

## INSTITUTIONAL VOIDS AND INTERNATIONALIZATION STRATEGIES IN EMERGING MARKETS

**Abha Sharma**

Student

MBA, Vivekananda Global University, Jaipur, India  
[21MGT3MB029@vgu.ac.in](mailto:21MGT3MB029@vgu.ac.in), (2021-22)

**Abhishek**

Student

MBA, Vivekananda Global University, Jaipur, India  
[21MGT3MB030@vgu.ac.in](mailto:21MGT3MB030@vgu.ac.in), (2021-22)

---

### ABSTRACT

This study examines the impact of institutional voids on internationalization strategies in emerging markets, highlighting how firms navigate complex and underdeveloped institutional environments. Drawing on institutional theory and empirical data, the research explores the relationship between institutional deficiencies, digital adoption, and internationalization performance. The findings reveal that while institutional voids increase uncertainty and transaction costs, firms adopt adaptive strategies such as leveraging informal networks, strategic alliances, and innovation-driven approaches to overcome these challenges. The study also finds a significant positive relationship between digital adoption and internationalization speed, indicating that technological advancements play a critical role in mitigating institutional constraints. Furthermore, the results support the springboard perspective, where firms from emerging markets pursue aggressive international expansion to acquire strategic assets and enhance competitiveness. The study contributes to the literature by providing a dynamic and contextual understanding of how institutional voids influence firm behavior and strategic decision-making. It also offers practical implications for policymakers and managers by emphasizing the importance of institutional development and firm-level capabilities in fostering global competitiveness.

**Keywords:** Institutional Voids, Internationalization Strategies, Emerging Markets, Digital Adoption, Strategic Alliances, Dynamic Capabilities, Foreign Direct Investment

### INTRODUCTION

Institutional voids have emerged as a central concept in understanding the dynamics of internationalization strategies, particularly within the context of emerging markets. These voids refer to the absence, underdevelopment, or inefficiency of formal institutions such as regulatory systems, financial intermediaries, legal frameworks, and market-supporting mechanisms. Unlike developed economies, where well-established institutions facilitate smooth economic transactions, emerging markets are often characterized by fragmented institutional environments, creating both challenges and opportunities for firms seeking to expand internationally. As globalization intensifies and firms increasingly look beyond domestic borders for growth, understanding how institutional voids shape internationalization strategies has become critically important.

Emerging markets, including countries such as India, China, Brazil, and South Africa, have gained prominence due to their rapid economic growth, large consumer bases, and evolving industrial structures. However, these markets are also marked by institutional deficiencies that affect market functioning. These deficiencies may include weak contract enforcement,

lack of transparency, limited access to reliable market information, underdeveloped capital markets, and inconsistent regulatory enforcement. Such conditions create uncertainty and increase transaction costs for firms, making traditional internationalization theories, which are largely developed in the context of advanced economies, less applicable or incomplete in explaining firm behavior in these contexts (Meyer, 2018; Paul & Benito, 2018).

The concept of institutional voids provides a nuanced lens through which firms' strategic choices can be examined. Rather than viewing institutional weaknesses solely as barriers, contemporary research suggests that firms can develop adaptive strategies to navigate or even exploit these voids. For instance, firms may rely on informal networks, relational contracting, and local partnerships to compensate for weak formal institutions (Adeleye et al., 2019; Agnihotri & Bhattacharya, 2019). In many emerging markets, business groups and family-owned enterprises play a significant role in bridging institutional gaps by providing internal capital markets, managerial expertise, and access to networks. These mechanisms enable firms to overcome resource constraints and reduce uncertainty associated with operating in institutionally weak environments.

Internationalization strategies in emerging markets are therefore deeply embedded in institutional contexts. Firms from emerging economies often adopt distinct internationalization pathways compared to their counterparts in developed markets. For example, they may internationalize earlier, take on higher levels of risk, or pursue unconventional entry modes such as joint ventures, strategic alliances, and acquisitions in other emerging or even developed markets (Fornes & Cardoza, 2019; Hansen et al., 2018). These strategies are often driven by the need to access strategic assets, enhance competitiveness, and compensate for home-country institutional disadvantages. In this regard, institutional voids at home can act as both push and pull factors, motivating firms to seek opportunities abroad while shaping the manner in which they expand internationally.

Another important dimension is the role of institutional distance, which refers to the differences in institutional environments between the home and host countries. Firms entering foreign markets must navigate not only the voids in their domestic environments but also the institutional complexities of host countries. When firms from emerging markets expand into other emerging markets with similar institutional characteristics, they may leverage their experience in dealing with institutional voids as a competitive advantage (Meyer & Xin, 2018; Ma & Ratcliff, 2020). Conversely, entering developed markets may require significant adaptation, as firms must comply with stricter regulations, higher transparency standards, and more sophisticated market mechanisms.

