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Theorization and industry-based research project development: bridging the industry–academia research gap

Authors

S. M. Riad Shams
Senior Research Fellow
Ural Federal University
Yekaterinburg, Russia
E-mail: Riad.Shams@urfu.ru
Postal address:
kv. 1317
d. 70, ul. Komsomolskaya
Ekaterinburg 620018, Russia

Alkis Thrassou, Ph.D., M.Sc., B.Eng.
FCIM, FCIQB, MRICS, SFEMAB, MSPE
Professor
Department of Marketing
School of Business
46 Makedonitissas Avenue, CY-2417
P.O.Box 24005, CY-1700, Nicosia, Cyprus
t +357 22 841500 | f +357 22 357481
thrassou.a@unic.ac.cy | www.unic.ac.cy

Abstract

Sustainably bridging the industry–academia research gap is an ongoing concern within the wider effort to successfully unlock the full potential of both parts. In this context, this paper presents a research perspective on and an explicit articulation of the manner in which academic research could focus on theorisation; and how this focus would be instrumental in developing industry-based academic research projects. Theorisation, in this paper’s context, refers to the contribution to existing theories and/or the development of a new theory, aiming to nurture the theorisation process, in a way that could substantially contribute to the industry needs and to bridge the industry–academia research gaps.

Keywords

Theorisation, research project, research gap, industry – academia collaboration, VRIN competency.

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Sustainably bridging the industry–academia research gap is an ongoing concern within the wider effort to successfully unlock the full potential of both parts. In this context, this paper presents a research perspective on and an explicit articulation of the manner in which academic research could focus on theorisation; and how this focus would be instrumental in developing industry-based academic research projects. Theorisation, in this paper’s context, refers to the contribution to existing theories and/or the development of a new theory, aiming to nurture the theorisation process, in a way that could substantially contribute to the industry needs and to bridge the industry–academia research gaps.

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How the industry–academia collaboration gap could substantially be filled is a major question in the debate on the subject. In this context, we hereby present a research perspective on and an explicit articulation of the manner in which academic research in business management could focus on theorisation, and how this focus would be instrumental in developing industry-based academic research projects that are well-supported by extant literature, and which also could considerably contribute to the industry needs.

In this study, we refer theorisation to its universal context as either contributing to the existing theory or to the development of a new theory. However, our aim is to nurture the theorisation process, in a way that could substantially contribute to an existing industry need, so that the industry–academia research gaps are abridged. In general, a theorisation process requires the development of a coherent explanation that will lead to hypotheses’/propositions’ development, in response to a theoretical gap or inconsistency or debate in the existing literature. It is important to test the hypotheses or explore the propositions through empirical studies, centred on any combination of the wider socio-economic issues, in order to generate new practical insights, so that the theorisation process can further be justified.

Towards a contribution to any socio-economic issue, generally, it is crucial to effectually contribute to the satisfaction of the needs of particular stakeholder(s) in the corresponding context society/economy. Thus, for the purposes of this research, we attempt to analyse the “*cause(s) and consequence(s) of stakeholder relationships and interactions*” (Shams, 2016, p. 676), as stakeholder causal scopes (SCS) to identify stakeholders’ needs, and relevant value anticipation to co-create value in a way that the stakeholders expect and accept (Shams, 2016). As a result, such SCS analyses will not only recognise the stakeholder’s need-based value anticipation, but also incorporate that socio-economic need as an important concern in the overall theorisation process. Following this research focus and the aforementioned theorisation process, we present a case example to concisely articulate the core issues of a prospective research project on the international education industry, in order to explain, how analysing SCS would be instrumental to recognising a theoretical gap and/or research hypothesis/proposition that would be relevant to a particular industry need(s).

A common practice of marketing international education is to promote it through overseas agents. Industry reports describe that there is lack of understanding of how overseas agents represent an international education brand (Shams, 2017). This could harmfully impact the reputation and image of the education brand, as an overseas agents’ inappropriate representation of the brand could convey a misleading message to the international target audience. This gives rise to a socio-economic problem, related to the international marketing of the education-exporting countries who aim at growing their export markets or at protecting the extant export markets in the international education industry.

In order to recognise a theoretical gap and to coherently build arguments towards developing a hypothesis or proposition, we will approach the matter from the cross-disciplinary perspective of strategic management and relationship marketing. The organisational dynamic capabilities theory focuses on allocating an organisation’s resources, in order to pursue a strategic direction that attempts to generate and preserve the sources of competitive advantage (Teece et al., 1997; Peteraf et al., 2013). Strategic management literature argues that a firm’s possession of a “*valuable, rare, inimitable and non-substitutable*” (VRIN) reservoir of resources, in comparison to their competitors’ one, is fundamental to sustainably developing a competitive advantage (Barney, 1991). In this context, the critics of sustained competitive advantage literature argue that because of the commonalities and substitutability features, a competitive advantage would be unable to survive through the VRIN competency

test over time, particularly in an industry that encounters rapid changes in competitive market forces (Eisenhardt and Martin 2000; Peteraf et al., 2013). Therefore, the question is whether the resulting competitive advantages that are evolved based on a valuable resource, can lucratively eliminate the commonalities and substitutability features of the resources to ensure its rareness, in order to sustain the competitive advantage. This question highlights a theoretical gap, between the extant understanding of how a firm ensures sustained competitive advantage of particular resources, and how a firm could meaningfully protect its VRIN competency on its resources; in order to counteract/neutralise its competitors' effort(s) to either imitate that VRIN competency or to present a substitute utility/value of the particular resources.

