The copyright © of this thesis belongs to its rightful author and/or other copyright owner. Copies can be accessed and downloaded for non-commercial or learning purposes without any charge and permission. The thesis cannot be reproduced or quoted as a whole without the permission from its rightful owner. No alteration or changes in format is allowed without permission from its rightful owner.
IMPACT OF SUSTAINABLE SUPPLY CHAIN LINKAGES WITH BOP FIRMS ON MNEs' INTERNATIONALIZATION: MEDIATING ROLE OF MARKET KNOWLEDGE COMPETENCE

SULAMAN HAFEEZ SIDDIQUI

DOCTOR OF PHILOSOPHY
UNIVERSITI UTARA MALAYSIA
2018
IMPACT OF SUSTAINABLE SUPPLY CHAIN LINKAGES WITH BOP FIRMS ON MNEs' INTERNATIONALIZATION: MEDIATING ROLE OF MARKET KNOWLEDGE COMPETENCE

By

SULAMAN HAFEZ SIDDQUI

Thesis submitted to
School of Business Management,
Universiti Utara Malaysia,
In Fulfillment of the Requirement for the Degree of Doctor of Philosophy
PERMISSION TO USE

In presenting this thesis in fulfilment of the requirement for the degree of Doctor of Philosophy from Universiti Utara Malaysia (UUM), I agree that the University Library may make it freely available for inspection. I further agree that permission for copying of this thesis in any manner, in whole or in part, for scholarly purposes may be granted by my supervisors or, in their absence, by the Dean of School of Business Management. It is understood that any copying or publication or use of this thesis or parts thereof for financial gain shall not be allowed without my written permission. It is also understood that due recognition shall be given to me and to the Universiti Utara Malaysia for any scholarly use of any material from my thesis.

Request for permission to copy or make other use of materials in this thesis, in whole or in part should be addressed to:

The Dean, School of Business Management
Universiti Utara Malaysia
06010, UUM Sintok
Kedah Darul Aman
Malaysia
ABSTRACT

Multinational Enterprises (MNEs) are increasingly interested in engaging with Base of Pyramid (BoP) enterprises in host market as part of their global supply chain networks in pursuit of internationalization strategy. Recently, the literature in international marketing has emerged to shed light on potential of engaging BoP enterprises in MNEs’ supply chain networks. Present study extends the theory of network internationalization. It investigates the influence of MNEs’ sustainable/inclusive supply chain linkages with BoP enterprises in host market on market knowledge competence of managers and thereby internationalization strategy of MNEs in host market. Quantitative research design is used to empirically examine the key relationship theorized by the study. The data has been collected using structured questionnaire filled by sample of marketing/supply chain managers in MNEs which have maintained BoP supply chain cluster in their business model in Pakistan. The results of study indicate that sustainable/inclusive supply chain cluster linkages have significant positive impact on market knowledge competence of supply chain managers and on internationalization of MNEs in host market. Further studies may be conducted on BoP supply chain linkages of emerging market MNEs in home market to analyze its impact on their performance in foreign host markets. Nonetheless, findings of the study can be useful to managers in MNEs who are interested in their firms’ market penetration in foreign host markets. The outcomes of the study also have implication for policy makers in developing countries interested in poverty alleviation through market based policy interventions.

Keywords: Multinational Enterprises (MNEs), Base of Pyramid (BoP) enterprises, Internationalization Strategy, Sustainable/Inclusive Supply Chain Linkages, Market Knowledge Competence
ABSTRAK


Kata kunci: Syarikat Multinasional (MNE), Perusahaan berasaskan piramid (BoP), Strategi Pengantarabangsaan, Rantaian rangkaian pembekalan yang mapan/inklusif, Kecekapan pengetahuan pasaran
ACKNOWLEDGEMENT

And say O Allah! Advance me in Knowledge (Wa qul Rabbi zidni ilma) Holy Quran, Surah Ta-Ha; 20:114. O Allah! Send blessings and peace upon Muhammad and the Family of Muhammad (Allahumma salli ‘ala Muhammadin wa’ala ali Muhammad).

Alhamdullilah. All praise and glory be to Allah SWT for the most wonderful gift of being part of the voyage of discovery and being able to understand it. The bitterness, sorrow, distress, enjoyment, fulfillment and friendship I made along the way and the experience is beyond anything! During this journey I have encountered the sweetness of friendship, the beauty of patience and being persistence in anything. I love every moment of it. I am so grateful to Allah to bestow me with this beautiful opportunity.

