

Systematic review of international marketing capabilities in dynamic capabilities view – calibrating research on international dynamic marketing capabilities

International
dynamic
marketing
capabilities

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Abstract

Purpose – This study aims to conduct a thorough literature review to map current studies on international marketing capabilities (IMCs) applying dynamic capabilities view (DCV). The aim of this study is to increase the chances for more conceptual and terminological rigor in future research in this particular research area.

Design/methodology/approach – This is a systematic literature review following the established review process of reviews in leading (international) marketing journals. A multilevel analytical approach was adopted, combining inductive coding with deductive coding and following the logic of antecedents-phenomena-consequences.

Findings – Synthesis of 20 rigorously selected previous empirical studies on IMCs applying DCV reveals that academic interest in these capabilities is well justified and growing and there are some well researched antecedents to focal capabilities (e.g. inter-organizational capabilities, outside-in market orientation) as well as their prevalent consequences (e.g. export and innovation performance). There is little knowledge of moderators to these links, especially with regard to consequences. This review illustrates that the current research lacks consistency in how key constructs are defined and measured, provides the guide to future conceptualization and measurement of so-called International Dynamic Marketing Capabilities (IDMCs) and proposes some concrete research directions.

Originality/value – The authors extend prior research in the investigated topic by critically evaluating prior works, providing improved conceptualization of IDMCs as well as concrete research agenda for IDMCs structured along recommendations for Theory, Context and Methods (TCM framework).

Keywords International dynamic marketing capabilities, International marketing capabilities, Dynamic capabilities, International marketing, Systematic literature review

Paper type Literature review

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1. Introduction

The dynamic capabilities view (DCV) (Eisenhardt and Martin, 2000; Teece *et al.*, 1997) is well adapted to the current business landscape because it relates to strategies that can assist a corporation in reorganizing their assets in turbulent conditions. Post-pandemic foreign markets, in particular, are experiencing heightened uncertainty as a result of rising geopolitical tensions and supply chain disruptions (OECD, 2020; Mitreĝa *et al.*, 2021b). Studies on international marketing capabilities applying DCV have been conducted for 15 years (Blesa and Ripollés, 2008; Eng and Spickett-Jones, 2009; Fang and Zou, 2009; Hsu and Chen, 2009), which motivates charting the current level of research on this vital subject.

While top marketing journals are increasingly interested in the use of DCV (Eisenhardt and Martin, 2000; Teece *et al.*, 1997) in different fields of marketing, including international marketing, this research is clearly in its early stages. One critical element is the conceptual coherence of IMC studies with theoretical boundaries of DCV. Numerous studies claim to focus on dynamic marketing capabilities, but they differ in terms of definition and measurement (Barrales-Molina *et al.*, 2014; Mitreĝa, 2020). What is more, this field is abstract and there are some significant methodological challenges, especially with regard to measurement of focal constructs.

This study conducts a thorough literature assessment in order to map current studies on IMCs using DCV and increase the chances of more conceptual and terminological rigor in this specific research area. An initial Scopus search yielded 740 papers, which afterward were reduced to 20 papers only due to the use of criteria such as journal rank and congruence with the theoretical setting. We use inductive and deductive coding to depict the current state of research on focal capabilities. Specifically, except the literal interpretation of focal constructs by authors of previous studies, we used the main premises of DCV to critically evaluate the prior studies on conceptual and measurement level. We have used antecedents-consequences framework to propose emerging nomological net for focal capabilities (Neghina *et al.*, 2015; Mitreĝa *et al.*, 2022) as well as Theory, Methodology and Context (TMC) framework (Paul *et al.*, 2017; Dabić *et al.*, 2020) for organizing future research agenda.

While there were two prior systematic reviews of research on IMCs (Morgan *et al.*, 2018; Tan and Sousa, 2015), none of these studies focused explicitly on research applying DCV. We follow and extend these prior systematic reviews as both of these reviews emphasize the importance of DCV, i.e. to interpret results of some causal relationships (Tan and Sousa, 2015) or to classify IMCs (Morgan *et al.*, 2018).

The paper contributes to the IMC research with improved conceptualization of so-called International Dynamic Marketing Capabilities (IDMCs) concept aligned with DCV, as well as a research agenda for research on IDMCs. Our review implies that further research should make better use not only of DCV, but also of international marketing theory as well as some other relevant theories and concepts (e.g. resource-dependence theory and relationship power concept). More studies from middle and low-income countries are required in this context, as well as identification of the specific micro building pieces of IDMCs in certain markets and industries. While quantitative studies dominate the research field, future research should be considerably more consistent in terms of definition and measurement. We also present justification for a more exploratory approach in this area in order to gain a better understanding of real-world processes and managerial decisions that can demonstrate IDMCs.

2. Dynamic capabilities view as theoretical boundaries of research on international marketing capabilities

Dynamic capabilities view (DCV) as a strategy paradigm originates from other theoretical schools, especially the evolutionary view (Nelson, 1985) and the resource-based view (Barney, 1991). DCV switches from the prior focus on operational (or ordinary) capabilities, i.e. processes and routines oriented at leveraging the use of the existing base of company

resources, to focus on dynamic capabilities, i.e. *processes and routines directed at strategic change in terms of changing existing resources, e.g. entering new markets, introducing product or process innovations* (Schilke *et al.*, 2018). In contrast to the capabilities/resources view, DCV postulates scholars' interest in business processes leading to changing sources of competitive advantage rather than the processes of building and maintaining competitive advantage, which in turn is related to environmental volatility, especially market or technological forces, which question the possibility of maintaining prior strategic assumptions (Teece, 2014; Teece *et al.*, 1997). Dynamic capabilities comprise at least two distinct processes, that is: (1) sensing opportunities and threats with regard to resource reconfiguration, and (2) mobilizing and reconfiguring company resources vis-a-vis these environmental changes (Teece, 2007). Therefore, environmental scanning processes are treated as an inherent/informational building block of dynamic capabilities, even though they enable sustained company performance only if combined with the relevant strategic changes.

There are two main schools visible in the DCV tradition (Peteraf *et al.*, 2013): (1) dynamic capabilities as complex routines embedded within the organization, and (2) dynamic capabilities as managerial skills and concrete/discrete decision-making. Both of these perspectives align with the same premise that dynamic capabilities are about strategic changes in company assets in relation to the changing environment. This assumption also seems to be compatible with recent propositions about how to conceptualize dynamic capabilities in marketing, namely dynamic marketing capabilities or DMCs (Barrales-Molina *et al.*, 2014; Mitrega, 2020). Specifically, DMCs as a specific form of dynamic capabilities are connected conceptually with changes in marketing strategy based on market knowledge (Barrales-Molina *et al.*, 2014) and organized anticipation of market changes (Mitrega, 2020). However, similarly to existing research on international marketing capabilities (Morgan *et al.*, 2018), DMCs in international markets do not have to be narrowed down explicitly to processes dedicated to international marketing, but rather may be generic DMCs applied to international markets. Consequently, dependent on the given business and market context, there are many ways of applying DMCs in international marketing (e.g. in international NPD, international branding), so instead of just one global, cross-functional DMC in international marketing, one may expect various specific forms of DMCs (Morgan *et al.*, 2018; Barrales-Molina *et al.*, 2014), e.g. in the area of international branding or international distribution channels. We applied this understanding of DCV and DMCs in our review of prior works on international marketing capabilities.

3. Research method

We conducted our search using Scopus as it is the largest database of academic literature covering peer-reviewed academic publications with commonly accepted search algorithms (Paul and Criado, 2020; Siemieniako *et al.*, 2022a, b). We used three search strings corresponding to the most common synonyms of our research concepts, and followed the database protocols regarding the use of Boolean operators AND/OR, and appropriate truncations (*):

TITLE-ABS-KEY (“marketing capability” OR “marketing capabilities” OR “marketing competencies” OR “marketing competency” OR “branding capability” OR “branding capabilities” OR “branding competencies” OR “branding competency” OR “CRM capability” OR “CRM capabilities” OR “CRM competency” OR “CRM competencies” OR “social media marketing capability” OR “social media marketing capabilities” OR “social media marketing competency” OR “social media marketing competencies”) AND (“international” OR “foreign” OR “global” OR “transnational” OR “multinational” OR “export”) AND (LIMIT-TO (SRCTYPE, “j”)) AND (LIMIT-TO (DOCTYPE, “ar”)) AND (LIMIT-TO (LANGUAGE, “English”)).

We conducted the Scopus engine search in March 2022 with no time limits in order to capture the historical development of the academic body of literature, and identified 740 records. In order to focus only on the highest quality journals (Paul and Criado, 2020), we used

the Chartered Association of Business Schools Academic Journal Guide to further limit our search to journals included in the list with a rank of at least three stars. This approach reduced the number of records for further processing to 282 (see [Figure 1](#) for the full flowchart of the search process, adapted from [Sandberg and Aarikka-Stenroos \(2014\)](#)).

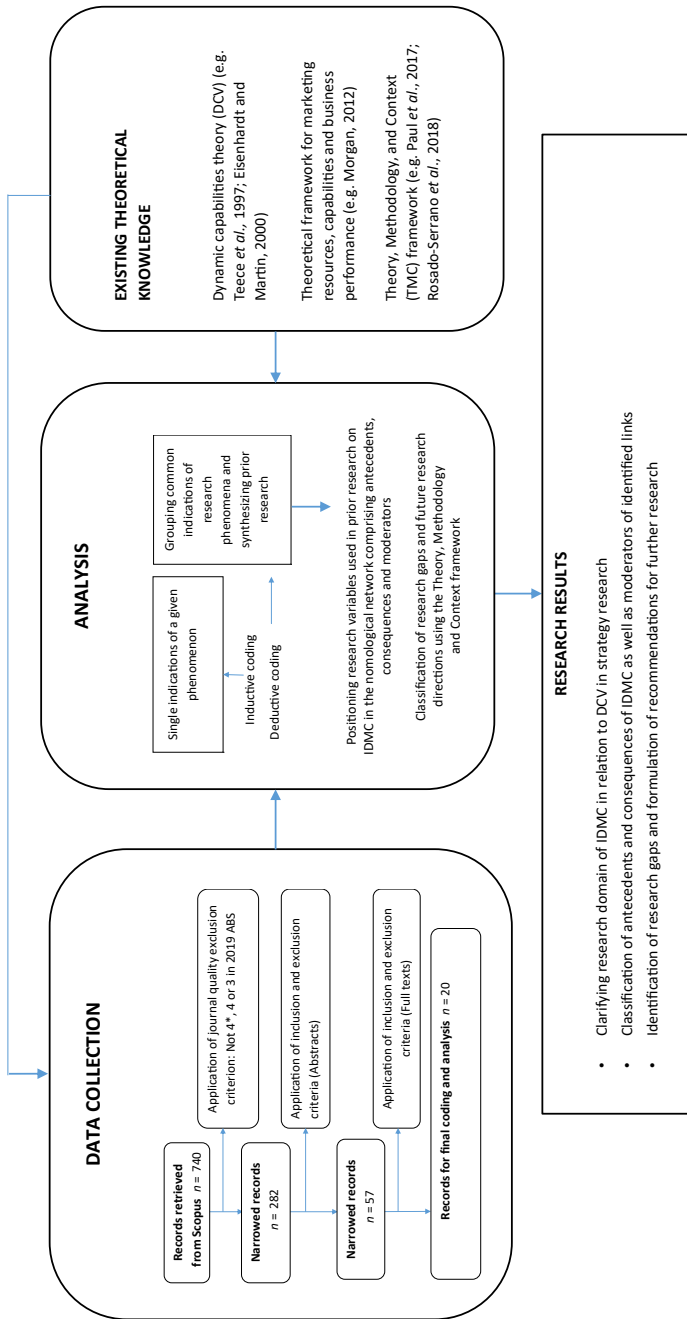
As inclusion criteria we used a broad working definition of international marketing capabilities ([Morgan et al., 2018](#)) and theoretical boundaries of DCV and DMCs as described in previous section. Thus, all studies eligible for our review were supposed to: (1) focus on marketing strategies/tactics applied to foreign markets or international marketing strategies, and (2) use the dynamic capabilities view – DCV (e.g. [Teece et al., 1997](#); [Fainshmidt et al., 2016](#)) in their theoretical framing.

