Guest editorial

"Interactions, relationships and networks in a changing business landscape"

The theme of the special issue is how firms develop and manage their business relationships in the rapidly changing global market environment. There is no doubt that fast political changes, technological advancement and, not the least the global pandemic, impose new issues and challenges for B2B marketing. Businesses are challenged but also are exposed to opportunities. The evolution of the contemporary business environment worldwide confronts both marketing scholars and practitioners with the need to re-examine how the marketplace functions and how to deal with forthcoming changes. Prior IMP research has evidenced aspects of the business world such as the interactions, interdependencies, connectedness, relationships and networks and contributed to a better understanding of how these impact businesses (ALHussan *et al.*, 2017; Håkansson and Snehota, 2017; Håkansson *et al.*, 2009). After 40 years of research focusing on these characteristics of the business environment, there are still plenty of reasons to continue investigating the interactive business network from an IMP perspective (Waluszewski *et al.*, 2019). In particular, the current research draws attention to how managers address the issues related to how contextual aspects (organisational, institutional, social and political) interfere with the business world and its dynamics. The business world is anything but stable, and there is a need for further examination of the processes underlying the development of business relationships (e.g. initiation, evolution, maintenance, repair, dissolution, re-starting) and the transformation of business networks – their shape and boundaries. All industries are facing challenges related to ongoing changes of different nature (technological, climate, health, etc.). In many industries, sustainable development is becoming an imperative with deep impact on the configuration of business organisations, actor's roles, recombination (including increasing/reduction) of activities and different ways of conceiving and combining resources. The demand for more sustainable production and the availability of new technologies/tools, among others, are putting pressure on companies to change just to remain competitive. Other industries are exposed to far-reaching technological changes and political interventions.

This special issue includes 12 papers that thematically fall in two sets of papers. The two sets of paper reflect two themes that emerged in studies of how businesses cope with the rapid change in their markets. The first set consists of six papers that highlight various aspects of value creation in business networks and the role of combining heterogeneous elements to that purpose. The second set of another six papers discusses innovation in business networks. The rapid and profound change in the business environment requires not simply innovation but innovation that brings about value to business partners. Innovating and creating value appear thus two facets of coping with change that involve combining and integrating diverse elements and mobilizing others processes that are endemic to B2B marketing. The two facets emerge from two perspectives – innovation at the system level and the value creating a single business level.

The first three papers of the set of papers examining how heterogeneous elements need to be combined to create value in business relationships are concerned with the social dimensions of market networks. The first paper, by Moorhouse and Brennan [this issue], deals with the role of market conceptualization in the evolution of markets and, in particular, in the spread of sustainable business practices. The study construes "market agora" and "shaping of markets" as controversies over the meaning of sustainability and related practices. The aim of the study is to explore what happened in a market-oriented policy regime, aiming at greater sustainability in farming and food industry. It raises the question of impact of the policy on the vegetable sector in England and ponders whether the market-oriented policy regime created a more sustainable food system for Britain. The authors deploy an approach advocated by Blanchet and Depeyre (2016) and use controversy to explore the evolution of policy for sustainability and market shaping. Examining various policy documents focusing on agenda setting reports, policy frameworks and operational plans and conducting interviews with different experts (including policymakers, agronomists and the growers), the authors find that while controversy over the meaning of sustainability impacted on the evolution of food policy and grower business practices, the market conceptualizations remained in a doxic mode – naturalized and beyond dispute throughout the market agora. The authors suggest that market doxa (a common belief or popular opinion) limited how policymakers and market agora interpreted the economic challenges and conceived the solutions that could be deployed and propose that ideas from business-to-business marketing can be used to reignite controversy, challenge the market doxa, and, in doing so, create space for progress in creating sustainable markets. The study represents a novel explanation of why policy, which aimed to usher in a sustainable market, fell short of its goals and contributes to an under-researched area of policy for sustainability in a B2B context.

The second paper, by Klein, Bortolaso and Minà [this issue], focuses on the social dimensions of networks and how these affect organisational learning. The paper investigates the impact of social features of an inter-organisational network on organisational learning, focusing in particular on the social dimensions: proximity among members, trust among members, trust in network management, commitment among members, members' engagement and exchange of information. The study is based on a survey involving 101 organisations that constitute the Cooperation Network established in Rio Grande do Sul, Brazil. The authors find that trust in network management and information exchange is positively associated with organisational learning and that, in turn, organisational learning appears to impact positively

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network members' performance. Interestingly, the study does not show evidence of the impact of proximity among members, trust among members and commitment among members, which leads the authors to discuss on the actual role of region cultural dimensions and how social features impact the inter-organisational networks and organisational learning. Given the focus of the empirical analysis, the authors advance the idea that regional culture is the layer of culture that most powerfully inspires the social features of networks, and shapes organisational learning. The authors critically discuss the social features underlying the inter-organisational networks but also how such features may be dealt with to improve performance.

