

EMERGING MARKET MULTINATIONALS: WHAT DO THE MAIN STUDIES REVEAL?

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Introdução

The internationalization of firms in emerging economies is a recent phenomenon that draws attention in the global economy (Gammeltoft, Barnard, & Madhok, 2010). Nowadays, champions of emerging markets are present in a wide range of sectors (Contractor, 2013). As late movers in the global markets, the international expansion of these firms has challenged theories and practices established in the field of international businesses (Cuervo-Cazurra, 2007; Hoskisson, Eden, Lau, & Wright, 2000).

Problema de Pesquisa e Objetivo

From the academic point of view, there is not a theoretical approach that deals specifically with the late movers. In this context, the aim of this article consists in analyzing the scientific production on EMMs focusing on the main studies about this phenomenon. Some questions instigated and guided the investigation, such as: what do the main studies on EMMs reveal? What are the main arguments of the studies of EMMs? What are the main results?

Fundamentação Teórica

The essence of the emerging economies lies in their dynamics and need to consider the changes in the institutional environment (Hoskisson, Eden, Lau, & Wright, 2000). Especially on EMMs, the recent and consistent increase in the international presence of these firms starts to test the limits of the existing theories and question increasingly if these theories are relevant to EMMs that are internationalizing at different time, with different starting points (Gammeltoft, Barnard, & Madhok, 2010).

Metodologia

This study is characterized by the qualitative advantage and descriptive form. It is also a document study made through the systematic review technique. The data basis Web of Science was used as research source and two criteria were used interchangeably: a) impact factor of the journal, with JCR over 2.5 in the 5-year impact factor; b) number of citations received, with the selection of articles that had at least 10 citations. The adoption of these criteria resulted in 21 articles.

Análise dos Resultados

The authors of the articles studied here build arguments to further the existing literature on EMMs by discussing new propositions, theoretical gaps, and questions little explored about the topic. There are different and divergent points of investigation among the analyzed articles that refer to the appearing conclusion that understanding the internationalization process of firms in emerging markets is still far to be consolidated.

Conclusão

Specifically in the academic field, the debate on the explanations on the EMMs phenomenon, polarized in supporting that the existing theories suffice to this explanation or that the EMMs only can be understood with new theories, is present directly or indirectly in most of the articles analyzed. Some authors, such as Hennart (2012), Narula (2012) and Ramamurti (2012b), use this debate as a focus or conducting line when developing their studies.

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EMERGING MARKET MULTINATIONALS: WHAT DO THE MAIN STUDIES REVEAL?

1 INTRODUCTION

The internationalization of firms in emerging economies is a recent phenomenon that draws attention in the global economy (Gammeltoft, Barnard, & Madhok, 2010). In the last two decades, the world witnessed the rise of the emerging economies multinationals, particularly those from the countries composing BRIC – Brazil, Russia, India, and China (Fleury & Fleury, 2007). Nowadays, champions of emerging markets are present in a wide range of sectors (Contractor, 2013). As late movers in the global markets, the international expansion of these firms has challenged theories and practices established in the field of international businesses (Cuervo-Cazurra, 2007; Hoskisson, Eden, Lau, & Wright, 2000).

The rise of the emerging market multinationals (EMMs) is in some aspects as a repetition of new global players from Japan, Taiwan, and Korea, that happened in the 1960s and 1970s. However, this time the Western firms are less lenient, but not all recall the historic lessons, what makes the competitive threat of the EMMs being routinely ignored by many western firms. It is because EMMs are stereotyped as technologically late, with no sophisticated products, with inefficient facilities, with little knowledge in marketing, and that lack international experience. Usually, EMMs are known by the capacity to make cheap products, which is attributed to the cheap work labor in their native country (Ramamurti, 2012a).

Another reason to disregard the threat of EMMS is that emerging markets are fraught with risks, such as the fragility of political institutions, corruption, social tensions, over-dependence on natural resources, and degrading natural environments, which can derail growth and competitiveness. However, the current challenge is broader and deeper since it involves a larger number of developing countries and includes both production and services (Ramamurti, 2012a). Thus, the analogy of Contractor (2013) is at least interesting: what makes the EMMs “punch above their weight”?

From the academic point of view, there is not a theoretical approach that deals specifically with the late movers. The main reason given for this gap is that the different theoretical approaches were launched in past times, where the global macro environment had characteristics different from the current ones, and their object of analysis were firms from other countries, such as the North-American, Scandinavian, Japanese, Korean firms, etc. (Fleury & Fleury, 2007). However, the literature on EMMs has attempted sporadically to identify some of the sources of competitiveness of the EMMs (Guillén & García-Canal, 2009). However, there is no consensus (Ramamurti, 2012b).

In this context, the aim of this article consists in analyzing the scientific production on EMMs focusing on the main studies about this phenomenon. Some questions instigated and guided the investigation, such as: what do the main studies on EMMs reveal? What are the main arguments of the studies of EMMs? What are the main results? In order to operationalize the study, the data basis *Web of Science* was used as research source. The articles were selected using as criteria the impact factor of the journal or the number of citations received.