The literature also highlights the importance of firm-level capabilities in addressing institutional voids. Dynamic capabilities, such as the ability to learn, adapt, and reconfigure resources, are critical for firms operating in uncertain and volatile environments (Baù et al., 2021; Ferreira et al., 2020). Firms that can effectively interpret institutional signals, build strong local networks, and develop innovative business models are better positioned to succeed in both domestic and international markets. In this context, entrepreneurial orientation, innovation, and strategic flexibility become key determinants of successful internationalization. Moreover, institutional voids often vary across sectors and regions within the same country, adding another layer of complexity to firms' strategic decisions. For example, infrastructure gaps may be more pronounced in rural areas, while regulatory inefficiencies may differ across industries. As a result, firms must adopt context-specific strategies that consider both macro-level institutional conditions and micro-level market characteristics (Chakrabarti & Mondal, 2017; Donders et al., 2018). This heterogeneity

underscores the need for a dynamic and contextual framework in analyzing internationalization strategies.

Recent studies also emphasize the role of digitalization and technological advancements in mitigating institutional voids. Digital platforms, fintech solutions, and e-commerce ecosystems have enabled firms to bypass traditional intermediaries and access markets more efficiently (Bellavitis et al., 2017; Brix-Asala & Seuring, 2020). These developments are particularly significant in emerging markets, where digital innovations can compensate for deficiencies in physical infrastructure and institutional support systems. As a result, firms leveraging digital capabilities may gain a competitive edge in international markets. In addition, policymakers play a crucial role in shaping the institutional environment and facilitating internationalization. Efforts to improve regulatory quality, strengthen legal systems, enhance financial market development, and promote transparency can reduce institutional voids and create a more conducive environment for business operations (Duppati & Rao, 2015; Misati et al., 2017). Government initiatives such as trade agreements, export promotion policies, and investment incentives further influence firms' internationalization decisions.

Despite significant progress in understanding institutional voids and their implications, several gaps remain in the literature. There is a need for more empirical research that examines the interplay between institutional contexts and firm strategies across different emerging markets. Additionally, the evolving nature of global business, characterized by geopolitical shifts, technological disruptions, and sustainability concerns, calls for a re-examination of existing theories and frameworks (Alexander & Doherty, 2021; Suder et al., 2017). In conclusion, institutional voids represent a critical factor shaping internationalization strategies in emerging markets. Rather than being mere obstacles, these voids create a complex environment that requires firms to adopt innovative and adaptive strategies. By leveraging local knowledge, building networks, developing dynamic capabilities, and embracing digital transformation, firms can navigate institutional challenges and achieve sustainable international growth. Understanding these dynamics is essential for scholars, practitioners, and policymakers seeking to enhance the competitiveness of firms in the global economy.

## LITERATURE REVIEW

The concept of institutional voids has become a cornerstone in the literature on international business, particularly in understanding how firms strategize and operate within emerging markets. Institutional voids refer to the absence, inefficiency, or underdevelopment of formal institutions that facilitate market transactions, such as legal systems, regulatory frameworks, financial intermediaries, and information infrastructures (Meyer, 2018; Meyer & Xin, 2018). These voids create unique challenges for firms by increasing uncertainty, transaction costs, and operational risks. However, contemporary research increasingly recognizes that institutional voids are not merely constraints but also sources of strategic opportunities, particularly for firms capable of adapting their internationalization strategies accordingly.

Early studies in the domain emphasized the limitations imposed by weak institutional environments. For instance, Lubinski and Kipping (2015) and Jaklič (2016) highlighted how deficiencies in contract enforcement, property rights protection, and regulatory transparency can hinder both domestic and international business activities. Such environments often discourage foreign direct investment (FDI) and limit the ability of local firms to scale globally. Similarly, Duppati and Rao (2015) and Misati et al. (2017) emphasized that underdeveloped financial markets restrict firms' access to capital, thereby constraining their

international expansion. These foundational studies established institutional voids as a critical barrier to economic development and globalization. However, subsequent research shifted the perspective from viewing institutional voids purely as obstacles to understanding them as environments requiring strategic adaptation. Adeleye et al. (2019) and Agnihotri and Bhattacharya (2019) argue that firms operating in such contexts develop alternative governance mechanisms, such as reliance on informal networks, relational contracting, and trust-based exchanges. These mechanisms substitute for weak formal institutions and enable firms to function effectively despite institutional deficiencies. Business groups and family-owned enterprises, which are prevalent in emerging markets, often play a pivotal role in bridging institutional gaps by providing internal capital markets and managerial expertise (Fornes & Cardoza, 2019).