In the third paper, Mandják, Szalkai, Hlédik, Neumann-Bódi, Magyar and Simon [this issue], argue that the central component of interaction in business relationship development is "knowledge interconnections." The paper attempts to describe the knowledge interconnection process in interactive business relationships in the field of contract manufacturing. Casting the knowledge interconnection process as a process closely linked to interaction in business relationships and the authors ponder over the role of knowledge in the interactive business world. Empirically, the paper is a case study of a Hungarian contract manufacturing company result of qualitative field research applying an abductive research design. The authors conclude that knowledge interconnection process is a process that contains three types of knowledge and five sub-processes and argue that the knowledge evolution involves linking different types of knowledge, allowing the flow of knowledge between the supplier and the buyer which makes the new knowledge creation possible. While a limitation of the study is that the knowledge interconnection process has been studied only from the supplier's perspective, it contributes to the emerging IMP research that explores knowledge as a resource that has suffered from limited empirical foundations. Practical implications regard the evolution of knowledge from the body of knowledge to knowledge in use, which demands the management of different sub-processes. Authors argue that while knowledge selection, knowledge recombination, knowledge mobilization and new knowledge creation processes are strongly related to the supplier–customer dyads, the knowledge relocation process has a more marked network character and that knowledge interconnection is crucial to the relationship management capability. The contribution of the study is on the one hand an empirical examination of the process of knowledge interconnection and, on the other hand, the development of a model of the knowledge interconnection process.

The other three papers highlight more specifically a few aspects of the value creating in business relationships. The first of these, by Santos and Mota [this issue], examines value creating in early stages of new business development concluding that at the heart of providing value is combining heterogeneous elements. The point of departure of the paper is that while several studies have examined the development of first business relationships of new ventures, the understanding of the value functions and actors' involvement in those relationships remains incomplete. The authors explore the relating process of a new venture combining the value function framework and the notion of the degrees of involvement in business relationships. The data originate from exploratory longitudinal case studies of two start-ups The main finding is that relating involves dealing with a diversity of business relationships manifested in both their value functions and their degree of involvement. The combination of value functions is not stable over time, nor is the degree of involvement in business relationships. The cases evidence that specific interdependencies emerge between the value functions in the customer base and the supplier base of the new ventures over time. The study is among the few studies that explore the emergence of new ventures by taking into account value creating in both suppliers and customer relationships. Combining the frameworks of value function and degrees of involvement frameworks the paper offers a more nuanced understanding of the role of relationship diversity as the new business is becoming a new node in the business network.

The second paper, by Abreu, Ferreira, Proença and Ceglia [this issue], evidences the need to collaborate with a different set of counterparts for offering value. It examines how sustainable solutions in the textiles and clothing industry emerge from business-to-business interaction and collaborations. Authors carry out a qualitative and inductive study of the Brazilian textiles and clothing industry in which sustainability of denim products is increasingly the main field of competition. The paper adopts a "focal net" perspective to understand the collaborative arrangements through which firms arrive to offer products that represent sustainable solutions. Documentary data were collected, and in-depth interviews conducted with the top managers of one of the world's largest denim-manufacturing Brazilian companies that cooperates with various partners to provide sustainable solutions. The authors identify factors that condition developing sustainable business performance and find that a sustainable "product-service system" emerge from innovative interactions characterized by a sense of collaboration and collective actions. They also point out that a business model for sustainability combines economic with social and ecological value creation and that, as a consequence, managers need to focus not only on tangible products but also on intangible services designed and specifically combined so to jointly fulfill customer's needs. The study adds to the existing literature by applying approaches involving corporate social responsibility and strategic nets to the study of implementation of sustainable business practices.

