INTERNATIONAL JOURNAL OF DIGITAL BUSINESS AND STRATEGY

NAWALA

Volume 2, Number 2, 2023

International Business Strategy in Facing Global Disruption: Literature Review and Qualitative Analysis

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Abstract

Article history:
Received: September 20, 2023
Revised: October 22, 2023
Accepted: November 11, 2023
Published: December 30, 2023

Keywords:
Global Disruption,
International Business Strategy,
Literature Review,
Strategy Adaptation,
Qualitative.

Identifier:
Nawala
Page: 126-141
https://nawala.io/index.php/ijdbs

The era of globalization has opened vast opportunities for companies to expand into international markets; however, the increasingly uncertain dynamics of the global business environment have triggered various forms of disruption. The pandemic, geopolitical crises, changes in international regulations, and the advancement of disruptive technologies have become major challenges to the sustainability of international business strategies. This study aims to analyze international business strategies in responding to global disruptions through a qualitative approach based on a review of secondary sources. Data were obtained from academic literature, industry reports, and publications from international organizations, which were then thematically analyzed to identify patterns of adaptive strategies. The findings indicate that the success of international business strategies in facing disruptions relies on three main pillars: business model flexibility, adoption of digital technologies, and strengthening of global networks. This study provides a conceptual contribution to the development of an adaptive strategy framework in an era of global uncertainty, while also serving as a practical reference for business practitioners seeking to maintain competitive advantage in international markets.

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1. Introduction

Globalization has brought fundamental changes to the landscape of international business. Market openness, advances in communication technology, and trade liberalization have enabled companies to expand cross-border operations on an unprecedented scale (Ghemawat, 2018). Multinational corporations (MNCs) can now access resources, markets, and strategic partners from various parts of the world. However, alongside these opportunities, globalization has also created greater complexity in business management. This complexity arises not only from differences in culture, language, and regulations but also from the increasing interconnectedness of global economic systems, which makes companies more vulnerable to external shocks (Hynes et al., 2020).

In the past decade, global uncertainty has become an increasingly dominant phenomenon. Factors such as global health crises, most notably the COVID-19 pandemic have demonstrated the fragility of international supply chains that rely on cross-border logistics flows (Ivanov & Dolgui, 2020). Meanwhile, geopolitical tensions, including the trade war between the United States and China or conflicts in Eastern Europe, have disrupted global trade and heightened investment risks (Wang, 2020). Economic fluctuations resulting from changes in global interest rates, inflation, and exchange rate volatility have also placed additional pressure on companies operating in multiple countries (Listiana & Robiyanto, 2021).Furthermore, climate change has emerged as an increasingly significant disruptive factor. Energy transition policies, emission restrictions, and climate-related natural disasters affect corporate operations and strategies, particularly in the energy, manufacturing, and agribusiness sectors (Azadi et al., 2022). Equally significant, the technological revolution including the development of artificial intelligence (AI), the Internet of Things (IoT), and blockchain has transformed the way companies produce, distribute, and market their products and services.

These global disruptions have had far-reaching impacts on international supply chains. Dependence on a single supplier in a particular country is now considered high risk, prompting companies to adopt supply source diversification strategies or nearshoring to mitigate potential disruptions (Christopher & Holweg, 2017). Additionally, consumer behavior has undergone significant transformation. Global consumers are now more conscious of sustainability issues, demand transparency in supply chains, and prefer personalized products (Gardner et al., 2019). These shifts in preferences require companies to adjust their product portfolios and marketing strategies accordingly. The impact of disruption is also evident in the structure of international competition. The emergence of new players from developing countries, leveraging low production costs and technological innovation, has intensified competition in the global market (Anand et al., 2021). Changes in cross-border trade policies and regulations have further complicated international business operations.