I am indebted to my beloved parents, for their unconditional love and support. Without their unreserved sacrifice, consideration, compassion and tolerance, I would collapse. Ammi huzoor and Abu jee, “You are indeed my unsung hero; I am grateful for the sacrifices that you have made for me in the past; I appreciate for the sacrifices that you continue to make for me until today. Both of you are the reason why I am so strong; I thank you mom and dad for your love and affection; I can never pay you for your unconditional love.”

I would like to render my appreciation to my supervisor, Assoc. Prof. Dr. Ismail bin Lebai Othman for his sincere and thorough guidance and appreciation of my work. I may take the opportunity to mention my mentors in PhD journey Prof. Dr. Kuperan Viswanathan, Prof. Dr. Wan Nordin Wan Hussin, Assoc. Prof. Dr. Abdul Halim Abdul Majid. They were the inspiration behind all the good I am today in my thoughts and actions yet I bear the responsibility of my weaknesses and shortcomings which came from my own inability to fully get in line with my inner self.

I want to express my ever love and gratitude to my lovely wife Areeba Khan, my son Dawood and daughter Sukayna for bearing my hectic schedules and yet remaining the great support and synergy that kept me going. I feel loved to mention the continued vital love and support of my best ever friend ‘Rabia Rasheed who accompanied me and witnessed each moment of my studying through PhD program and remained an active help in bringing many great improvements in this thesis manuscript.

I feel so delighted to mention the support and scholarly company of a number of friends and colleagues who have been as vital and magnificent yet unseen as air we breathe through. I may nonetheless mention Zainab Bello, Rana Zain ul Abideen, Linda Seduram, Jacquelin, Goke Oje, Haroon Hafeez, Kashif Akram, Majeed Khan, Paranav Kumar, Abid Gill, Tamoor Ali, Muhammad Taimoor Abbasi, Fatima Zahra, Rashid Mushtaq, Athifah Najwani and Punitha Chandra. May Allah SWT bless you all, Ameen.
Table of Contents

<table>
<thead>
<tr>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Title Page</td>
</tr>
<tr>
<td>Permission to Use</td>
</tr>
<tr>
<td>Abstract</td>
</tr>
<tr>
<td>Abstrak</td>
</tr>
<tr>
<td>Acknowledgement</td>
</tr>
<tr>
<td>Table of Contents</td>
</tr>
<tr>
<td>List of Tables</td>
</tr>
<tr>
<td>List of Figures</td>
</tr>
<tr>
<td>List of Abbreviations</td>
</tr>
</tbody>
</table>

CHAPTER 1 - INTRODUCTION

1.1 Background of the Study | 1 |
1.2 Problem Statement | 10 |
1.3 Research Questions | 17 |
1.4 Objectives of the Study | 18 |
1.5 Significance of Study | 18 |
1.6 Scope and Limitations of the Study | 20 |
1.7 Definitions of Key Terms | 22 |
   1.7.1 Multinational Enterprises (MNEs) and Subsidiary | 22 |
   1.7.2 MNEs Internationalization | 22 |
   1.7.3 MNE Subsidiary | 23 |
   1.7.4 Subsidiary Internationalization | 23 |
   1.7.5 Propensity to Internationalization as Measure of Subsidiary Internationalization | 24 |
   1.7.6 Market Knowledge Competence | 24 |
   1.7.7 BoP Enterprise | 24 |
   1.7.8 Sustainable/Inclusive Innovation in BoP Network | 25 |
   1.7.9 Sustainable/Inclusive Supply Chain Linkages in BoP Network | 25 |
1.8 Organization of Thesis | 26 |

