

# Business failure in post pandemic era: new challenges for industrial networks, emerging insights and market opportunities

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Today's global news headlines are rightly occupied with latest incidents and cases of the COVID-19 pandemic. In the midst of this challenging and evolving global economy, it is plausible to argue that the COVID-19 pandemic has become the "great accelerator" (Lozada, 2020). This is because the pandemic has precipitated and accelerated the collapse of countless businesses around the globe (Amankwah-Amoah, Khan & Wood, 2021). Although many businesses including online retailers (e.g., Amazon, eBay, Alibaba) have weathered the pandemic by capitalizing on the challenges of the pandemic to usher in rapid expansion strategy (Harris, 2020). However, many businesses especially small and medium-sized enterprises (SMEs) have consistently missed the mark in ushering timely reforms and thereby culminating in failure and financial distress. For analytical clarity, business failure refers to the interaction of organization-specific and external environmental factors that force a business to lose its identity, cease operations and lay off workers (Mellahi & Wilkinson, 2004; Sheppard, 1994; Zhang et al., 2019). In other words, business failure reflects a situation "when an entire company goes out of business" (Marks & Vansteenkiste, 2008, p. 810).

## Guest editors:

**Joseph Amankwah-Amoah** is Professor of International Business at the University of Kent, UK. Joseph is a recipient of multiple research awards across the social science disciplines and has consistently published in many journals of international repute, including British Journal of Management, Industrial and Corporate Change, Business History, Long Range Planning, International Business Review, Journal of Institutional Economics, Technological Forecasting and Social Change, International Journal of Human Resource Management, Journal of International Management, Decision Support Systems, Management International Review, Thunderbird International Business Review, R&D Management, Business Strategy and the Environment, Transportation Research Part E, Computers in Industry, Journal of Rural Studies, Group and Organization Management, International Journal of Production Economics, IEEE Transactions on Engineering Management and Journal of Business Research. In all, he has published over 110 articles.

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**Huda Khan** is Senior Lecturer in Marketing and Associate Director of Africa Asia Centre of Sustainability Research at the University of Aberdeen, UK. Prior to joining University of Aberdeen, Huda worked on a wide range of industry-led research projects with Ehrenberg-Bass Institute of Marketing Science (EBI) in Australia, a world class market research centre. As a Marketing Scientist with EBI, she has worked on consultancy projects involving well-known multinational corporations such as Unilever and SC Johnsons. These projects (worth > \$100,000) involved research in a number of markets including the United Kingdom, the United States, Norway, Argentina, Brazil, China, Germany and France. Her research focuses on dynamic marketing capabilities of emerging market firms in advanced markets and competition between multinational firms from advanced and emerging markets when they enter into each other's market. Huda's research has appeared in leading journals including *International Business Review* and *Annals of Tourism* journals, among others.

### **Special issue information:**

Instructively, organizational theorists and business historians have sought to examine the reasons why business failure occurs by focusing on two competitive views: the deterministic and voluntaristic perspectives (Mellahi and Wilkinson, 2004). Under the umbrella of the deterministic-based perspective, business failure results from conditions such as technological change, competition and economic decline which emerges from “outside the boundary of the firm” (Amankwah-Amoah & Zhang, 2015, p. 529). The voluntaristic perspective suggests that business failure is an outcome of weaknesses and constraints within the firm stemming from factors such as poor leadership and mismanagement (Hager, Galaskiewicz, & Larson, 2004; Habersang et al., 2019). Although the literature on the deterministic-based perspective has enriched our understanding of external threats, there has been lack of insights on sudden and extreme environmental shocks, floods and other natural disasters that can equally precipitate business failure (Amankwah-Amoah & Wang, 2019). In recent years, researchers have found evidence to support the hypothesis that learning from failure remains underutilized resources which can be tapped into firm-level innovation (Amankwah-Amoah & Wang, 2019). In the context of franchise firms, business failure has also been attributed to franchisor's agential power (Dada & Onyas, 2021). Thus, there is a potential for future studies to examine learning from business failure to innovate.

Despite the burgeoning research on business failure (Muñoz-Izquierdo, Segovia-Vargas, & Pascual-Ezama, 2019), many questions remain underexplored. By answering these questions, researchers and practitioners are likely to be the driver business failure in this changing world. For example, additional scholarly attention is required to understand how cooperation strategies may refrain or expose businesses towards failure in a post-pandemic world. Notwithstanding the fact that innovation is often related to business failure (e.g., D'Attoma & Leva 2020), the effects of innovation on business failure during the era of pandemic and post-pandemic is under-explored. Recent research also classifies four key intertwined areas (digital transformation, decision making, leadership,

emotions) that has been examined in industrial marketing settings during pandemic (Cortez & Johnston, 2020). Hence, these areas would also be critical for examination in the post-pandemic era. Another fruitful avenue is the examination of the role of non-market capabilities in exacerbating or mitigating business failure of B2B organizations in post-pandemic era. Studies have shown efficacy of non-market strategies (social and political strategies) in order to be successful in a market (Rao-Nicholson, Khan & Marinova, 2019) and for gaining resources from government and protect from unfair regulations (Peng, 2003). Research has also shown that a firm requires both holistic set of market and non-market strategies to deal with external challenges and managing performance (Du & Kim, 2021). However, the effectiveness of market vs non-market strategies in mitigating risks of business failures lack scholarly attention.

Against this backdrop of shifting business landscape, this special issue seeks to offer avenues for scholars to showcase their works on business failure and learning from failure in the post-pandemic world. We hope to shed light concurrently and broaden current thinking on business failure in the post pandemic era. We also seek and welcome multidisciplinary approaches to the topic. In an effort to foster greater understanding of this evolving event, both empirical and conceptual papers are also welcomed. Suggested topics include the following but not limited to:

- Causes and processes of business failure in B2B organizations.
- Exploring the dark side of business failures in industrial networks.
- Role of networks in mitigating business failure in B2B organizations.
- Service and product failure and innovation as a consequence of business failure in B2B organizational settings.
- Learning and bouncing back from B2B firm failure in a post pandemic world.
- B2B market strategies in post pandemic era and business failure process.
- Non-market strategies, industrial networks behaviors and business failures.
- Digital transformation and B2B business closures.
- Cost of failure and failure experiences of B2B managers.
- Managerial impression management, emotions and leadership in failing or failed B2B activities.
- Strategic failures in industrial markets.

### **Manuscript submission information:**

#### **Submission and Review Process**

Manuscripts must adhere to the scope, standards, format, and editorial policy of Industrial Marketing Management. All papers must be submitted through the official [Industrial Marketing Management system](#) with clear selection designating that the submission is for this Special Issue. Before submission, authors are encouraged to

read carefully the journal's [Guide for Authors](#). Papers submitted to the Special Issue will be subjected to the journal's normal double-blind review process.

Submission Deadline and Tentative Publication Schedule:

### ***Milestone***

#### ***Date***

Submission deadline: May 31, 2022

First round decisions: August 25, 2022

Final editorial decisions: March-April 2023

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