For instance, the implementation of new import tariffs, data protection rules, and varying sustainability policies across countries demand rapid adaptability from companies (Cuervo-Cazurra et al., 2020).In facing these conditions, international business strategies require high levels of flexibility, innovation, and adaptability. Flexibility is essential to enable shifts in strategic direction when market conditions change abruptly. Innovation, whether in products, processes, or business models, becomes the key to creating added value and differentiation in an increasingly competitive market (Keiningham et al., 2020). Meanwhile, adaptability refers to an organization's capacity to learn from experience, respond to environmental changes, and modify strategies dynamically (Duchek, 2020). However, not all companies can develop effective strategies amid global turbulence.

Some fail because they are trapped in static approaches that are no longer relevant to recent developments or because they rely too heavily on business models that only succeed under stable conditions. The knowledge gap regarding how global companies successfully adapt is the main reason why a review of secondary sources is essential. Literature and secondary source reviews allow researchers to identify patterns, approaches, and best practices that have proven effective in various contexts. These sources include academic publications, corporate annual reports, industry analyses, and policy documents from international institutions. Through a comprehensive review of the literature, researchers can gain insights into various strategies, ranging from market repositioning, strengthening international strategic partnerships, to operational digitalization (Katsikeas et al., 2020).

This study employs a qualitative approach, as the nature of the phenomenon under investigation prioritizes in-depth understanding over quantitative measurement. Such an approach enables detailed exploration of the context, dynamics, and factors influencing international business strategies amid global disruption (Katsikeas et al., 2020). By drawing on data from academic literature, industry reports, and case studies, the analysis identifies recurring themes across sources.

2. Methods

This research adopts a qualitative methodological orientation by utilizing a secondary data review approach, with the primary objective of developing a comprehensive understanding of how international business strategies are formulated and implemented in response to the challenges posed by global disruptions. The choice of this method is considered suitable because it enables the researcher to explore complex and dynamic phenomena by integrating insights from multiple scholarly and practical sources. Data were obtained from a wide range of credible references, including peer-reviewed academic journals, official publications from reputable international organizations, recognized industry reports, and well-documented case studies that provide real-world illustrations of strategic responses.

To ensure the accuracy, validity, and reliability of the data, the process of selecting literature was guided by three major criteria. First, only publications produced within the last ten years were considered, as this time frame guarantees the timeliness and relevance of the information presented. Second, the selected materials were required to have a direct thematic relationship to the research focus, specifically concerning international business strategies and the phenomenon of global disruption in its various dimensions. Third, preference was given to sources containing verified and credible data to strengthen the validity of the analysis and findings.

The collected data were examined through thematic analysis, which was systematically applied to identify patterns of strategic responses that consistently emerged across different literature sources. The analysis process involved several structured steps: gathering and organizing the relevant publications, coding the primary ideas and concepts, grouping strategies based on shared characteristics, and ultimately synthesizing the findings into a coherent conceptual framework. This framework is expected to reflect both theoretical perspectives and practical insights.

The application of this method is particularly valuable because it not only allows for an in-depth exploration of intricate and multifaceted issues but also facilitates the integration of diverse viewpoints. As emphasized by Snyder (2019), a qualitative literature review does more than merely summarize existing knowledge; it also highlights research gaps, uncovers emerging opportunities, and provides meaningful implications for both academic scholarship and practical decision-making in the field of international business.

3. Results

3.1. Adaptation Strategies to Global Environmental Change

Rapid and often unpredictable changes in the global environment have compelled international companies to develop multi-level, long-term adaptation strategies. A literature review indicates that effective adaptation strategies not only involve tactical responses to ongoing crises but also the development of organizational capabilities that enable companies to survive and grow amid uncertainty (Baykal, 2018). One prominent approach is market diversification. By expanding their geographical reach, companies can reduce dependence on a single region, thereby minimizing the negative impacts of regional crises. For example, companies such as Unilever and Nestlé have leveraged broad market portfolios to balance risks when demand in one region declines due to economic or political crises. This aligns with the findings of Todo and Inoue (2021), which assert that geographical diversification enhances corporate resilience against external shocks.In addition, supply chain flexibility has emerged as a key component of adaptation strategies. This approach includes implementing multi-sourcing using several suppliers for a single critical component and nearshoring, which involves relocating part of production or suppliers closer to core markets. Such strategies proved effective during the COVID-19 pandemic when mobility restrictions disrupted global supply chains (Ivanov & Dolgui, 2020).