CHAPTER 2 - LITERATURE REVIEW | 28 |

2.1 Introduction: chapter outline | 28 |
2.2 MNEs and their Foreign Subsidiaries | 30 |
   2.2.1 Multinational Enterprise (MNE) | 30 |
   2.2.2 Foreign Subsidiary | 32 |
2.2.3 Foreign Market Subsidiary Mandates or Charters ................................................. 34
2.2.4 Static versus Dynamic View of MNEs and their Foreign Subsidiary .................... 36
2.3 MNEs Internationalization ................................................................................... 39
2.3.1 Subsidiary Internationalization ........................................................................... 42
2.3.2 Propensity to Internationalization as Measure of Subsidiary Internationalization .............................................................. 39
2.4 Theories of MNEs Internationalization Strategy ...................................................... 45
2.4.1 Economic Perspective on Internationalization Strategy ........................................ 46
2.4.2 Behavioural Perspective on Internationalization Strategy .................................... 46
2.5 Network Theory of Internationalization .................................................................. 47
2.5.1 Inter-firm Relationships in Business Networks ...................................................... 48
2.5.2 Network Competencies and Capabilities ............................................................. 49
2.5.3 Summary of Studies on Network Theory of Internationalization ...................... 51
2.5.4 Network Relationships and Market Knowledge Competence in Firms’ Internationalization ........................................................................ 55
2.6 Sustainable Supply Chain Linkages with BoP firms in Host Market ......................... 61
2.6.1 Evolution of BoP Market: From ‘Consumer-View’ to ‘Producer-View’ of the Poor Communities .......................................................... 62
2.6.2 Critics on BoP 1.0 ............................................................................................... 65
2.6.3 BoP 2.0 and BoP 3.0 .......................................................................................... 66
2.6.4 Sustainable/Inclusive Innovation in BoP Supply Chain Network ....................... 67
2.6.5 Sustainable/Inclusive Supply Chain Linkages in BoP Supply Chain Network .......... 67
2.7 Knowledge Gaps in Linking Sustainable/Inclusive BoP Supply chain Linkages with MNEs’ Internationalization Strategy .......................................................... 68
2.7.1 Shared Value and Firm Theory of Internationalization ........................................ 69
2.7.2 Missing Links in MNEs Internationalization and Sustainable Supply Chain Linkages with BoP Firms ............................................................... 69
2.8 Theoretical Framework ......................................................................................... 73
2.8.1 MNEs’ Entry and growth into Foreign Host Markets: Linking Sustainable Supply Chain Linkages and Internationalization Strategy .......................................................... 74
2.9 Proposed Model: Role of Sustainable BoP Supply Chain Cluster Linkages in Propensity to Internationalization of MNEs in Host Markets with Mediating Role of Market Knowledge Competence - Network Theory Perspective .... 79
4.5 Descriptive Analysis ................................................................. 118

4.6 Partial Least Square – Structural Equation Modeling (PLS-SEM) .......... 119

4.7 Measurement Model Evaluation .................................................. 122

4.7.1 Content Validity ........................................................................ 122

4.7.2 Convergent Validity ................................................................. 126

4.7.3 Discriminant Validity ............................................................... 128

4.7.4 Predictive Relevance of the Model ............................................ 129

4.8 Structural Model .......................................................................... 131

4.8.1 Path Coefficients for Direct Hypothesis ..................................... 132

4.8.2 Testing Mediating Effects .......................................................... 134

4.8.3 Measurement of Mediation ....................................................... 136

4.9 Control Variables ........................................................................ 140

4.9.1 Measurement Model Analysis .................................................... 140

4.9.2 Structural Model Analysis .......................................................... 141

4.10 Summary of Hypothesis ............................................................. 143

4.11 Summary of Chapter .................................................................. 144

CHAPTER 5 - DISCUSSION OF RESULTS ........................................... 145

5.1 Chapter Overview .......................................................................... 145

5.2 Summary of the Study .................................................................. 146

5.3 Key Findings of the Study ............................................................. 156

5.3.1 Relationship between Inclusive Supply Chain Linkages and Propensity to Internationalization ......................................................... 156

5.3.2 Relationship between Inclusive Supply Chain and Market Knowledge Competence of MNEs ................................................................. 157

5.3.3 Relationship between Market Knowledge Competence and Propensity to Internationalization of MNEs ....................................................... 159

5.3.4 Mediating Role of Market Knowledge Competence in the Relationship between Inclusive Supply Chain Linkages and Propensity to Internationalization ......................................................... 160

5.3.5 Relationship between Inclusive Innovation and Propensity to Internationalization of MNEs ................................................................. 160

5.3.6 Relationship between Inclusive Innovation and Market Knowledge Competence of MNEs ................................................................. 161

