
Editorial

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Biographical notes: Craig C. Julian is a Senior Lecturer in Marketing in the Southern Cross Business School at Southern Cross University in Coolangatta, Queensland. He has won competitive research grants, including a prestigious large ARC Discovery Grant, and has over 100 publications to his name. His work has appeared in quality international journals such as the *European Journal of Marketing*, *Journal of Small Business Management*, *Journal of Macromarketing*, the *Journal of Business Research* and many others.

There have been at least two major theoretical approaches used in international marketing research. These are the industrial organisation approach and the resource based-view. The industrial organisation approach ascribes a firm's international performance to its external market position. The resource based-view focuses on internal organisational resources such as marketing competency or marketing capabilities to identify the determinants of a firm's international marketing performance.

In the previous international marketing literature, most studies adopted the industrial organisation approach to evaluate a firm's strategy, characteristics, and external factors as determinants of performance. Industrial organisation theory states that the external environment imposes pressure on the firm to which it must respond. In line with this theory, Zou and Stan (1998) suggested that exporters who respond successfully to their external environments by developing and implementing an appropriate strategy would enjoy superior performance. The strategy factors that have been frequently studied as determinants of performance include adapting the different marketing mix elements to accommodate the needs of the local market, different channel relationships, together with the different types of channels (Zou et al., 2003). However, Zou et al. (2003) also suggest that the industrial organisation framework only focuses on the impact of a firm's strategy and its external environment on performance, and places very little emphasis on the impact of idiosyncratic internal capabilities, such as marketing capabilities, on the firm's performance (Barney, 1991).

In order to overcome this void in the literature Barney (1991) introduced a new theoretical perspective that is the resource based-view of the firm. The resource-based view of the firm views the firm not in the light of its activities or strategy in the product market but as a unique bundle of tangible and intangible resources. In addition, the firm's resources, not its strategy, are at the heart of the firm's competitive advantage (Peteraf, 1993). In other words, the resource based-view states that the principal determinants of a business' performance and its strategy are its internal resources.

Not all of the firm's resources have the potential to create a sustainable competitive advantage. Barney (1991) argued that to create a sustainable competitive advantage, a resource must have four attributes: It must (1) be valuable, (2) be rare, (3) be difficult to imitate, and (4) have no strategically equivalent substitute. Specifically, resources that are necessary for creating a sustainable competitive advantage can be divided into two types, namely, assets and capabilities. Assets are the resource endowments a firm has accumulated, for example, an investment in facilities. Whilst capabilities are a firm's complex bundle of skills and accumulated knowledge, exercised through an organisational process that enables the firm to coordinate activities and make the best use of its assets (Day, 1994).

In recent years, there has been an increasing number of international marketing studies conducted using the resource based-view of the firm (Calantone et al., 2006; Dhanaraj and Beamish, 2003). Additionally, Knudsen and Madsen (2002) have suggested that the resource-based view of the firm has emerged as the dominant paradigm. As such, this Special Issue focuses on the resource-based view of the firm and its significance in international marketing. Papers were specifically requested in the following areas:

- The relationships between industry structure, strategy, marketing capabilities, learning, innovation and performance in international marketing.
- The determinants of a sustainable competitive advantage in international marketing.
- The relationship between an export venture's resources and a sustainable competitive advantage in international marketing.
- The influence of resource dependency on international marketing strategy.
- An analysis of both internal and external firm factors on strategy and performance in international marketing.
- The relationship between product, price, promotion and distribution capability and export marketing performance.
- The significance of market orientation as a marketing capability in international marketing whether it be as a mediating variable or having a direct influence on performance.
- The influence of firm capabilities on collaborative stability and change.
- The relationship between market knowledge and new product advantage.
- Cross-national comparative studies of new product development processes.
- The antecedents of marketing capabilities and organisational effectiveness.
- An investigation of the different strategic types, marketing competencies and performance.
- The effect of marketing capabilities on export performance.