In terms of organization and structure, the article addresses some characteristics inherent to the emerging economies, their evolution and participation in the global market, and some aspects about the performance of the EMMs and the dilemmas in the theoretical field. Subsequently, the method and the procedures used in the selection of the articles are presented. Next, the articles selected are described and analyzed regarding the main arguments and results found. Finally, the article presents the conclusions and limitations of the research.

2 THEORETICAL BACKGROUND

The essence of the emerging economies lies in their dynamics and need to consider the changes in the institutional environment. While national policies are increasingly driven to the market, the emerging economies governments are opening their countries to the foreign markets and joining regional commercial associations. Moreover, the emerging markets economies are not homogeneous, even those belonging to the same geographical region. Latin America Latina, Asia, Africa/Middle East, and Central and East Europe, taken as four groups, have manifestly different starting points, but even in these regions the countries differ heavily (Hoskisson, Eden, Lau, & Wright, 2000).

Especially on EMMs, the recent and consistent increase in the international presence of these firms starts to test the limits of the existing theories and question increasingly if these theories are relevant to EMMs that are internationalizing at a different time, with different starting points and possibly very different internationalization patterns and paths (Gammeltoft, Barnard, & Madhok, 2010). Subsequently, the theoretical support is divided in the characterization of the emerging economies and the multinationals originated in these contexts.

2.1 Emerging economies

There is no consensus regarding the definition of developed countries and developing countries. In practice, Japan, Canada, United States, and Western Europe are considered developed. In turn, economies in transition refer to a country that is changing from a centrally planned economy to a free-market one. The emerging countries or economies are characterized by social or commercial activity of a nation in the fast growing and industrialization process (Fleury & Fleury, 2012).

Although there is no conceptual consensus, an emerging economy can be defined as a country meeting two criteria: a rapid rhythm of economic development and government policies protecting the economic liberation and the adoption of a free-market system (Arnold & Quelch, 1998). Additionally, the emerging markets have very different dimensions of the mature markets (Sheth, 2011) and contexts typically characterized by inefficient markets, active participation of the government, extensive business network, high uncertainty, etc., which challenge the efficacy of the business models and theories (Xu & Meyer, 2012).

In the emerging countries, the market heterogeneity is stressed because of the tendency to a great variation of products and services related to the global average. It is due to the great fragmentation of market, with small firms dominating the market (Sheth, 2011). Moreover, the emerging markets also tend to have an enormous influence of the social-political institutions, including religion, government, firm groups, non-governmental organizations (NGOs), and local community to which they belong. These markets are more ruled by these institutions and less by the concurrence, that is, the presence of several state firms serving the markets with monopoly power is not uncommon, as for example the Petrobras in Brazil (Xu & Meyer, 2012; Sheth, 2011).

At the same time, the EMMs are used to face the originated challenges in their national contexts, besides those related to the international context (Khanna & Palepu, 1999). Thus, the EMMs act in threatening local contexts, which are highly volatile and unpredictable, but that can be qualifiers so that these firms face the adversities of the international markets in a way that is different from the developed market multinationals (DMMs). In a way, the EMMs internationalization can be a way to mitigate the turbulence that they face in their domestic markets (Fleury & Fleury, 2012).

Contractor (2013) identifies two additional changes in emerging market economies that enhanced the competitiveness of their firms: a) with growth rates consistently higher than the developed countries, many of the largest of them, as the countries of BRICS (the "S"

includes South Africa in the abbreviation), Mexico and Turkey, reached sufficiently large size of the internal market, which conferred a scale advantage to their firms; b) the enormous growth of the capital markets worldwide, particularly in emerging countries, indicates that the EMMs were for the first time able to raise capital equivalently to the DMMs.

Originated from a context with these characteristics, the EMMs have presented a significant growth in the outflow of foreign direct investment (FDI), especially after 2006. In 2014, for example, EMMs invested US\$ 486 billion abroad, which represented a rise of 30% compared to the previous year. Moreover, the participation of the FDI made by EMMs in the world totals rise after 2009, reaching 36% in 2014 - see Figure 1 (UNCTAD, 2015). These firms rose rapidly their operations abroad, including the presence in advanced developed economies, with many of them being state economies (Aharoni, 2014).

