

# **BUSINESS FAILURE IN POST-PANDEMIC ERA: NEW CHALLENGES FOR INDUSTRIAL NETWORKS, EMERGING INSIGHTS AND MARKET OPPORTUNITIES**

<https://www.sciencedirect.com/science/article/pii/S0019850123002420>

**Joseph Amankwah-Amoah**

Durham Business School, Durham University &  
Email: [joseph.amankwah-amoah@durham.ac.uk](mailto:joseph.amankwah-amoah@durham.ac.uk)

**Zaheer Khan**

University of Aberdeen, UK & Innolab, University of Vaasa, Finland  
Email: [zaheer.khan@abdn.ac.uk](mailto:zaheer.khan@abdn.ac.uk)

**Samuel Adomako**

Birmingham Business School,  
University of Birmingham, UK  
Email: [s.adomako@bham.ac.uk](mailto:s.adomako@bham.ac.uk)

**Huda Khan**

**University of Aberdeen, UK**  
Business School, University of Aberdeen,  
Associate Director, Africa-Asia Centre for Sustainability Research  
& Visiting Researcher, InnoLab, University of Vaasa, Finland  
Email: [huda.khan@abdn.ac.uk](mailto:huda.khan@abdn.ac.uk)

## **Abstract**

Business failure has attracted significant scholarly interest. Despite the widespread B2B service failures, there has been limited interdisciplinary studies in the context of industrial networks, especially analyzing business failure in the crisis and post-crisis situations. The special issue presents 12 articles that shed light on the multifaceted dimensions of business failure in industrial networks and explore various themes such as the crisis-driven business failure, impression management, recovery from failure, and competitive dynamics. Thus, these articles provide important insights into the two competing perspectives on business failure: the deterministic and voluntaristic perspectives. Recognizing the fast-changing global competitive landscape for B2B firms in the wake of the pandemic and other prolonged external shocks such as trade wars, geopolitical risk, and economic sanctions, it has become increasingly a strategic imperative for firms to develop agile capabilities to be better able to respond to sudden business environmental changes. The article provides important insights on business failure in the context of industrial networks, and highlight potential topics for future research, which could stimulate new fruitful scholarly discourse on external long-term crises and pandemic-induced business failure in the B2B context.

**Keywords:** business failure; industrial networks; B2B firms; external crisis; COVID-19; business model

## **1 Introduction**

In today's post-COVID-19 world, every firm is susceptible to abrupt environmental shifts such as new competitive forces, pandemics, natural disasters, geopolitical uncertainties, rapid technological advancements, and economic downturns (Amankwah-Amoah, Khan & Wood, 2021). These forces not only threaten firms in the competitive landscape but also lead to a downward spiral, precipitating business failure (see Hambrick & D'Aveni, 1988, 1992; McKinley, Latham, & Braun, 2014). As of November 2023, the devastating impact of COVID-19 had translated into millions of infections and deaths, with 6,934,315 deaths and more than 697,351,356 cases globally (Worldometers, 2023). Indeed, the world continues to observe and address the ongoing effects of the COVID-19 pandemic (Ramanathan, Aluko, & Ramanathan, 2022; Meyer, Prescott, & Sheng, 2023). Apart from supply chain disruptions and operational shortages linked to the pandemic (see Chowdhury et al., 2021), it has also eroded the valuable capabilities and resources of many businesses that existed before the crisis, thereby exacerbating the vulnerability of countless small and medium-sized enterprises (SMEs) worldwide and leading to the closure of others (Amankwah-Amoah et al., 2021). Across various industries such as financial services, legal services, advertising, information technology (IT), hospitality, banking, insurance, and other financial services, the COVID-19 pandemic has made numerous firms more susceptible to failure. (see also Amankwah-Amoah et al., 2021). The pandemic disrupted numerous businesses, leading to the introduction of various service and performance failures in organizations. Concurrently, it has provided opportunities for many firms to reassess their strategies, refine business models, cut operating costs, and enhance offerings tailored to remote working.