As Guest Editor for this Special Issue it gives me great pleasure to include six high-quality journal papers on a diverse range of topics, methodologies and all from a wide range of different country backgrounds, including the emerging economies of Argentina and Bangladesh. All papers were subjected to a rigorous double blind review process.

First paper by Ling-Yee and Ogunmokun on '*Export venture flexibility: its antecedents and effect on performance*' examines the antecedents of flexibility and their impact as well as the impact of flexibility on an export venture's performance. The authors concluded that after controlling for internal firm functional competencies, external relationship properties with distributor partners make an additional contribution to flexibility at an export market venture level. Ling-Yee and Ogunmokun found that external relationship factors overwhelm internal firm factors in explaining *responsiveness flexibility*.

However, engineering-related functional competencies – as an internal firm factor – were identified as the most influential factor affecting *operational flexibility*. A clear implication from the study was that although while both relationship factors and firm factors are important at a group level, attention to individual factors may provide a better understanding of their influence over different components of flexibility. In addition, the study provided empirical evidence substantiating the link between flexibility and performance at an export venture level. The study also provided several implications for managerial practices. A clear implication was that managers must support a flexibility strategy, since it is critical to export success. The study further indicated that a flexibility strategy providing quick responses to foreign customers' physical distribution requirements demands managers to allocate resources for developing and maintaining channel relationships, and to cooperate with overseas distributors over foreign marketing activities.

Second paper by Abu Saleh, Ali and Julian examined '*Importer commitment drivers and their impact on performance: a resource-based perspective*'. This paper was set in the emerging economy of Bangladesh, used a quantitative methodology and examined the drivers of importer commitment and their impact on performance. The authors argued that the opposite side of the exporter-importer dyad, namely, the importer's perspective is significant and deserves attention as a separate research agenda for a number of reasons. Firstly, SME importers not only provide backup linkage support to the large manufacturing industries but also contribute to the economic development of a country in general by facilitating exports. Secondly, such importing firms play a critical role through importing commercial and industrial goods and services to meet local market demand. Thirdly, SME importing firms provide foreign manufacturers and exporters' access to the relatively less organised business-to-business markets of emerging economies. Finally, SMEs resource constraints may contribute to a unique behavioural pattern in dealing with foreign suppliers and buyers.

As such, the authors developed a theoretical model for testing that involved cultural similarity, communication, knowledge, sustainable competitive advantage, importer commitment and performance. All relationships in the model were significant and positive and the study made major contributions to the body of knowledge, namely, a significant positive relationship was found between developing a sustainable competitive advantage and commitment further enhancing the RBV theoretical framework. Second, the study findings empirically validated a theoretical framework for commitment, performance and its antecedents in the importer-supplier relationship context. Finally, the study findings made a major contribution to the body of knowledge by developing and validating new construct measures for the RBV theoretical framework.

Third paper by Julian looked at '*A resource-based approach to the study of export marketing from Australia*'. This paper examined the empirical links between industry structure, strategy, marketing capabilities and performance in Australian export ventures.

Data were gathered via a self-administered mail survey directed to the Chief Executive Officer of 1853 export market ventures. The sample came from a wide cross-section of industries. The study findings indicated that as far as industry structure was concerned, the power of buyers and the threat of new entrants as well as marketing capabilities and whether or not the firm pursued a product innovation, premium quality, corporate image or niche strategy all had a significant impact on export marketing performance. The author notes several contributions to the body of knowledge from the study findings, firstly, firms striving to achieve higher performance must make a concerted effort to understand its customers and competitor actions which in turn enable them to integrate its marketing tools to reach the target market more effectively. Secondly, the study introduces competitive industry intensity into international marketing identifying its significant direct impact on export marketing performance with respect to the power of its buyers and the threat of new entrants. Thirdly, marketing capabilities have a significant direct impact on export marketing performance highlighting the significance of marketing to an export venture's performance. Finally, the findings contribute to the literature on competitive strategy in that the industrial organisation view and the resource-based view of the firm are both required to explain the antecedents of an export venture's performance.