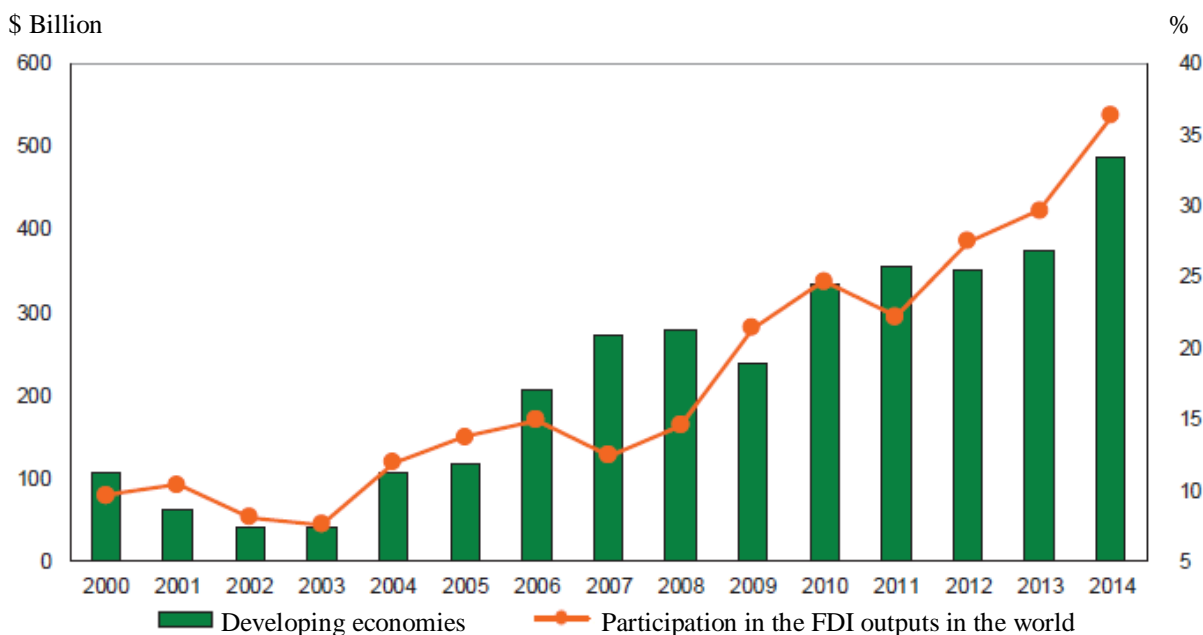


Figure 1. Developing economies: FDI outflows and its share in the world total, 2000-2014 (Billions of US dollars and percentage)

Source: UNCTAD (2015), “Investment by south TNCs continues to grow: developing Asia became the worlds’ largest investor region”, *Global Investment Trends Monitor*, No. 19.

Among the developing regions and comparatively 2014 to 2013, the multinationals from Asia and Latin America and Caribbean rose their foreign investments, contrary to the behavior of the African multinationals. Asian developing multinationals became for the first time the main world investors, with an amount of US\$ 440 billion, followed by the North-American and European multinationals, with US\$ 390 billion and US\$ 286 billion, respectively (UNCTAD, 2015). Some consolidated data are presented in Table 1.

Among the 20 main countries investing abroad, 9 of them are transition or developing economies, including Hong Kong, China, Russian Federation, Singapore, Republic of Korea, Malaysia, Chile, Kuwait, and Taiwan. The participation of Hong Kong and China is highlighted, occupying the 2nd and 3rd positions, with US\$ 150 billion and US\$ 116 billion invested, respectively, surpassed only by the United States, with US\$ 337 billion in investments of their multinationals abroad (UNCTAD, 2015). Next, the EMMs supporting these numbers are described.

Table 1:

FDI Outputs, by Region, and Main Economies, 2012-2014 (Billions of US dollars)

Region/Economy	2012	2013 ^a	2014 ^b	Growth rate 2013-2014 (%)
World	1280	1263	1341	6.2
Developed economies	875	797	792	-0.7
Europe	380	280	286	2.0
European Union	321	248	250	0.6
United States	311	328	337	2.6
Japan	123	136	114	-16.3
Developing economies	351	374	486	30.0
Africa	12	14	11	-20.6
Latin America and the Caribbean	44	31	35	14.3
Asia in development	294	329	440	33.9
Western Asia	23	33	38	16.4
East Asia	211	227	311	37.1
South Asia	9	2	12	407.5
Southeast Asia	51	67	79	18.5
Economies in transition	54	91	63	-31.1

Note. Source: UNCTAD. (2015), “Investment by south TNCs continues to grow: developing Asia became the worlds’ largest investor region”, *Global Investment Trends Monitor*, No. 19.

^a, reviewed; ^b, estimated.

2.2 Emerging market multinationals

Historically, the investments made by DMMs in other developed markets, the so-called North-North flow, were always the most significant ones, as for example, the investments of North-American investments in Europe and vice-versa. However, from the 1970s, the North-South investments gain dominance, that is, from the developed countries searching opportunities in developing countries. From the 1980s, the investments South-South started in a more hesitant way, having more relevance in the 1990s. Finally, the South-North investments start in the 1990s and were seen as anomalies until recently in the literature on international management (Fleury & Fleury, 2012).

Considering the historic context, EMMs can be categorized in two groups: a) the first emerged in the period when importation were being replaced and consisted of exporters for low-income countries. These firms were forced to the restructuring because of the economic liberation and only some of them were successful; b) the second group involves a new generation of EMMs that flourish in the context of markets’ open and global concurrence (Ramamurti, 2004). Once the economic liberation in their domestic markets is overcome, many EMMs have expanded to other emerging markets, especially in their own regions. Brazilian firms have expanded to other parts of Latin America, Chinese and Indian firms to their neighbor in Asia, and South African firms to the rest of Africa (Ramamurti, 2012a).