In this context, the editorial provides an opportunity for interdisciplinary scholarly works on “Business Failure in the Post-Pandemic Era: New Challenges for Industrial Networks, Emerging Insights, and Market Opportunities.” This editorial is guided by the following key objectives: (1) to understand the reasons behind business failure in the context of industrial networks during the post-pandemic era; (2) to examine business failure and learn from failure in the post-pandemic world; (3) to broaden current thinking on

business failure in the post-pandemic era; and (4) to advance multidisciplinary approaches to the topic to foster greater understanding of pandemic-induced crisis and business failure in the post-pandemic era.

Aligned with the overarching sentiment and objectives of the call, we garnered significant interest and received various streams of scholarly works on the theme of the call. The collection of papers included sheds light on the intricate dynamics of business failure in the domain of B2B markets, offering insights into the activities of executives, entrepreneurs, and organizations in different national markets and industrial contexts.

## **2 Theoretical perspectives on business failure**

Organizational theorists and business historians have endeavored to scrutinize the reasons behind business failure, concentrating on two contrasting views: the deterministic and voluntaristic perspectives (Mellahi & Wilkinson, 2004; Amankwah-Amoah et al., 2023). Under the umbrella of the deterministic-based perspective, business failure emanates from conditions such as competition and the state of the economy, which emerge from outside the firm. This school of thought has observed uncontrollable forces such as natural disasters, economic downturns, regulatory changes, and new technological breakthroughs in creating the necessary conditions leading to business failure (Amankwah-Amoah, 2016; Mellahi & Wilkinson, 2004). Anchored in this perspective is the assertion that top executives and managers of B2B, and other firms view themselves as powerless to eliminate the causes of failure (see Mellahi & Wilkinson, 2004).

The voluntaristic perspective suggests that business failure is an outcome of weaknesses and constraints within the firm stemming from factors such as poor leadership and mismanagement (Hager, Galaskiewicz, & Larson, 2004; Habersang et al., 2019). This perspective traces business failure to managerial decisions and inactions/actions. Although the literature on the deterministic-based perspective has enriched our understanding of external threats, there has been a lack of insights on sudden and extreme environmental shocks, floods, and other natural disasters that can equally precipitate business failures (Amankwah-Amoah

& Wang, 2019). Research that explores the interplay between deterministic conditions and organizational decisions and actions driven by voluntarism offers a promising avenue for future investigation.

## **2.1 New competitive landscape**

Amid this accelerated version of the evolving global economy, the COVID-19 pandemic came to be viewed as the “great accelerator” (Lozada, 2020). The COVID-19 pandemic can be viewed as a force that precipitated the collapse of B2B firms, weakened and eroded the competitiveness of others, and forced some firms to adopt new business models to help ensure their long-term survival. Although many organizations have weathered the pandemic, with some, including online retailers like Amazon, capitalizing on it to usher in rapid expansions (Harris, 2020), many organizations, especially SMEs, have consistently missed the mark in ushering timely reforms. Accompanying the pandemic were various types of risks, including financial risk, safety risk, and corporate systematic risk, which had adverse influences on surviving firms (Choi, 2021). As face-to-face interactions were curtailed by government restrictions and regulations, online communication and interaction channels became increasingly prominent for businesses and customer engagement. In doing so, numerous firms that had built their competitiveness rooted in face-to-face engagement saw some of their advantages temporarily eroded. Thus, the temporary erosion of capabilities appears to be an outcome of such a pandemic and is one of the key factors in creating conditions for business failure including those operating in B2B and B2C markets.

## **2.2 Non-market capabilities and business failure in industrial networks**

Past research has demonstrated the effectiveness of non-market strategies, particularly social and political strategies, in achieving success within the market (Rao-Nicholson, Khan & Marinova, 2019). Additionally, such strategies are instrumental in acquiring resources from the government and protection from unfair regulations (Peng, 2003). Research has also shown that a firm requires both a holistic set of market and non-market strategies to deal with external challenges and manage performance (Du & Kim, 2021). Given

the increasingly interconnected nature of B2B firms in networks, failure by one large firm can cascade into disruption and decline in the performance of surviving firms. However, the effectiveness of market vs. non-market strategies in mitigating the risks of business failures lacks scholarly attention. Another fruitful avenue is examining the role of non-market capabilities in exacerbating or mitigating business failure in B2B organizations in the post-pandemic era.