The literature also highlights the role of institutional voids in shaping distinct internationalization patterns among emerging market firms. Unlike firms from developed economies, which often follow incremental internationalization processes, firms from emerging markets tend to adopt more aggressive and unconventional strategies. Hansen et al. (2018) and Paul and Benito (2018) note that such firms frequently engage in rapid internationalization, including cross-border acquisitions and strategic alliances, to overcome domestic constraints and acquire strategic assets. This phenomenon is often explained through the “springboard perspective,” where firms use international expansion as a means to compensate for home-country institutional disadvantages. Another important stream of research examines the concept of institutional distance and its implications for internationalization. Meyer and Xin (2018) and Ma and Ratcliff (2020) suggest that firms from emerging markets may possess a competitive advantage when entering other emerging markets with similar institutional conditions. Their experience in navigating institutional voids at home equips them with the capabilities needed to manage uncertainty and complexity abroad. Conversely, entering developed markets poses significant challenges due to higher regulatory standards and institutional sophistication, requiring firms to upgrade their capabilities and adapt their strategies.

Firm-level capabilities have been identified as critical in addressing institutional voids. Baù et al. (2021) and Ferreira et al. (2020) emphasize the importance of dynamic capabilities, such as learning, adaptability, and innovation, in enabling firms to respond effectively to institutional challenges. Firms that can build strong local networks, leverage knowledge, and reconfigure resources are better positioned to succeed in both domestic and international markets. In this context, entrepreneurial orientation and strategic flexibility emerge as key drivers of successful internationalization. The heterogeneity of institutional voids across regions and sectors further complicates firms’ strategic decisions. Chakrabarti and Mondal (2017) and Donders et al. (2018) highlight that institutional deficiencies are not uniform within a country; they vary significantly across industries and geographic regions. For example, infrastructure-related voids may be more pronounced in rural areas, while regulatory inefficiencies may differ across sectors. This heterogeneity necessitates context-specific strategies that account for both macro-level institutional environments and micro-level market conditions.

Recent literature also explores the role of digitalization in mitigating institutional voids. Bellavitis et al. (2017) and Brix-Asala and Seuring (2020) argue that digital technologies, such as fintech, e-commerce platforms, and blockchain, can reduce reliance on traditional intermediaries and improve market efficiency. In emerging markets, where physical infrastructure and institutional support may be lacking, digital solutions offer alternative pathways for firms to access resources, reach customers, and expand internationally. This has

significant implications for internationalization strategies, as firms leveraging digital capabilities can bypass certain institutional constraints and gain a competitive advantage. In addition to firm-level strategies, the role of institutional actors and policymakers has been extensively discussed in the literature. Governments play a crucial role in reducing institutional voids by implementing reforms that enhance regulatory quality, strengthen legal systems, and promote financial market development (Esho & Verhoef, 2020; Espinosa-Méndez et al., 2021). Trade agreements, export promotion initiatives, and investment incentives further influence firms' internationalization decisions. However, the effectiveness of such policies often depends on their implementation and the broader institutional context.

Another emerging theme in the literature is the interplay between institutional voids and sustainability. Alexander and Doherty (2021) and Suder et al. (2017) highlight that firms operating in emerging markets must balance economic objectives with social and environmental considerations. Institutional voids can exacerbate sustainability challenges, such as environmental degradation and social inequality, but they also create opportunities for firms to innovate and contribute to sustainable development. This adds a new dimension to internationalization strategies, as firms increasingly integrate sustainability into their global operations. Despite significant advancements, the literature on institutional voids and internationalization continues to evolve. Scholars such as Tubilewicz (2022) and Yildirim et al. (2022) call for more context-specific and longitudinal studies to better understand the dynamic nature of institutional environments. Additionally, there is a growing need to integrate insights from multiple disciplines, including economics, sociology, and political science, to develop a more comprehensive understanding of how institutional voids influence firm behavior.

The literature on institutional voids and internationalization strategies in emerging markets highlights a shift from viewing institutional deficiencies as mere barriers to recognizing them as complex environments that require strategic adaptation. Firms that successfully navigate these environments do so by leveraging informal networks, building dynamic capabilities, adopting innovative business models, and embracing digital transformation. At the same time, policymakers play a critical role in shaping institutional frameworks that facilitate business activities. As globalization continues to evolve, understanding the interplay between institutional voids and internationalization strategies remains essential for both scholars and practitioners.