We also applied three exclusion criteria: (1) focus on issues where international marketing capabilities were of secondary relevance, e.g. used only as moderators or controls in the hypothesized research model (2) referring to DCV (e.g. [Teece et al., 1997](#); [Fainshmidt et al., 2016](#)); as an ex-post reference, i.e. when connections to DCV were found rather in the research discussion but not in the *ex ante* research conceptualization; (3) using a systematic literature review as the research approach (i.e. in this way we excluded [Morgan et al., 2018](#); [Tan and Sousa, 2015](#)).

We applied the inclusion and exclusion criteria in two stages (see [Figure 1](#)), reducing the initial 740 records to a final set of 20 publications aligned with the scope of our review (similar protocols were followed by [Leonidou et al. \(2020\)](#) and [Vrontis and Christofi \(2021\)](#)). We validated our final search output in two steps. First, we manually checked our keywords in recent years' publications in key international business and international marketing journals (3 and 4 stars in the ABS list). Second, we inspected our keywords in the reference lists of the papers included in our review. Both of these steps did not lead to including any additional publications aligned with the scope of our review.

While coding prior research, we initially used the data-driven inductive approach to extract information about prior research on IMCs in DCV into MS Excel form. This was organized according to standard characteristics (e.g. empirical/non-empirical study, data gathering method, data analysis method) in order to identify how focal capabilities were conceptualized in prior research, and what antecedents and consequences of focal capabilities were found in prior research. However, we also applied the multi-stage analytical approach combining inductive coding with deductive coding, which has been used in prior literature reviews on business topics ([Sandberg and Aarikka-Stenroos, 2014](#); [Mitrega et al., 2022](#)). We applied such approach especially with regard to analyzing the antecedents, consequences and moderators of focal capabilities. Specifically, we first coded the constructs found in prior research in MS Excel using terms that had subjective meaning to the authors of prior publications ([Fereday and Muir-Cochrane, 2006](#)). Then, two researchers analyzed all the constructs found in the literature along with the relevant measurement items (in quantitative research) or descriptions (in qualitative research), and proposed more generalized categorization (i.e. more general descriptive categories covering common meanings found in detailed constructs measures and additional descriptions used by authors). The categories were then shared, discussed and revised until consensus was reached. Working in pairs, the researchers initially coded all the studies independently, and then discussed the results in order to identify differences in interpretations and any necessary revisions to the Excel extraction form. This stage also ensured inter-rater reliability ([Belur et al., 2021](#)); the researchers all reviewed five randomly selected papers, finding no significant differences between the extracted data.

Finally, following a two-stage approach proposed in prior reviews ([Sandberg and Aarikka-Stenroos, 2014](#); [Mitrega et al., 2022](#)), we combined the results of inductive coding with some categories established in the literature, so our analytical approach can be described as a hybrid ([Fereday and Muir-Cochrane, 2006](#)). Specifically, we followed strategy literature to critically analyze whether existing research on IMCs applying DCV follows the main propositions of DCV ([Teece et al., 1997](#); [Eisenhardt and Martin, 2000](#); [Barrales-Molina et al., 2014](#); [Schilke et al., 2018](#)), as analyzed research stream clearly originates from this influential



Source(s): Authors own creation

Figure 1.
Research process
illustration

strategy paradigm. In addition to indicating if a given study in our dataset referred to DCV in its theoretical positioning, two researchers analyzed if the definition of focal capabilities used by the authors followed the DCV premises on the level of (1) construct definition (all studies) and (2) measurement (in quantitative studies only). Previous section of this paper provides the description of what theoretical premises of DCV were used in our review, and [Table 1](#) overviews all 20 reviewed studies according to these to these DCV premises.

In the sections below, we present the results of the descriptive and thematic literature review grouped according to the main research questions: (1) What are the main characteristics of prior research on DMCs applying DCV? (i.e. mapping extant research), (2) How well is extant research aligned with the DCV from which it originates? (3) What do we already know about the antecedents and consequences of IMCs in DCV? (i.e. the capabilities nomological net) and what are the main research gaps and directions for future research? (i.e. research agenda).

4. Descriptive review of literature

4.1 Growing number of published studies

The development of this research area dates back just over one decade, and [Figure 2](#) illustrates that this area is in a very early stage, characterized by its non-regular pace and the visibly increased dynamics noted in recent years. The first four papers were published at the end of first decade of this century ([Blesa and Ripolles, 2008](#); [Eng and Spickett-Jones, 2009](#); [Fang and Zou, 2009](#); [Hsu and Chen, 2009](#)), and last two papers in 2022 ([Hoque et al., 2022a, b](#)) [1].

4.2 Journals used as publication outlets

Studies under review have so far been hosted mostly in international business journals, including *International Marketing Review* (five papers), the *Journal of International Marketing* (2), *Management International Review* (one paper), the *Journal of World Business* (one), the *Journal of International Business Studies* (one) and *International Business Review* (one) ([Table 2](#)). Among more generally oriented business journals that have published results on focal capabilities, a very strong position is held by the *Journal of Business Research* (six papers), followed by the *Journal of the Academy of Marketing Science* (two) and *Industrial Marketing Management* (one). Such a selection of journals suggests that this research topic is positioned mainly within the boundaries of marketing, and more specifically international marketing and international business disciplines. It is notable that when it comes to the forms of functioning in international markets, prior research mostly focuses on export marketing, with only a few papers taking another perspective, namely new international ventures or early internationalized firms ([Buccieri et al., 2020](#); [Evers et al., 2012](#); [Weerawardena et al., 2015](#)), international joint ventures (IJVs) ([Fang and Zou, 2009](#)), foreign direct investments of MNCs ([Hsu and Chen, 2009](#)) and foreign-owned affiliates (FOAs) ([Konwar et al., 2017](#)).

4.3 Context of empirical research

[Table 3](#) illustrates that when it comes to the context of prior research, there is a dominance of studies in the general context of internationalized companies with no specific industry focus (i.e. 55% of studies with cross-industry sample design), with only two studies focusing on high-tech firms ([Buccieri et al., 2020](#); [Evers et al., 2012](#)) and 35% of studies on manufacturing firms (e.g. [Bei and Gielens, 2020](#); [Mitrega et al., 2021a, b](#); [Xu et al., 2018](#)). While looking at the way concrete industries are presented in the papers, it looks like prior research mostly presents knowledge about companies functioning in international consumer markets (B2C) rather than international business markets (B2B), with some exceptions ([Boso et al., 2019](#); [Eng and Spickett-Jones, 2009](#); [Xu et al., 2018](#)). In the vast majority of studies (68%) the data were

Authors	Year	DCV general reference	DCV construct definition	DCV construct measure	Definition of focal international marketing capabilities
Blesa A., Ripollés M.	2008	1	0	2	“(. . .) complex bundles of skills and accumulated knowledge, exercised through organizational processes, which enable firms to coordinate activities and make use of their assets” (p. 652)
Hsu C.-W., Chen H.	2009	1	0	0	N/A
Eng T.-Y., Spickett-Jones J.G.	2009	1	0	2	“(. . .) important potential sources of competitive advantage that range from the ability to conduct strategic marketing planning, to identifying markets and positioning product offerings” (p. 464)
Fang, E. E. and S. Zou.	2009	1	1	1	“The responsiveness and efficiency of cross functional business processes for creating and delivering customer value in response to market changes” (p.756)
Evers N., Andersson S., Hannibal M.	2012	1	0	N/A	“(. . .) important marketing-related mechanisms by which firms can deploy superior market knowledge to generate economic rents” (p.4)
Morgan N.A., Katsikeas C.S., Vorhies D.W.	2012	1	0	0	“(. . .) the processes by which firms select intended value propositions for target customers and deploy resources to deliver these value offerings in pursuit of desired goals” (p. 273)
Weerawardena J., Mort G.S., Salunke S., Knight G., Liesch P.W.	2015	1	1	2	“(. . .) the firm’s capacity to enter an international market in a speedy manner with the innovative offerings it has developed” (p. 225)
Konwar Z., Papageorgiadis N., Ahammad M.F., Tian Y., McDonald F., Wang C.	2017	1	1	0	“(. . .) the effectiveness of a package of interrelated routines that support the ability of firms to engage in specific marketing activities and to respond to changes in market conditions” (p. 676)
Xu H., Guo H., Zhang J., Dang A.	2018	1	1	0	“(. . .) the responsiveness and efficiency of cross-functional business processes, which include product development management, supply chain management and customer relationship management” (p.142)
Asseraf Y., Shoham A.	2019	1	2	1	“(. . .) the ability to understand and predict a customer’s needs better than competitors”. (p. 867)
Boso N., Adeola O., Danso A., Assadimia S.	2019	1	1	1	aligning “export market responsiveness with product innovation capabilities” (p. 138)

(continued)

Table 1.
Classifying reviewed
studies with regard to
premises of the
dynamic capabilities
view (DCV)

Authors	Year	DCV general reference	DCV construct definition	DCV construct measure	Definition of focal international marketing capabilities
Gnizy I.	2019	1	1	0	"(. .) complex bundles of knowledge, skills and routines that enable companies to make use of marketing-related resources to carry out marketing tasks and adapt to marketplace changes" (p.216)
Bei Z., Gielens K.	2020	1	1	0	"(. .) capabilities that are adaptive and enable the firm to adjust its strategies to fit fast-changing markets" (pp. 4–5)
Sun W., Ding Z., Xu X., Cui K.	2020	1	2	0	"(. .) created from the long-term interactions with a firm's key customers, partners, alliances and distributors, and therefore not only directly represents the ability of achieving better market and financial performance, but also protects the firm from turbulence by creating idiosyncratic social and operations networks" (p 144)
Wang F.	2020	1	0	2	"(. .) capabilities that address linkages with demand-side and supply-side partnerships" (p. 561–562)
Buccieri D., Javalgi R.G., Cavusgil E.	2020	1	1	2	"(. .) the capacity to build, integrate and reconfigure marketing resources and skills" (p. 8)
Davcik N.S., Cardinali S., Sharma P., Cedrola E.	2021	1	0	n/a	"(. .) the deployment of marketing resources" (p. 655)
Mitrega M., Siemieniako D., Makkonen H., Kubacki K., Bresciani S.	2021	1	1	1	"(. .) routinized cross-functional company processes that modify marketing resources in correspondence with changing market conditions, especially in the context of functioning in international markets" (p.159)
Hoque, M.T., Ahammad, M.F., Tzokas, N., Tarba, S. and Nath, P.	2022	1	2	2	"(. .) higher-level strategy consisting of four marketing capabilities (which are much more operationally conceptualized) namely: proactive market orientation (PMO), customer relationship management capability (CRMC), new product development capability (NPDC) and brand management capability (BMC)" (p.7)

Table 1.

