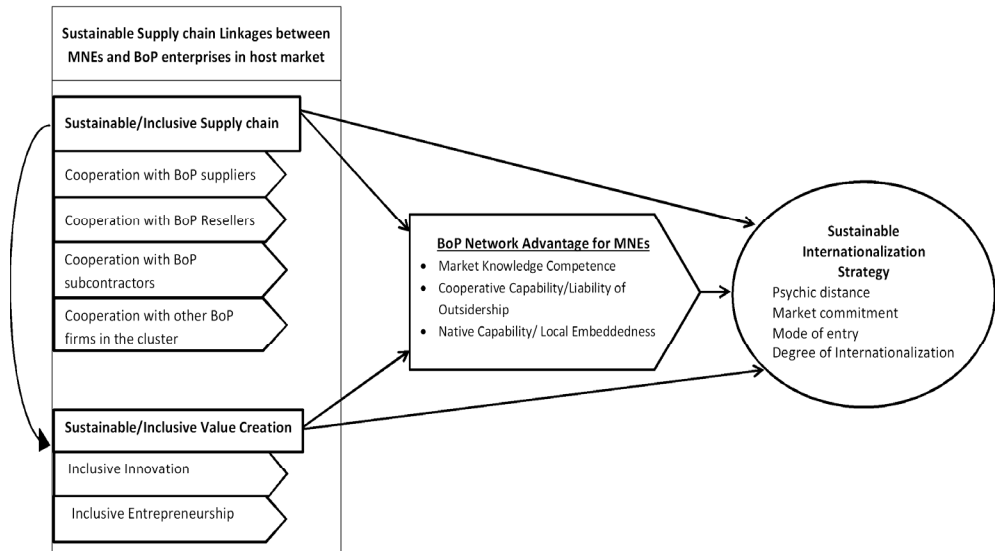


Figure 2. Proposed Model: Role of Sustainable Supply chain Linkages with BoP firms on MNEs Internationalization Capability

5. Limitations and Conclusions

The study identifies MNEs supply chain linkages with BoP firms (BoP cluster) as exogenous variable to influence sustainable value creation and sustainable internationalization in MNEs. BoP clusters are powerful tools available to MNEs to not only make their value creation processes socially sustainable but also further their internationalization performance in the host markets. Backward and forward linkages of the BoP clusters are found to be important for enhancing productivity and thereby international competitiveness of MNEs. These linkages with local BoP producers in host market also improve the local embeddedness of MNEs and reduce psychic distance and liability of foreignness in the host market. Improved international competitiveness and local embeddedness is found to enhance the internationalization of MNEs in host markets by way of deeper market penetration. Another implication of BoP cluster is for inclusive innovation and entrepreneurship in the host market through supply chain linkages of MNEs with the local vendors and resellers. The sharing of knowledge assets between BoP

firms and MNEs together with entrepreneurial innovation at BoP spiral up the innovation and entrepreneurial activity and transform into more sustainable value chain. Further studies based on empirical data about supply chain linkages data of MNEs can enhance validity of the proposed model and contribute new insights. The postulated model nevertheless offers new theoretical insights with implications for MNEs sustainable internationalization and supply chain strategies.

REFERENCES

1. Arnould, Eric J., Mohr, Jakki J. (2005) Dynamic Transformations for Base-of-the-Pyramid Market Clusters, *Journal of the Academy of Marketing Science*. Volume 33, No. 3, pages 254-274.
2. Bacchiocchi, E., Florio, M., & Giunta, A. (2014). Internationalization and industrial districts: evidence from the Italian automotive supply chain. *International Review of Applied Economics*, 28(1), 1-21.
3. Barrios, S., Görg, H., & Strobl, E. (2011). Spillovers through backward linkages from multinationals: Measurement matters!. *European Economic Review*, 55(6), 862-875.
4. Bruneel, J., Yli-Renko, H., & Clarysse, B. (2010). Learning from experience and learning from others: how congenital and interorganizational learning substitute for experiential learning in young firm internationalization. *Strategic entrepreneurship journal*, 4(2), 164-182.
5. Buckley, P. J., & Hashai, N. (2009). Formalizing internationalization in the eclectic paradigm. *Journal of International Business Studies*, 40(1), 58-70.
6. Buckley, P. J., and Ghauri, P. N. (2004). Globalisation, Economic Geography Strategy of Multinational Enterprises. *Journal of International Business Studies*, 35, 81-98.
7. Burki, A. A., & Khan, M. A. (2011). Formal participation in a milk supply chain and technical inefficiency of smallholder dairy farms in Pakistan. *The Pakistan Development Review*, 63-81.
8. Camison, C., & Villar, A. (2009). Capabilities and Propensity for Cooperative Internationalization. *International Marketing Review*, 26(2), 124-150.
9. Camisón, C., & Villar, A. (2009). Capabilities and propensity for cooperative internationalization. *International Marketing Review*, 26(2), 124-150.
10. Cañeque, F. C., & Hart, S. L. (Eds.). (2015). *Base of the Pyramid 3.0: Sustainable development through innovation and entrepreneurship*. Greenleaf Publishing.