The third of these papers, by McGrath and O'Toole [this issue], identifies strategies pursued by new business venture in early stages of development aimed at developing networking capabilities and emphasizes the role of social networks in creating value. The purpose of the paper is to identify engagement strategies that new ventures use to gain traction in interaction in the development of network capability in the early stage of network development. Owing to the exploratory nature of the research aim and the lack of prior literature in the area, the authors take an inductive case study approach and use as empirical base 24 new venture cases in the micro-brewing industry in Ireland, Belgium and the USA. The authors respond to calls for increased research addressing capability development in a new venture context that takes a more interactive perspective on new venture processes. Their findings suggest five early stage network engagement strategies to develop network capability: business-to-business network prospecting; co-branding/co-promoting activities; from maker-mindset to adapting; social media platforming; and recognition and activation of network role. While the findings come from the micro-brewery industry in multiple country contexts, authors argue that taking a longitudinal view of strategizing and analysing other industries is likely to show that dynamics in engagement change as the actors acquire new experiences. Their data suggests that all business firms are born within a social network which has substantial economic importance. The paper adds to the growing body of literature that places interaction, relationships and networks at the heart of strategy making and provides important insights which may contribute to new ventures' coping successfully in early stages of development.

The second set of paper in this issue addresses the topic of "innovation in business networks." For most researchers, practitioners and policymakers, innovation is a major component for the growth and competitiveness of companies and generally argue that the concept of innovation is broad and happens in three main areas: product, process and market. A new product, a new process or managing the market differently are all considered innovation. While past studies have mainly focused on product and process innovation (Utterback and Abernathy, 1975; Tzokas and Saren, 1997), far less attention has been given to organisational innovation. Scholars in the field recognise the importance of organisational innovation in instigating collaboration and managing inter-firm relationships (Pittaway *et al.*, 2004). Teece *et al.* (1997) note that the capability of a firm to discover, manage and leverage partnerships with appropriate organisations may be one of the reasons for its superior performance. Networking capability makes it possible for firms to gain, create and share knowledge with key partners and to leverage crucial resources (Battistella *et al.*, 2017).

Inter-firm partnerships enable firms to deal with increasing uncertainty. Ojha, Struckell, Acharya and Patel [this issue] discuss how three environmental forces: competitive intensity, technological turbulence and market turbulence impact on the firm and new product innovation. With increasing environmental turbulence, rapid changes in technology and changing customer tastes and preferences, businesses today find it more difficult to sustain innovation, especially in the service sector, where first mover advantages are short-lived, and a firm's competitiveness is increasingly dependent on its dynamic capabilities. Two such dynamic capabilities are innovation speed and operational flexibility. Innovation speed reflects activities such as investment in research and development, access to information and the processing of that information and technology, while operational flexibility reflects activities such as the redefinition of the business model, realignment of assets and reconfiguring of processes and routines. Within the service sector, not unexpectedly, innovation speed and operational flexibility are central to embracing evolving modes of competition. All three dimensions of environmental turbulence are important in influencing how quickly organisations are able to innovate. However, competitive intensity was found to be a driver for the other forces, positively and significantly influencing both technological turbulence and market turbulence, while technological turbulence was positively and significantly associated with market turbulence. However, only market turbulence was positively and significantly related to innovation speed as hypothesized. Hence, within the service sector, while innovation in and of itself was not worthwhile, innovation remains important for it enables organisations to enhance operational flexibility and, in turn, to gain competitive advantage.

In the telecommunication sector, Kurniawan, Budiastuti, Hamsal and Kosasih [this issue] demonstrate how the ability of telecommunication vendors to deliver flexible, customised and secure network solutions that satisfy specific operators' business challenges quickly and cost effectively is derived from the firm's network capability. Network capability assists organisations in acquiring and exploiting critical resources from network partners, making it possible for the focal firm to integrate and optimise various expertise, capabilities and knowledge quickly and cost effectively to align with both customers and market needs. Inter-firm partnerships enable firms to deal with the increasing complexity of technological dynamics and to enhance their capacity to innovate, capturing market opportunities more quickly and dealing with any potential competitive threats. By cooperating with partners, product and service development risk is reduced, time-to-market is reduced, defect rates are reduced, and product stock levels can be reduced. By leveraging network relationships with suppliers, distributors, partners and even customers, the focal organisation is able to access information, generate intelligence and perform inter-functional and inter-partner coordinated actions that create superior customer value.