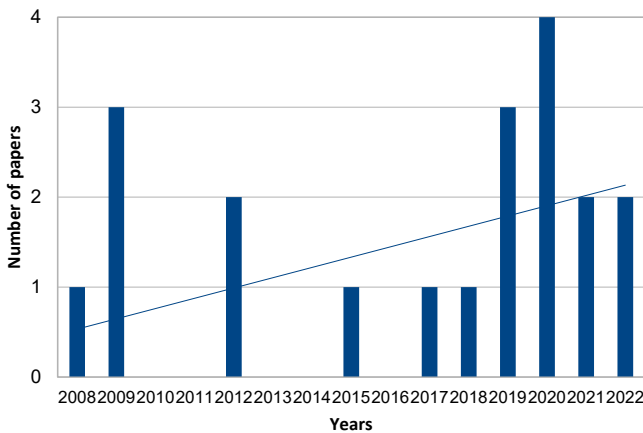
(continued)

Authors	Year	DCV general reference	DCV construct definition	DCV construct measure	Definition of focal international marketing capabilities
Hoque Mohammad Tayeenul, Prithwiraj Nath, Mohammad Faisal Ahammad, Nikolaos Tzokas, Nick Yipe.	2022	1	1	2	“(. .) the process by which a firm can absorb new knowledge-based resources and transform them into knowledge management processes to generate products/services that are commercially viable in their target markets, and continuously reconfigure their marketing capabilities in order respond to market demands in an agile fashion” (pp. 1007–1008)

Note(s): “1” – DCV premises met in this aspect; “0” - DCV premises not met in this aspect; “2” - DCV premises partially met in this aspect

Source(s): Authors own creation

Table 1.



Source(s): Authors own creation

Figure 2.
Number of studies reviewed by year in the period 2008–2022

collected in the context of internationalized companies from highly developed countries (i.e. Israel, Spain, Italy, Ireland, Taiwan, Poland, the UK, Australia, Belgium, Hong Kong, Sweden, Denmark, the USA), while in 40% studies one may notice data referring to firms from non-well-developed countries (i.e. India, China Bangladesh, Ghana) [2]. It is noteworthy that there is lack of international comparative research. The exceptions include survey-based comparisons among Spanish and Belgian firms (Blesa and Ripollés, 2008), and Australian and US firms (Weerawardena et al., 2015).

4.4 Research methods

Reviewing the research methods used in relevant literature (Table 4), we first conclude that the analyzed dataset only includes original empirical papers. Although this results partially from excluding prior systematic literature reviews on international marketing capabilities from our dataset (e.g. Morgan et al., 2018), the lack of conceptual papers is a very specific

Table 2.
List of journals
reviewed

Journal outlet	ABS ranking	No. of articles	Percent (%)
Journal of Business Research	3*	6	30
International Marketing Review	3*	5	25
Journal of the Academy of Marketing Science	4*	2	10
Journal of International Marketing	4*	2	10
Management International Review	3*	1	5
Journal of World Business	4*	1	5
Journal of International Business Studies	4*	1	5
International Business Review	3*	1	5
Industrial Marketing Management	3*	1	5

Source(s): Authors own creation

Table 3.
Context characteristics
of empirical data in
reviewed publications

Country	Country income type	No. of studies	% of studies	Industry type	No. of studies	% of studies
Israel	High	2	10	Cross-industry	11	55
Taiwan	High	2	10	High-tech	2	10
US	High	1	5	Manufacturing	7	35
UK	High	1	5			
Sweden	High	1	5			
Spain	High	1	5			
Poland	High	1	5			
Italy	High	1	5			
Ireland	High	1	5			
Hong Kong	High	1	5			
Denmark	High	1	5			
Belgium	High	1	5			
Australia	High	1	5			
Worldwide	N/A	2	10			
second. Data						
China	Non-high	3	15			
India	Non-high	2	10			
Bangladesh	Non-high	2	10			
Ghana	Non-high	1	5			

Note(s): Classification of countries according to <https://data.worldbank.org/>
Source(s): Authors own creation

Table 4.
Research techniques
used in reviewed
publications

Data collection	No. of studies	% of studies	Data analysis	No. of studies	% of studies
Survey	18	90	covariance-SEM	14	70
IDIs	3	15	PLS-SEM	2	10
Second. Data	7	35	Regression	7	35
Dyadic	1	5	QDA	3	15

Source(s): Authors own creation

characteristic of investigated literature, which we will refer to in the final section of our review. Quantitative research clearly dominates in the analyzed literature (80%), with only two papers applying purely qualitative methods (Davicik *et al.*, 2021; Evers *et al.*, 2012), and one paper mixing surveys with qualitative interviews (e.g. Weerawardena *et al.*, 2015).

The majority of papers are based on a single method only (65% papers), but seven papers were found to include a mixed-method approach, which indicates that prior studies provide relatively rich evidence for the importance of IDMC in management research. In the case of mixed-methods studies, except combining the survey with qualitative interviews (Weerawardena *et al.*, 2015), studies combine survey with objective secondary data (e.g. Fang and Zou, 2009; Hsu and Chen, 2009; Konwar *et al.*, 2017; Sun *et al.*, 2020). Notably, one study used primary dyadic data, i.e. data collected from both foreign and local senior managers of IJVs in China (Fang and Zou, 2009). In line with the dominance of quantitative research approaches, we found that structural equation modeling (SEM) was the leading data analysis approach, either covariance-based SEM (14 papers) or PLS-SEM (two papers), followed by regression methods (three papers) and only three examples of qualitative data analysis (QDA).

4.5 Theories

When it comes to theories being used in the studies under consideration, following our inclusion criteria, all prior works obviously used DCV in their framing. Among other theories frequently employed there were: Resource based view (seven studies, e.g. Fang and Zou, 2009; Hoque *et al.*, 2022b) and Knowledge based view (three studies, i.e. Hoque *et al.*, 2022a, b; Davcik *et al.*, 2021). Other theories were used only once, i.e. Contingency theory (Bei and Gielens, 2020), Transaction cost theory (Blesa and Ripollés, 2008), Learning theory (Evers *et al.*, 2012), Stakeholder theory (Evers *et al.*, 2012) and Resource-dependence theory (Xu *et al.*, 2018). It should be noticed that majority of prior studies (12 for 20 in total) have used more than one theory in their conceptual stage. However, taking into consideration that these studies usually combined just Resource based view (Wernerfelt, 1984) with DCV, while DCV is generally an extension of Resource based view adjusted to volatile markets, one can conclude that analyzed works were rather far from using multi-theoretical perspective which gets popularized in business research, especially with regard to complex international business phenomena (Gerbl *et al.*, 2015; Mitrega, 2023).

4.6 Terminology and specific forms of capabilities

Our review suggests that very different terms are used by authors to refer to capabilities under investigation. Interestingly, the term dynamic marketing capabilities (DMC) was used less frequently (six papers) than the general term of marketing capabilities (in nine papers). Prior research also referred to dynamic capabilities in international marketing as export or international marketing capabilities (three papers), and finally as Internet or digital marketing capabilities (two papers). Last but not least, in correspondence with prior classification of marketing capabilities (Morgan, 2012; Morgan *et al.*, 2018), we classified all the specific forms of previously investigated capabilities into three categories: general marketing capabilities (i.e. constructs with no building blocks specified); architectural marketing capabilities (i.e. sub-dimensions referring to the marketing strategy level); and specialized marketing capabilities (i.e. dimensions referring to distinct marketing mix functions). Analysis of studies included in our dataset showed 31 distinct capabilities forms/dimensions, classified as specialized (13 forms), general (11 forms) and architectural (seven forms). Therefore, we conclude that general and architectural forms of marketing capabilities taken together clearly dominate over specialized forms of marketing capabilities, which is generally in line with the suggestion by Morgan *et al.* (2018) that dynamic capabilities in international marketing should refer rather to higher order routines and strategic decision-making than concrete marketing functions.

5. Calibrating the IDMC construct VIS-A-VIS its theoretical origins

In line with the selection criteria we have described, the dynamic capabilities view – DCV (Eisenhardt and Martin, 2000; Teece *et al.*, 1997), is treated in this review as the theoretical source of research of marketing capabilities applied to changing international markets. We ensured that all papers ultimately included in the review made use of DCV in their theoretical framing, even if they do not use “dynamic” in their terminology of international marketing capabilities (IMCs). We follow other authors in pointing to the bad practices of utilizing DCV (Barreto, 2010; Newbert, 2007), especially the substantial discrepancies between conceptualizing and measuring some specific dynamic capabilities and the main principles of DCV paradigm (Barrales-Molina *et al.*, 2014; Schilke *et al.*, 2018). Therefore, to test the validity of reviewed research vis-a-vis its theoretical origins and to calibrate the construct of international dynamic marketing capabilities (IDMCs) as an important stage in marketing theory building (Shepherd and Suddaby, 2017), we analyzed in detail all 20 papers fit vis-a-vis the DCV framework (see in section 2) in terms of (1) the capabilities constructs definition and (2) capabilities measurement (Table 1).

While all the papers in our dataset made clear reference to DCV in their theoretical positioning, we found that only half of these papers proposed definitions of marketing capabilities aligned with the premises of DCV presented above, and only a sixth of them measured focal capabilities through items aligned with these premises (Table 1, DCV fit indicated by “1”). We have also proposed a “partial” category (indicated by “2” in Table 1) to indicate those studies which on the definition or measurement level exhibit some premises of DCV, although in general these studies mix DCV elements with elements typical rather for operational (or ordinary) capabilities (Schilke *et al.*, 2018). As an illustration, in the study by Blesa and Ripollés (2008), the authors make use of the definition of marketing capabilities by Day (1994), which dates even to before DCV was introduced (Teece *et al.*, 1997). On the other hand, the authors also make clear reference to DCV in their theoretical framework, using DCV usually to justify the influence of marketing capabilities on firms’ international commitment and international performance, mostly through the market learning mechanism embedded in investigated capabilities. Additionally, when measuring marketing capabilities as a second-order construct, Blesa and Ripollés (2008) propose that it be built from four first-order constructs; Networking, Outside-in, Inside-out and Spanning; although the premises of DCV are visible only in a few items they used (i.e. Ability to launch successful new products – Spanning 1; Good at ascertaining customers’ current needs and which products they will need in the future – Outside 2). It is noteworthy that such discrepancies were found not only in the earliest investigated papers, but also in the most recent ones (e.g. Gnizy, 2019; Hoque *et al.*, 2022b; Sun *et al.*, 2020; Wang, 2020). For example, while Hoque *et al.* (2022a) propose a conceptualization of focal capabilities compatible with DCV, and also critically analyze the theoretical foundations of prior literature on dynamic marketing capabilities, in their four dimensional second-order measurement model, the brand management capability component rather follows the premises of operational (or ordinary) capabilities (Schilke *et al.*, 2018) as the items used do not refer to any changes in company brand assets.

In total, among all the 20 reviewed papers, there were only three papers that fully met the premises of the DCV paradigm in the definition and relevant measurement (Boso *et al.*, 2019; Fang and Zou, 2009; Mitreĝa *et al.*, 2021a, b) (see Table 5 for the items used in these three studies to measure focal capabilities). Therefore, we align ourselves here with Barrales-Molina *et al.* (2014) and Mitreĝa (2020) in the conclusion that current research on international marketing capabilities applying DCV, suffers from inconsistent conceptualizations, and that such inconsistencies are detrimental for the maturing of this research (Shepherd and Suddaby, 2017). The items extracted from prior research to Table 5 may be used as benchmarks in further works in terms of how to construct measurement models in the discussed area as aligned with DCV premises.