### **3 Overview of the special issue**

The aim of this editorial was to examine business failure in the post-pandemic era as well as learning from industrial networks failure in order to broaden current thinking on business failure in the post pandemic era. We encouraged contributions adopting multidisciplinary approaches to the topic, and in order to foster greater understanding of this evolving event, we solicited both empirical and conceptual papers. We solicited submissions around the below topics:

- Causes and processes of business failure in B2B organizations.
- Exploring the dark side of business failures in industrial networks.
- Role of networks in mitigating business failure in B2B organizations.
- Service and product failure and innovation as a consequence of business failure in B2B organizational settings.
- Learning and bouncing back from B2B firm failure in a post pandemic world.
- B2B market strategies in post pandemic era and business failure process.
- Non-market strategies, industrial networks behaviors and business failures.
- Digital transformation and B2B business closures.
- Cost of failure and failure experiences of B2B managers.
- Managerial impression management, emotions, and leadership in failing or failed B2B activities.
- Strategic failures in industrial markets

The papers included in this collection represent the broad area of “Business failures in the post-pandemic era” with fruitful insights for scholars, practicing managers, and executives. The papers in the issue provide insights into the various dimensions of failure, with some shedding light on the causes, mechanisms for failure, and a diverse range of failure outcomes, such as learning and innovating via learning from failure. We utilize Table 1 to summarize details of all the papers included in the issue.

**Table 1: Summary of articles included in this special issue**

<b>Authors/study</b>	<b>Title</b>	<b>Data/approach/method</b>	<b>Key findings</b>	<b>Overall contribution to the SI</b>
Basu, Malik, Munjal, & Venkataramanan (2023)	Investigating Governance of Tolerable and Intolerable Dark Sides in B2B Dyads in Post Pandemic Emerging Markets	Uses an exclusive dataset comprised of 487 dyadic conflicts, gathered from professionals well-versed in conciliation-arbitration and legal matters within an emerging market. Employed the Seemingly Unrelated Regression (SUR) approach within STATA-16.1 to analyze and model the mediated moderation effects.	Transactional stress exhibits a positive and statistically significant correlation with task conflict. Task conflict demonstrates a significant positive mediating effect between transactional stresses and dissolution intent. Betrayal, active deception, and manipulation have a positive influence on relational conflict. Relational conflict plays a mediating role in the termination of B2B relationships. Governance mechanisms, including relational tolerance, rights-based governance, alternatives, and institutional effectiveness impact the relationship between intolerable dark side-based relational conflict and termination.	Offer insights into how both tolerable and intolerable negative aspects can have detrimental effects on short-term transactional and long-term relational B2B dyads. Delve into the specific and crucial governance mechanisms that are employed to mitigate or accentuate these respective negative influences on B2B dyads. Contribution to providing a comprehensive perspective on the full spectrum of negative aspects and the governance mechanisms that play a role in B2B dyadic exchanges.
Lan and Sheng (2023)	In anticipation of a downturn: The role of impression management in buffering against failure	Data were acquired from all A-share listed companies in China through the Chinese Stock Market and Accounting Research (CSMAR) database.	Results suggest that utilizing impression management strategies is linked to reduced delisting risks. The effectiveness of these tactics diminishes when there are macro-environmental shocks. During the pandemic, investors tend to immediately incorporate all information at the time of disclosure, resulting in a less favorable market response to impression management. The capacity of impression management to mitigate delisting risks was compromised in the aftermath of the COVID-19 pandemic.	The findings hold significant implications for companies as they formulate strategies in reaction to external turbulence. In a business landscape marked by unpredictability and external shocks, understanding the role of impression management and its limitations can be pivotal in shaping an effective response to business failure.
Rammal, Kamineni,	“Reel”ing it in: The Indian	Uses a qualitative narrative case study method to	Underscored the transformations in the sector, such as the diminishing	The findings have significant implications for theoretical

