

Internationalization & Innovations

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Abstract

The focus of the special session at the intersection of internationalization, innovations, and sustainability. To this end, we combine three new studies into this special session that highlight several new substantial findings important to academia and industry alike: (1) “The Paradox of freedom: Does the Chief Marketing Officers’ (CMOs) Discretion influence a firm’s internationalization?” (by V. Kumar et al.) investigates the role of managerial discretion in this premise. They fill the existing gaps in the internalization theory by highlighting that the chief marketing officer (CMO) by virtue of his/her role in an MNE can act as a firm specific advantage. Drawing on the literature on managerial discretion and internalization theory, they show that a CMO’s strategic, operational and financial discretion have a positive but diminishing effect relationship with internationalization, respectively. Further, international experience of the top management team (TMT), CMO’s equity compensation, and type of firm moderate the relationships. We contribute to the internalization theory, TMT and growing body of literature on CMO (2) “Influence and Power in Extended Supplier Network and Firms’ Innovation Performance: Role of Internationalization and Organizational Marketing and Operational Capabilities” (by Malesh Sharma, Sourav Bikash Borah, and Anirban Adhikary) adds to the extant literature in marketing, operations management, and strategy, which has investigated the impact of a firm’s supply network structure and complexity on its innovation performance. However, literature provides limited understanding on the role of a focal firm’s influence over the supply network and power exerted on the supply partners on its innovation performance. They investigate this potential link building on the internalization theory and the resource dependence theory (RDT). We find that influence and power in the network indeed drive innovation performance, but at a decreasing rate; and the effects are contingent on internationalization and organizational (marketing) capabilities. (3) “Discounting Sustainability - Should Retailers treat Green Products & Innovations differently?” (by Kay Peters, Murali Mantrala, and Manish Gangwar) aims to uncover generalizable insights that can be helpful to the growth of ‘green innovation retailing’ in general. To address this increasingly important issue of regular and promotional price sensitivity for green products & Innovations as comprehensively as possible, they analyse multiple years of recent data, assembled in collaboration with a German retailer, wherein we identify multiple green and “conventional” products across food and non-food (sub)categories, differentiate between national brands and private labels, and account for quality tiers within those brands. Additionally, they control for other accompanying promotion measures (e.g., leaflets, display), non-promoted prices, store formats, etc. Due to the many potential interaction effects between the main dimensions we use a machine learning algorithm to determine the differential and

potentially synergistic impacts on price and promotion response for green vs. regular products. We aim to develop new metrics that guide retailers' decision making on how to better promote sustainable products & innovations. This session targets academics and managers in both large marketing research domains of internationalization and innovations. As large communities of their own, these two domains often do not interact sufficiently to understand the reciprocal impact of their decisions on the other. Sustainability is another topic that requires more research at the intersection with both fields. To facilitate such an exchange, this session invites these communities to share and discuss latest insights to improve future cooperation to the mutual benefit.