The more recent development of this field of strategic management recommends an analysis of a firm's and its allied stakeholders' overall learning experience of the competitive market forces, in order to identify those exceptional conditions that potentially render a valuable resource as rare, inimitable and non-substitutable by the competitors (Peteraf et al., 2013). In this vein, developing insights on the current and prospective relationships between a firm and its stakeholders, through the analytical lens of relationship marketing concept, would be valuable in recognising such exceptional conditions by analysing the stakeholder causal scopes (Shams, 2016). The latter could particularly include service encounters in relation to the stakeholders' value anticipation, and the respective competitive issues. In support of this view, the extant marketing literature argues that relationship marketing helps to gain better knowledge on stakeholder's needs (Little & Marandi, 2003). This stakeholder-specific customised knowledge could appear as a specific exceptional condition, with respect to the stakeholders' value anticipation, in order to potentially make a valuable resource as rare, inimitable and non-substitutable for the competitors; which gives us a hypothesis or proposition to test or explore through empirical studies (Shams, 2016).

Industry reports acknowledge that the major competitive education destinations, such as Australia, Canada, the UK and the USA, modify their student visa rules so frequently, which from time to time adversely impact on their competitive advantage (Mahmood, 2012). Therefore, industries like the one of international education that encounter frequent changes in competitive forces should attempt to recognise exceptional conditions from their stakeholders' perceptions, by analysing their stakeholder causal scopes, in order to retrieve their competitive advantage. A recent study reveals that an Australian international student

describes that “*one of the reasons influencing my decision to study in Australia is its proximity to Singapore*” (Shams, 2016, p. 685). Here, “proximity” that could be a prospective exceptional condition for Australia, as a non-academic need of international students, is recognised by previous studies (i.e. Phang, 2013; Singh et al., 2013) as one of the decision making factors of international students, particularly from the South-East Asian countries, which is the largest market of the industry (UNESCO, 2014; International Students Australia, 2015). Here a major underlying cause of the South-East Asian students choice of studying at a destination is proximity to home, and, consequently, this also becomes a major cause for Australian universities’ organisational and social marketing communications’ adaptation (Vrontis et al., 2015) to satisfy this need in their promotion of their international education services.

Based on the above, Australian international education promoting “proximity” offers a customer value that acts also as a unique, inimitable and non-substitutable competitive advantage, at least with regards to the other major international players. Thus, “proximity” acts both in practical and communicational terms as a significant student-choice motivator (Melanthiou et al., 2017; Vrontis et al., 2007) that reinforces the Australian universities’ competitive advantage. This is particularly true among the South-East Asian students, since, Asia, especially South-East Asia, constitutes a key market that is physically located closest to Australia, in comparison to other major competitive international education destinations. As a result, once the other usual decision making factors (i.e. quality of education, post-graduation career prospect etc.) are perceived as approximately equal in the subjective evaluation of prospective South-East Asian international students, in comparison to the major competitors, “proximity” becomes not just another factor, but, in fact, the critical factor influencing final choice, playing the decisive role for the student in favour of Australia, which outplays the competitive advantage of other major international education destinations and provide the Australian universities a VRIN competency.

Similarly, another recent study reveals that the UK is the global leader in international student satisfaction, in comparison to other major competitive international education destinations, such as the USA, Canada, Australia, Germany and New Zealand (O'Malley, 2015). Therefore, the UK has the privilege of differentiating its leading position as a VRIN competent reputation, at least, until another competitive education destination outplays the UK’s current supreme position in international student satisfaction, which, though subjective

as a notion, would be received as objective evaluation by prospective students through the publication of future studies and/or university/country global ranking organisations such as Times Higher Education and QS.

Following these arguments, an industry-based research project could be developed on the European international education industry, based on analysing the causes and consequences of the European international students' relationships and interactions with their host country's academic and non-academic stakeholders. The purpose of this study would be to understand the students' perceptions of their European international education experience to recognise the VRIN-competent exceptional conditions, such as the "global leader in international student satisfaction" or the "proximity" ones, in the European international students' perception. Eventually, recognising such VRIN-competent exceptional conditions would be instrumental to sustainably differentiating/branding and promoting the European international education services, in accordance to the students' academic and non-academic needs. As a result, Europe's differentiated brand positioning in the global education markets would be related to the international students' value anticipation, as expected and accepted by the students.

Since, the VRIN-competent exceptional conditions that could be recognised in the European international students' perception would be instrumental in sustainably differentiating/branding the European international education in the global markets to attract the global talents; this research project would be able to contribute to the European Commission's (2013) vision to market the region as the world education centre of excellence. In order to develop adequate insights to contribute to this vision (or need), such an industry-based research project should be designed to be implemented across different European countries. In such European international education industry-based research projects, incorporating as many international education host countries from Europe as possible would be instrumental in successfully applying for the European Commission's research grant; since such projects would have considerable merits to not only promote the European international education distinctively in the global education markets, but also to enrich the European international education's quality assurance processes.

An added benefit of such a SCS-centred research approach is also its general applicability in practically any educational market, industry and operational perspective. However, the

relational issues of analysis should follow only the given situation of the targeted market and the industry (Gummesson, 2002). For example, the relational issues (e.g. how people behave and interact with others) between different stakeholders of the European international education industry and its South-East Asian target market, and the Latin American target market may or may not be similar, because of the different cultural backgrounds of these regions/markets. Correspondingly, such relational issues would have dissimilar considerations in different industries, because of diverse industry-specific competitive forces across sectors. Therefore, the generalisability of the scope of such an SCS-centred research approach would become greater, as the stakeholder-centred relational issues of analysis situation (e.g. behavioural pattern and/or the relevant competitive forces) come closer.

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