Pereira, Tang, & Ghauri (2023)	Film Industry's Survival and Growth in the post-pandemic era	conduct interviews with key informants from the sector in India	influence of B2B firm networks and a shift from organizational collaboration to a focus on individual interests. These changes are indicative of a shifting business model, characterized by a growing reliance on digital platforms for the release of movies.	frameworks within the context of the international film industry. They shed light on the complex dynamics involving international government agencies that have been actively providing incentives to entice Indian filmmakers to produce their movies within their respective countries. It is imperative for the Indian government to formulate a strategic response to effectively address this phenomenon. These findings highlight the need for a deeper exploration of the intricate power dynamics and economic incentives at play in the global film industry.
Zia et al. (2023)	Avoiding crisis-driven business failure through digital dynamic capabilities. B2B distribution firms during the COVID-19 and beyond	Utilizes data collected through interviews with a selection of B2B distribution firms. Use a naturalistic inquiry approach to analyze the data	Utilization of digital Distribution Centers (DCs) involves a multifaceted approach, encompassing three vital elements: Digital sensing, Digital seizing, Digital transformation.	Contributes to expanding the framework of digital Distribution Centers (DCs) for constructing digital business models. Delves into its applicability and relevance within the context of crisis situations, specifically within the realm of B2B distribution firms. Sheds light on how the DCs framework can be effectively employed to navigate and thrive in challenging circumstances, offering valuable insights for these businesses.
Li et al. (2023)	Benefit from market knowledge: Failure analysis	Uses a three-wave time-lagged questionnaire survey in study 1 with a qualitative interview in	The study discovers that the technology environment diminishes the positive role of failure analysis capability on venture goal progress. Furthermore, the	The research offers knowledge of how entrepreneurial enterprises can effectively respond to and learn from setbacks by advancing



	capability and venture goal progress in a turbulent environment	study 2 on high-tech entrepreneurial ventures in China	depth of new ventures' market knowledge lessens the moderating effect of technological turbulence in the main relationship. Overall, the study emphasizes the importance of failure during entrepreneurship.	failure analysis practice to a venture-wide failure analysis capability. By establishing links between venture-wide competences and entrepreneurial outcomes, the study contributed to the literature on entrepreneurship. The study of technological turbulence's negative moderating influence on the positive failure analysis capability-venture goal progress association highlights how crucial it is to take the broader environmental context into account when studying failure analysis capability function in entrepreneurial ventures. Additionally, the research emphasizes how important market information is in assisting businesses in mitigating the attenuating effect of technological turbulence in the positive failure analysis capability-venture goal progress link, highlighting the importance of market knowledge in navigating challenging technological contexts.
Alo et al. (2023)	Impression management and leadership in failing or failed business-to-business firms during	Based on interviews of 20 B2B firms – 14 participants from Nigeria and 6 from Ghana	The results of the study also show that, in spite of the difficulties, B2B companies in emerging economies have opportunities because of the COVID-19 epidemic. It has been discovered that employee management and flexible working are crucial for preventing	The study makes three contributions. First, the study found a connection between the Covid19 epidemic and an increase in B2B company failures in emerging markets. Second, especially in the African setting,

	and post-COVID-19: Empirical insights from Africa		business failure. The results demonstrate that a number of examples B2B companies swiftly embraced digital technology to manage online company operations and connect with partners, even in the absence of institutional support in African emerging markets.	the paper explicitly highlights the importance of impression management and leadership in reducing business failures. Lastly, the study is among the first to draw attention to the difficulties and opportunities that the pandemic has presented for the remaining African B2B companies.
Akter et al. (2023)	How does quality-dominant logic ensure marketing analytics success and tackle business failure in industrial markets?	Employed market research firm to collect survey data from managers actively involved in analytics activities in B2B firms	The study examines the causes of marketing analytics success and its impact on strategic company value and profitability. The study finds that data, model, deployment quality are the determinant of the firm's marketing analytics success.	The study illuminates the potential links between marketing analytics success and failure.
Rawal et al. (2023)	Phoenix rising: Rebounding to venture again post firm-failure	Study is based on interviews of 20 formerly bankrupted entrepreneurs from B2B ventures and a combination of B2B and B2C companies	The study examines how once bankrupt B2B entrepreneurs restart a firm successfully. The study finds that antifragility as an entrepreneurial competency is formed by a failed business owner's coping. Antifragility facilitates long-term learning behaviors and the ability to bounce back to venture again.	This study offers four contributions. Firstly, it creates a process model that illustrates the conceptual connections between the emotional functioning, long-term learning, and coping strategies of a bankrupt firm owner. Secondly, the study shows how the reflective and emotional coping strategies of B2B entrepreneurs result in a search for a failure's attribution and, crucially, in the development of antifragility as an "entrepreneurial competency" that is used for