Frequently, the products and the prices of the EMMs brought from their native countries were also well adapted to the need of their neighbors, which implicates in the fierce competition of Western firms with the EMMs in other emerging markets. This must be a significant concern for the Western multinationals since the world growth will be concentrated in emerging economies. Moreover, the threat can be even bigger in cases where the EMMs turn to the markets in developed countries (Ramamurti, 2012a). In the most current global economy, the performance of the EMMs is seen predominantly in niches, positioning themselves as leaders in various sectors, such as: mining (Vale do Rio Doce, from Brazil), steel (Arcelor-Mittal, from India), beverages (AB-InBev, from Brazil and Belgium, and SAB-Miller, from South Africa), oil and gas (Gazprom, from Russia), cement (Cemex, from Mexico), etc. (Fleury & Fleury, 2012).

In conceptual terms, the EMMs can be defined as international firms originated from emerging countries that make direct investment abroad, where they have effective control and

perform activities that add value in one or more foreign countries. Because of its origin and development, the "springboard" behavior of the EMMs is often characterized by overcoming the competitive disadvantages as late movers in the international context, aggressive attitudes and risking attitudes in the proactive acquisition of DMMs assets in order to compensate their competitive weaknesses (Luo & Tung, 2007).

Compared to the DMMs, the EMMs are more likely to be characterized as born globals; to early expand to a more heterogeneous group of countries; to rely on conglomerate or ethnic group, family, and state support; to rely on acquisitions in order to quickly obtain the necessary capabilities; and to form alliance relationships. The general pattern of international expansion presented by the EMMs is in strong contrast with the strategies that historically have been practiced by the DMMs (Contractor, 2013). Other studies present comparative results between DMMs and EMMs, as the ones of Cuervo-Cazurra and Genc (2008) and Awate, Larsen and Mudambi (2015).

Moreover, previous studies have recognized the role played by the resources in the growth of EMMs, pointing the scarce resources as the main driver of the internationalization of these firms. If a firm gets an advantage from the control of scarce resources in their industry, which are not interchangeable and transferable to international markets, it is likely that this firm follows a strategy for resource exploration abroad. On the other hand, if the quantity and quality of the resources are better abroad, the EMMs will have great incentives to invest abroad and acquire the desired resources, following a resource development strategy in foreign markets. Moreover, when the market share of the EMMs is threatened by the actions of customers, competitors, or the industry conditions, the EMMs can defend this resource through investment abroad (Losada-Otálora & Casanova, 2014).

In the academic field, the state of art of the literature on EMMs points to two aspects: a) EMMs are a new sort of multinationals that can be understood only with new theories; b) EMMs can be explained by the existing theories (Ramamurti, 2012b). These approaches have some defenders with clear positions, such as Mathews (2006) for the former and Narula (2006) for the latter.

This discussion is explored by Ramamurti (2012b) under two aspects. The first one is based on the arguments of ownership advantages. An essential principle of the international business theory is that in order to become a multinational, the firm must have significant ownership advantages to compensate their disadvantages in competing abroad (Dunning, 1988). However, it seems that EMMs do not have management advantages, brand, or technologies characteristic of the DMMs. How can one explain the emergence and rise of the EMMs? The second aspect lies in the principles of international business literature on how firms should internationalize, as supported by the model of internationalization stages or the product life cycle. In several moments, the EMMs seem to have violated some or all these essential principles, which indicate that they have internationalized in "wrong" paths. Ramamurti (2012b) points some unsatisfactory and promising explanations for this dilemma, as described in Figure 2.

This dilemma is also approached by Losada-Otálora and Casanova (2014), which point four conclusions about this phenomenon: a) EMMs are not late comers in resources because the internationalization of some of them have already been leveraged by strong brands and innovation capacity; b) there is no apparent reason to suppose that the advantages created or acquired by the EMMs from their resources are less valuable than those created by traditional multinationals; c) although the acquisition of new resources is a frequent internationalization strategy followed by the EMMs, empirical evidence suggests that some firms also exploit and defend their resources abroad. Such strategic behaviors of the EMMs compare to the behaviors of the traditional multinationals; d) the use of development

strategies and defense of the resources through internationalization explains why the behavior of the EMMs does not follow the traditional internationalization theories.

Explanations	Ownership advantages	How to internationalize?
Unsatisfactory	1) EMMs simply have no ownership advantages. Internationalization is seen as a result of the exploitation of comparative advantages from their native country, as cheap labor or natural resources, and not as specific ownership advantages of the company.	1) Based on the speed of internationalization, choice of target countries, and high dependency of fusions and acquisition as an entry mode, it seems that EMMs are not in line with the mainstream of the international business theory.
	2) EMMs internationalize to obtain ownership advantages that they do not have. This argument is many times referred to the “springboard” theory of internationalization.	
Promising	1) EMMs have ownership advantages but are different from the ones that characterize DMMs. The property advantages attributed in the literature to the EMMs are related to a deep understanding of the needs of consumers in emerging markets, the ability to work in difficult business environments and make products and services at very low costs, etc.	1) The fast internationalization of EMMs can reflect changes in the global business environment, rather than any innate organizational feature of the EMMs.
	2) DMMs have more robust ownership advantages because they had more time to accumulate abilities. That is, EMMs and DMMs are in different stages of evolution as multinationals.	2) The EMMs invest in countries that are economically and physically “distant” because their strategies are based on the exploitation of differences rather than similarities between countries.
	3) The EMMs internationalize to obtain technologies and brands, mainly to explore their domestic markets, and not abroad.	