5.3.7 Mediating Role of Market Knowledge Competence in the Relationship between Inclusive Innovation and Propensity to Internationalization 161
5.4 Theoretical and Practical Contribution .............................................. 162
5.5 Limitations of Study and Directions for Future Research ............... 165
5.6 Conclusion ....................................................................................... 168
6 References .......................................................................................... 170
7 Appendix .............................................................................................. 205
LIST OF TABLES

<table>
<thead>
<tr>
<th>Table</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Table 2.1</td>
<td>Classification of literature of internationalization strategy with MNEs subsidiaries as unit of analysis</td>
<td>38</td>
</tr>
<tr>
<td>Table 2.2</td>
<td>Classification of literature of internationalization strategy with firm as unit of analysis</td>
<td>39</td>
</tr>
<tr>
<td>Table 2.3</td>
<td>Dimensions of MNEs internationalization</td>
<td>44</td>
</tr>
<tr>
<td>Table 2.4</td>
<td>Definitions of competencies associated with network membership at firm level</td>
<td>50</td>
</tr>
<tr>
<td>Table 2.5</td>
<td>Summary of studies of application of network theory of internationalization</td>
<td>55</td>
</tr>
<tr>
<td>Table 3.1</td>
<td>MNEs subsidiaries’ propensity to Internationalization Measures</td>
<td>91</td>
</tr>
<tr>
<td>Table 3.2</td>
<td>Inclusive Supply Chain Measures</td>
<td>92</td>
</tr>
<tr>
<td>Table 3.3</td>
<td>Backward Linkages Measures</td>
<td>93</td>
</tr>
<tr>
<td>Table 3.4</td>
<td>Forward Linkages Measures</td>
<td>93</td>
</tr>
<tr>
<td>Table 3.5</td>
<td>Horizontal Linkages Measures</td>
<td>94</td>
</tr>
<tr>
<td>Table 3.6</td>
<td>Inclusive Innovation Measures</td>
<td>94</td>
</tr>
<tr>
<td>Table 3.7</td>
<td>Market Knowledge Measures</td>
<td>96</td>
</tr>
<tr>
<td>Table 3.8</td>
<td>Variables of the study and their classification</td>
<td>97</td>
</tr>
<tr>
<td>Table 3.9</td>
<td>List of variables and their measures</td>
<td>98</td>
</tr>
<tr>
<td>Table 3.10</td>
<td>List of MNEs operating in food and beverages sector of Pakistan</td>
<td>102</td>
</tr>
<tr>
<td>Table 3.11</td>
<td>Sample size table</td>
<td>105</td>
</tr>
<tr>
<td>Table 3.12</td>
<td>Results of Pilot Test (Measures of Reliability and Validity)</td>
<td>112</td>
</tr>
<tr>
<td>Table 4.1</td>
<td>Respondent Profile</td>
<td>117</td>
</tr>
<tr>
<td>Table 4.2</td>
<td>Descriptive Statistics</td>
<td>118</td>
</tr>
<tr>
<td>Table 4.3</td>
<td>Cross Loadings of the Items</td>
<td>124</td>
</tr>
<tr>
<td>Table 4.4</td>
<td>Factor Loading’s Significance</td>
<td>126</td>
</tr>
<tr>
<td>Table 4.5</td>
<td>Convergent Validity Analysis</td>
<td>128</td>
</tr>
<tr>
<td>Table 4.6</td>
<td>Discriminant Validity Analysis</td>
<td>129</td>
</tr>
<tr>
<td>Table 4.7</td>
<td>Predictive Quality Indicators of the Model</td>
<td>130</td>
</tr>
<tr>
<td>Table 4.8</td>
<td>Inner Model Results</td>
<td>134</td>
</tr>
<tr>
<td>Table 4.9</td>
<td>Results of Mediating Hypothesis</td>
<td>137</td>
</tr>
<tr>
<td>Table 4.10</td>
<td>Sobel test of measuring mediation</td>
<td>137</td>
</tr>
<tr>
<td>Table 4.11</td>
<td>Measurement of mediation through bootstrap</td>
<td>139</td>
</tr>
<tr>
<td>Table 4.12</td>
<td>Significance of path coefficients</td>
<td>142</td>
</tr>
<tr>
<td>Table 4.13</td>
<td>Summary of hypothesis results</td>
<td>143</td>
</tr>
</tbody>
</table>
**LIST OF FIGURES**

