
Editorial

Satyendra Singh

Academy of Business and Emerging Markets,
Edinburgh House, 708-99 Wellington Crescent,
Winnipeg R3M 0A2, Canada
Email: ijbem@abem.ca

Biographical notes: Satyendra Singh is the President of Academy of Business and Emerging Markets (<http://www.abem.ca>), and Professor of Marketing and International Business in the Faculty of Business and Economics at the University of Winnipeg, Canada. His research interests lie in the area of emerging markets with particular emphasis on Africa and Asia. He has published in journals such as *Thunderbird International Business Review*, *Industrial Marketing Management*, *Journal of Services Marketing*, *Services Industries Journal*, among others, and presented papers at international conferences such as *Academy of Marketing Science*, *American Marketing Association*, *British Academy of Management*, *European Marketing Academy*, among others. He is the author of *Market Orientation, Corporate Culture and Business Performance* (Ashgate, UK 2004), and *Business Practices in Emerging and Re-emerging Markets* (Palgrave, USA 2008). He has also edited a book entitled *Handbook of Business Practices and Growth in Emerging Markets* (World Scientific, Singapore 2009).

This issue of *IJBEM* contains five articles from the three emerging markets – India, Uruguay and Ghana – and one book review. India began to liberalise its economy in 1991 and since the country has become increasingly attractive as a location for foreign direct investment (FDI). However, FDI is distributed very unevenly across the country. While, for example, the state of Maharashtra accounts for 34% of all FDI inflows into India, other states like Assam with 0.1% hardly attract any FDI. The differences are even larger when considering FDI disparities on a district level. Despite this imbalance, academic studies on location factors driving FDI success are lacking. In the lead article, Holtbrügge and Friedmann investigate the factors that determine the degree of subsidiary success in India. Based on Porters diamond model, the authors develop and test the five hypotheses using a sample of foreign firms. Results show that subsidiary success is predominantly determined by the availability of human capital. A significant influence is also revealed for the level of governmental regulations and the availability of suppliers. The authors draw conclusions for management and policy makers as well as for theory building.

In the second article on Indian manufacturing industry, Jaisinghani compares the performance of firms affiliated to business groups with that of stand-alone independent firms, and examine the differences in research and development (R&D) intensity between the two categories of firms and its impact on profitability. The findings reveal that a nonlinear relationship between R&D intensity and profitability exists and that group-affiliated firms generally overspend on R&D activities, yet, the overspending does not translate into higher efficiency and profitability. Therefore, implications for managers of firms affiliated to business groups are that they should reconsider their R&D strategies to enhance their profitability.

Sekhar, Patwardhan and Singh also explore in Indian manufacturing industry the dimensions of employee motivation at different stages of life, and prioritise the employee motivation dimensions through the analytic hierarchy process (AHP) methodology. Results indicate that employees give most importance to their early career followed by middle and late career. The prioritisation of employee motivation dimension can help human resources managers understand their relative importance and develop improvement strategies in cases where they lack resources to deal with employee-related motivation issues.

However, in the context of the emerging market of Uruguay, Sachdev, Murphy and Belassi illustrate how Hispanic consumer behaviour affects the purchase of conspicuous and inconspicuous products such as jeans and shampoo, where the degrees of involvement are dissimilar. The authors use the theory of self-concept to explain the consumer behaviour in relation to reference groups, and suggest that purchases are strongly influenced by self-concept expressed through brand loyalty, repetitiveness, risk taking, and variety-seeking behaviours.

In the final article, Yeboah-Asiamah, Nimako, Quaye and Buame test the moderating role of satisfaction, trust and brand image within the implicit and explicit brand loyalty framework in the context of mobile telecommunication services in Ghana. Using partial least square (PLS) structural equation modelling (SEM) methodology, results indicate that implicit loyalty, comprising of cognitive, affective and conative, significantly influences explicit loyalty (action loyalty), and that satisfaction moderates the relationship, and that the roles of trust and brand image are partially significant. The authors recommend development of marketing strategies and loyalty programmes that would result in better customer satisfaction, more trust in the brand, and a stable customer base.

In the book review section, Blasco-Carreras and Ribeiro-Navarrete review the book entitled *Mixed Fortunes: An Economic History of China, Russia, and the West* authored by Vladimir Popov and published by Oxford University Press, Oxford, UK, 2014, 208pp ISBN: 978-0-19-870363-1