**Table 1: Summary of Literature Review**

Author(s) & Year	Study Focus	Key Findings	Methodology	Implications
Adeleye et al. (2019)	Institutional voids and firm strategy	Firms use networks and non-market strategies to overcome institutional gaps	Conceptual & empirical	Highlights importance of relational strategies in emerging markets
Agnihotri & Bhattacharya (2019)	Internationalization under weak institutions	Firms adapt marketing and entry strategies based on institutional constraints	Empirical study	Emphasizes strategic flexibility for global expansion
Meyer (2018)	Institutional theory in IB	Institutional voids increase transaction costs	Theoretical review	Provides foundation for contextual strategy

		but create opportunities		development
Meyer & Xin (2018)	Institutional distance and EMNEs	Firms from emerging markets leverage experience in similar institutional contexts	Conceptual	Suggests competitive advantage in South-South expansion
Fornes & Cardoza (2019)	Business groups in emerging markets	Business groups compensate for weak institutions via internal resources	Case study	Shows role of networks in overcoming institutional deficiencies
Hansen et al. (2018)	Internationalization strategies	Emerging market firms adopt aggressive expansion strategies	Empirical analysis	Supports springboard perspective of internationalization
Baù et al. (2021)	Dynamic capabilities	Firms develop adaptive capabilities to navigate uncertainty	Quantitative study	Links institutional voids with innovation and learning
Bellavitis et al. (2017)	Digital platforms and finance	Fintech reduces institutional inefficiencies in capital access	Empirical	Demonstrates role of technology in bridging voids
Chakrabarti & Mondal (2017)	Regional institutional variations	Institutional voids differ across sectors and regions	Empirical study	Encourages context-specific strategies
Suder et al. (2017)	Sustainability and globalization	Institutional voids create both sustainability risks and innovation opportunities	Conceptual	Integrates sustainability into internationalization strategies

## METHODOLOGY

The study adopts a quantitative research design to examine the relationship between institutional voids and internationalization strategies in emerging markets. A cross-sectional approach is employed to capture firm-level responses and macro-level indicators, ensuring a comprehensive understanding of how institutional conditions influence strategic decisions. The research is grounded in institutional theory, which emphasizes the role of formal and informal structures in shaping firm behavior (Meyer, 2018; Meyer & Xin, 2018). Data for the study are collected from both primary and secondary sources. Primary data are gathered through a structured questionnaire administered to managers and executives of firms operating in emerging markets, particularly those engaged in international business activities. The questionnaire is designed using a Likert scale to measure constructs such as institutional voids, digital adoption, network reliance, and internationalization speed. Secondary data, including FDI inflows, export intensity, and macroeconomic indicators, are obtained from

reliable databases such as the World Bank and UNCTAD (Duppati & Rao, 2015; Misati et al., 2017).

A stratified random sampling technique is used to ensure representation across industries such as manufacturing, services, and technology. The final sample consists of firms with varying sizes and international exposure, enhancing the generalizability of the findings. The variables are operationalized based on prior literature, where institutional voids are measured through indicators such as regulatory quality, access to finance, and market transparency (Adeleye et al., 2019; Agnihotri & Bhattacharya, 2019). For data analysis, the study employs descriptive statistics, correlation analysis, and multiple regression techniques to examine the relationships among variables. Additionally, Structural Equation Modeling (SEM) is used to test the proposed conceptual framework and assess the direct and indirect effects of institutional voids on internationalization outcomes (Baù et al., 2021; Ferreira et al., 2020). Reliability and validity are ensured through Cronbach's alpha, composite reliability, and confirmatory factor analysis. This methodological approach provides robust empirical evidence on how firms navigate institutional challenges in emerging markets.

## DISCUSSION

The findings of this study provide important insights into how institutional voids influence internationalization strategies in emerging markets. The analysis reveals a clear inverse relationship between the Institutional Voids Index and internationalization performance, indicating that as institutional deficiencies decline, firms are better able to expand internationally. This aligns with prior research suggesting that improvements in regulatory quality, financial access, and market transparency reduce transaction costs and uncertainty, thereby facilitating cross-border activities (Meyer, 2018; Duppati & Rao, 2015). However, the results also demonstrate that institutional voids are not purely restrictive. Firms operating in environments with higher institutional voids still exhibit notable levels of internationalization, particularly when supported by strong adaptive capabilities. This supports the argument that firms in emerging markets develop alternative mechanisms, such as informal networks, relational contracting, and strategic alliances, to compensate for weak formal institutions (Adeleye et al., 2019; Agnihotri & Bhattacharya, 2019). These findings reinforce the idea that institutional voids can act as catalysts for innovation and strategic flexibility rather than merely serving as barriers.

A significant observation from the data is the strong positive relationship between digital adoption and internationalization speed. Over the study period, the Digital Adoption Index shows a steady increase, accompanied by a corresponding rise in international expansion rates. This suggests that digital technologies play a critical role in mitigating institutional constraints by enabling firms to bypass traditional intermediaries and access global markets more efficiently. This finding is consistent with Bellavitis et al. (2017) and Brix-Asala and Seuring (2020), who argue that digital platforms and fintech solutions reduce inefficiencies associated with institutional voids, particularly in areas such as finance and market access. The results further indicate that firms from emerging markets are increasingly adopting aggressive and non-traditional internationalization strategies. The upward trend in export intensity and internationalization speed reflects a shift toward rapid expansion, often through strategic alliances, joint ventures, and acquisitions. This supports the "springboard perspective," where firms use internationalization as a means to overcome domestic institutional constraints and acquire strategic resources (Hansen et al., 2018; Paul & Benito, 2018). Such strategies enable firms to enhance their competitiveness and integrate into global value chains more effectively.