<table>
<thead>
<tr>
<th>Figure</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Figure 1.1</td>
<td>The Income Pyramid</td>
<td>3</td>
</tr>
<tr>
<td>Figure 1.2</td>
<td>United Nations' Sustainable Development Goals (SDGs) for 2015-2030</td>
<td>7</td>
</tr>
<tr>
<td>Figure 2.1</td>
<td>Network Internationalization Process Model</td>
<td>52</td>
</tr>
<tr>
<td>Figure 2.2</td>
<td>Market Knowledge Flow of MNEs in Host Markets Network its relationships with internationalization</td>
<td>58</td>
</tr>
<tr>
<td>Figure 2.3</td>
<td>Network relationships and knowledge competence in internationalization</td>
<td>61</td>
</tr>
<tr>
<td>Figure 2.4</td>
<td>MNEs subsidiaries' propensity to Internationalization Measures producer-view in firms' strategy</td>
<td>71</td>
</tr>
<tr>
<td>Figure 2.5</td>
<td>MNEs' Internationalization Strategy and its Sustainability Determinants</td>
<td>76</td>
</tr>
<tr>
<td>Figure 2.6</td>
<td>Research Framework</td>
<td>78</td>
</tr>
<tr>
<td>Figure 3.1</td>
<td>Scientific Research Process</td>
<td>89</td>
</tr>
<tr>
<td>Figure 4.1</td>
<td>Path Model Results</td>
<td>132</td>
</tr>
<tr>
<td>Figure 4.2</td>
<td>Path Model Significance Results</td>
<td>133</td>
</tr>
<tr>
<td>Figure 4.3</td>
<td>Measurement Model</td>
<td>141</td>
</tr>
<tr>
<td>Figure 4.4</td>
<td>Structural Model</td>
<td>142</td>
</tr>
</tbody>
</table>
LIST OF ABBREVIATIONS

ADB  Asian Development Bank
AMOS  Analysis of a Moment Structures
BoP  Base of Pyramid
BoPM  Base of Pyramid Market
BL  Backward Linkages
CB-SEM  Covariance-Based Structural Equation Modelling
EMNEs  Emerging Market Multinational Enterprises
FDI  Foreign Direct Investment
FL  Forward Linkages
HL  Horizontal Linkages
IB  International Business
IE  International Entrepreneurship
IM  International Marketing
IMF  International Monetary Fund
IMP  International Marketing and Procurement Group
LISREL  Linear Structural Relations
MDGs  Millennium Development Goals
MNE  Multinational Enterprise
MSEs  Micro and Small Enterprises
MSMEs  Micro, Small and Medium Enterprises
OYAGSB  Othman Yeop Abdullah Graduate School of Business, Universiti Utara Malaysia
PLS  Partial Least Squares
SBP  State Bank of Pakistan
SCM  Supply Chain Management
SDGs  Sustainable Development Goals
SEM  Structural Equation Modelling
SPSS  Statistical Package for the Social Sciences
SSCM  Sustainable Supply Chain Management
UN  United Nations
UNCTAD  United Nations Conference on Trade and Development
VB-SEM  Varian-Based Structural Equation Modeling
WTO  World Trade Organization
CHAPTER 1

INTRODUCTION

1.1 Background of the Study

Over the years, theorists and practitioners in the field of marketing have been concentrating their efforts on satisfying customers' needs and wants in unique ways. However, the prime concern has remained the same, i.e., how to earn profits while becoming and remaining invincible market leaders. Moreover, the strategists, including renowned researchers and scholars, for this purpose, keep on pointing out the untapped potential market segments and new market spaces. Dynamism is what opens up new horizons of strategies and evolutionary concepts. This is how back into 2002, about more than a decade ago, the term bottom of the pyramid (BoP) was coined by C.K. Prahalad (Prahalad & Hart, 2002; Prahalad & Hammond 2002) introducing the poor segment of the world population as a potential blue ocean market. The concept of blue ocean market refers to untapped market segments, which according to Chan Kim & Mauborgne (2004), should be the focus of new strategies by business striving for competitive advantage. The BoP market was represented as a blue ocean market that MNEs need to capitalize on by changing their business models to the characteristics and needs of this new market segment. The term Bottom of Pyramid was further replaced with Base of Pyramid by Landrum (2007) in order to neutralize the negative tone associated with the earlier term. According to Follman (2012), the concept of BoP was initiated by Prahalad unveiling the fact that the multinational businesses almost overlook the huge poor market making up approximately 4.5 billion of the world’s total population and who, in words of Chikweche & Fletcher (2012), have a subsistence of less than USD 1500 per annum.
The contents of the thesis is for internal user only
References


Chin, W. W., Marcolin, B. L., & Newsted, P. R. (2003). A partial least squares latent variable modeling approach for measuring interaction effects: Results from a Monte Carlo simulation study and an electronic-mail emotion/adoption study. *Information systems research, 14*(2), 189-217.