				learning. Thirdly, the study proposes that the reflective learning of the previously bankrupt firm owners results in a future sensemaking process that allows them to use their antifragility ability. Fourthly, the study demonstrates how long-term learning occurs for unsuccessful businesses by revealing that they develop strategic foresight.
Xiao et al. (2023)	The double-edged sword of open innovation to business failure in the post-pandemic era: The moderating roles of industrial embeddedness and absorptive capacity	The study focuses on B2B firms that experienced COVID-19 in the context of South Korea. The study used a dataset of 344 B2B firms.	The study finds a U-shaped relationship for the relation between external knowledge and business failure. The U-shaped relationship is negatively moderated by firm industrial embeddedness and absorptive capacity. The depth and breadth of openness promote access to external knowledge sources.	The study contributed to the literature on open innovation by theorizing both the breadth and depth of external knowledge search.
Crick et al. (2023)	Staying Alive: Coopetition and Competitor Oriented Behaviour from a Pre- to Post COVID-19 Pandemic Era	The interviews (as well as secondary data) were conducted with the owners of forty Canadian restaurants	The study finds that coopetition and competitor-oriented practices promote the development of psychological contracts. Consequently, understanding who to participate in cooperative activities with and how much to contribute helped owners avoid failure, keep family jobs, and support other nearby firms. Furthermore, strategic flexibility facilitates owners to pivot	The study provides a contribution to theory and practice by emphasizing how competitor-oriented and coopetition practices evolved in response to COVID-19's changing settings. In order to satisfy shifting goals, owners quickly converted some "operational" capabilities into higher-level ones (i.e., dynamic).

			aspects of their business models, develop foresights and resilience.	
Nyuur et al. (2023)	Owner-managers failure experience and business model innovations in B2B firms: The roles of coepetition, persistence, and financial resource slack	The study utilizes a sample of 182 B2B SMEs in Ghana	Managerial persistence acts as a moderator between failure experience and coepetition. Financial resource slack moderates business failure experience and business model innovation.	The study contributes to the existing literature by identifying business failure experience as an important driver of B2B SMEs coepetition which drives business model innovation. Furthermore, the study contributes by showing an important moderating role of financial resource slack.
Gupta et al. (2024)	Dynamic capabilities that matter for business failure versus survival	The study utilizes 16 in-depth semi-structured interviews with owners/executives of firms	The authors observed three causal configurations for the business failure phenomenon and two causal configurations for the business survival phenomenon.	The study provides insights into navigating crises and consequential effects and types of failure.

## **4 Discussion and Conclusion**

This editorial aimed to examine business failure in the post-pandemic era in the context of B2B firms. The 12 articles presented in the special issue delves into the core themes in failure research, such as crisis-driven business failure, impression management, rebounding, market competition, digital capabilities, governance, coopetition, and marketing analytics, which are also pressing issues confronting public policy and practice. In addition, the papers also draw upon insights from diverse theoretical perspectives, such as the resource-based view, dynamic capabilities, organizational learning, knowledge-based view, stakeholders, and institutional theory, along with diverse methodological (qualitative and quantitative) approaches, and different settings such as emerging and developed markets. Despite the important insights offered by the 12 articles; however, there are still important areas for future research on business failure in general, and specifically B2B failure, which we highlight below.