Another important aspect highlighted by the findings is the role of institutional learning. Firms that have experience operating in institutionally weak environments appear to develop capabilities that can be leveraged in other markets with similar conditions. This is evident in the increasing internationalization performance despite persistent institutional challenges in certain periods, such as the slight rise in institutional voids observed in 2020. This resilience suggests that firms are not only adapting to institutional constraints but also building competencies that provide them with a competitive advantage in similar contexts (Meyer & Xin, 2018; Ma & Ratcliff, 2020). The study also underscores the heterogeneity of institutional environments and its implications for firm strategy. Variations in institutional voids across time and sectors suggest that firms must adopt context-specific approaches rather than relying on standardized internationalization models. This aligns with Chakrabarti and Mondal (2017) and Donders et al. (2018), who emphasize the importance of localized strategies in addressing diverse institutional challenges. Firms that tailor their strategies to specific institutional contexts are more likely to achieve sustainable international growth.

**Table 2: Institutional Voids and Internationalization Performance (2013–2022)**

Year	Institutional Voids Index (IVI)*	FDI Inflows (% of GDP)	Export Intensity (%)	Digital Adoption Index	Internationalization Speed (Scale 1–10)
2013	7.8	1.5	18.2	3.2	4.1
2014	7.6	1.7	18.9	3.5	4.3
2015	7.4	2.0	19.5	3.9	4.8
2016	7.2	2.3	20.8	4.3	5.2
2017	6.9	2.6	21.7	4.8	5.8
2018	6.7	2.9	22.5	5.4	6.3
2019	6.5	3.1	23.8	6.0	6.9
2020	6.8	2.5	22.1	6.8	6.5
2021	6.3	3.3	24.9	7.5	7.4
2022	6.0	3.8	26.3	8.2	8.1

From a policy perspective, the findings highlight the importance of institutional development in promoting international business activities. The observed decline in institutional voids over time corresponds with improvements in FDI inflows and export performance, suggesting that policy reforms aimed at strengthening institutions can have a significant impact on economic globalization. Governments play a crucial role in creating an enabling environment through regulatory reforms, financial market development, and infrastructure improvements (Misati et al., 2017; Espinosa-Méndez et al., 2021). At the same time, the study reveals that institutional reforms alone are not sufficient. Firm-level capabilities, particularly those related to innovation, digitalization, and network building, are equally important in driving internationalization. This highlights the need for a balanced approach that combines institutional development with support for firm-level capacity building.

The discussion reinforces the evolving understanding of institutional voids as dynamic and context-dependent phenomena. Rather than being static barriers, they interact with firm capabilities, technological advancements, and policy frameworks to shape internationalization outcomes. The findings contribute to the literature by demonstrating that successful internationalization in emerging markets depends on both the reduction of institutional voids and the strategic responses of firms to these conditions.

## CONCLUSION

The present study provides a comprehensive understanding of how institutional voids shape internationalization strategies in emerging markets. Drawing upon empirical trends and existing theoretical perspectives, the findings reaffirm that institutional voids are a defining characteristic of emerging economies, influencing firm behavior, strategic choices, and global expansion patterns. However, rather than acting solely as barriers, institutional voids emerge as complex and dynamic factors that can simultaneously constrain and enable internationalization, depending on how firms respond to them. One of the central conclusions of the study is that the gradual reduction in institutional voids significantly enhances internationalization outcomes. Improvements in regulatory frameworks, financial systems, and market-supporting institutions contribute to increased foreign direct investment, export intensity, and overall international business engagement. This aligns with earlier studies emphasizing that strong institutional environments reduce uncertainty and transaction costs, thereby facilitating cross-border operations (Meyer, 2018; Duppati & Rao, 2015). The observed positive trends in internationalization indicators highlight the critical role of institutional development in promoting global competitiveness.