Figure 2. Explanations on the phenomenon of the EMMs

Source: based on Ramamurti (2012b).

Additionally, the study by Parente, Cyrino, Spohr, and de Vasconcelos (2013) points that the motives and dynamics of internationalization of some Brazilian multinationals studied clearly do not follow the traditional theories of international business. Through a qualitative analysis, these authors highlight the entrepreneurial spirit and high motivation to expand the international operations as common characteristics of these firms. In a broad sense, Contractor (2013) states that the EMMs had to learn to “punch above their weight”, in order to compete with the DMMs with larger resources, richer domestic economies, longer histories of internationalization, and brand knowledge, capital, and reputation accumulated over many decades. Next, the procedures adopted to select the articles are presented.

3 METHOD

This study is characterized by the qualitative advantage and descriptive form. It is also a document study made through the systematic review technique. Similar to other types of review studies, the systematic review is a research that uses literature on a particular topic as a data source through the application of explicit and systematized search methods, critical appreciation, and summary of the selected information (Tranfield, Denyer, & Smart, 2003).

Thus, the articles were researched in July 2015 in the data basis *Web of Science*, initially searching for the terms “emerging market multinationals”, “emerging MN*s” or “developing-country MN*s” in the field “Topic”, which involves the research on the title, abstract, keywords of the articles, which resulted in 57 documents. These articles were filtered excluding the ones with errata and published in events, with 52 documents left only from periodicals. From this basis, two criteria were used interchangeably: a) impact factor of the journal, through the selection of articles published in the journals that have high impact factor,

with JCR (Journal Citation Reports) over 2.5 in the 5-year impact factor; or b) number of citations received, with the selection of articles that had at least 10 citations.

These criteria were used to select the main studies on the subject, that is, those that were published in journals with high impact factor or received the highest number of citations. Adopting these two criteria interchangeably contributed for some biases to be eliminated when searching for a single criterion, such as: a) the selection of recently published articles on the topic and have little or no quotation received, but in journals with high impact factor, such as the study of Awate, Larsen, and Mudambi (2015), published in the *Journal of International Business Studies*, with JCR 6.067; b) the selection of articles published in journals with 5-year JCR impact factor below 2.5, but with a minimum number of citations set, for example, the study of Yaprak and Karademir (2010), published in the *International Marketing Review*, JCR 2.206, that received 10 citations.

The adoption of these criteria resulted in 24 articles. In order to confirm the effectiveness of the search, all articles were analyzed aiming to identify the focus on the phenomenon of EMMs, which resulted in the exclusion of 3 articles. Thus, 21 articles were left, with 9 meeting the two criteria used. Figure 3 summarizes the procedures adopted when operationalizing the study.

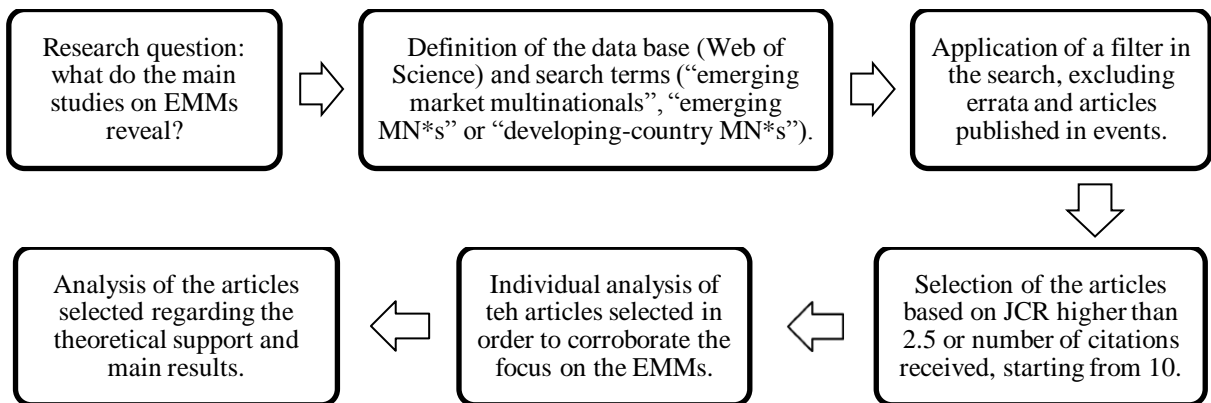


Figure 3. Process of the systematic review used

Source: developed by the authors.

4 THE MAIN STUDIES ABOUT EMMS

From the analysis of the articles selected, some main elements can be highlighted in the set of studies addressed. In order to better systematize the elements, the analysis is divided in characterizing the articles and presenting the main arguments and findings.

4.1 Description of the articles

Based on the selected articles, it is possible to identify that the studies analyzed about the phenomenon of EMMs are concentrated in two journals, *Journal of International Business Studies* and *Global Strategy Journal*, representing more than a half of these articles, which indicated the relevance of the discussion of some journals of the field of strategy and international businesses. Moreover, among the selected articles, the *Journal of International Business Studies* has the three articles on the topic with the higher number of citations received (see Table 2).