Where firms simultaneously engage in competition and cooperation, the concept of coopetition is gaining more attention from both academics and practitioners. However, few studies have analysed how coopeting companies are organised or should be organised internally. To address this deficiency, Navío-Marco, Ibar-Alonso and Bujidos-Casado [this issue] embark upon a desk top study utilising data from the Eurostat Community Innovation Survey (CIS 2014) to examine the relationship between coopetition and organisational innovation in coopeting companies. Organisational innovation refers to the implementation of new organisational methods such as changes in business practices, in workplace organisation or in the firm's external relations. It involves changes to an organisation's structure and processes through the implementation of new organisational methods, concepts and practices. Using logistic regression with maximum likelihood estimation, the authors reach the conclusion that the likelihood of coopetition increases when there is innovation in external relations methods and when contracting in the foreign public sector. The authors find that innovation in new business practices is mainly present in coopetition with US companies, but coopetition with companies from China and India is greater where innovation in new methods of external relations is evident. The likelihood of collaborating with competing companies in other countries increases if new methods are implemented to organise work responsibilities and decision-making. Marketing innovations such as changes in the design of goods or services, the use of new techniques to promote products and new methods of pricing goods and services only slightly increase the probability that companies will collaborate.

Using a longitudinal case study, Chiao, Lin and Huang [this issue] discuss how coopetition among rivals in international shipping enabled companies to confront a very dynamic competitive environment. Shipping firms must often elevate prices to reflect the increasing cost of crude oil, inadequate capacity, geographical attributes or indeed to stabilize prices. If clients believe that firms are elevating prices for defensible reasons, their perception will be positive, contributing to increased performance as clients acknowledge that jointly elevated prices are a reasonable and essential outcome not solely motivated by profit. To gain a better position and defend against threats, shipping firms have cooperated with rivals to facilitate the exchange of information, resources and technology to achieve improved efficiencies and maximize profitability. However, this process in three distinct stages. In the first stage, shipping lines competed with rivals using their own resources and capabilities. In the second stage, as competition intensified, the global shipping lines integrated their resources and capabilities worldwide. To prevent an escalation to an open price war, they began to adopt slot charters, slot exchanges and ship exchanges with their competitors to increase the capacity efficiency to avoid the high fixed costs of buying ships. In the third stage, as familiarity increased between firms, the original competitive relationships were transformed into more collaborative relationships. By improving the transported volume per ship, the shipping lines increased the total revenue for the entire network.

In a similar manner, Crespin-Maszet, Goglio-Primard, Havenvid and Linné [this issue] discuss the problems associated with the diffusion of innovation in the context of the construction industry where discontinuities in market transactions and competitive bidding procedures limit opportunities for long-term cooperation and the open exchange of information. Innovative solutions are difficult to embed within a firm permanently, as they are project-specific and bound to particular actor constellations. However, through the existence and activities of an intermediary – a Community of Practice – it became possible to connect the temporary and permanent levels of the firm. This Community of Practice existed alongside the formal organisation of the firm but was bounded neither by projects (temporary level) or the divisional structure of the firm (permanent level). This hybrid form of organising was "semi-permanent," lasting for as long as it was needed to assist in the development of a particular practice. New practices gradually became embedded in various communities, eventually forming a loosely connected Network of Practice, which connected temporary projects to the permanent organisation of the firm. Through these Communities of Practice and Networks of Practice, individuals shared, co-produced and adapted new practices irrespective of their position in the organisation.

Finally, Andresen [this issue] discusses the roles of hub firms in bringing together multiple, interdependent network actors to initiate and manage the innovation process, thereby enabling network members to create and/or extract greater value from the network. Orchestration involves purposefully influencing, designing and managing network collaboration. Successful orchestration involves influencing network members by capitalizing on relationships or by making use of indirect relationships. From the case study, three different hub-team roles were identified: the Architect, the Leader and the Liaison. These roles, while somewhat overlapping, were linked to different positions, capabilities and activities that were important at different times. The Architect had an initiating designer role, which was vital before the start of value co-creation. The Leader was similar to a project leader and had the authority to decide on activities, budgets and the appointment of hub-team members and to control and report results to stakeholders. The Liaison acted as an intermediator and lead the process through activities, while the Leader established a facilitating structure.

Fawaz Baddar ALHussan
IESEG School of Management, Univ. Lille, CNRS, UMR 9221 - LEM - Lille Economie Management, Lille, France

Antonella La Rocca
Università Cattolica del Sacro Cuore, Milan, Italy, and

Faten Baddar Al-Husan
Newcastle University Business School, Newcastle upon Tyne, UK

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