Companies like Toyota have long applied a "just-in-case" principle, combining inventory reserves with alternative suppliers to mitigate distribution delays. Compared with previous studies, this review emphasizes that supply chain flexibility has become increasingly vital given the rising frequency and intensity of global disruptions. Product portfolio adjustments also play a crucial role, particularly in responding to rapidly changing global consumer preferences influenced by factors such as environmental awareness, digitalization, and lifestyle shifts. For instance, Adidas and Nike have adapted by launching eco-friendly products in response to growing consumer demand for sustainability. Gardner et al. (2019) support this view, noting that companies capable of aligning their value propositions with global consumer trends are more likely to maintain market share amid environmental change.Furthermore, the strengthening of human capital emerges as an equally important strategic factor. Cross-cultural training enables employees to understand differences in norms, values, and expectations in international markets. On the other hand, the development of adaptive leadership helps organizations make quick and accurate decisions under pressure.

Research by Raei and Rasmussen (2021) indicates that cross-cultural competence and adaptive leadership significantly enhance the effectiveness of global strategies, particularly in times of crisis. In addition to these four main approaches, the literature also emphasizes proactive risk management as a foundation for adaptation strategies. This approach involves identifying potential risks before they occur, followed by scenario planning that allows companies to test their preparedness for different crises. For example, Royal Dutch Shell has long applied scenario planning to project the impact of various global energy scenarios, a practice widely recognized as a benchmark in strategic risk management (Schoemaker, 1995). Recent research by Furr and Eisenhardt (2021) also affirms that organizations integrating scenario simulations into their strategic planning are better able to maintain operational stability amid sudden changes.

Compared to previous studies, this review reveals both consistency and a shift in focus. Research by Hoek (2020) highlights that the COVID-19 pandemic shifted strategic priorities from mere cost efficiency toward balancing efficiency with resilience. Thus, adaptation strategies to global environmental changes are no longer optional but a strategic necessity that determines the survival of international companies. Firms capable of combining market diversification, supply chain flexibility, product portfolio adjustments, human capital development, and proactive risk management will possess a greater capacity to withstand increasingly frequent and complex disruptions. Moreover, comparison with earlier studies shows that the success of adaptation is determined not only by the speed of response but also by the depth of strategic planning and the ability to build resilient organizational capabilities.

3.2. The Role of Digital Transformation in International Business Strategy

The Digital transformation has emerged as one of the key determinants of international business strategy success in the era of global disruption. This transformation involves the integration of advanced technologies into business processes, ranging from big data analytics and the Internet of Things (IoT) to artificial intelligence (AI), which significantly influence how companies manage cross-border operations, interact with consumers, and respond to global market dynamics (Bharadwaj et al., 2013). In the context of international supply chains, the implementation of big data analytics enables companies to gain real-time visibility over the movement of goods, predict potential disruptions, and conduct more accurate inventory planning.

IoT, on the other hand, supports monitoring the condition of goods during shipment, while AI assists in decision-making processes based on demand forecasting and market trend analysis (Mikalef et al., 2019). Based on the review of secondary sources, digital transformation offers three main strategic benefits for international companies. First, improved operational efficiency through process automation, data-driven logistics management, and resource optimization. Second, accelerated market penetration by leveraging global e-commerce platforms, social media, and consumer analytics–based marketing strategies. Third, value creation through product and service personalization enables companies to build long-term relationships with customers across different countries. For instance, Amazon and Alibaba have successfully integrated AI and big data to provide culturally relevant product recommendations, thereby increasing sales conversion rates.