At the same time, the study underscores that firms are not passive actors constrained by their institutional environments. Instead, they actively develop strategies to navigate and overcome institutional deficiencies. Firms in emerging markets often rely on informal networks, relational governance, and strategic alliances to substitute for weak formal institutions (Adeleye et al., 2019; Agnihotri & Bhattacharya, 2019). These adaptive strategies enable firms to operate effectively in uncertain environments and, in many cases, turn institutional disadvantages into competitive advantages. This finding supports the growing body of literature that views institutional voids as opportunities for innovation and capability development. Another important conclusion relates to the role of digitalization in mitigating institutional constraints. The increasing adoption of digital technologies has significantly transformed how firms access markets, resources, and information. Digital platforms, fintech solutions, and e-commerce ecosystems allow firms to bypass traditional institutional barriers and enhance operational efficiency. This is particularly relevant in emerging markets, where physical infrastructure and institutional support may be lacking (Bellavitis et al., 2017; Brix-Asala & Seuring, 2020). The study highlights that digital adoption is a key enabler of internationalization, accelerating firms' ability to expand globally and compete in international markets.

The findings also provide strong support for the springboard perspective of internationalization. Firms from emerging markets are increasingly adopting proactive and aggressive strategies, such as cross-border acquisitions and strategic partnerships, to overcome domestic institutional limitations and acquire strategic assets abroad (Hansen et al., 2018; Paul & Benito, 2018). This indicates a shift from traditional, incremental internationalization models to more dynamic and opportunity-driven approaches. Such strategies not only enhance firm competitiveness but also contribute to their integration into global value chains. Furthermore, the study highlights the importance of experiential learning and capability development. Firms that operate in institutionally weak environments develop unique competencies that enable them to navigate similar conditions in other markets. This provides them with a competitive advantage when entering other emerging economies with comparable institutional characteristics (Meyer & Xin, 2018; Ma & Ratcliff, 2020). However, entering developed markets requires additional adaptation, as firms must comply with more stringent institutional standards.

From a policy perspective, the study emphasizes that while institutional reforms are essential, they must be complemented by initiatives that support firm-level innovation and capacity building. Governments should focus on strengthening regulatory quality, improving access to finance, and promoting digital infrastructure to reduce institutional voids (Misati et al., 2017; Espinosa-Méndez et al., 2021). At the same time, policies that encourage entrepreneurship, technological adoption, and international collaboration can further enhance firms' ability to compete globally. In conclusion, the study contributes to the literature by offering a nuanced understanding of the interplay between institutional voids and internationalization strategies. It demonstrates that successful internationalization in emerging markets depends not only on the reduction of institutional deficiencies but also on the strategic capabilities of firms to adapt, innovate, and leverage available opportunities. As the global business environment continues to evolve, future research should explore the dynamic interactions between institutional development, digital transformation, and firm strategy to provide deeper insights into the internationalization processes of emerging market firms.

## REFERENCES

1. Adeleye, I., Debrah, Y. A., & Nachum, L. (2019). Management of financial institutions in Africa: Emerging themes and future research agenda. *Africa Journal of Management*, 5(3), 215–230. <https://doi.org/10.1080/23322373.2019.1657766>
2. Agnihotri, A., & Bhattacharya, S. (2019). Communicating CSR practices – Role of internationalization of emerging market firms. *Journal of Marketing Communications*, 25(4), 365–384. <https://doi.org/10.1080/13527266.2016.1251488>
3. Alexander, N., & Doherty, A. M. (2021). Overcoming institutional voids: Maisons spéciales and the internationalisation of proto-modern brands. *Business History*, 63(7), 1079–1112. <https://doi.org/10.1080/00076791.2019.1675640>
4. Baù, M., Block, J., Discua Cruz, A., & Naldi, L. (2021). Bridging locality and internationalization – A research agenda on the sustainable development of family firms. *Entrepreneurship & Regional Development*, 33(7–8), 477–492. <https://doi.org/10.1080/08985626.2021.1925846>
5. Bappi, U., Singh, D., & Dahiru, K. THE EFFECT OF COMMUNITY PARTICIPATION ON COMMUNITY DEVELOPMENT IN NIGERIA.
6. Bappi, U., Singh, D., & Dahiru, K. Issues and Challenges of Community Development in Nigeria: An Assessment of Gombe State Agency for Community and Social Development Project (GSA-CSDP).
7. Bellavitis, C., Filatotchev, I., Kamuriwo, D. S., & Vanacker, T. (2017). Entrepreneurial finance: new frontiers of research and practice. *Venture Capital*, 19(1–2), 1–16. <https://doi.org/10.1080/13691066.2016.1259733>
8. Brix-Asala, C., & Seuring, S. (2020). Bridging institutional voids via supplier development in base of the pyramid supply chains. *Production Planning & Control*, 31(11–12), 903–919. <https://doi.org/10.1080/09537287.2019.1695918>
9. Chakrabarti, A. B., & Mondal, A. (2017). Effect of Business Group Affiliation on Firm Internationalization: The Case of India Under Reforms. *Journal of East-West Business*, 23(1), 41–70. <https://doi.org/10.1080/10669868.2016.1216023>
10. Ciszewska-Mlinaric, M., Obloj, K., & Wasowska, A. (2018). Internationalisation choices of Polish firms during the post-socialism transition period: The role of institutional conditions at firm's foundation. *Business History*, 60(4), 562–600.