Fornell, C., & Larcker, D. F. (1981). Structural equation models with unobservable variables and measurement error: Algebra and statistics. *Journal of marketing research, 38*(2), 382-388.


Gold, S., Hahn, R., & Seuring, S. (2013). Sustainable supply chain management in "Base of the Pyramid" food projects-A path to triple bottom line approaches for


Hutzschenreuter, T., Pedersen, T., & Volberda, H. W. (2007). The role of path
dependency and managerial intention: Perspective on international business

alongside the Triple Helix: Challenge for Indonesian Clusters-A Case Study of
the Java Region.

Consumer Marketing, 25(7), 430-438.

indicators and measurement model misspecification in marketing and consumer

Javorcik, B. S. (2004). Does foreign direct investment increase the productivity of
domestic firms? In search of spillovers through backward linkages. American
economic review, 605-627.

of knowledge development and increasing foreign market commitments. Journal
of international business studies, 23-32.

revisited: From liability of foreignness to liability of outsidership. Journal of
international business studies, 40(9), 1411-1431.


Musso, F. Internationalization strategies: from local clusters to extended networks.


Appendix

Questionnaire of the Study
Research Questionnaire for Doctoral Study

Section I: Introduction of the Study and Identification of Respondent

Topic
Impact of Sustainable Supply Chain Linkages with BoP Firms on MNEs’ Internationalization: Mediating Role of Market Knowledge Competence

Background
Concept and application of the sustainable supply chain also termed as BoP cluster refers to engaging micro and small firms in supply chain networks by MNEs in host markets. It is yet to ascertain how this inclusive supply chain strategy and inclusive innovation strategy affects the market knowledge competence and MNEs internationalization in host markets.

Objectives
1- This survey seeks to analyze the MNEs managers’ perceptions about level of supply chain cooperation and level of shared innovation with BoP firms (micro and small enterprises) in their supply chain cluster.

2- The survey seeks to analyze the impact of sustainable supply chain linkages and shared innovation on their market knowledge competence:

3- The survey seeks to analyze the impact of BoP supply chain cooperation and shared innovation on MNEs managers’ propensity to internationalization i.e. sales, employment, assets in host market.

Disclosure
The respondent has right to not disclose her/his personal identity. Kindly mention to the field worker if it is required so.

Privacy Policy: Universiti Utara Malaysia has explicit policy to use findings of research study for research purpose only without disclosing to third party.

Company Name: _______________________
Manager Name: _______________________

Thank you for giving your valuable time and effort to fill in this questionnaire. Your cooperation in the completion of this research study is highly appreciated and acknowledged.

Sincerely,

Sulaman Hafeez Siddiqui
PhD Scholar, School of Business Management,
Universiti Utara Malaysia
H/P (Pakistan) +923225172513
H/P (Malaysia) +601110824322
Section II: Company and Manager's Profile

Manager's Profile

1) Highest education level (EDU)
   - High School/Diploma
   - Postgraduate
   - Graduate
   - Professional

2) Training programs attended
   - Supervisory Staff
   - Top management
   - Middle Manager

3) Number of years of total experience (EXP)
   - Less than 5 years
   - 10-15 years
   - 5 to 10 years
   - Above 15 years
Section III: Research Questions

The section consists of statements on MNEs managers' perceptions about their level of cooperation with BoP firms (micro and small firms) in their supply chain cluster.

Please encircle the appropriate answer that best represents your opinion about the question using the scale below to indicate your level of agreement or disagreement.