Table 5.
Presentation of
capabilities measures
used in prior studies
aligned with DCV
premises

Study	Measure of focal capabilities
Boso <i>et al.</i> (2019)	<p>Focal capabilities measured as interaction between company Innovativeness and Responsiveness</p> <p><u>Product innovativeness novelty</u> Relative to our main emerging market competitors, the products/services we offer in our emerging market(s) are</p> <ul style="list-style-type: none"> - Revolutionary - Inventive - Novel <p><u>Market responsiveness</u> - In our emerging market operations, we are quick to respond to the local needs of our customers</p> <ul style="list-style-type: none"> - In our emerging market operations, we rapidly respond to local market conditions by adapting our market offerings (e.g. product design, prices and distribution) - In our emerging market operations, if a major competitor were to launch an intensive campaign targeted at our customers, we would implement a response immediately
Fang and Zou (2009)	<p>As compared to your joint venture's major competitors, how do you rate your joint venture's efficiency and speed of responsiveness in responding to market changes in the following areas: (<i>much worse - much better</i>)</p> <p><u>Customer relationship management</u>: A cross-functional process across areas of acquiring and leveraging customer information, establishing and maintaining relationships with customers and channel members, and providing after-sales service and support for managing relationships with customers, with the objective of learning about their needs and how best to satisfy them</p> <p><u>Product development management</u>: A cross-functional process across areas of ascertaining customer needs, designing tentative new product solutions and prototypes, manufacturing and coordinating departmental relationship design, with the objective of developing and engineering a product that enables the customer to experience maximum value and benefits</p> <p><u>Supply chain management</u>: A cross-functional process across areas of selecting and qualifying desired suppliers, establishing and managing inbound and outbound logistics, and designing work flow in product/solution assembly, with the objective of designing, managing and integrating our own supply chain with that of both suppliers and customers</p>
Mitrega <i>et al.</i> (2021a, b)	<ul style="list-style-type: none"> - We check if our marketing tools are effective - We constantly search for gaps in our marketing capabilities - We check how our marketing methods compare to competitors' methods - We modify our image in response situations in the environment - We introduce conscious changes with regard to the desired customer brand associations - We invest more and more in branding

Source(s): Authors own creation

For further advancement of empirical research in the area we combine premises of DCV (Eisenhardt and Martin, 2000; Teece *et al.*, 1997; Peteraf *et al.*, 2013) with recent DMC studies (Barrales-Molina *et al.*, 2014; Mitrega, 2020; Hoque *et al.*, 2022a, b) and we propose the concept of international dynamic marketing capabilities (IDMCs) to be defined broadly as *the processes by which organization transform their marketing resources and capabilities to meet changing international market conditions*. We believe that such definition of IDMCs calibrates research towards better coherence with origins of the concept in strategy literature, combines various schools emerging in DCV literature and enables more detailed conceptualizations referring to some specific forms of IDMCs.

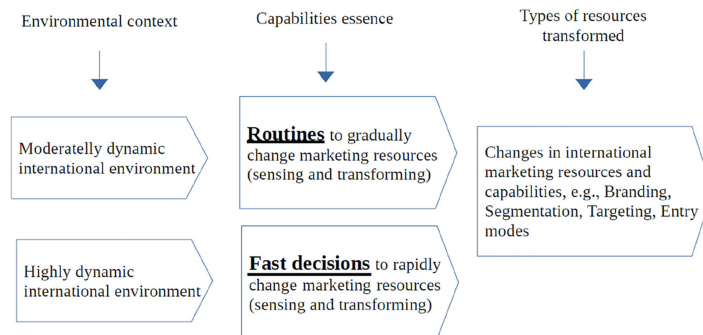
We assume that there are many forms of IDMCs that may be studied in the context of given marketing resources, capabilities or functions as long as they meet the concept domain (on the definition and the measurement level). For example, if the focus is on company brand/

branding, the successful firm rebranding in international market may be treated as specific manifestation of IDMCs. Importantly, depending on the level of volatility in international markets (Eisenhardt and Martin, 2000; Peteraf et al., 2013) IDMCs may either be seen as complex organizational routines, i.e. processes learned within organization and relatively stable in short-run (e.g. firm routines to systematically enlarge retail network in international markets) or *ad hoc* initiated decision making (e.g. fast and effective decision to withdraw from certain market or successful branding campaign in international markets as result of unprecedented brand problems).

Figure 3 illustrates our conceptualization of IDMCs with regard to three main parts: Environmental context, Capabilities essence and Types of resources transformed. It is worth to note that our calibration of IDMCs construct similarly to DCV premises assumes that activities to scan environment and to change resources accordingly are both treated as manifestations of dynamic capabilities, while they may be also perceives in the logical sequence, e.g. first scanning, then transforming. While IDMCs in our conceptualization are clearly management tools tailored at some resource changes, our conceptualization does not propose any detailed antecedents and consequences to IDMCs. Therefore, in next section what relevant antecedents and consequences were found in prior research and we built nomological set of the focal construct resulting from this overview.

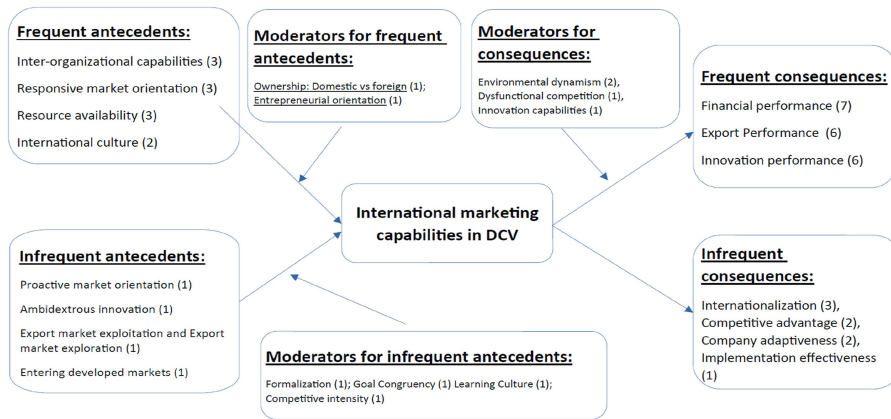
6. International marketing capabilities in DCV – the nomological net

While providing clear conceptual foundations is a necessary step in building the focal construct theory (Shepherd and Suddaby, 2017), it is also important to ensure construct nomological validity in terms of identifying its links to other constructs treated as the foundation in a given scientific discipline (Mitrega et al., 2022; Neghina et al., 2015; Ulaga and Eggert, 2006). Therefore, we have reviewed all empirical connections between focal capabilities and other constructs in prior research, and in this section we provide a graphical synthesis of these connections (see Figure 4). The empirical paths have been grouped into antecedents, consequences, moderators for the antecedents and moderators for the consequences. Considering the number of times a given factor appeared in prior research, we have either classified such a factor as a “frequent factor” (i.e. appearing in at least five studies in case of consequences and at more than once in case of antecedents) or as an “infrequent factor” (i.e. appearing in single studies for antecedents and never more than four times in case of consequences). It is then worth to notice that research on focal capabilities in nomological set was much more focused on consequences than antecedents to these capabilities so far. While number of studies focusing on the factor cannot be treated as proof



Source(s): Authors own creation

Figure 3.
Conceptualization
of IDMCs



Source(s): Authors own creation

Figure 4.
Graphical synthesis of
prior empirical
research on
international
marketing capabilities
in DCV

of importance of a given factor, we introduce this distinction to signalize these causal directions that were more exploited vis-a-vis these ones that were just initially explored in prior research and therefore may be validated in future studies.

Coding the constructs was a two-stage process, i.e. first, we inductively coded all factors according to the exact terms used by the authors themselves, and then we reviewed the definitions and measurement items used for these constructs to find commonalities. Thus, terms that were named differently but were very similar in conceptualization were treated equally. The final classification presented in Figure 4 and Table 6 is a consensus reached between 2 researchers initially classifying each construct separately.

6.1 Frequent antecedents

Prior research suggests that IMCs in DCV are commonly built through a firm's capacity to effectively manage inter-organization connections, i.e. coined here as *Inter-Organizational Capabilities*. In one of the earliest works, Fang and Zou (2009) found that focal capabilities developed by international joint ventures (IJVs) in China were leveraged through the partner selection capability, specifically finding a partner with complementary resources, i.e. valuable and non-redundant resources. A study by Xu et al. (2018) suggests that foreign firms operating in China construct their IDMCs from their abilities to build vertical relationships (i.e. with customers and suppliers) and horizontal relationships (i.e. with competitors), but that in contrast to domestic firms they benefit more from horizontal relationships than from vertical relationships. The authors explain this mechanism through the different levels of resource dependence on partners that foreign and domestic firms have in the Chinese market. Finally, Weerawardena et al. (2015) illustrate that capabilities for knowledge transfer in inter-organizational partnerships generated focal capabilities for early internationalizing firms from Australia and the USA.

While proactive market orientation is commonly treated as an inherent dimension of dynamic marketing capabilities in general (Barrales-Molina et al., 2014; Hoque et al., 2022b; Kachouie et al., 2018), *Responsive Market Orientation* (responsive MO), i.e. organizational capabilities to address the expressed needs of customers (Narver et al., 2004), is an antecedent to focal capabilities observed three times in extant research. Asseraf and Shoham (2019) proposed responsive MO along with Responsive flexibility as key aspects in implementing the outside-in strategic approach, which helps in installing focal capabilities in exporting

Variable type and name	Original variable names and literature sources
<i>Frequent antecedents</i>	
<i>Inter-organizational capabilities</i> (3)	Partners' resource complementarity (Fang and Zou, 2009); Quality of horizontal relationships (Xu <i>et al.</i> , 2018); Network-learning capability (Weerawardena <i>et al.</i> , 2015)
<i>Responsive market orientation</i> (3)	Outside-in strategic approach (Asseraf and Shoham, 2019); Market-focused learning capability (Weerawardena <i>et al.</i> , 2015); The ability to adapt to foreign markets (Davicik <i>et al.</i> (2021)
<i>Resource availability</i> (3)	Partners' resource magnitude (Fang and Zou, 2009); Value chain completeness (Hsu and Chen, 2009); Financial resources for NPD projects (Davicik <i>et al.</i> , 2021)
<i>International culture</i> (2)	Weerawardena <i>et al.</i> (2015), Buccieri <i>et al.</i> (2020)
<i>Infrequent antecedents</i>	
<i>Proactive market orientation</i> (1)	(Asseraf and Shoham, 2019)
<i>Ambidextrous innovation</i> (1)	(Buccieri <i>et al.</i> , 2020)
<i>Export market exploitation and Export market exploration</i> (1)	(Hoque <i>et al.</i> , 2022a)
<i>Entering developed markets</i> (1)	(Hsu and Chen, 2009)
<i>Frequent consequences</i>	
<i>Financial performance</i> (7)	Market value (Bei and Gielens, 2020); Business survival (Davicik <i>et al.</i> , 2021); Financial performance (Fang and Zou, 2009); Foreign affiliate performance (Konwar <i>et al.</i> , 2017); Default risk (Sun <i>et al.</i> , 2020); Firm performance (Wang, 2020); ROI, Initial public offering (IPO) success in raising capital (Eng and Spickett-Jones, 2009)
<i>Export Performance</i> (6)	Export performance (Boso <i>et al.</i> , 2019); International new venture performance (Buccieri <i>et al.</i> , 2020); International performance (Gnizy, 2019); Export performance (Hoque <i>et al.</i> , 2022a); Export performance (Hoque <i>et al.</i> , 2022b); Market expansion (Mitrega <i>et al.</i> , 2021a, b)
<i>Innovation performance</i> (6)	Innovation performance (Xu <i>et al.</i> , 2018); R&D performance (Davicik <i>et al.</i> , 2021); Product release success (product, communication, channel); Intellectual property rights (IPRs) for patented products (Eng and Spickett-Jones, 2009); Superior product created new market to address a global market gap (Evers <i>et al.</i> , 2012); Radical new product. First to market; New high-tech patented products. (Evers <i>et al.</i> , 2012); Product expansion (Mitrega <i>et al.</i> , 2021a, b); Innovation performance (Weerawardena <i>et al.</i> , 2015)
<i>Infrequent consequences</i>	
<i>Internationalization</i> (3);	International commitment and high direct investment entry mode (Blesa and Ripolles, 2008); Early internationalization (Weerawardena <i>et al.</i> , 2015); International sales expansion (Evers <i>et al.</i> , 2012);
<i>Competitive advantage</i> (2);	Competitive advantage (Fang and Zou, 2009), Gaining global brand recognition (Evers <i>et al.</i> , 2012)
<i>Company adaptiveness</i> (2);	Product adaptation (Asseraf and Shoham, 2019); Marketing adaptation (Gnizy, 2019)
<i>Implementation effectiveness</i> (1)	(Morgan <i>et al.</i> , 2012)
<i>Moderators of antecedents</i>	
<i>Ownership: domestic vs foreign</i> (1)	(Xu <i>et al.</i> , 2018); <i>Entrepreneurial orientation</i> (1) (Xu <i>et al.</i> , 2018); <i>Formalization</i> (1) (Fang and Zou, 2009); <i>Goal Congruency</i> (1) (Fang and Zou, 2009); <i>Learning Culture</i> (1) (Fang and Zou, 2009); <i>Competitive intensity</i> (1) (Hoque <i>et al.</i> , 2022a)
<i>Moderators of consequences</i>	
<i>Environmental dynamism</i> (2)	(Fang and Zou, 2009; Sun <i>et al.</i> , 2020); <i>Dysfunctional competition</i> (1) (Boso <i>et al.</i> , 2019); <i>Innovation capabilities</i> (1) (Mitrega <i>et al.</i> , 2021a, b)
Source(s): Authors own creation	

Table 6.
Classification of antecedents and consequences of focal capabilities in prior research

Israeli firms. [Weerawardena et al. \(2015\)](#) and [Davicik et al. \(2021\)](#) provide evidence that the capability to generate and utilize market knowledge in answering customer needs is the foundation for focal capabilities in small firms' international marketing.

