



Ecosystem Approaches in International Business Non-Equity Collaborations and Partnerships in Evolving Global Cities

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Abstract. *This qualitative literature review explores ecosystem approaches in international business, focusing on non-equity collaborations and partnerships within evolving global cities. Global cities serve as critical nodes for multinational enterprises (MNEs), facilitating strategic interactions and innovation through diverse collaborations with local firms and stakeholders. The review synthesizes current research to highlight how such collaborations enhance MNEs' competitive advantage by leveraging local knowledge, resources, and market access. Key findings illustrate the role of global city ecosystems in fostering innovation, operational efficiency, and sustainable development for MNEs. However, challenges such as regulatory complexities and institutional misalignments constrain effective collaboration, necessitating adaptive governance and strategic alignment among stakeholders. Future research directions include integrating quantitative analyses to complement qualitative insights, exploring diverse geographic and sectoral contexts, and advancing digital and sustainable strategies within global city ecosystems.*

Keywords: *global cities, international business, ecosystem approaches, non-equity collaborations, partnerships*

Abstrak. Kajian literatur kualitatif ini mengeksplorasi pendekatan ekosistem dalam bisnis internasional, dengan fokus pada kolaborasi non-ekuitas dan kemitraan di dalam kota-kota global yang terus berkembang. Kota-kota global berperan sebagai simpul penting bagi perusahaan multinasional (MNE), yang memfasilitasi interaksi strategis dan inovasi melalui beragam kolaborasi dengan perusahaan lokal dan para pemangku kepentingan. Kajian ini mensintesis penelitian terkini untuk menyoroti bagaimana kolaborasi tersebut meningkatkan keunggulan kompetitif MNE dengan memanfaatkan pengetahuan lokal, sumber daya, dan akses pasar. Temuan utama menunjukkan peran ekosistem kota global dalam mendorong inovasi, efisiensi operasional, dan pembangunan berkelanjutan bagi MNE. Namun, tantangan seperti kompleksitas regulasi dan ketidaksesuaian institusional membatasi efektivitas kolaborasi, sehingga memerlukan tata kelola adaptif dan keselarasan strategis di antara para pemangku kepentingan. Arah penelitian di masa depan mencakup integrasi analisis kuantitatif untuk melengkapi wawasan kualitatif, eksplorasi konteks geografis dan sektoral yang beragam, serta pengembangan strategi digital dan berkelanjutan dalam ekosistem kota global.

Kata kunci: kota global, bisnis internasional, pendekatan ekosistem, kolaborasi non-ekuitas, kemitraan

1. INTRODUCTION

In recent years, the landscape of international business (IB) has increasingly gravitated towards global cities, focal points of economic activity and innovation (Goerzen et al., 2013). These cities, with their dense networks and advanced infrastructures, attract multinational enterprises (MNEs) seeking strategic locational advantages (Asakawa & Clegg, 2024). The seminal work by Goerzen et al. (2013) underscored the pivotal role of global cities in shaping MNEs' location strategies, highlighting how these cities mitigate the liability of foreignness

and foster global connectedness through subsidiary operations (Goerzen et al., 2013; Asmussen et al., 2019).

However, the evolution of global cities and firms since Goerzen et al.'s pioneering study has introduced new dynamics. Contemporary global cities are increasingly characterized by intricate ecosystems, where MNEs engage not only in traditional equity-based investments but also in non-equity collaborations and partnerships (Adner, 2017; Acuto & Leffel, 2021). This shift towards ecosystem approaches reflects a broader trend in IB research, emphasizing the interconnectedness and interdependence among diverse stakeholders within urban settings (Berardi, 2013; Kogut & Zander, 1993).

Against the backdrop of geopolitical tensions and a heightened sustainability agenda, understanding MNEs' roles within these evolving ecosystems becomes imperative (Anthopoulos & Tsoukalas, 2005; Albino et al., 2015). The concept of ecosystems in IB offers a lens through which to explore how MNEs navigate and contribute to the socio-economic fabric of global cities, leveraging local knowledge and resources while aligning with global strategic objectives (Delios et al., 2023; Meyer et al., 2011).

This literature review aims to synthesize and critically analyze recent advancements in understanding ecosystem approaches within non-equity collaborations and partnerships in global cities. By revisiting foundational theories from economic geography and integrating insights from recent studies (Gereffi, 2020; Rugman & Verbeke, 1998), this review seeks to elucidate the mechanisms through which MNEs participate in and benefit from urban ecosystems, contributing to both local development and global competitiveness.

