

Where Digital Meets Global

Conference Invitation

Date: 9th-10th December 2022

Location: Cambridge Judge Business School and Jesus College, Cambridge

Conference Co-Chairs: Michael Barrett, Mauro Guillén and Peter Williamson

We have pleasure in inviting you to join us in Cambridge, UK for our *Where Digital Meets Global* conference 9th-10th December 2022 and to submit an abstract pre-conference for consideration for discussion during the conference, as detailed below under Important Dates.

We have already confirmed Keynote speeches to stimulate the discussion of each major topic area (as detailed below) from: Professors Mike Cusumano (MIT), Karim Lakhani (HBS), Danielle Logue (UT Sydney), Yadong Luo (University of Miami), Johanna Mair (Hertie School of Governance-Berlin), and Geoffrey Parker (Dartmouth/MIT) and hope you will join us.

Introduction

The widespread emergence of digital firms has important implications for many aspects of international business, strategy and the process of globalisation. In particular, digital innovations such as digital platforms with network effects seem to bring many young digital companies, such as Airbnb and Uber, into the scale of the global market in a comparably short period of time. Contrary to claims by some commentators, however, these impacts are far from simple and straightforward as network effects have social and geographical factors (Guillen 2021) in addition to various digital innovations and strategies for business ecosystems (Barrett, Oborn, Orlikowski 2016), vertical integration, horizontal diversification (envelopment) or specific market positions and differentiations (De Meyer and Williamson, 2020).

For example, early researchers often claimed that digitalisation can readily enable firms to be “born-global” such as international new ventures (INVs) (Knight and Cavusgil, 1996, 2004; Kudina, Yip and Barkema, 2008; Cannone and Ughetto, 2014; Hennart, 2014; Ferguson and Henrekson, 2019), or seamlessly expand internationally for “go-global”(Luo and Tung, 2007, 2018; Monaghan, Tippmann and Coviello, 2020). The reality, by contrast, is very different. Despite its size, clout, and growth potential, Amazon for example, still derives 61% of its revenue from the US market and its global market share in e-commerce remains only around 6%. Clearly the relationship between digital innovation and global strategy is a great deal more complex. It impacts on the approach of knowledge transfer, traditional firm-specific-advantages and the ownership-location-internalisation advantages of the eclectic paradigm (Alcácer, Cantwell and Piscitello, 2016; Nambisan, Zahra and Luo, 2019; Nambisan, 2020; Guillén, 2021).

In particular, how 'space' (or geography) matters in relation to 'born-global' INVs or 'go-global' MNEs with digital innovation is lacking in clear or more comprehensive understanding. Research has shown that digital platforms, digital infrastructure and digital ecosystems have a brand-new competition and alliance environment, as the competition level relies on platform systems rather than firms or industries. (Constantinides, Henfridsson and Parker, 2018; Cennamo, 2021) The spatial characteristics in the identities of digital-platform-based firms may impact on their global strategy and international limit, such as scale economy, single-/multi-homing, enveloping, differentiations, and entry barriers. The application of digital innovation and/or digital platforms may impact on MNEs' business models and spatial strategies in their internationalisation process. These spatial issues require further understanding in the competitive mechanisms of the emerging global and digital business environment.

We therefore believe it is timely to explore, in greater depth and from diverse perspectives, how digital innovation is impacting multiple aspects of global strategy, market power, and, in turn, reshaping the prevailing world order. While these impacts potentially cover a huge canvas, five areas where digitalisation is impacting global strategy, broadly defined, stand out.

Research Themes

Digitalization and the Internationalisation of firms, including the implications for: successful strategies and sources of competitive advantage and disadvantage in spatial expansion (such as network effects, multi-homing, differentiations, entry barriers) (Cusumano, Gawer and Yoffie, 2019; Cennamo, 2021; Rietveld and Schilling, 2021); internationalisation processes with new business models for digital and spatial strategies (Nambisan, 2020; Guillén, 2021; Stallkamp and Schotter, 2021); implications for the internationalisation of professional and other types of services through digital platforms or other digital innovation; the role of complementary partner networks and business ecosystems in underpinning competitive success for innovation, information and/or transaction (Parente, Geleilate and Rong, 2018; Nambisan, Zahra and Luo, 2019; De Meyer and Williamson, 2020, Rong, Kang, Williamson 2022); the implications of digitisation for innovation and innovation processes through international networks; the implications of a sequential approach of internationalisation expansion for digital firms over different geographies (Guillén, 2021: 51).