In accordance with DCV ([Fainshmidt et al., 2016](#); [Teece, 2007](#)) research clearly suggests that building focal capabilities are the result of a path-dependent and cost-consuming process, i.e. there is a need for appropriate *Resource Availability* in internationalizing companies as a prerequisite of these capabilities. [Fang and Zou \(2009\)](#) found that such resource availability is needed in the case of capabilities in IJVs, specifically in the form of various resources (from market knowledge to industrial design) contributed by both IJV partners. In a similar fashion, [Hsu and Chen \(2009\)](#) found that in the case of foreign investments made by multinational corporations (MNC), the more complete the MNC's value chain configuration is, the higher the likelihood of a high level of focal capabilities. Finally, case studies by [Davicik et al. \(2021\)](#) illustrate that for internationalizing Italian SMEs, one of the key elements that enable focal capabilities is access to appropriate financial resources, as these are crucial for launching new products on the market.

Two studies have proposed a specific business culture oriented towards international opportunities as a prerequisite for focal capabilities, i.e. *International Culture*. Both of these studies were conducted in the context of early internationalized firms. [Weerawardena et al. \(2015\)](#) found such an antecedent in the case of early internationalized firms from Australia and the USA, while [Buccieri et al. \(2020\)](#) in the case of high-technology INVs from India.

6.2 Infrequent antecedents

The literature review pointed to some other constructs, which were discussed in only a few studies as factors preceding focal marketing capabilities. Some authors do not treat *Proactive MO* as a dimension of these capabilities, but rather study it as an antecedent to these capabilities. Based on the proposition by [Narver et al. \(2004\)](#), the literature distinguishes Proactive MO as the "inside-out marketing strategy", where firms proactively anticipate market changes and commercialize product innovations instead of adapting to customer needs in responsive fashion. [Asseraf and Shoham \(2019\)](#) found that such a proactive, inside-out approach (i.e. innovation orientation and proactive flexibility) leverages focal marketing capabilities of exporting Israeli firms.

[Hoque et al. \(2022a\)](#) distinguished between two types of international strategic orientation that are implemented by some Bangladeshi manufacturing firms exporting to the USA and the EU, namely *Export Market Exploitation*, i.e. an export strategy focused on deepening their position mostly in existing foreign markets; and *Export Market Exploration*, i.e. an export strategy focused mostly on seeking opportunities in new foreign markets. In accordance with the organizational ambidexterity concept ([March, 1991](#); [Raisch and Birkinshaw, 2008](#)), [Hoque et al. \(2022a\)](#) illustrated that both of these orientations are helpful in building focal capabilities, as such capabilities work as a mechanism transforming knowledge about foreign markets into meaningful international marketing practices. [Buccieri et al. \(2020\)](#) observed that in high-technology INVs from India, *Ambidexterity* in investments in improving existing products (exploitative innovation) and introducing new products (explorative innovation) is a factor that generates focal capabilities in export markets.

Last but not least, [Hsu and Chen \(2009\)](#) found that in the case of foreign investments made by multinational corporations (MNCs), *Entering Developed Markets* is an antecedent to the focal capabilities of these MNCs, i.e. it is more likely that an MNC will develop focal capabilities when directing foreign investments towards developed countries rather than towards developing countries.

6.3 Frequent consequences

While there has been more research on the consequences of focal capabilities than on their antecedents, the variables that various authors focused on were clearly centered around a few topics, which we have grouped into just seven categories: three frequent consequences (appearing in at least five studies) and four infrequent consequences (appearing no more than four times). The most commonly researched consequence has so far been *Financial Performance*, so it seems there is rich evidence for focal capabilities being a very important tool in international marketing, considering that the link between marketing capabilities and business performance is the focal link in marketing theory (Morgan, 2012). Apart from general financial performance (Fang and Zou, 2009; Wang, 2020; Konwar et al., 2017), there are some specific forms of business performance that are a consequence of the focal capabilities in the literature: relating to firm market value, i.e. the public offering success in raising capital or firm market value (Eng and Spickett-Jones, 2009; Bei and Gielens, 2020), and relating to company financial failure, i.e. Business survival (Davcik et al., 2021) and Company default risk (Sun et al., 2020).

Some studies have focused on more specific results of internationalizing firms, namely on *Export Performance*, i.e. financial or sales results achieved directly through the export function. Interestingly, studies focusing on this aspect of company results date from just recently. These include cross-industry samples of exporting firms from Sub-Saharan Africa (Boso et al., 2019), from Bangladesh (Hoque et al., 2022a, b), from Israel (Gnizy, 2019) and from Poland (Mitrega et al., 2021a, b). Notably, Buccieri et al. (2020) found that focal capabilities leverage export performance in the specific context of early internationalized high-technology SMEs from India, referred to also as Indian INVs.

Innovation Performance was also widely observed in our dataset as a consequence of focal capabilities, so it seems that focal capabilities are not only a key factor in marketing profitability, but also in firm becoming more innovative in international markets. Quite early on, Eng and Spickett-Jones (2009) found that focal capabilities help Chinese companies to introduce new products in international value chains and upgrade their position from own equipment manufacturing (OEM), through original design manufacturing (ODM) to own brand manufacturing (OBM). A similar mechanism was more recently indicated by Mitrega et al. (2021a, b) with regard to manufacturing SMEs based in Poland operating mostly in European asymmetrical value chains. Evers et al. (2012) provided in-depth insights in this area on the basis of case studies conducted among highly export-dependent life science companies (born globals) from Ireland, Sweden and Denmark. Specifically, they found that the focal marketing capabilities developed by these born globals through partnerships with various stakeholders help in various aspects of new product development (NPD), such as addressing a global market gap, or being first to market with radical, patented product innovations. Similarly, Weerawardena et al. (2015) illustrated that focal capabilities help with NPD in early internationalized companies from Australia and the USA. The link between focal capabilities and innovation performance was also supported by studies on a sample of foreign firms operating in China (Xu et al., 2018), and Italian SMEs operating in various foreign markets (Davcik et al., 2021). The connection between focal capabilities and innovation performance is strong because even in the case of small firms, these capabilities help in acquiring a sense for technological and market tendencies in international markets, and subsequent NPD projects are much better adjusted to international market realities (Davcik et al., 2021).

6.4 Infrequent consequences

We also found some studies indicating other, less frequently mentioned, consequences of applying focal capabilities. *Internationalization* was found as an such consequence in 3

studies. Blesa and Ripollés (2008) found early on that focal capabilities increase the likelihood of Spanish and Belgian firms becoming internationally committed in terms of investing substantial resources for meeting foreign market requirements, or even following a direct investment entry mode [3]. Focal capabilities as the leverage of the early internationalization of small companies was illustrated by studies of born globals, both in Europe (Evers *et al.*, 2012) and the Pacific region (Weerawardena *et al.*, 2015).

Similarly to prior research on international marketing capabilities (Morgan *et al.*, 2018), research on international marketing capabilities in DCV point to *Competitive Advantage* on international markets as a benefit of applying capabilities, either through quantitative research insights in China (Fang and Zou, 2009) or through case studies of European firms (Evers *et al.*, 2012). Two other studies suggested that focal capabilities can actually help internationalizing companies adjust to the specific requirements of export markets, thus increasing *Company Adaptiveness*. Interestingly, both of these empirical studies were conducted in Israel. Firstly, Asseraf and Shoham (2019) confirmed that Israeli export firms better adjust their products to foreign markets through applying focal capabilities. Secondly, Gnizy (2019) found that by applying specific capabilities (i.e. based on inter-organizational connections), Israeli firms better adapt their whole marketing mix (from product line through price to customer service) to their most important international markets.

Finally, Morgan (2012) provided evidence that in the case of UK based exporting manufacturers, applying a bundle of focal capabilities aids in improving both types of marketing *Implementation Effectiveness* in export markets: internal implementation effectiveness (i.e. a firm's ability to translate its export marketing strategy decisions into realized export marketing actions), and external implementation effectiveness (the extent to which a firm's realized export marketing actions are received by the export marketplace in the ways anticipated).

6.5 Moderators of antecedents

As there have not been many studies on the antecedents of focal capabilities in general, research on the moderators to such antecedents is very rare and fragmented, i.e. the moderators all appear only in a single study. It is noteworthy that these moderators referred almost always to internal contingencies, i.e. certain company features that either strengthen or weaken the impact of particular antecedents on focal capabilities. From a study of firms operating in China by Xu *et al.* (2018), we can learn that the influence of Inter-organizational capabilities (vertical relationship quality and horizontal relationship quality) on focal capabilities is contingent on company *Entrepreneurial Orientation (EO)*, i.e. a business culture featuring proactiveness and risk taking, etc. However, this moderation effect depends on the given type of partnerships. Specifically, EO strengthens the impact of high-quality vertical relationships on focal capabilities, while it weakens the impact of high-quality horizontal relationships on focal capabilities. Xu *et al.* (2018) suggest that the ambivalent role played by EO as a moderator is due to the misalignments between orientation towards business partnerships and orientation towards business opportunities, as alliances are often treated as a risk reduction tool. Xu *et al.* (2018) provided evidence that the role of inter-organizational capabilities in building focal capabilities is also dependent on the **Company Ownership: Domestic vs. Foreign**. Specifically, the influence of high-quality horizontal relationships is stronger in the case of foreign firms operating on the Chinese market, which is mostly because such horizontal relationships help in imitating the practices of other local firms in the same industry. Fang and Zou (2009), in their seminal study of the focal capabilities of IJVs in China, provided extensive evidence for the importance of several moderators in building the capabilities. On the one hand, they illustrated that the Organizational structure of an IJV is an important factor. The *Formalization* of an IJV

positively moderates the effect of the IJV's resource magnitude on focal capabilities because it helps in communication between the IJV's partners from different countries. On the other hand, the organizational culture of cooperating partners is also an important factor. The *Goal Congruency* between two IJV partners positively moderates the effect of resource magnitude on the IJV's capabilities as it increases trust and the related resource exchange between partners. Additionally, *Learning Culture* in an IJV (i.e. mutual orientation to learn other's practices and routines) improves inter-organizational knowledge transfer, thus improving the connection between the IJV's resource magnitude and its focal marketing capabilities. Last but not least, [Hoque et al. \(2022a\)](#) found that for exporting firms from Bangladesh, functioning in conditions of a low level of *Competitive Intensity*, the orientation towards export market exploitation has a stronger impact on focal capabilities, while for those companies functioning in conditions of high competitive intensity, the orientation towards export market exploration more strongly influences these capabilities. Therefore, dependent on the type of foreign market that firms from developing countries are entering, they should rely on different learning mechanisms in developing their focal marketing capabilities on this market and, indirectly, leveraging their influence on this market.