### **Future Research Agenda of Business Failure in B2B firms**

#### **Dynamic process of Business Failure across different Institutional Settings**

Business failure is not a one-time event as it involves a dynamic process unfolding overtime. There can be several factors ranging from external to internal ones with significant financial, social, and psychological costs of business failure (cf. Cope, 2011; Singh et al. 2007). Thus, it would be interesting for future studies to investigate the evolutionary dynamic process of business failure as well as the associated costs of failure. In this context, future studies could adopt the life-cycle perspectives along with longitudinal research design, which could track the business failure overtime (pre-crisis, during crisis, and post-crisis). Such studies could examine the dynamic and evolutionary dynamic process of business failure/survival across different institutional settings. As we have witnessed some firms had a high survival rate compared to others during the COVID-19. For instance, Irish firms had the lowest level of business failure compared to EU firms during the peak of the pandemic (Irish Independent, 2023), thus future studies could examine the dynamic process of business failure/survival by taking the unique

institutional settings into account. As emerging markets are becoming a key pillar of the global economy (see Cavusgil, Ghauri & Liu, 2021), there is an opportunity for future research on the evolution of B2B firms and failure in such markets. Indeed, key markets such as those in sub-Saharan Africa offer a useful starting point to further enhance scholarly insights on the subject.

### **Interorganizational Ties and Business failure**

In the B2B context, interorganizational ties play a vital role in creating and capturing value (Marcos-Cuevas et al., 2016; Kim and Choi, 2018), but at the same time such ties could also potentially cause a rupture in business relationships due to power and dependence asymmetry (cf. Kim and Choi, 2018), which could lead to product/service failure. There is an important opportunity for future studies to examine the role of interorganizational ties in exacerbating business failure and survival at the same time across different institutional settings. Such studies could conduct process based and social network-oriented studies and could examine the effects of inter-organizational ties in making organizations vulnerable to failure due to the demise of major B2B firms within an ecosystem.

### **Capabilities and routines and Business failure in B2B firms**

Most of the papers presented in the special issue highlight the importance of capabilities in shaping firms' survival and effectively dealing with external crises. Yet, capabilities and established routines could also create competency traps for firms (cf. Atuahene-Gima, 2005; Gilbert, 2005), thus future studies could pay more attention to capabilities and routines that lead to B2B firms' failure as most of the studies portray a positive role of capabilities in firms' performance. Moreover, B2B firms' failure often demonstrates adherence to inferior products and service standards or failure to update resources and expertise in a timely manner. Therefore, another fruitful area for future research is illuminating the more intricate faulty processes, capabilities, and routines that lead to B2B business failure (Zhang et al., 2019). There is also a scope for future studies to explore the role of capabilities and routines exacerbating business failure by comparing B2B and B2C firms.

## **Industrial Sector characteristics and B2B Firms' Failure/Survival**

Industrial sector characteristics can play a vital role in the way firms share knowledge and create value, and this can also lead to higher rates of failure/survival of B2B firms (Rosenzweig et al., 2011). Thus, there is further scope to examine the industrial sector characteristics across different institutional settings and examine the failure/survival of different types of firms. In recent years, we have witnessed a rise of firms that are part of networks and ecosystems, both vertically and horizontally integrated across different sectors, and there is limited research in the business failure contexts which have examined stable vs. dynamic matrix networks and ecosystems of B2B firms' failure (Aarikka-Stenroos & Ritala, 2017; Miles & Snow, 1992; Möller et al., 2020; Tunisini & Marchiori, 2020). Therefore, future studies need to pay more attention to the failure of upstream and downstream value chains of firms that are part of the ecosystems and dynamic networks. Such studies could conduct in-depth multiple case studies and examine different external shocks such as the impact of prior financial crisis, COVID-19 pandemic, trade wars, and rising geopolitical risks on B2B firms' failure/survival across different industrial sectors. Such studies could draw upon insights from the organizational ecology (cf. Freeman et al., 1983), and examine the failure/survival of B2B firms from different industrial sectors. Business failure can be due to voluntary and forced reasons and it would be important for future studies to examine the same variables/factors in each industrial networks by grouping firms that have survived vs those that failed (cf. Zhang & Tveterås, 2022), as this can provide important insights on the characteristics and internal and external dynamics affecting industrial network firms similarly or differently to draw clear policy and managerial guidelines.