Table 2:

Journals and Articles Selected in the Research

Journal	JCR - Impact Factor 5 years	N° of articles in the journal	Authors / Year	N° of citations received
Journal of International Business Studies	6.067	7	Luo and Tung (2007)	365
			Cuervo-Cazurra and Genc (2008)	169
			Erramilli, Agarwal and Kim (1997)	67
			Aybar and Ficici (2009)	37
			Buckley (2014)	1
			Awate, Larsen and Mudambi (2015)	0
			Wang, Luo, Lu, Sun, and Maksimov (2014)	0
Strategic Management Journal	6.061	1	Xia, Ma, Lu, and Yiu (2014)	2
Global Strategy Journal	4.396	5	Govindarajan and Ramamurti (2011)	41
			Ramamurti (2012b)	38
			Hennart (2012)	23
			Narula (2012)	13
			Luo and Tung (2012)	9
Journal of World Business	3.526	3	Yaprak and Karademir (2011)	5
			Tan and Mathews (2015)	0
			Buckley, Elia and Kafouros (2014)	0
Human Resource Management	2.705	1	Wilkinson, Wood and Demirbag (2014)	1
Journal of International Management	2.566	3	Cuervo-Cazurra (2008)	52
			Moghaddam, Sethi, Weber, and Wu (2014)	3
			Satta, Parola, and Persico (2014)	2
International Marketing Review	2.206	1	Yaprak and Karademir (2010)	10
Total		21		

Note. Source: developed by the authors.

Another observation that can be pointed out is that authors as Luo, Cuervo-Cazurra, Ramamurti, Buckley, Wang, Yaprak, and Karademir have more than 1 article in the list of analyzed articles, which suggests the interest of those researchers for the EMMs. From a chronological point of view, there is the study of Erramilli, Agarwal, and Kim (1997) on the specific advantages of Korean multinationals in isolation still in the 1990s, and the concentration of other publications from 2007, especially in the last 5 years researched. This recent rise of the publication can be related to the empirical growth of the phenomenon because, as it is shown in Figure 1, the FDI flow made by the EMMs presents a higher rise from 2006. Figure 4 illustrates the chronology of the articles analyzed.

Regarding the native countries of EMMs researched in the selected articles, the ones that are part of the BRIC are the subject of most studies. Brazil is mentioned as a research field in the studies of Buckley, Elia, and Kafouros (2014), Aybar and Ficici (2009), Cuervo-Cazurra (2008) and Moghaddam, Sethi, Weber, and Wu (2014). Russia is investigated invariably in the context of BRIC, as in the study of Moghaddam, Sethi, Weber, and Wu (2014). India, in turn, is researched both alone, as in Awate, Larsen and Mudambi (2015) and as belonging to groups such as in Buckley, Elia and Kafouros (2014), Aybar and Ficici (2009), and Moghaddam, Sethi, Weber, and Wu (2014). The block is completed with China, which is the most explored country in the research, notably in studies of Luo and Wang (2012), Wang, Luo, Lu, Sun, and Maksimov (2014), Xia, Ma, Lu, and Yiu (2014) and Tan and Mathews (2015); along with BRIC, in Buckley, Elia and Kafouros (2014) and Moghaddam, Sethi, Weber, and Wu (2014); and in Asia in Aybar and Ficici (2009).

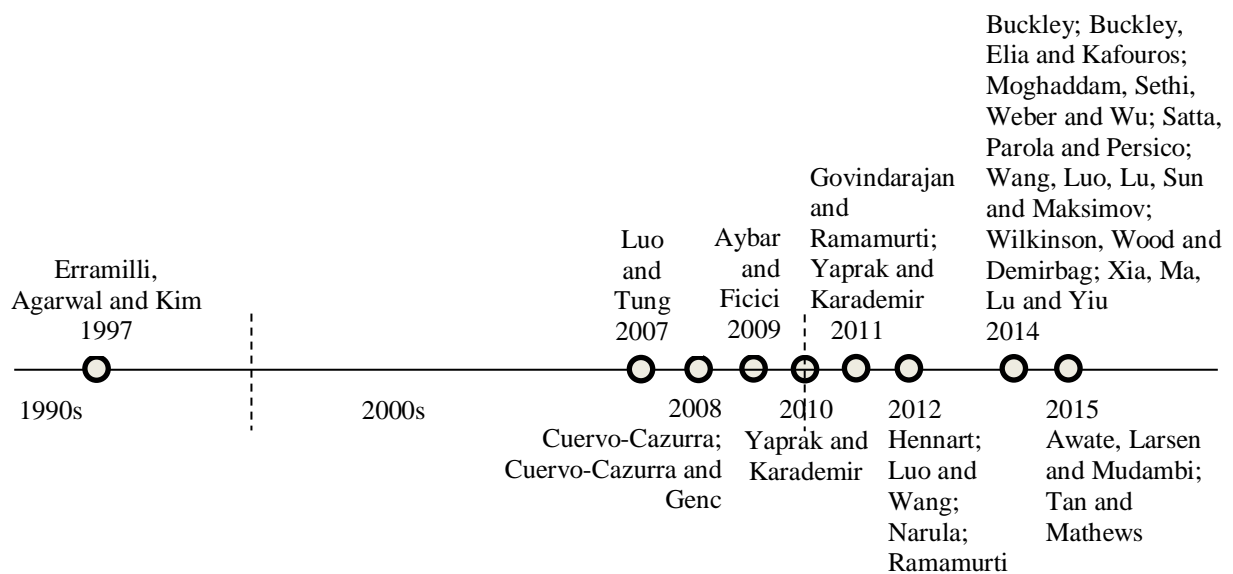


Figure 4. Timeline of the articles analyzed

Source: developed by the authors.