Platform Envelopment and Diversification, by which firms can enter into adjacent markets, increase the scope of services and products with adaption for different spatial contexts, or/and consolidate their distinctiveness from local competitors (Eisenmann, Parker and Van Alstyne, 2011; Guillén, 2021). Digital platforms create platform conglomerates that offer a bundle of services that not only leverage their platform of users into other related markets, but also can be of help in the quest for global leadership. For instance, firms can take over a complementary digital platform in a foreign country through which they can counteract the network effects of a rival platform in this and other countries while increasing its global appeal.

Global digital organisations, including how they can be structured and managed; the processes required; implications for human resource management and virtual teams; the roles of the headquarters and subsidiaries; the structure and operation of global value chains. For

example, global digital platforms can help to match firms with micro-service-providers, from software development to copywriting and graphic design, located in emerging-economy countries which are not necessarily associated with offshoring/outsourcing country images. (Lehdonvirta *et al.*, 2018)

Global governance of digital firms, including how they can best be regulated; the need for global standards, governance models, institutional infrastructure, and new, international institutions; implications for cybersecurity, data security, and data privacy; the ownership of data and rights in its exploitation; tensions between global reach, national sovereignty, and geopolitical rivalries. For example, MNEs of digital platforms need to develop nonmarket strategies at the subsidiary level in order to fit in between a global market strategy and a local nonmarket framework. Digital interdependence, information security and regulatory complexity are also identified as significant risks that challenge the digitization of international business (Curchod, Patriotta and Wright, 2019; Luo, 2021)

Social impacts of global digitalisation, including opportunities for social enterprise and new ‘social-mission platforms’ (Logue & Grimes, 2019); the implications for inequality and social exclusion; impacts of strategies for economic and social development, especially in less-developed regions; the role of digital firms in climate action and ESG. These issues have drawn attention from different social sciences. For example, Law scholar Khan (Khan, 2017) has raised that the monopoly issue of Amazon cannot be addressed in the current anti-trust legal framework. Sociologists Kenny and Zysman have raised the issues derived from the application of digital platforms, big data, new algorithms and cloud computing, which have resulted in the changing nature and structure of work and the economy (Kenny and Zysman, 2016).

Key Questions

The goal of the conference is to bring together primarily business school scholars from across different disciplines (strategy and international business, digital innovation and transformation, organization studies, global governance, social entrepreneurship) to debate these important emerging themes concerning digitalisation and globalisation. Where digital meets global continues to be of critical importance in shaping the business landscape of contemporary society.

Invited papers for presentation at the conference would subsequently be eligible for consideration for submission and publication in a special issue of *Information and Organisation* devoted to the global impacts of digitisation.

Example topics, and related Q’s, include but are not limited to:

Digitalization and the Internationalisation of firms

1. What are the relationships between different types of digital platforms and their geographical capacity/ advantages?
2. How do different types of traditional companies apply digitalization with their internationalisation strategy?

3. What are the main advantages of different types of born-digital firms for developing their international markets and competing with local competitors?
4. What are the main geographical factors that frame or limit the 'spatial' spread of digital firms with a business platform strategy?

Platform Envelopment, Diversification and Vertical Integration

1. How do different types of digital companies apply platform envelopment strategy to deliver internationalisation?
2. How do the strategies of platform envelopment and multi-homing interplay with the internationalisation process within the global environment?
3. How does the platform envelopment rely on local ecosystems with the internationalisation process?
4. How does the digital platform diversification and vertical integration in the home country help to penetrate international barriers? (ex. Amazon global selling)

Global governance of digital firms

1. What are the main global political, regulatory and cybersecurity challenges for the internationalisation of a digital firm?
2. What are the impacts of the characteristics of local resources such as labour market/culture and digital and physical infrastructure on a digital firm's internationalisation strategies?
3. What are the (dis)advantages of a digital platform company in acquiring local knowledge for its global governance?

Social impacts of global digitalisation

1. How does global digitalisation respond to different labour markets and social responsibilities in different countries?
2. How does a digital firm organise its market-side and resource-side activities with relevant ecosystems in terms of global spatial locations, and why?
3. How do 'social mission platforms' challenge and change market, geographic, and institutional boundaries? How do social mission platforms redistribute or circumvent responsibility and resources for public good and local development?

Important Dates:

We invite you to submit an Extended Paper Abstract (**Maximum 750 words**) via email (m.barrett@jbs.cam.ac.uk) by **18th August 2022** for consideration for inclusion in the conference programme. We will provide feedback on these abstracts **by 28th August 2022** along with paper acceptances. For those selected we request final short papers be submitted by **November 15, 2022**. There will be an opportunity to submit your full paper to a Special Issue at Information & Organization on this topic by April 1, 2023.

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