11. Cook, G. A., Lööf, H., Pandit, N. R., & Johansson, B. (2012). The influence of clustering on MNE location and innovation in Great Britain. *Entrepreneurship, Social Capital and Governance: Directions for the Sustainable Development and Competitiveness of Regions*, 53.
12. Dunning, J. H. (2001). The eclectic (OLI) paradigm of international production: past, present and future. *International journal of the economics of business*, 8(2), 173-190.
13. Estrin, S., Baghdasaryan, D., & Meyer, K. E. (2009). The impact of institutional and human resource distance on international entry strategies. *Journal of Management Studies*, 46(7), 1171-1196.
14. Follman, J. (2012). BoP at ten: evolution and a new lens. *South Asian Journal of Global Business Research*, 1(2), 293-310.
15. Galan, J. I., Galende, J., & González-Benito, J. (1999). Determinant factors of international development: some empirical evidence. *Management Decision*, 37(10), 778-785.
16. Glaister, K. W., & Buckley, P. J. (1999). Performance relationships in UK international alliances. *MIR: Management International Review*, 123-147.
17. Gold, S., Hahn, R., & Seuring, S. (2013). Sustainable supply chain management in “Base of the Pyramid” food projects—A path to triple bottom line approaches for multinationals?. *International Business Review*, 22(5), 784-799.
18. Habib, M., & Zurawicki, L. (2010). The Bottom of Pyramid, Key Roles for Business. *Journal of Business & Economics Research*, 8(5), 23-32.
19. Hafeez Siddiqui, S., Zafarullah, M., Ijaz Latif, M., & Shabir, G. (2014). Impact of preferential trade agreements (PTAs) on firms’ degree of internationalization: Evidence from Pakistan. *South Asian Journal of Global Business Research*, 3(1), 54-78.
20. Hart, S. L., & Enk, G. A. (2006). Base of the pyramid protocol: project overview.
21. Hart, S. L., & London, T. (2005). Developing native capability. *Stanford Social Innovation Review*, 3(2), 28-33.
22. Hohenthal, J., Johanson, J., & Johanson, M. (2014). Network knowledge and business-relationship value in the foreign market. *International Business Review*, 23(1), 4-19.
23. Huang, B. Q., & Xue, X. (2012). An application Analysis of Cluster Supply Chain: A Case Study of JCH. *Kybernetes*, 41(1/2), 254-280.
24. Irawati, D. E. S. S. Y. (2007). Strengthening Cluster Building in Developing Country alongside the Triple Helix: Challenge for Indonesian Clusters-A Case Study of the Java Region.
25. Johanson, J., & Vahlne, J. E. (1977). The internationalization process of the firm—a model of knowledge development and increasing foreign market commitments. *Journal of international business studies*, 8(1), 23-32.