Fourth paper by Ling-Yee and Ogunmokun studied *'The effect of marketing capability, financing resource and spatial configuration on market-focused flexibility'* and the authors suggest the study findings brought clear evidence of the powerful effect of market-focused flexibility on competitive advantage and performance. In light of the study's main findings the authors suggest there are three major lessons for international business managers. Firstly, with respect to the present antecedent effects, managers should pay special attention to the fact that different capabilities, resources, and configurations are needed for creating different kinds of market-focused flexibilities. Specifically, a firm should develop its marketing capability over new product introduction as such a capability is the underlying force for flexible operations. Besides, a firm ought to ensure sufficient financial liquidity since such a kind of financial resource is a critical driver behind subcontracting flexibility. Furthermore, a firm should build up a dispersed production and marketing configuration as such a pattern of diversified activities is conducive to technology-sourcing flexibility. In short, different combinations of resources/capabilities/configurations could give rise to different flexible arrangements.

Secondly, with regard to the effects of market-focused flexibility, the study's findings clarified the varying impact of the three types of market-focused flexibility on a firm's performance and competitiveness. In a positive way, international business managers are well-advised to build up operational flexibility as this type of flexibility leads to superior sales, profits as well as differentiation advantages. Flexibility over technology-sourcing, on the other hand, contributes to low-cost advantages. In sum, the omnipresent performance effect of operational flexibility should be duly noted.

Finally, looking from a strategic marketing management perspective, environmental uncertainty and market characteristics could be the underlining factors driving the need for flexibility and accounting for varied firm performance and competitiveness. When interpreting the resultant findings together, the authors suggest that it appears that uncertain market environments characterised as having a high rate of product/service innovation at an industry level encourages operational flexibility, such an uncertain market can also have a positive contribution to sales performance. This implies that when

faced with a high rate of industrial innovation, international business managers should build up operational flexibility that paves the way for the achievement of sales objectives.

Fifth paper by Chailan studies '*The influence of key capabilities on brand portfolio-based competitive advantages*'. This paper aims to clarify the nature of the links between brand portfolio management, competences and competitive advantage. In a series of interviews within four different cosmetics companies, the author explores their approach to managing the brands they own. The study findings show that brand portfolio management is enmeshed in an ensemble of competences acquired over time which are part of the companies' history. The author concludes that a brand portfolio strategy once truly established in an organisation, makes replication by a competitor very difficult due to the indeterminability of the causes and effects, and also because it takes a long period of time to build the relevant competencies. The contribution of this study is to use developments in the resource-based view of a company to construct a conceptual framework that suggest how a company can transform a set of brands into a specific marketing tool that is difficult to copy and comprehend.

The author argues that competence theory has much to offer the marketing discipline, and that his analysis reinforces the understanding of competencies in marketing by showing the shift of competitive advantage from the brand level towards that of the brand portfolio and brand teams. Also since marketing critics have acknowledged the lack of information about the development of marketing capabilities a further contribution of this paper is to argue in favour for future research that is more micro process oriented than currently is typical.

The final paper, by Pettus and Munoz, examined '*Strategically planned entrepreneurial expansion into emerging markets: a resource-based view of Argentina*'. This paper highlights entrepreneurial expansion into an emerging market. These markets are characterised as locations moving along a dynamic path from a closed economy with government control of economic policy to an open economy with reliance on market forces and the global economy. Building upon Porter's diamond to determine international country attractiveness the authors added additional resource-based factors relevant to firms considering entrepreneurial expansion into emerging markets with a model being developed for achieving successful entrepreneurial expansion into emerging markets. Argentina was the emerging market used to apply the model.

I trust readers will enjoy the diverse range of papers presented here and that these will contribute to their understanding and knowledge of the RBV of the firm in international marketing and issues in the different regions of the world. I would also like to take this opportunity to thank the anonymous reviewers that participated in this process to bring this Special Issue to fruition because without their invaluable assistance none of this would have been possible.

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