Compared with previous research, these findings are consistent with Imran et al. (2021), which emphasize that digital transformation is not merely the adoption of new technologies but a comprehensive process of change in business models, organizational structures, and stakeholder relationships. Imran et al. (2021) also highlight the importance of strategic orientation in directing the use of digital technologies to align with long-term corporate goals. Padua (2021) further shows that successful digital transformation occurs in companies that combine technological capabilities with an adaptive organizational culture, including a willingness to experiment and manage risk. However, unlike those studies, this research underscores that digital transformation in the international business context faces an additional challenge: global market heterogeneity.

Companies must not only master technology but also adapt their implementation to local regulations, cultural preferences, and the level of digital infrastructure in each country. For example, data-driven marketing strategies effective in Europe, which are subject to strict regulations such as the General Data Protection Regulation (GDPR), may require significant adjustments when applied in Southeast Asian markets with different internet penetration rates and online shopping habits.The study by Susanti et al. (2022) reveals that in the Asia-Pacific region, digital transformation is often directed toward the development of online distribution channels and the integration of digital payments, while in European and North American markets, the focus is more on AI integration for predictive analytics and back-office process automation. This underscores that in international business, digitalization cannot be implemented uniformly; it must be contextual and adaptive. The research also finds that digital transformation plays a crucial role in global risk management. Through IoT-based monitoring systems and AI-powered risk analysis, companies can anticipate supply chain disruptions, identify vulnerabilities, and prepare swift responses. These findings align with Ivanov & Dolgui (2020), who demonstrate that digital twins and data-driven simulations can reduce the impact of global disruptions on the performance of international supply chains.

However, prior literature also notes that the success of digital transformation depends not only on technological factors but also on organizational capabilities. Weber et al. (2022) argue that companies with high levels of digital leadership leaders who understand the potential of technology and can guide digital strategies with a visionary approach tend to achieve more sustainable competitive advantages compared to those that merely adopt technology without a clear strategy.This study reinforces that in international markets, digital leadership must encompass cross-cultural competencies and an understanding of the global digital ecosystem. A digital leader in an international firm must leverage cross-border data to identify new market opportunities while ensuring compliance with diverse privacy and data security regulations. Thus, the role of digital transformation in international business strategy can be seen as a key driver of global competitiveness in the era of disruption. Unlike earlier research focusing separately on technological or organizational aspects, this study offers an integrative perspective, emphasizing that success in international digital transformation requires synergy between technological capabilities, local context adaptation, and strategic leadership. Future cross-country empirical studies testing this framework may provide deeper insights into the determinants of global-scale digital transformation success.

4. Conclusion

This study affirms that the success of international business strategies in facing global disruption relies on three main pillars: business model flexibility, the utilization of digital technology, and the strengthening of global networks. Business model flexibility enables companies to adjust their structures, processes, and product or service offerings in line with market dynamics and changes in the external environment. The use of digital technologies such as data analytics, artificial intelligence, and e-commerce platforms plays a crucial role in enhancing operational efficiency, accelerating decision-making, and expanding market reach. Meanwhile, strengthening global networks, whether through strategic partnerships or cross-border collaborations, provides access to broader resources, knowledge, and market opportunities.

A review of the literature indicates that rapid adaptation to external changes, market diversification to reduce dependency on specific regions, and the integration of digital innovation are key to maintaining competitiveness. Companies that successfully combine these three elements have proven to be more resilient in facing global uncertainty and capable of responding to challenges with relevant strategies. The practical implication of these findings is that international companies should develop adaptive risk management systems, strategically allocate resources to support digital transformation, and build as well as expand global collaboration networks. From a conceptual perspective, this study provides a foundation for further research that could examine the effectiveness of adaptive strategy models in specific sectors or regions through an empirical approach, thereby offering more measurable recommendations for future international business practices.

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