In addition, EMMs from Latin America are investigated in Aybar and Ficici (2009), comprising Argentina, Brazil, Colombia, Chile, and Mexico, and compared to those from Asia, including Hong Kong, India, Malaysia, the Philippines, South Korea, and Singapore. Moreover, Latin multinationals, from Argentina, Brazil, and Mexico, draw special attention in the study of Cuervo-Cazurra (2008).

Regarding the methodological aspects, the articles were classified according their analysis and research natures (see Figure 5). Regarding the nature of the analysis, it was based on the categories proposed by Creswell (2013), according to which the articles can be theoretical, empirical, or theoretical-empirical. In the case of the theoretical articles, the study of Whetten (1989) was used as a basis, which addresses the process of developing a theory regarding three issues: the elements that constitute a theory; what a legit contribution that adds value to the development of a theory is; and the factors considered when evaluating the conceptual articles. Among the articles analyzed, 9 are strictly theoretical, but not all of them are in line with the assumptions of Whetten (1989) as essential to build a theory, by answering the following questions: what is new? Will the theory probably change the practice of science in the field? Is it convincing?

In the case of theoretical-empirical articles, the studies were classified regarding their research nature as quantitative, qualitative, or quantitative-qualitative. Creswell (2009) addresses that a qualitative research must be in line with the assumptions of the qualitative paradigm, which is defined as a process of understanding a social or human problem, based on building a complex and holistic framework composed by words, detailed reports of informants and conducted in a specific scenario. On the other hand, the same author describes a quantitative research as an investigation of a social or human problem, based on testing a theory compound of variables, measured by numbers and analyzed by statistical methods, in order to determine whether predictive generalizations of the theory can be corroborated. In the set of the articles analyzed, there is a predominance of theoretical-empirical and quantitative studies, totaling 12 and 9 articles respectively, which indicates the importance of empirical testing with the use of statistical tools. Next, the main arguments and results of the studies selected are presented.

Criterion	Classification	Nº of articles	Authors / Year
Nature of the analysis	Theoretical	9	Buckley (2014); Govindarajan and Ramamurti (2011); Hennart (2012); Luo and Tung (2007); Narula (2012); Ramamurti (2012); Wilkinson, Wood and Demirbag (2014); Yaprak and Karademir (2010); Yaprak and Karademir (2011).
	Theoretical-empirical	12	Aybar and Ficici (2009); Awate, Larsen and Mudambi (2015); Buckley, Elia and Kafouros (2014); Cuervo-Cazurra (2008); Cuervo-Cazurra and Genc (2008); Erramilli, Agarwal and Kim (1997); Luo and Wang (2012); Moghaddam, Sethi, Weber, and Wu (2014); Satta, Parola, and Persico (2014); Tan and Mathews (2015); Wang, Luo, Lu, Sun, and Maksimov (2014); Xia, Ma, Lu, and Yiu (2014).
Total		21	
Research nature	Quantitative	9	Aybar and Ficici (2009); Buckley, Elia and Kafouros (2014); Cuervo-Cazurra and Genc (2008); Erramilli, Agarwal and Kim (1997); Luo and Wang (2012); Moghaddam, Sethi, Weber, and Wu (2014); Satta, Parola, and Persico (2014); Wang, Luo, Lu, Sun, and Maksimov (2014); Xia, Ma, Lu, and Yiu (2014).
	Qualitative	2	Cuervo-Cazurra (2008); Tan and Mathews (2015).
	Qualitative-quantitative	1	Awate, Larsen, and Mudambi (2015).
Total		12	

Figure 5. Classification of the articles regarding the nature of the analysis and the research

Source: developed by the authors.

4.2 Main arguments and results about EMMs

In this topic, the research focuses and the main results of the articles are explored. To better understand what these studies reveal, the analysis of the articles was chosen to be separated in two groups: a) theoretical articles; b) theoretical-empirical articles.

Regarding the theoretical articles, a more detailed analysis of the search made reveals that different theories are used by the authors. As examples, the knowledge theory of Adam Smith, the international business theory used by Buckley (2014), the institutional, centered market, and resources-based view theory used by Yaprak and Karademir (2010), and the internationalization theory as explored by Yaprak and Karademir (2011) can be mentioned. Similarly, it is seen the use of two main models to build the articles - the OLI model, by Dunning, and the LLL model, by Mathews. Moreover, the use of new concepts, such as "reverse innovation" from Govindarajan and Ramamurti (2011), is also explored. Based on these theories, models, and concepts, the authors of the articles studied here build arguments to further the existing literature on EMMs by discussing new propositions, theoretical gaps, and questions little explored about the topic.

