**Digital Globalization Research Summit**

**Exploring New Questions, New Theories, and New Data in IB**



Digital platforms powered up by artificial intelligence (AI) are redefining the way we live, work, and connect with one another. The prospect of these new technologies to address grand challenges such as poverty, climate change, and healthcare has garnered the attention of academics, businesses, and governments across the globe. Digitalization is not new. Since the dawn of the internet, firms have increasingly adopted the digital processes, first to streamline the flow of information and eventually embedding product knowhow in algorithms that enhances the transferability across space. Digital technologies, mobile, cloud, analytics, and AI have powered this revolution and they have exponentially grown in speed and precision in recent years. The advent of generative AI, embedded in tools such as ChatGPT, has made digitalization visible and accessible to the public.

For IB scholars, business migration to the digital arena opens several new frontiers for exploration. As the global connectivity grows in scale and scope, what will be the emerging structure of global business? The study of IB has been synonymous with the study of multinational enterprises (MNEs) and more recently the interests have grown to incorporate the international new ventures and born global companies. Would digital platforms emerge as a dominant design of organizational form in IB? In the digital era, how would we think about “internationalization”? How should we think about the mix of digital and physical flow when we consider measures of internationalization?

At a more fundamental level, as data become core to the competitive advantage, creation, curation, transfer, and use of data, and more importantly, the intertwining of product knowhow and consumer data, raise several unfamiliar challenges for IB scholars. With increasing digital component of a product, one sees the decoupling of asset and revenue flows, and a distinct shift in the structure of the global value network. Concerns of privacy and security is increasing control of policy makers on the data flow, and the diversity of data governance regimes across the countries bring in new complexities for MNEs to leverage their scale and scope. Simultaneously, the scale-free and fungible nature of the data augmented by the network effects, give phenomenal market power to the dominant players.

IB theory has been propelled over the years by considerations of bounded rationality, transaction costs, and internalization. As the nature of the “asset” or “advantage” shifts towards digital, how do we capture the dynamics of data-centric businesses? Should we consider digital platforms a new type of franchising or a new genre of organization that deserves new theoretical considerations? The distinctiveness of markets and hierarchies is the foundation of IB theory, and market failure is central to explaining the emergence of MNEs. The profit maximizing firm is the central actor, and considerations of sustainability or equity are peripheral concerns. Are the anomalies of the empirical realities from extant theory growing, and if so, how should we respond?

For IB scholars, digitalization opens a new frontier. Digital flow leaves imprints across the data value chain, and as businesses and governments mature, we see vast amounts of real time data, which often require new ways of gathering, sorting, and curating. Analytical methodologies such as machine learning and deep learning are emerging as promising candidates. AI Chatbots open new frontiers of collecting data, and the algorithmic designs allow for rapid analysis and curating key insights. As the attention on the global flow of data increases exponentially, new analytical methodologies will be needed to capture the dynamics.

Digitalization may be the trigger for the renaissance of IB scholarship. MNEs play a significant role in these technologies, and digital platforms are emerging as new forms of global business. As data take the center stage in global governance, new challenges emerge, calling for new approaches in IB scholarship. The summit presents an opportunity to explore these questions and more and lay out an agenda for digital globalization scholarship.