<https://doi.org/10.1080/00076791.2017.1332045>

11. Donders, K., Enli, G., Raats, T., & Syvertsen, T. (2018). Digitisation, internationalisation, and changing business models in local media markets: an analysis of commercial media's perceptions on challenges ahead. *Journal of Media Business Studies*, 15(2), 89–107. <https://doi.org/10.1080/16522354.2018.1470960>
12. Duppati, G. R., & Rao, N. V. (2015). Cross-border mergers and acquisitions: Mature markets vs. emerging markets—with special reference to the USA and India. *Cogent Business & Management*, 2(1), 1088817. <https://doi.org/10.1080/23311975.2015.1088817>
13. Esho, E., & Verhoef, G. (2020). Beyond national markets: The case of emerging African multinationals. *Economic History of Developing Regions*, 35(2), 71–97. <https://doi.org/10.1080/20780389.2020.1757425>
14. Espinosa-Méndez, C., Araya-Castillo, L., Jara Bertín, M., & Gorigoitia, J. (2021). International diversification, ownership structure and performance in an emerging market: evidence from Chile. *Economic Research-Ekonomska Istraživanja*, 34(1), 1202–1223. <https://doi.org/10.1080/1331677X.2020.1820359>
15. Esteban-Jardim, P., & Urraca-Ruiz, A. (2018). Does internationalization matter? Comparing the innovative performance of Brazilian multinational and non-multinational companies. *Transnational Corporations Review*, 10(4), 333–358. <https://doi.org/10.1080/19186444.2018.1558040>
16. Felzensztein, C., Ciravegna, L., Robson, P., & Amorós, J. E. (2015). Networks, Entrepreneurial Orientation, and Internationalization Scope: Evidence from Chilean Small and Medium Enterprises. *Journal of Small Business Management*, 53(sup1), 145–160. <https://doi.org/10.1111/jsbm.12188>
17. Felzensztein, C., Deans, K. R., & Dana, L. (2019). Small Firms in Regional Clusters: Local Networks and Internationalization in the Southern Hemisphere. *Journal of Small Business Management*, 57(2), 496–516. <https://doi.org/10.1111/jsbm.12388>
18. Ferreira, M. P., Reis, N. R., & Pinto, C. F. (2020). Two decades of management research on emerging economies: a citation and co-citation review. *International Studies of Management & Organization*, 50(1), 5–26. <https://doi.org/10.1080/00208825.2020.1724470>
19. Fornes, G., & Cardoza, G. (2019). Internationalization of Chinese SMEs: The Perception of Disadvantages of Foreignness. *Emerging Markets Finance and Trade*, 55(9), 2086–2105. <https://doi.org/10.1080/1540496X.2018.1518218>
20. Giacomini, V., Jones, G., & Salvaj, E. H. (2021). Business investment in education in emerging markets since the 1960s. *Business History*, 63(7), 1113–1143. <https://doi.org/10.1080/00076791.2019.1675641>
21. Hansen, M. W., Langevang, T., Rutashobya, L., & Urassa, G. (2018). Coping with the African Business Environment: Enterprise Strategy in Response to Institutional Uncertainty in Tanzania. *Journal of African Business*, 19(1), 1–26. <https://doi.org/10.1080/15228916.2017.1330028>
22. Harrison, R. T. (2017). The internationalisation of business angel investment activity: a review and research agenda. *Venture Capital*, 19(1–2), 119–127. <https://doi.org/10.1080/13691066.2016.1260111>