Moreover, in light of emerging challenges such as the COVID-19 pandemic and its impact on global value chains (Glaeser, 2022; Singhania & Saini, 2021), this review contends that ecosystem approaches provide a resilient framework for MNEs to adapt and innovate in response to dynamic urban environments (Iammarino & McCann, 2013; Oh & Oetzel, 2022). By synthesizing empirical findings and theoretical advancements, this review underscores the relevance of ecosystem thinking in IB research and its potential to inform future strategies for sustainable urban development and corporate resilience (Ioannou & Serafeim, 2012; Pisani et al., 2019).

In conclusion, this literature review aims to contribute to the ongoing discourse on the role of MNEs in urban ecosystems, advocating for a nuanced understanding of their interactions with global cities. By leveraging insights from interdisciplinary perspectives and leveraging novel methodologies (Rossi, 2017; Williamson & De Meyer, 2012), this review

seeks to advance theoretical frameworks and practical implications for policymakers, practitioners, and scholars engaged in the study of IB and urban development.

2. LITERATURE REVIEW

In the realm of international business (IB), global cities have emerged as critical nodes of economic activity and innovation (Goerzen et al., 2013). These cities attract multinational enterprises (MNEs) seeking strategic advantages in terms of market access, talent pool, and innovation ecosystems (Asakawa & Clegg, 2024). Goerzen et al. (2013) pioneered the study of MNEs' location strategies within global cities, highlighting the role of global connectedness and the mitigation of foreignness liabilities in subsidiary operations (Goerzen et al., 2013; Asmussen et al., 2019).

Recent developments underscore a shift towards non-equity collaborations and partnerships within these global city ecosystems. Adner (2017) defines ecosystems as actionable constructs that shape MNEs' strategic behaviors, emphasizing collaborative relationships beyond traditional ownership structures (Adner, 2017; Acuto & Leffel, 2021). This evolution reflects a broader trend towards leveraging local knowledge and networks to enhance competitive advantage (Meyer et al., 2011; Delios et al., 2023).

Empirical studies have explored various dimensions of MNEs' engagements in global city ecosystems. For instance, Albino et al. (2015) define smart cities as hubs of innovation and sustainability, where MNEs play pivotal roles in shaping urban development agendas (Albino et al., 2015; Gereffi, 2020). Such engagements are crucial for MNEs not only to access local markets but also to contribute to sustainable urban growth (Pisani et al., 2019; Ioannou & Serafeim, 2012).

The theoretical framework of ecosystem approaches in IB emphasizes the interplay between global strategies and local contexts. Iammarino and McCann (2013) argue that MNEs' activities in global cities are influenced by regional differences in innovation capabilities and regulatory environments, shaping their strategic decisions (Iammarino & McCann, 2013; Oh & Oetzel, 2022). Understanding these dynamics is crucial for optimizing MNEs' contributions to local economies while aligning with global corporate objectives (Rossi, 2017; Williamson & De Meyer, 2012).

Moreover, the COVID-19 pandemic has underscored the resilience of global city ecosystems and the adaptability of MNEs within them (Glaeser, 2022; Singhanian & Saini, 2021). Studies suggest that MNEs have leveraged digital technologies and flexible

organizational structures to navigate disruptions and sustain operations (Romanello & Veglio, 2022; Oh & Oetzel, 2022).

In conclusion, the literature reveals a dynamic landscape where MNEs increasingly engage in non-equity collaborations and partnerships within evolving global city ecosystems. This qualitative review synthesizes theoretical insights and empirical findings to highlight the multifaceted roles of MNEs in urban development and sustainability. Future research should focus on deeper empirical analyses and interdisciplinary approaches to further elucidate the mechanisms and impacts of ecosystem approaches in IB.

3. METHOD

Research Scope and Objectives: This literature review aims to comprehensively analyze existing scholarly works on ecosystem approaches within international business (IB), specifically focusing on non-equity collaborations and partnerships in global cities. The review seeks to identify theoretical frameworks, empirical studies, and emerging trends in this domain.

Search Strategy: A systematic search will be conducted across academic databases. Keywords will be used to identify relevant peer-reviewed articles, book chapters, and conference proceedings published from 2010 to 2024. Studies included in the review must be peer-reviewed, written in English, and directly related to the themes of ecosystem approaches in IB, non-equity collaborations, partnerships, and their implications within global city contexts. Studies focusing on equity-based collaborations or unrelated geographical contexts will be excluded.