There are different and divergent points of investigation among the analyzed articles that refer to the appearing conclusion that understanding the internationalization process of firms in emerging markets is still far to be consolidated. For example, Yaprak and Karademir (2010) use three theories to explain the emergence, development, and internationalization of business groups: the institutional theory to explain the role of institutions and social context, the resources-based view to emphasize the role of organizational and technological assets, and the theory of the centered markets to show the role of market imperfections and related transaction costs. The study also integrate the OLI and LLI models to create an integrated model of internationalization of EMMs, where internationalization would be a strategic choice and depend on contact and process dimensions with business groups to speed their internationalization. Their conclusion is that, by using an integrated theoretical approach, it

would be possible to explain and better understand the internationalization of EMMs affiliated to business groups.

The article of Yaprak and Karademir (2011) explores the role of EMMs in facilitating the regional expansion of multinationals in developed countries. The authors present relevant aspects of the existing literature on EMMs and describe the merits of the themes explored in each of these aspects. Specifically, they explore (1) the adequacy of the existing internationalization theory to explain the internationalization of EMMs; (2) the unique advantages of the EMMs that are likely to increase their role in facilitating the expansion of multinationals from developed countries to neighboring markets; and (3) the strategies that are usually followed by the EMMs in this role as facilitators.

These are some examples show that the internationalization theory of EMMs has several points of investigation that are not yet entirely understood. Even the “puzzles” solved by Ramamurti (2012) to explain the different internationalization process of the EMMs support this conclusion. Ramamurti attempts to explain what is different in the emergence of EMMs since they apparently internationalize differently from the multinationals in developed markets. For Ramamurti (2012), one should be open to the possibility that EMMs have ownership advantages different from the DMMs, reflecting the different conditions of their domestic market. Another conclusion pointed by this author is that EMMs can try strategic options that were not perceived in the DMMs.

Regarding the theoretical-empirical articles analyzed, multiple focuses and research topics explored by the authors are also seen. Among some of the issues researched in those articles, the creation of value in Aybar and Ficici (2009), the innovation in Awate, Larsen and Mudambi (2015), the effect of the native country in Luo and Wang (2012), the multinationalization of Latin-American firms in Cuervo-Cazurra (2008), the autonomy of the subsidiary abroad in Wang, Luo, Lu, Sun, and Maksimov (2014) are highlighted, and the acceleration of the internationalization in Satta, Parola, and Persico (2014) and Tan and Mathews (2015).

The articles analyzed in this part of the study support the earlier conclusion that the issue of internationalization of EMMs has a plurality of theoretical approaches and different points of investigation. Based on this, it is seen that the studies follow four types of focus: 1) the influence of the institutional environment; 2) affiliation of the EMMs to conglomerates; 3) the advantages that the EMMs have in their late internationalization, compared with DMMs; and 4) the acceleration of internationalization. In general, the articles analyzed emphasized the results serving as parameters for the internationalization process of EMMs, stressing strengths of this strategy and weaknesses to be worked by these firms. Moreover, it is believed that this summary study results in a background about the EMMs phenomenon, in order to show which the main tendencies and most used theoretical approaches are.

Therefore, the articles analyzed in this study can be used as a starting point for new investigations of relevant topics and give an opportunity to make a more in-depth discussion of contents and tendencies about the internationalization of the EMMs. Moreover, the investigation topics used in the articles analyzed can be useful for the growth of the existing theoretical corpus.

5 FINAL REMARKS

The international business field has addressed the EMMs phenomenon in a growing way and from several theoretical perspectives. The rise of the subject in the academy reflects the larger relevance of the EMMs in the empirical field, that is, the bigger academic attention occurs from the empirical growth of the phenomenon, with the rise of the participation of the EMMs in the FDI flows in the world market. This advance of the academy from the empirical world is a repetition of other important contribution in their own historic path of the

international business field, as in the empirical evidence of internationalized firms in the first years of operation, what originated the phenomenon of the born globals. Thus, it is possible to infer that once again the academy follows the empirical world.

Specifically in the academic field, the debate on the explanations on the EMMs phenomenon, polarized in supporting that the existing theories suffice to this explanation or that the EMMs only can be understood with new theories, is present directly or indirectly in most of the articles analyzed. Some authors, such as Hennart (2012), Narula (2012) and Ramamurti (2012b), use this debate as a focus or conducting line when developing their studies. However, the academic evolution about the EMMs is recent, with many theoretical questions still being discussed or lacking a larger support, which does not allow drawing solid conclusions.

From the pragmatic point of view, the context of stagnation of some mature markets and of growth of consume in the emerging markets draws the attention to new competitors that were until now left aside by the pressures of the developed countries or by the fragile conditions of their local contexts. When analyzed in light of traditional internationalization, economic and behavioral theories, or in light of new approaches, such as LLL model and springboard perspective, the EMMs represent a recent phenomenon involving different contexts and dimensions and contribute to the progress of the discussions in the international business field.

It must be stressed that this study has some limitations, such as the restriction to a single data basis and the criteria adopted to select the articles. The research in other databases and the adoption of other criteria, such as the search from some specific journals, can broaden the scope of this article and reveal new outcomes. Finally, the studies on the EMMs phenomenon indicate that a fertile field of research, with some issues yet to be discussed, for example, the participation of the state-owned multinationals in the development of the emerging markets and the insertion of EMMs in the international production networks.

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