6.6 Moderators of consequences

While research on the consequences of the capabilities under review is much more numerous than that on the antecedents of these capabilities, research on the moderators of consequences is restricted to just four papers in total. Firstly, there were two studies that investigated the contingent role of *Environmental Dynamism* in the impact of focal capabilities on firm financial performance. [Fang and Zou \(2009\)](#) and [Sun et al. \(2020\)](#) found that this impact is stronger under conditions of high market dynamism than under low market dynamism, which is generally in line with the premises of DCV ([Teece et al., 1997](#)). However, more firms function in *Dysfunctional Competition* (i.e. foreign markets with common unlawful practices), the influence of focal capabilities on export performance is weaker ([Boso et al., 2019](#)). Of note is the study by [Boso et al. \(2019\)](#), which illustrated this moderation effect in the specific context of companies in emerging Sub-Saharan African markets, where such dysfunctional conditions must be carefully anticipated. Finally, [Mitreġa et al. \(2021a, b\)](#) have recently tested the interaction between focal marketing capabilities and *Innovation Capabilities* on a sample of Polish manufacturing companies. Interestingly, as this is the only study on the internal contingencies of effects of focal capabilities, [Mitreġa et al. \(2021a, b\)](#) found that there is trade-off between focal marketing capabilities and innovation capabilities in internationalizing firms, i.e. introducing new products in export markets should be either done by developing marketing capabilities or through innovation capabilities. [Mitreġa et al. \(2021a, b\)](#) suggest that for companies from transforming (post-communist) countries that wish to build their position in international value chains, the most logical sequence is to first establish marketing capabilities to satisfy dominating foreign customers, and then develop innovation capabilities to improve their brand position within the international value chain.

7. Research agenda

Following the approach proposed by [Gupta et al. \(2020\)](#), here we focus on extrapolating unexplored and underexplored research themes for future research on IDMCs across three aspects: theory, context and methodology (i.e. TCM framework). [Table 7](#) works as brief representation of our research recommendations that we explain in detail in following section.

Theory	Context	Methods
1. Conceptualizations consistent with boundaries of DCV, including recent DCV development	1. Exploring micro building blocks of focal capabilities in specific markets and industries	1. Qualitative and in-depth approach to exploring the forms and dimensions of focal capabilities
2. Wider use of concepts from international marketing literature	2. Studies on focal capabilities of firms from middle- and low-income countries, especially transforming economies	2. Non-tautological measurement aligned with theoretical boundaries
3. Investigating links with other relevant theoretical perspectives, e.g. Resource-dependence theory, Transaction cost theory, Resource versatility	3. International comparative research	3. Process oriented research approaches and techniques, e.g. longitudinal studies, to explain path-dependence and gradual development of focal capabilities
4. Conceptual and terminological rigor	4. Unboxing mechanism and boundary condition of impact of focal capabilities on international performance	

Source(s): Authors own creation

Table 7.
Summary of future
research propositions
for IDMCs

7.1 Recommendations for theory

- (1) Making research consistent with the theoretical boundaries and developments of DCV

Our research clearly indicates that while research on focal capabilities clearly originates from DCV (Eisenhardt and Martin, 2000; Teece *et al.*, 1997) in all prior papers that make reference to this strategy school, the definitions proposed for focal capabilities are frequently not aligned with DCV's main premises. Therefore, researchers should take into consideration that treating some specific international marketing capabilities as dynamic capabilities entails focusing such capabilities on changes in company marketing/market assets driven by the effective use of market knowledge (Kozlenkova *et al.*, 2014; Morgan, 2012; Morgan *et al.*, 2019), and therefore researchers can make use of prior efforts to conceptualize dynamic marketing capabilities vis-a-vis general dynamic capabilities (Barrales-Molina *et al.*, 2014; Hoque *et al.*, 2022b; Mitreğa, 2020).

As DCV is not a static paradigm (Peteraf *et al.*, 2013; Schilke *et al.*, 2018), future IDMC research can follow at least two directions: (1) concentrating on IDMCs as routine-like organizational phenomena, where IDMCs reflect processes learned and implemented by the firm to handle strategic marketing changes, or (2) managerial skills and managerial decision-making that are the foundations of such strategic changes. In the first case, the level of analysis is the whole organization, the systematic activities of employees from various departments, including cross-departmental spanning. In the second case, the focus should be rather on the level of managers, their interpersonal connections, decisional processes, cognition, knowledge and other relevant resources. Further study into dynamic managerial capabilities (Ambrosini and Altintas, 2019; Helfat and Martin, 2015) in international marketing may take a look at how top- and middle-level managers can leverage entrepreneurial spirit in the international marketing strategy being implemented by their organizations, e.g. what skills and leadership styles help in effectively seeking and exploiting opportunities in changing export markets. Therefore, future IDMCs research that is

consistent with its origins in DCV may offer various research angles and analytical levels, and most importantly may look at various specific IDMCs instead of only one general, universal IDMC, e.g. global rebranding capabilities, selecting new export market capabilities, or export market exit capabilities. DCV as a strategy paradigm is a great catalyst for focusing on some aspects of international marketing that are related to discontinuity in the global socio-economic environment, such as reconfiguration of international supply chains or selecting export markets. Last but not least, as there is an observable increased level of volatility in the international business environment, further IDMCs research can take inspiration from the higher-order dynamic capabilities concept (HODCs) (Hine *et al.*, 2014; Schilke, 2014b), as nowadays firms need to develop the capabilities needed not only for facilitating incremental innovation, but also for learning radical marketing shifts, e.g. introducing radical product innovations adjusted to serious market disruptions like pandemics-boosted innovations observed in recent years. The concept of HODCs can be useful for designing research on IDMCs in such specific context, because HODCs were offered in the literature as the capabilities adjusted to maneuver the firm through such unprecedented environmental changes. While conceptualizing and testing such higher order IDMCs should not break the general boundaries of IDMCs concept as pictured in this review, these boundaries are broad enough to cover specific company routines and managerial decision making on different levels in organizational hierarchy.

- (2) Aligning this research with specific angles of analysis in international marketing literature

Prior research on focal capabilities mainly uses conceptualizations of marketing capabilities on the level of generic marketing, such as the definition proposed early on by Day (1994) and further revised by the same author (Day, 2011). Day (2011) fostered research on dynamic marketing capabilities positioning such capabilities as capabilities with outside-in orientation (versus inside-out) and aimed rather on exploring opportunities (versus exploiting them). While comparing specific features of such DMCs with other dynamic capabilities, Day (2011) concluded that DMCs go beyond the boundaries of dynamic capabilities as they are more outside-in and enable anticipation of trends rather than adjustment to trends. In this review, we presented that actually the DCV school as in its current state is rich enough to cover capabilities of the various kind, including trend anticipation and we calibrated the construct of IDMCs broadly to cover these various specific instances. However, we also acknowledge that such general definition of IDMCs should enable conceptualizations of some specific IDMCs from the perspective of the richness of the field of international marketing from the perspective of its theory and business practice (Morgan *et al.*, 2018). As the literature suggests that there is no single dynamic capability but rather various capabilities built up for specific contexts (McGrath and O'Toole, 2014; Mitreǵa and Choi, 2021; Nordin *et al.*, 2018), there is a need for conceptual and explorative projects on specific features of dynamic marketing capabilities for the functions of internationalization and managing international business. Existing research focuses mainly on dynamic capabilities used just in export marketing, or for companies in the early stages of internationalization (Buccieri *et al.*, 2020; Evers *et al.*, 2012; Weerawardena *et al.*, 2015), but such internationalization goes through many stages, and there are many specific forms of conducting international business, including international joint ventures (IJVs) (Fang and Zou, 2009) and foreign direct investment by MNCs (Hsu and Chen, 2009). When a company enters advanced internationalization, but still does not have the status of a global corporation, its marketing strategy can foster the company's position in complex international value chains (Baraldi and Ratajczak-Mrozek, 2019; Siemieniako *et al.*, 2022b), and further research may discover specific capabilities required to achieve this task. Last but not least, existing research concentrates mainly on the connection between focal

capabilities and financial export performance, while more research is needed to determine if and how such capabilities interrelate with other aspects of international marketing performance, e.g. export market share, export growth, export variability, export relative strategic position, export market size, etc.

(3) Investigating links with relevant theoretical perspectives and the literature

As we have already discussed, further IDMCs research needs better alignment with DCV (Eisenhardt and Martin, 2000; Teece *et al.*, 1997) and international marketing knowledge (Czinkota *et al.*, 2022; Katsikeas *et al.*, 2020; Lim *et al.*, 2006; Morgan *et al.*, 2018), however this research can also benefit from using other theoretical perspectives which seem relevant in terms of stimulating its development. Our review shows that the journals selected by IDMC scholars are mainly within the boundaries of marketing and specifically international marketing, whereas this research actually refers not only to the marketing function, but rather to cross-sectional company transformations for facilitating international market dynamics. Such transformations demand planning and executing at the top management level, which means that further research should use to a larger extent existing knowledge about the links between marketing and general company strategy, as well as the links between marketing and other functions such as Supply chain management (SCM), Information technology (IT) and Research and Development (R&D) (Jüttner *et al.*, 2007; Morgan, 2012; Nakata *et al.*, 2011). Specifically, considering that inter-firm relationship capabilities were found here as the foundation for building focal marketing capabilities, future research on such focal capabilities should make better use of the literature on supply chains, where various specific relational resources and relational strategies were proposed and tested empirically.

While there are numerous examples of using the resource-based view – RBV (Barney, 1991) for designing research on focal capabilities (e.g. Asseraf and Shoham, 2019; Boso *et al.*, 2019; Hoque *et al.*, 2022b), as every dynamic capability is generally conceptualized as a so-called VRIN resource (Barney, 1991). The VRIN framework implies that a firm's resources must possess four characteristics for sustained competitive advantage: the resources must be valuable, rare, imperfectly imitable, and non-substitutable (Barney, 1991). While VRIN received extensive support in strategy research, RBV is not static paradigm, so research on focal market capabilities can test extent to which these capabilities meet VRIN criteria. Future research can also benefit from using recent developments in our knowledge about advantage-building resources, especially for firm growth, which is particularly important in case of internationalizing companies. For example, the concept of resource versatility (Nason and Wiklund, 2018) could be of use as it seems to be especially useful for research on the international capabilities of resource-restrained companies. Versatility concept assumes that the resources (and capabilities) companies use to foster their growth might be more common in the industry, but what makes them the foundation of company growth is the potential to execute ways of using them more productively (i.e. a new use for existing resources). The versatility concept assumes that the resources (and capabilities) companies use to foster their development may be more prevalent in the industry, but what makes them the foundation of company growth is the ability to use them more effectively (i.e. finding a new use for existing resources). When comparing VRIN and versatility criteria in the context of past strategy research, Nason and Wiklund (2018) provided considerable evidence that the versatility concept better explains firm growth than the VRIN concept. Recently, Mitrega *et al.* (2021a, b) proposed the IDMC of manufacturing firms to be versatile capabilities for Polish internationalizing manufacturing firms, but more research is needed to test IDMCs as potentially versatile resources of companies from various institutional contexts, and to move towards various measurements of their performance dynamics.