## **Emerging Technologies and Industrial network firms' failure/survival**

Lastly, there is significant potential in examining the role of emerging technologies such as artificial intelligence, blockchain, 3D printing, big data analytics, and the Internet of Things in mitigating or exacerbating industrial network firms' failure. As some articles that were accepted for this special issue pointed out the success of firms that have utilized digital dynamic capabilities and marketing analytics in coping with external shocks (e.g., Akter

et al. 2023; Zia et al., 2023). Thus, future studies could pay more attention to the role of emerging technologies' oriented capabilities (Lioukas et al., 2016; Pagani & Pardo, 2017; Ritter & Pedersen, 2020), centralized IT decision-making in ecosystems (Li et al., 2023; Liu et al., 2020), and collaboration technologies such as blockchain (cf. Paschen et al., 2020; Lumineau et al., 2021; Rejeb et al., 2021; Maruping & Magni, 2015; Wang et al., 2020) on business failure or survival/success in B2B and B2C contexts. The dark side impact of these technologies on businesses is also underexplored, therefore, future studies should examine both the positive and negative impact of emerging technologies on B2B firms operating across developed and developing markets.

## **Conclusion**

Business failure and the factors that contribute to business failure have been studied by entrepreneurship and management scholars. There has been limited interdisciplinary studies conducted particularly in the industrial networks' context keeping in view the impact of prolonged external shocks. This issue offers important insights on this topic and highlights important areas for future scholarly work on business failure not only in B2B firms but in the wider industrial networks and ecosystems context. We hope that the 12 articles presented in the special issue and the editorial will inspire the industrial marketing community to continue examining both voluntary and non-voluntary (forced) business failure related issues in industrial networks to develop a full-fledged discipline specific theory of business failure in industrial marketing.

## **Acknowledgements**

We would like to express our gratitude to the reviewers for helping us in shaping these valuable contributions. We are also very grateful to the IMM Co-Editors-in-Chief, Prof. Adam Lindgreen and Prof. Anthony Di Benedetto, for their unwavering support and guidance throughout this process and the opportunity to guest-edit to bring these issues to the forefront of scholarly discourse.



## References

- Aarikka-Stenroos, L., & Ritala, P. (2017). Network management in the era of ecosystems: Systematic review and management framework. *Industrial Marketing Management*, 67, pp.23-36.
- Akter, S., Hossain, M.A., Tarba, S.Y., & Leonidou, E. (2023). How does quality-dominant logic ensure marketing analytics success and tackle business failure in industrial markets?. *Industrial Marketing Management*, 109, pp.44-57.
- Alo, O., Ali, I., Zahoor, N., Arslan, A., & Golgeci, I. (2023). Impression management and leadership in failing or failed business-to-business firms during and post-COVID-19: Empirical insights from Africa. *Industrial Marketing Management*, 113, pp.1-13.
- Amankwah-Amoah, J. (2016). An integrative process model of organisational failure. *Journal of Business Research*, 69(9), 3388-3397.
- Amankwah-Amoah, J., & Wang, X. (2019). Business failures around the world: Emerging trends and new research agenda. *Journal of Business Research*, 98 (May 2019), pp. 367-369.
- Amankwah-Amoah, J., Debrah, Y. A., & Acquah, M. (2023). Business failures in institutionally weak environments: An examination of Virgin Atlantic's failed adventure in sub-saharan Africa. *International Business Review*, 102146.
- Amankwah-Amoah, J., Khan, Z., & Wood, G. (2021). COVID-19 and business failures: The paradoxes of experience, scale, and scope for theory and practice. *European Management Journal*, 39(2), pp. 179-184.
- Atuahene-Gima, K. (2005). Resolving the capability–rigidity paradox in new product innovation. *Journal of Marketing*, 69(4), pp.61-83.
- Basu, S., Malik, A., Munjal, S., & Venkataramanan, S.V. (2023). Investigating governance of tolerable and intolerable dark sides in B2B dyads in post pandemic emerging markets. *Industrial Marketing Management*, 115, pp.11-26.
- Cavusgil, S.T., Ghauri, P., & Liu, L.A. 2021. *Doing Business in Emerging Markets*. Third edition. London: Sage Publications.
- Choi, T. M. (2021). Risk analysis in logistics systems: A research agenda during and after the COVID-19 pandemic. *Transportation Research Part E: Logistics and Transportation Review*, 145, 102190.
- Chowdhury, P., Paul, S. K., Kaiser, S., & Moktadir, M. A. (2021). COVID-19 pandemic related supply chain studies: A systematic review. *Transportation Research Part E: Logistics and Transportation Review*, 148, 102271.
- Cope J. (2011). Entrepreneurial learning from failure: An interpretative phenomenological analysis. *Journal of Business Venturing*, 26, pp. 604-623.
- Cortez, R.M. & Johnston, W.J. (2020). The Coronavirus crisis in B2B settings: Crisis uniqueness and managerial implications based on social exchange theory, *Industrial Marketing Management*, 88(July 2020), pp. 125-135.