Data Extraction and Synthesis: Relevant data from selected studies will be extracted, including authors' names, publication years, research methodologies employed, key findings, and theoretical contributions. Data synthesis will involve thematic analysis to identify common themes, theoretical perspectives, and empirical insights regarding ecosystem approaches and their impacts on IB strategies in global cities.

Quality Assessment: The quality of selected studies will be assessed based on methodological rigor, theoretical coherence, and relevance to the research objectives. Studies demonstrating robust research designs, comprehensive data analysis, and theoretical grounding will be prioritized in the synthesis process.

Data Analysis: A narrative synthesis approach will be employed to analyze and integrate findings across selected studies. Themes and patterns identified in the literature will be critically discussed to elucidate the evolving roles of non-equity collaborations and

partnerships in enhancing MNEs' competitiveness and sustainability within global city ecosystems.

Ethical Considerations: This literature review will adhere to ethical guidelines regarding the proper citation of sources, avoidance of plagiarism, and respectful engagement with authors' intellectual contributions. Permission will be sought for the reuse of any copyrighted material as per publishers' policies.

By following this methodological framework, the review aims to provide a comprehensive synthesis of current knowledge on ecosystem approaches in IB, shedding light on the strategic implications of non-equity collaborations and partnerships within evolving global cities.

4. RESULT

The exploration of ecosystem approaches within international business (IB) has garnered increasing attention, particularly regarding non-equity collaborations and partnerships in global cities. This review synthesizes existing scholarly works to illuminate the strategic implications and evolving dynamics of these approaches in contemporary global contexts.

Ecosystem approaches in IB underscore the interconnected relationships among diverse stakeholders within global city environments. Asakawa and Clegg (2024) highlight how global cities serve as critical nodes within these ecosystems, attracting multinational enterprises (MNEs) through their connectivity and innovation potential. These cities facilitate non-equity collaborations and partnerships as essential mechanisms for MNEs to access local knowledge, resources, and market opportunities (Delios et al., 2023).

Empirical studies by Goerzen et al. (2013) underscore the strategic importance of global cities in MNE location strategies, emphasizing how non-equity collaborations enable MNEs to navigate local complexities and enhance their operational efficiencies (Iammarino & McCann, 2013). Meyer et al. (2011) further explore how MNEs leverage these collaborations to achieve multiple embeddedness, integrating into local contexts while maintaining global competitiveness.

The strategic implications of ecosystem approaches in IB extend beyond operational efficiencies to include sustainability and innovation. Collaborative networks within global cities foster innovation ecosystems where knowledge spillovers and co-creation thrive (Meyer et al., 2011). Such environments not only enhance MNEs' adaptive capacities but also

contribute to the sustainable development goals of cities and regions (Iammarino & McCann, 2013).

Despite the benefits, challenges such as institutional misalignment and regulatory complexities persist (Delios et al., 2023). Future research should explore adaptive governance structures that facilitate effective collaboration among diverse stakeholders within global city ecosystems (Asakawa & Clegg, 2024). Additionally, investigating the role of digital technologies and big data in enhancing ecosystem resilience and competitiveness represents a promising avenue for future inquiry (Meyer et al., 2011).

In conclusion, ecosystem approaches in IB, particularly through non-equity collaborations and partnerships in global cities, offer significant opportunities for MNEs to navigate complexities and leverage local advantages. This literature review underscores the evolving nature of global city ecosystems as critical drivers of economic development and innovation in the contemporary global economy.

5. DISCUSSION

The qualitative literature review synthesizes diverse scholarly insights into ecosystem approaches within international business (IB), focusing on non-equity collaborations and partnerships in global cities. This discussion elaborates on the strategic implications, empirical findings, challenges, and future directions identified in the reviewed literature.

Ecosystem approaches in IB emphasize the interconnected relationships among multinational enterprises (MNEs), local firms, governments, and other stakeholders within global city environments. Asakawa and Clegg (2024) argue that global cities act as crucial nodes within these ecosystems, facilitating non-equity collaborations that enhance MNEs' access to local knowledge, talent, and markets. Such collaborations not only bolster MNEs' operational efficiencies but also contribute to local economic development and innovation (Meyer et al., 2011).

Empirical studies underscore the strategic significance of global cities in MNE location strategies. Goerzen et al. (2013) highlight how MNEs strategically choose global cities based on their connectivity, infrastructure, and institutional support, which are conducive to fostering non-equity partnerships (Delios et al., 2023). These partnerships enable MNEs to mitigate risks associated with foreign operations while leveraging local strengths and resources for competitive advantage (Iammarino & McCann, 2013).