As firms using IDMCs are usually ambitious firms challenging the status quo in complex international value chains and inter-firm relationships were found as the key antecedent to IDMCs, we welcome more research using theories explaining inter-firm connections. We encourage using resource-dependence theory – RDT (Casciaro and Piskorski, 2005; Chand and Tarei, 2021; Pfeffer and Salancik, 1978), extending the only work that has already done it (Xu *et al.*, 2018). According to RDT, the rarity of valuable resources creates the dependence of the focal company on other organizations (which control these resources), therefore the marketing strategy in general, and the development and use of IDMCs in particular, is restricted by the firm's interdependencies with its main contractors and stakeholders. IDMC research has looked at these issues mainly from the perspective of network-related boosters to the development of IDMCs (Fang and Zou, 2009; Xu *et al.*, 2018), but research is needed to understand how the focal company's IDMC are restricted by their embeddedness in unstable and asymmetrical international value chains. Therefore, further research can make use of the latest knowledge on power asymmetry and power use in international business-to-business relationships (Johnsen *et al.*, 2020; Siemieniako *et al.*, 2022a, b). In the same vein, we encourage more works on IDMCs using Transaction cost theory - TCT and therefore extending prior work by (Blesa and Ripollés, 2008). TCT (Williamson, 1989, 2017) appears to be one of seminal theories explaining why and how companies engage in various forms of relationships balancing the risk of transaction costs with the risk of partner's opportunism and protecting their assets. In the context of international business this theory is especially useful for explaining various modes of entering foreign markets which are important from the perspective of applying IDMCs. Exporting is a less risky mode of internationalization in terms of capital investment. However, exporting can expose a company with valuable assets (such as brand equity, trademarks, or patents) to increased risks of distributor opportunism and asset appropriation (Blesa and Ripollés, 2008). Therefore, future research can make more use of these presumptions with regard to applying IDMCs in complex international value chains, especially taking into consideration partners' opportunism involved in various international inter-firm relations, either on the supply side or on the distributor side.

We also applaud existing and further efforts to better connect IDMC research with innovation literature (Buccieri *et al.*, 2020; Mitrega *et al.*, 2021a, b), as well as positioning IDMCs vis-a-vis the sustainable growth concept, as the socio-ecological aspects of company performance cannot nowadays be neglected. We also need to understand if there is trade-off between using IDMCs and sustainability gains, as there is a risk of instrumental treatment of sustainability in marketing strategy (Gupta *et al.*, 2014; Siemieniako *et al.*, 2022a).

(4) Call for conceptual and terminological rigor

Our review demonstrates that research on IMCs applying DCV is entirely dominated by empirical papers, and while these studies sometimes use impressive datasets, this research is far from mature due to its blurred scope and inconsistencies in the focal constructs. While this review hopefully makes some progress in terms of calibrating this research better in relation to its theoretical origins by calibrating the concept of International Dynamic Marketing Capabilities (IDMCs), we call for more consequent terminological decisions, as well as for more conceptual efforts in this research area. According to our findings, writers utilize several distinct words to refer to IMCs while applying DCV. Remarkably, the term dynamic marketing capabilities (DMC) was used even less frequently than marketing capabilities in general in the reviewed papers, while all of the studies used DCV (Eisenhardt and Martin, 2000; Teece *et al.*, 1997) in their theoretical grounding. We claim that IDMCs research would benefit from better conceptual link between IDMCs and various types of market orientation – MO – as current studies are inconsistent in this aspect (Asseraf and Shoham, 2019; Davcik *et al.*, 2021). Following the extended conceptualization of MO proposed by Narver *et al.* (2004)

in the context of our research topic, there it is useful to distinguish between so-called proactive MO and responsive MO. While routinized proactive market orientation is a logical manifestation of IDMCs (Hoque *et al.*, 2022a, b), such proactive MO should be rather not treated as the antecedent to IDMCs (to avoid studying tautological links).

Scholars should remember that marketing capabilities can be treated as dynamic capabilities or ordinary capabilities dependent on their contents and purpose (Barrales-Molina *et al.*, 2014; Helfat and Winter, 2011; Laaksonen and Peltoniemi, 2018; Miocevic and Morgan, 2018). Therefore, further research should be more explicit and detailed in terms of stating what kind of international marketing capabilities are at the center of attention. As ordinary capabilities are generally used to sustain “company existence”, not for strategic reorientations, by conceptualizing dynamic capabilities in the context of international markets, authors can make reference to the Schumpeterian distinction between fostering market efficiencies and fostering innovations (Schumpeter, 1942, 1982) and treat IDMCs as the capabilities rather for fostering innovations (i.e. product and process ones) than improving market efficiencies. However, it should also be taken into consideration that strategic marketing changes go far beyond just product innovations, as these changes concern many marketing resources and capabilities aspects such as repositioning, retargeting and rebranding.

Finally, we acknowledge the recent efforts to conceptualize general IDMCs from perspective of exporting Bangladeshi firms as a second-order latent construct consisting of four marketing capabilities: proactive market orientation, brand management capability, new product development capability and customer relationship management capability (Hoque *et al.*, 2022b). However, we assume that similarly to the variation between dynamic capabilities and dynamic marketing capabilities, there is also a variation of IDMCs dependent on the research context, the zoom-in vs. zoom-out approach (i.e. looking at some specific micro building blocks of IDMCs vs. looking at the links of generic IDMCs with some other constructs) and the specific strategic reorientations that a given IDMCs are for. However, pluralism in further conceptualizations of IDMCs, including even testing the interactions between various specific IDMCs, or IDMCs vs. IMCs in various contexts, should not compromise the general boundaries of the concept that we have tried to calibrate in this study.

7.2 Recommendations for context

- (1) More studies on specific micro building blocks of focal capabilities in specific markets and industries

As there are many IDMCs to be conceptualized and studied, not a single general one, it is logical to expect that specific contexts, e.g. high-tech vs. low-tech, B2B vs. B2C, and marketing channels vs. end customer marketing, may exhibit specific processes for capability development and capability use. However, so far there is a predominance of research on internationalized enterprises in general with no special industry emphasis, with just two studies on high-tech organizations (Buccieri *et al.*, 2020; Davcik *et al.*, 2021; Evers *et al.*, 2012) and seven studies on manufacturing firms (e.g. Bei and Gielens, 2020; Mitreğa *et al.*, 2021a, b; Xu *et al.*, 2018). On the one hand, such an empirical perspective is a good foundation to claim that IDMCs are a nomologically universal management concept, on the other hand, this cross-industry perspective results in mostly zoom-out findings, i.e. we know much more about such general, relatively abstract focal capabilities being beneficial for internationalizing firms, but we lack knowledge about the specific building blocks or micro-foundations of such capabilities (Teece, 2007; Wilden *et al.*, 2016). This is a very serious limitation, as IDMCs research, similarly to research on dynamic capabilities (Forkmann *et al.*,

2018; Schilke *et al.*, 2018), calls for better understanding of capability development mechanism, which is key to translating IDMC literature into business practice. Similarly, prior research on business capabilities suggests the necessity for various capabilities for certain circumstances (Mitrega and Choi, 2021; Nordin *et al.*, 2018). What is the path-dependent process that transforms marketing capability into dynamic marketing capability in a given context? What are the pre-conditions for IDMCs used by companies functioning in markets with short product life cycles and in newly established markets? How would IDMCs look if a company faced unprecedented environmental changes? Recent developments in international matters provide very specific contexts for studying IDMCs. For example, switching from on-site to online services as response to prior and potential epidemiological restrictions, or exiting Russia due to geopolitical tensions and public opinion pressures (i.e. as already observed in 2021–22 in the case of McDonalds, Mastercard or Gucci).

- (2) Call for studies on IDMCs from middle- and low-income countries, especially transforming economies

On the one hand, it seems to be much more difficult to build IDMCs for resource-restrained firms, as building dynamic capabilities is a path dependent and costly process (Teece, 2007). For example, if a company from a developing country wants to reposition its brand on some highly developed markets, large innovation and marketing investments are usually necessary. On the other hand, Fainshmidt *et al.* (2016) provided extensive evidence that dynamic capabilities are actually better utilized by firms from developing countries than by firms from developed countries. In the context of transforming economies, firms may build some specific dynamic marketing capabilities that reflect their complex market and historical origins (Eng and Spickett-Jones, 2009; Mitrega *et al.*, 2020). The majority of past studies on focal capabilities focused on internationalized firms from highly developed nations, but we acknowledge that recently, research on these capabilities originating from the transforming countries context has progressed dynamically (e.g. Boso *et al.*, 2019; Hoque *et al.*, 2022a; Mitrega *et al.*, 2021a), which builds up the foundation for better understanding of the IDMCs needed by companies in such specific contexts. We already know, for example, that firms in such context use their dynamic marketing capabilities for better adaptiveness in export markets (Asseraf and Shoham, 2019; Gnizy, 2019), as well as to leverage own innovations in export markets (Evers, 2012; Mitrega *et al.*, 2021a; Davcik *et al.*, 2021), so they probably use these aspects to build an advantage in international value chains. However, this knowledge goes far beyond testing the existing general conceptualization of IDMCs on survey data collected in developing countries. What then are the specific elements of IDMCs when resource-restrained firms face volatility and complex asymmetries in international markets? Can IDMCs be of use for such companies in shaping their markets, or can they only help in anticipating international market changes driven by other actors? We think that these questions set an exciting and very practical agenda, as current research emphasizes more and more the two paths of value creation. Particularly in the process of creating value, organizations may be pushed by markets or can be driving/shaping markets, i.e. shaping the choices of customers and/or other market players and, at times, even shaping market structures (Jaworski *et al.*, 2000, 2020; Nenonen and Storbacka, 2020). We welcome further research on IDMCs from transforming countries considering this distinction, as we do not think that firms originating in such a context use solely one path of value creation.

- (3) Need for international comparative research on IDMC

International comparative research is lacking in literature under review. Survey-based comparisons between Spanish and Belgian enterprises (Blesa and Ripollés, 2008), as well as Australian and US firms, are outliers (Weerawardena *et al.*, 2015). While the influence of

marketing capabilities on international comparison was similar in the case of Spanish and Belgian enterprises, there were differences in other connections, e.g. marketing capabilities were connected with resource commitment in export markets in the Belgian sample, but not for the firms in the Spanish sample (Blesa and Ripollés, 2008). Studying the focal capabilities of Australian and US firms, Weerawardena *et al.* (2015) found no significant differences, i.e. these capabilities have a similarly strong influence on the propensity of the firms studied from both countries to internationalize early. These results are rather encouraging for further comparisons, as Australian and US firms could probably not provide enough variation in terms of socio-economic settings, and there are many more factors that can be compared as the consequences of firms from various institutional contexts using IDMCs. The cultural differences, e.g. collective vs. individualistic societies, seem to be important when it comes to the factors motivating customers to co-produce value with their service providers (Mitrega *et al.*, 2022). Therefore, the application of some specific co-production-based dynamic capabilities may be contingent upon cultural differences in particular export markets. For example, it should be verified whether certain branding campaigns can count collaborative efforts from customers in Asian countries, while such campaigns introduced in Western markets should rather follow more selective customer segmentation based on personality features. Similarly, it is also worth investigating whether a different treatment of power and hierarchy in different cultural clusters (i.e. Western vs. Eastern mind-set), found in prior international business research (Johnson *et al.*, 1993; Lee, 2001; Scheer *et al.*, 2003), is meaningful in terms of how IDMCs are developed within organizational structures, and as a consequence of inter-organizational ties. Finally, the 2020s geopolitical tensions and open conflicts between countries in international markets bring a novel context for international comparison research. For example, how do these conflicts impact on the country of origin effect, and how does a potentially increased xenophobic atmosphere influence the applicability of the IDMCs of companies from one region in geopolitically distant markets? What could be the influence of the current trade war between the US and China on the applicability of IDMCs by firms from these countries, as well as the IDMCs of firms originating from other interlinked regions? We think that these questions indicate a very exciting direction for international comparisons in further IDMCs research.