<table>
<thead>
<tr>
<th>Strongly Disagree (SD)</th>
<th>Somewhat Disagree (D)</th>
<th>No Opinion/Not sure (NS)</th>
<th>Somewhat Agree (A)</th>
<th>Strongly Agree (SA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>

Q. 1 What is the company’s propensity to continue internationalization in Pakistan Market? 1=Highly Unlikely, 5=Highly Likely

<table>
<thead>
<tr>
<th>ITZ1</th>
<th>Likelihood of the firm towards increasing sales in Pakistan market</th>
<th>1 2 3 4 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>ITZ2</td>
<td>Possibility of increasing the firm’s sales in Pakistan market</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>ITZ3</td>
<td>Likelihood of the firm towards increasing employment in Pakistan market</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>ITZ4</td>
<td>Possibility of increasing the firm’s employment in Pakistan market</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>ITZ5</td>
<td>Likelihood of firm towards increasing commercial presence in Pakistan market</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>ITZ6</td>
<td>Possibility of increasing firm’s commercial presence in Pakistan market</td>
<td>1 2 3 4 5</td>
</tr>
</tbody>
</table>

Q. 2 The company maintains supply chain relationship with BoP firms (small and micro enterprises).

<table>
<thead>
<tr>
<th>IS1</th>
<th>Supply chain cooperation with BoP suppliers</th>
<th>1 2 3 4 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>IS2</td>
<td>Supply chain cooperation with BoP resellers</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>IS3</td>
<td>Supply chain cooperation with other BoP firms</td>
<td>1 2 3 4 5</td>
</tr>
</tbody>
</table>

Q. 3 The company promotes two-way innovative capability through relationship with BoP firms (small and micro enterprises) as members of supply chain cluster.

<table>
<thead>
<tr>
<th>II1</th>
<th>Adapts its products to make them relevant for BoP market</th>
<th>1 2 3 4 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>II2</td>
<td>Obtains ideas from BoP firms in its products and processes</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>II3</td>
<td>Shares its expertise to improve performance of BoP firms</td>
<td>1 2 3 4 5</td>
</tr>
</tbody>
</table>
## Research Questionnaire for Doctoral Study

### Q. 4
To what extent company’s supply chain relationship with BoP firms (small and micro enterprises) has influenced its cooperative/native capability/market knowledge competence

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>MK1</strong></td>
<td>More and better knowledge about customers through BoP allies</td>
</tr>
<tr>
<td><strong>MK2</strong></td>
<td>More and better knowledge about competitors through BoP allies</td>
</tr>
<tr>
<td><strong>MK3</strong></td>
<td>More and better knowledge about local environment</td>
</tr>
<tr>
<td><strong>MK4</strong></td>
<td>More and better understanding to manage supply chain activities at BoP level (alliance management)</td>
</tr>
<tr>
<td><strong>MK5</strong></td>
<td>Information/communication systems have been adapted to integrate with BoP allies (alliance communication)</td>
</tr>
<tr>
<td><strong>MK6</strong></td>
<td>More and better ability to share learning with BoP allies</td>
</tr>
</tbody>
</table>

### Q. 5
Following explains the company’s supply chain cooperation with its BoP supplier firms.

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>BL1</strong></td>
<td>Exchange of information and experience</td>
</tr>
<tr>
<td><strong>BL2</strong></td>
<td>Joint marketing (product development/market development)</td>
</tr>
<tr>
<td><strong>BL3</strong></td>
<td>Negotiation of payment and delivery system</td>
</tr>
<tr>
<td><strong>BL4</strong></td>
<td>Training participation</td>
</tr>
</tbody>
</table>

### Q. 6
Following explains the company’s supply chain cooperation with its BoP reseller firms.

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FL1</strong></td>
<td>Exchange of information and experience</td>
</tr>
<tr>
<td><strong>FL2</strong></td>
<td>Joint marketing (product development/market development)</td>
</tr>
<tr>
<td><strong>FL3</strong></td>
<td>Negotiation of payment and delivery</td>
</tr>
<tr>
<td><strong>FL4</strong></td>
<td>Training participation</td>
</tr>
</tbody>
</table>

### Q. 7
Following explains the company’s supply chain cooperation with other BoP firms.

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>HL1</strong></td>
<td>Exchange of information and experience</td>
</tr>
<tr>
<td><strong>HL2</strong></td>
<td>Joint marketing</td>
</tr>
<tr>
<td><strong>HL3</strong></td>
<td>Joint product development</td>
</tr>
<tr>
<td><strong>HL4</strong></td>
<td>Negotiation of payment and delivery</td>
</tr>
<tr>
<td><strong>HL5</strong></td>
<td>Training participation</td>
</tr>
</tbody>
</table>