

Editorial Commentary

INTEREST IN FIRMS FROM EMERGING MARKETS and their impact on global competition has steadily grown in recent years, as these so-called emerging market multinationals (EMNCs) are increasingly contributing to world economic growth. Examining EMNCs and their environments increases our understanding of these important global actors, provides insight into international competitive dynamics, and helps test the generalizability of existing international business theories. Interest in EMNCs is evident in recent articles published in top journals, but also in the scope and focus of conferences worldwide.

This issue of *AIB Insights* focuses on the Global Strategy and Emerging Markets conference held at the University of Miami from January 6-8, 2016. This three day conference was organized by Alvaro Cuervo-Cazurra, Joseph Ganitsky, Yadong Luo, and the Associate Editor of this journal, and was sponsored by the University of Miami Center for International Business Education and Research.

The conference's academic program featured 4 keynote speakers and presenters from 16 countries (representing 5 continents) who discussed wide-ranging and detailed analyses of emerging markets and their indigenous multinationals. Topics included unique strategies and behaviors of EMNCs, winning strategies of advanced market multinationals (AMNCs) operating in emerging markets, co-opetition between EMNCs and AMNCs, competitive strengths and weaknesses of EMNCs, business model innovation by EMNCs, and EMNC adaptation to the new competitive realities of global connectivity, the accelerated flows of trade, investment, finance, people, and data. Presenters also addressed commonalities and differences among institutional environments, motives, and international expansion strategies of EMNCs from different emerging markets.

An interesting component of the conference was that the organizers not only concluded with a detailed summary and wrap-up of the research presented, but they further advanced their synthesis to develop a conceptual framework to better understand differences between EMNCs and AMNCs. This framework is discussed in the first article in this issue. It details how key characteristics of emerging market environments shape the distinctiveness and competitive approaches of EMNCs. The authors argue that examining EMNCs in this context provides insights into the drivers of EMNC behavior, and that examining such non-traditional contexts has the potential to broaden theories of the multinational enterprise.

The other three articles were adapted from conference keynote speeches. In the second article, Pankaj Ghemawat and Steven Altman systematically assess differences and distances between advanced and emerging markets based on the dimensions of the CAGE distance framework: cultural, administrative/institutional, geographic, and economic. Utilizing a variety of data, their preliminary findings point to interesting areas of difference and distance between firms from advanced and emerging markets, but also between firms from different emerging markets. Investigating these differences provides insight into understanding the differential effects of distance.

In the third article, Philip Nichols details the strategy of creating shared value, which is a business strategy designed to increase profitability by improving the social context in which a business operates. While similar to corporate social responsibility, creating shared value focuses on how a *business* intersects with the rest of society to affect economic performance. The author discusses specific implementation challenges faced when trying to create shared value, and he also illustrates corruption control efforts as an example of a strategy to create shared value.

In the fourth article, Jaeyong Song discusses processes by which late mover firms from emerging markets were able to close the technology gap they face with respect to first mover firms from advanced economies. Citing patent filing as evidence of technological catch-up, the author attributes the successful technological advancement of late mover firms from emerging markets to their creative knowledge sourcing techniques, as well as their balanced approach to pursuing a mix of imitation and innovation strategies.

FEATURED COMMENTARY With the second issue of this year (Volume 16, Issue 2), we started a new series of lead articles that raise insightful and thought-provoking questions with the intent of making *AIB Insights* more interactive. In this current issue, we publish a summary of the responses to the question the first article in this series, authored by AIB Fellow Jean Boddewyn, had raised: *Is Your 'IB' Research Truly 'International'?*



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