26. Johanson, J., & Vahlne, J. E. (2009). The Uppsala internationalization process model revisited: From liability of foreignness to liability of outsidership. *Journal of international business studies*, 40(9), 1411-1431.
27. Kim, W. C., & Mauborgne, R. (2004). Blue Ocean Strategy. *harvard business review*, 1.
28. Kogut, B., & Singh, H. (1988). The effect of national culture on the choice of entry mode. *Journal of international business studies*, 19(3), 411-432.
29. Kolk, A., & Van Tulder, R. (2010). International business, corporate social responsibility and sustainable development. *International business review*, 19(2), 119-125.
30. Kostova, T. (1999). Transnational transfer of strategic organizational practices: A contextual perspective. *Academy of management review*, 24(2), 308-324.
31. Levy, B. L. M. & Marans, R. W. (2012). Towards A Campus Culture of Environmental Sustainability Recommendations for A Large University. *International Journal of Sustainability in Higher Education*, 13(4), 365-377.
32. London, T. (2008, August). THE BASE-OF-THE-PYRAMID PERSPECTIVE: A NEW APPROACH TO POVERTY ALLEVIATION. In *Academy of management proceedings* (Vol. 2008, No. 1, pp. 1-6). Academy of Management.
33. London, T., & Hart, S. L. (2004). Reinventing strategies for emerging markets: beyond the transnational model. *Journal of international business studies*, 35(5), 350-370.
34. London, T., & Hart, S. L. (2010). Next generation business strategies for the base of the pyramid: New approaches for building mutual value. Pearson Education India.
35. Marshall, Alfred. (1907). *Principles of Economics*. 5th ed. London: Macmillan.
36. Meyer, K. E., Mudambi, R., & Narula, R. (2011). Multinational enterprises and local contexts: The opportunities and challenges of multiple embeddedness. *Journal of Management Studies*, 48(2), 235-252.
37. Myer, K. E.; Mudambi, R.; and Narula, R. 2011. Multinational enterprises and local contexts: The opportunities and challenges of multiple embeddedness. *Journal of Management Studies* 48:235-52.
38. Narula, R., & Duysters, G. (2004). Globalisation and trends in international R&D alliances. *Journal of International management*, 10(2), 199-218.
39. Nielsen, S. (2010). Top management team internationalization and firm performance. *Management International Review*, 50(2), 185-206.
40. Porter, M. E., & Kramer, M. R. (2011). The big idea: Creating shared value. *Harvard Business Review*, 89(1), 2.
41. Prahalad, C.K. & Hart, S. L. (2000). *Raising the Bottom of the Pyramid: Strategies for Sustainable Growth*.

42. Rangan, V.K., Chu, M. and Petkoski, D. (2011), "Segmenting the base of the pyramid", *Harvard Business Review*, Vol. 89 No. 6, pp. 113-7.
43. Rashid, A. T., & Rahman, M. (2009). Making profit to solve development problems: the case of Telenor AS and the Village Phone Programme in Bangladesh. *Journal of Marketing Management*, 25(9-10), 1049-1060.
44. Robson, M. J., & Katsikeas, C. S. (2005). International strategic alliance relationships within the foreign investment decision process. *International Marketing Review*, 22(4), 399-419.
45. Rodriguez, P., Siegel, D. S., Hillman, A., & Eden, L. (2006). Three lenses on the multinational enterprise: Politics, corruption, and corporate social responsibility. *Journal of International Business Studies*, 37(6), 733-746.
46. Rodrik, D., Subramanian, A., & Trebbi, F. (2004). Institutions rule: the primacy of institutions over geography and integration in economic development. *Journal of economic growth*, 9(2), 131-165.
47. Rugman, A. M., Li, J., & Oh, C. H. (2012). Are Supply Chains Global or Regional? *International Marketing Review*, 26(4/5), 384-395.
48. Santangelo, G. D., & Meyer, K. E. (2011). Extending the internationalization process model: Increases and decreases of MNE commitment in emerging economies. *Journal of International Business Studies*, 42(7), 894-909.
49. Sarkar, M. B., Cavusgil, S. T., & Aulakh, P. S. (1999). International expansion of telecommunication carriers: The influence of market structure, network characteristics, and entry imperfections. *Journal of International Business Studies*, 30(2), 361-381.
50. Schuster, T., & Holtbrügge, D. (2012). Market entry of multinational companies in markets at the bottom of the pyramid: A learning perspective. *International Business Review*, 21(5), 817-830.
51. Simanis, E., & Hart, S. (2008). The base of the pyramid protocol: Toward next generation BoP strategy. Cornell University, 2.
52. Simanis, E., & Hart, S. L. (2009). Innovation from the inside out. *MIT Sloan Management Review*, 50(4), 77.
53. Tasavori, M., Ghauri, P., & Zaefarian, R. (2014). The entry of multinational companies to the base of the pyramid: A network perspective. In *International Business and Institutions after the Financial Crisis* (pp. 39-52). Palgrave Macmillan UK.
54. Vahlne, J. E., & Johanson, J. (2013). The Uppsala model on evolution of the multinational business enterprise—from internalization to coordination of networks. *International Marketing Review*, 30(3), 189-210.
55. Whitelock, J. (2002). Theories of internationalisation and their impact on market entry. *International marketing review*, 19(4), 342-347.