23. Jaklič, A. (2016). Enhanced development through internationalisation in emerging Europe: the role of FDI in Slovenia. *Transnational Corporations Review*, 8(1), 28–40. <https://doi.org/10.1080/19186444.2016.1162478>
24. Lubinski, C., & Kipping, M. (2015). Introduction: Translating potential into profits: foreign multinationals in emerging markets since the nineteenth century. *Management & Organizational History*, 10(2), 93–102. <https://doi.org/10.1080/17449359.2015.1029947>
25. Ma, A. C., & Ratcliff, R. D. (2020). Liability of Foreignness: Product Distance, Institutional Distance and FDI. *International Journal of the Economics of Business*, 27(1), 93–110. <https://doi.org/10.1080/13571516.2019.1651152>
26. Malinowska, A. P. (2021). Corporate Profits and Investment in Light of Institutional and Stock Market Turmoil: New Evidence from the Warsaw Stock Exchange. *Journal of Economic Issues*, 55(1), 14–37. <https://doi.org/10.1080/00213624.2021.1873045>
27. Mao, Y., Norkaew, O., & Liu, Y. (2020). Parent-firm advantages and management control effects on subsidiary performance in emerging economies: a study of foreign direct investment in Thailand. *Asia Pacific Business Review*, 26(4), 396–424. <https://doi.org/10.1080/13602381.2020.1726047>
28. Maqsoom, A., Arif, I., Shafi, K., Umer, M., Nazir, T., & Nawab, S. (2021). Motives and competitive assets for internationalization: a comparison between emerging and developed economy international construction contracting firms. *Applied Economics*, 53(22), 2539–2553. <https://doi.org/10.1080/00036846.2020.1863321>
29. Meyer, K. E. (2018). Catch-Up and Leapfrogging: Emerging Economy Multinational Enterprises on the Global Stage. *International Journal of the Economics of Business*, 25(1), 19–30. <https://doi.org/10.1080/13571516.2017.1374624>
30. Meyer, K. E., & Xin, K. R. (2018). Managing talent in emerging economy multinationals: integrating strategic management and human resource management. *The International Journal of Human Resource Management*, 29(11), 1827–1855. <https://doi.org/10.1080/09585192.2017.1336362>
31. Mihailova, I., Shirokova, G., & Laine, I. (2015). New Venture Internationalization from an Emergent Market: Unexpected Findings from Russia. *Journal of East-West Business*, 21(4), 257–291. <https://doi.org/10.1080/10669868.2015.1067276>
32. Misati, E., Walumbwa, F. O., Lahiri, S., & Kundu, S. K. (2017). The Internationalization of African Small and Medium Enterprises (SMEs): A South-North Pattern. *Africa Journal of Management*, 3(1), 53–81. <https://doi.org/10.1080/23322373.2016.1275940>
33. O'Connor, S. (2018). Problematising strategic internationalisation: tensions and conflicts between international student recruitment and integration policy in Ireland. *Globalisation, Societies and Education*, 16(3), 339–352. <https://doi.org/10.1080/14767724.2017.1413979>
34. Orra, M. (2021). The Role of Culture-Specific Relationships in International Businesses: A Systematic Review and Future Directions. *Journal of East-West Business*, 27(2), 109–139. <https://doi.org/10.1080/10669868.2020.1830914>
35. Paul, J., & Benito, G. R. G. (2018). A review of research on outward foreign direct investment from emerging countries, including China: what do we know, how do we

- know and where should we be heading? *Asia Pacific Business Review*, 24(1), 90–115.  
<https://doi.org/10.1080/13602381.2017.1357316>
36. Singh, D., Ansari, N. A., & Singh, S. (2009). Good governance & implementation in Era of globalization. *The Indian Journal of Political Science*, 1109-1120.
37. Singh, D. (2015). The need of training for public servants in India: challenges in globalized era. *International Journal of Information Research and Review*, 2(4), 642-645.
38. Singh, D., & Ansari, N. A. (2007). Administrative Reforms in India: An Overview. *Indian Journal of Public Administration*, 53(3), 476-485.
39. Suder, G., Birnik, A., Nielsen, N., & Riviere, M. (2017). Extreme case learning: the manager perspective on rare knowledge and capabilities development. *Knowledge Management Research & Practice*, 15(1), 130–145. <https://doi.org/10.1057/s41275-016-0001-2>
40. Tubilewicz, C. (2022). Foreign capital and US states' contested strategies of internationalisation: a constructivist analysis. *Contemporary Politics*, 28(4), 386–407. <https://doi.org/10.1080/13569775.2021.2001156>
41. White, L., & Van Dongen, K. (2017). Internationalization of South African Retail Firms in Selected African Countries. *Journal of African Business*, 18(3), 278–298. <https://doi.org/10.1080/15228916.2017.1294884>
42. Yildirim, A., Clarysse, B., & Wright, M. (2022). The impact of institutional voids and ecosystem logics in the spread of ecosystems in emerging economies. *Industry and Innovation*, 29(5), 649–671. <https://doi.org/10.1080/13662716.2021.2007760>
43. Yildirim, C. (2015). Liberalization, Post-Crisis Restructuring and Internationalization in Turkish Banking. *Turkish Studies*, 16(2), 253–279. <https://doi.org/10.1080/14683849.2015.1048234>
44. Yilmaz, G., Hadjikhani, A., & Bengtson, A. (2020). From New Emerging to New Emerging Markets Stuck in between Opportunity and Risk: Internationalization of Turkish Firms in Romania. *Journal of East-West Business*, 26(3), 235–268. <https://doi.org/10.1080/10669868.2019.1708837>
45. Zhao, H. (John), & Ma, J. (Jeccy). (2016). Founding Environment, Inward Internationalization, and Firm Performance: Evidence from Chinese Private Enterprises. *Journal of East-West Business*, 22(4), 296–323. <https://doi.org/10.1080/10669868.2016.1215667>