- (4) More studies on the unboxing mechanism how focal capabilities affect international performance

Our review illustrates that research is in an early stage as only 20 studies qualified according to the described selection criteria. However, what is even more striking is the very limited number of papers presenting results of moderation effects either for the consequences or for the antecedents to focal capabilities (see Figure 4 and Table 6). Therefore, there is general call for discovering the contingencies to IDMCs development and their use in the area of international marketing. However, the authors of further studies should generally take into consideration that testing such moderation effects could be theoretically and empirically very challenging as there is no consensus in the literature on dynamic capabilities about when dynamic capabilities should be applied. On the theoretical level, there are two competing views, presenting dynamic capabilities as either relevant just for volatile markets or the Schumpeterian world (Teece *et al.*, 1997, p. 509), or claiming that dynamic capabilities can actually be applied in both volatile markets as well as moderately dynamic markets (Eisenhardt and Martin, 2000). However, it should be also noted that dependent on the type of the environment, dynamic capabilities can take various forms, i.e. they are more complex and routine-like in less dynamic markets, while they reflect managerial skills and specific decision-making in more dynamic markets (Eisenhardt and Martin, 2000). Moreover, the empirical research is very inconsistent, i.e. while some studies suggest that environmental

dynamics facilitate the use of dynamic capabilities (Drnevich and Kriauciunas, 2011; Karna *et al.*, 2016), other studies reveal the opposite (Girod and Whittington, 2017; Schilke, 2014a). It could also be said that “it depends” as environmental volatility should be more carefully reconceptualized and measured because there could be different effects of technological variability vis-a-vis market variability and institutional clusters (Fainshmidt *et al.*, 2016). Therefore, further studies on the boundary conditions of IDMCs should always be theory-informed, and in designing their research, authors should take into consideration prior results about the contingencies of dynamic capabilities in international markets to better prepare for interpreting their research results. Specifically, by looking at what has already been investigated, or rather “what has been not” (see Figure 3 and Table 4), we call for more studies on the contingencies to applying IDMCs as leverage for international performance (i.e. concerning various aspects of this performance), and also we call for more studies on the external contingencies to developing IDMCs, i.e. moderations for the antecedents to IDMCs – as this aspect has especially been neglected. We assume that there are various potential trade-offs and complementary effects that should be investigated between IDMCs and other resources/capabilities, and indeed prior research on dynamic capabilities facilitate this direction (Fang and Zou, 2009; Mitrega *et al.*, 2021a, b; Yang *et al.*, 2018). Finally, we know that IDMCs can be useful for internationalizing firms in facilitating their performance, but we do not know much about how it happens, which is connected to the need for future studies on the mediating factors for this focal link. So far, we know that focal capabilities help to succeed on foreign markets through better company innovations (Evers, 2012; Mitrega *et al.*, 2021a, b; Davcik *et al.*, 2021) and larger adaptiveness (Asseraf and Shoham, 2019; Grnizy, 2019), but are these the only relevant sources of competitive advantage in that context? As dynamic capabilities are the “tools” for organizing other resources better, what about the results of using IDMCs for marketing resources such as brand image, brand equity and brand recognizability? What about the role of IDMCs in rebranding on international markets? Further research can address these questions and many other questions regarding when and how to use IDMCs.

7.3 Recommendations for methods

- (1) A more qualitative and in-depth approach to exploring the forms and dimensions of focal capabilities

In terms of research techniques, there is a very specific situation, as quantitative research clearly dominates in our dataset with only 2 papers applying purely qualitative methods (Davcik *et al.*, 2021; Evers *et al.*, 2012), but as we already discussed, this research is in an early stage due to its blurred scope and conceptual inconsistencies. Moreover, the “mother theory” for the IDMCs concept, that is DCV (Eisenhardt and Martin, 2000; Teece *et al.*, 1997) is also characterized by many gaps and inconsistencies (Schilke *et al.*, 2018) which result in conceptual and empirical challenges for studying capabilities in specific business functions (Forkmann *et al.*, 2018). Therefore, apart from the further conceptual works that we already suggested, IDMCs research needs authors who utilize zoom-in (i.e. looking at the micro-foundations of the concept), rigorous, qualitative methods such as case studies to explore forms of IDMCs in concrete contexts, e.g. small companies operating in well-established international markets, or MNEs moving their operations from one country to another. We assume that various socio-economic and technological contingencies may allow for specific IDMCs to be identified, either in the form of complex routines or “simple” managerial capabilities that enable focal companies to survive and/or grow in international markets, dependent on what is feasible in a given context. While we welcome more qualitative research in the area, we acknowledge that the current studies have applied relatively rigorous and

empirically rich approaches, with around 1/3 of these papers using mixed methods, and some of these combining survey data with secondary, non-declarative sources. Therefore, we believe that all of the studies we have reviewed have made a significant step towards enhancing management knowledge on IDMCs. However, we think that the zoom-out approach typical for quantitative studies (i.e. looking at the general, abstract understanding of the concept), visible in survey designs and even more evident in secondary data proxy measures, does not allow scholars to really understand how and why IDMCs are developed. Such proxy measures are usually used based on objective secondary data and usually approach focal capabilities at the very general level, quite distant to its definition. For example, [Konwar et al. \(2017, p. 688\)](#) measures these capabilities as marketing expenditure relative to the total sales (marketing intensity). Such discrepancy between conceptualization and construct measure may restrict understanding of the concept, and thus the social impact of such research is hardly delivered ([Lindgreen et al., 2021](#)). Therefore, there is a need not just for more qualitative research, but rather for very rigorous qualitative studies ([Gioia et al., 2013](#)) which can be directly informative for building marketing theory ([Zeithaml et al., 2020](#)). In terms of the corporate data sensitivity issues that relate to this research topic, we think that future research should also make more use of co-producing research with managers, as this could be a way for them to engage with the research problem, but can also act as a means of achieving more concrete, detailed, up-to-date and many times even surprising research results.

(2) Call for non-tautological measurement within theoretical boundaries

As there are more forms of IDMCs rather than just one global IDMC ([Hoque et al., 2022b](#); [Mitrega, 2020](#)), authors may logically use not only different conceptualizations of distinct IDMCs, but also various measurements adjusted to their research contexts. However, further research should pay much more attention to keeping measurement of the focal construct within the theoretical boundaries that we described in this study. While all the articles in our dataset made explicit reference to DCV, we discovered that only half of these papers provided definitions of focal capabilities that were aligned with the above-mentioned DCV premises, and only one-sixth of them tested focal capabilities using items aligned with these premises. Even for complicated higher order conceptualizations, typical practice is to mix measurements aligned with DCV with some items that do not refer to any changes/reconfigurations in company assets ([Blesa and Ripollés, 2008](#); [Hoque et al., 2022b](#)).

We also noticed several instances of measuring certain aspects of focal capabilities through “we can do this or that approach” which may easily and dangerously take future IDMCs research into studying tautological relationships. Therefore, we encourage scholars to follow the theoretical boundaries presented in this study in designing their measurements, while we also acknowledge that the velocity of the DCV paradigm encourages some flexibility in this regard. To keep the items within the construct domain, we suggest that authors use items that relate to some changes introduced in the company to build some new or modified advantages, preferably without directly suggesting their functionalities, i.e. to minimize social desirability bias and endogeneity issues ([Hult et al., 2018](#); [Zaefarian et al., 2017](#)). Similarly, with regard to dynamic networking capabilities ([Forkmann et al., 2018](#)), we suggest that future studies on IDMCs should be more explicit in terms of what is the level of conceptualization and measurement of the focal construct, as IDMCs should be differently measured at these levels. For example, while IDMCs at the level of a manager’s decisions should focus on features of the manager’s decisional processes, cognition, knowledge or leadership style, IDMCs as an organizational construct should be about whole organization processes, usually going beyond the marketing department but acknowledging challenges related to cross-functional coordination. Additionally, measuring IDMCs used for introducing

the most radical changes, e.g. withdrawing from some foreign markets or changing the international business model, may demand use of very specific questions and sometimes even semi-structured questionnaires to allow for more spontaneous exploration of newly established strategic reorientations. Finally, we appreciate existing research combining survey measurement with secondary data (Fang and Zou, 2009; Hsu and Chen, 2009; Konwar *et al.*, 2017; Sun *et al.*, 2020) and we think further research should make more efforts towards data triangulation, but we also suggest that scholars should be always careful when using solely quite distant proxy measurements for such complex constructs as IDMCs, as such an approach may lead to misleading interpretations and may restrict our understanding of what IDMCs are. Researchers should also take into consideration that while survey-based measurements have well-known problems connected with socially desirable declarations and the low relevance of information with the questions, secondary data measurements are exposed to various forms of corporate manipulation, which is especially visible in financial reporting so as to avoid taxation, but is also seen in other forms of reporting due to public relations motivations.

(3) Call for process-oriented research approaches

As the consequences to focal capabilities have so far been studied more than their antecedents (Figure 3 and Table 4), IDMCs research would likely benefit from applying research process-focused research approaches, especially longitudinal research. Case studies conducted in the long run are good examples of how the gradual stages of building capabilities in complex international value chains can be described (Baraldi and Ratajczak-Mrozek, 2019; Lacoste and Johnsen, 2015). As the process of building capabilities is often path-dependent and culturally restricted (Ivanova-Gongne and Torkkeli, 2018; McGrath and O'Toole, 2014), further research may apply a multi-case approach and be very explicit in describing the contextual aspects of the investigated case of building and/or applying IDMCs. As there is no doubt that building IDMCs does need some resource investments (Teece, 2007), such a build-up process may logically look very different in big companies, especially MNEs, when compared to middle-sized but very internationalized firms, or small companies just beginning their expansion towards foreign markets. Therefore, we need more research on how SMEs gradually strengthen their position on international markets with the use of special routines and decision-making devoted to this task. Extant research demonstrates that such gradual shifts and interactions between actors of various size in international markets are identifiable especially through application of longitudinal multiple case studies (Siemieniako *et al.*, 2022a, b), and further IDMCs research may use a similar design or other approaches relevant for studying dynamic intra- and inter-organizational phenomena (Halinen and Törnroos, 2005; Van de Ven and Huber, 1990).

8. Conclusion

Our descriptive and thematic analysis of the literature has provided an overview of current academic research on the theoretical boundaries, antecedents, and outcomes of focal capabilities. To facilitate development of the fragmented knowledge in the area under review, we analyzed the existing literature and concluded that, on the one hand, this research is well-justified (from the perspective of marketing theory and practice) and has developed quite rapidly in recent years, but on the other hand, prior research lacks conceptual coherence, particularly with regard to the origins of the central concept in strategy literature. Therefore, we developed an enhanced conceptualization of the so-called International Dynamic Marketing Capabilities (IDMCs), which is aligned with the major schools of thought in the DCV literature and incorporates findings from ongoing research on Dynamic Marketing Capabilities (DMCs). On the levels of the focal construct's definition and measurement,

we highlighted which of the reviewed prior works were also aligned with DCV's main premises and may be used by other researchers as benchmarks in their research designs. Finally, we identified voids in ongoing research and provided recommendations for advancing future research structured along Theory, Context, and Methods (TCM) dimensions.

Notes

1. It should be taken into consideration that the search for relevant articles ended in March 2022, so it is very likely that more IDMC papers are published before the end of 2022.
2. The percentages do not sum to 100, because few studies have used data about firms originating from both highly-developed and non-highly developed countries.
3. It should be noticed that in the study by Blesa and Ripollés (2008) focal marketing capabilities of investigated form were found as not only antecedent to "International commitment" as form of "Internationalization", but as the antecedent to foreign investment entry mode choice, i.e. "low levels of marketing capabilities will lead to low foreign investment entry modes (importing, exporting, franchising, subcontracting), while higher levels of marketing capabilities will lead to high investment entry modes (subsidiaries, total or partial acquisitions)" (p. 656).

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