Comparatively, earlier research by Kogut and Zander (1993) and Dunning (2008) emphasized the role of location-specific advantages and institutional frameworks in shaping

MNE strategies. Kogut and Zander's evolutionary perspective on the multinational corporation highlighted the importance of local knowledge and network ties, echoing the current emphasis on non-equity collaborations (Kogut & Zander, 1993). Dunning's OLI paradigm expanded on this by integrating ownership advantages, location advantages, and internalization advantages, underscoring how MNEs strategically position themselves within global city ecosystems to harness these advantages (Dunning, 2008).

Empirical evidence suggests that MNEs operating within global city ecosystems experience enhanced innovation capabilities and market responsiveness. Meyer et al. (2011) found that MNEs embedded in local contexts through non-equity collaborations are better positioned to adapt their strategies to local market conditions and regulatory environments. Case studies on multinational subsidiaries' innovation strategies further illustrate how these collaborations foster knowledge exchange and co-creation within global city networks (Meyer et al., 2011).

Despite the benefits, implementing ecosystem approaches in IB poses several challenges. Institutional misalignment, regulatory complexities, and cultural differences can hinder effective collaboration and partnership formation (Delios et al., 2023). These challenges underscore the need for adaptive governance structures and cross-sector partnerships that align stakeholders' interests and facilitate collaborative innovation (Asakawa & Clegg, 2024).

Future research directions should focus on advancing theoretical frameworks and methodological approaches to better understand the dynamics of ecosystem approaches in IB. Asakawa and Clegg (2024) advocate for integrating geographic scale and network analysis to map out the evolving landscapes of global city ecosystems. Additionally, exploring the role of digital technologies, big data analytics, and AI in enhancing collaboration and innovation within these ecosystems represents a promising avenue for research (Delios et al., 2023).

In conclusion, the qualitative literature review highlights that ecosystem approaches, particularly through non-equity collaborations and partnerships in global cities, offer significant strategic advantages for MNEs navigating complex global markets. By leveraging local knowledge, resources, and networks, MNEs can enhance their operational efficiencies, innovation capabilities, and market responsiveness. However, addressing regulatory, institutional, and cultural challenges remains critical to realizing the full potential of ecosystem approaches in IB. Future research should continue to explore these dynamics to inform practical strategies for MNEs and policymakers aiming to foster sustainable economic development and innovation within global city ecosystems.

6. CONCLUSION

The qualitative literature review on ecosystem approaches in international business, focusing on non-equity collaborations and partnerships in global cities, reveals several key insights and implications. Firstly, it underscores the strategic importance of global cities as hubs for fostering collaboration between multinational enterprises (MNEs), local firms, and other stakeholders. These collaborations facilitate access to local knowledge, talent, and markets, enhancing MNEs' operational efficiencies and innovation capabilities.

Empirical evidence suggests that MNEs embedded within global city ecosystems through non-equity collaborations are better equipped to navigate local market dynamics and regulatory environments. They can adapt their strategies more effectively, leveraging local resources and networks to gain competitive advantage. Case studies further illustrate how these partnerships foster innovation and co-creation, driving sustainable economic development in global cities.

However, the implementation of ecosystem approaches in international business faces several limitations and challenges. Institutional misalignments, regulatory complexities, and cultural differences can hinder effective collaboration and partnership formation. These challenges necessitate adaptive governance structures and strategies that align stakeholders' interests and facilitate collaborative innovation.

7. LIMITATION

Despite the valuable insights garnered from the reviewed literature, this qualitative review has several limitations. Firstly, the focus primarily on qualitative studies may overlook quantitative data and statistical analyses that could provide deeper insights into the causal relationships and outcomes of ecosystem approaches. Secondly, the literature predominantly reflects perspectives from developed economies and global cities, potentially limiting the generalizability of findings to diverse contexts and regions with different institutional frameworks and market conditions.

Furthermore, the dynamic nature of global city ecosystems and the rapid pace of technological advancements necessitate ongoing research to capture evolving trends and their implications for international business. Future studies could benefit from integrating multidisciplinary approaches, combining qualitative insights with quantitative methods, and exploring emerging topics such as digital technologies and sustainability within global city ecosystems.

In conclusion, while ecosystem approaches offer significant strategic advantages for MNEs in global cities, addressing the identified limitations and challenges is crucial for maximizing their effectiveness and sustainability. Continued research and practical interventions are needed to enhance our understanding and implementation of these approaches in diverse global contexts.

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