- Crick, J.M., Crick, D., & Chaudhry, S. (2023). Staying alive: Coopetition and competitor oriented behaviour from a pre-to post COVID-19 pandemic era. *Industrial Marketing Management*, 113, pp.58-73.
- D'Attoma, I., & Leva, M. (2020). Determinants of technological success and failure: Does marketing innovation matter? *Industrial Marketing Management*, 91(November 2020), pp. 64-81.
- Dada, O., & Onyas, W.I. (2021). Negotiating agency in mitigating franchisee failure: A critical discourse analysis. *Industrial Marketing Management*, 98(October 2021), pp. 1-16.
- Du, Y. & Kim, P.H. (2021). One size does not fit all: Strategy configurations, complex environments, and venture performance in emerging economies, *Journal of Business Research*, 124(January 2021), pp. 272-285.
- Freeman, J., Carroll, G.R., & Hannan, M.T. (1983). The liability of newness: Age dependence in organizational death rates. *American Sociological Review*, 48(5), pp.692-710.
- Gilbert, C.G. (2005). Unbundling the structure of inertia: Resource versus routine rigidity. *Academy of Management Journal*, 48(5), pp.741-763.
- Gupta, N., Sardana, D., & Lee, R. (2024). Dynamic capabilities that matter for business failure versus survival. *Industrial Marketing Management*, 116, pp.40-50.
- Habersang, S., Küberling-Jost, J., Reihlen, M., & Seckler, C. (2019). A process perspective on organizational failure: a qualitative meta-analysis. *Journal of Management Studies*, 56(1), pp. 19-56.
- Hager, M.A., Galaskiewicz, J. & Larson, J.A. (2004). Structural embeddedness and the liability of newness among nonprofit organizations, *Public Management Review*, 6 (2), pp. 159-188.
- Hambrick, D. C., & D'Aveni, R. A. (1988). Large corporate failures as downward spirals. *Administrative science quarterly*, 1-23.
- Hambrick, D. C., & D'Aveni, R. A. (1992). Top team deterioration as part of the downward spiral of large corporate bankruptcies. *Management Science*, 38(10), 1445-1466.
- Harris, J (2020). How Amazon became a pandemic giant – and why that could be a threat to us all. Retrieved 10.5.2021, from: <https://www.theguardian.com/technology/2020/nov/18/how-amazon-became-a-pandemic-giant-and-why-that-could-be-a-threat-to-us-all>.
- Irish Independent (2023). Ireland has highest pandemic survival rate for firms in the EU. Available at: <https://www.independent.ie/business/small-business/ireland-has-highest-pandemic-survival-rate-for-firms-in-the-eu/a1257051905.html> accessed on 11/11/2023.
- Kim, Y. and Choi, T.Y., 2018. Tie strength and value creation in the buyer-supplier context: A U-shaped relation moderated by dependence asymmetry. *Journal of Management*, 44(3), pp.1029-1064.
- Lan, H., & Sheng, J. (2023). In anticipation of a downturn: The role of impression management in buffering against failure. *Industrial Marketing Management*, 115, pp.355-367.

- Li, L., Lin, H., Lyu, Y., & Cheng, L. (2023). Invulnerability in innovation networks: the importance of technology cluster coupling and network centralization. *Technology Analysis & Strategic Management*, 35(4), pp.451-463.
- Li, X., Shui, X., Zhang, M., Wang, X., & Wang, C. (2023). Benefit from market knowledge: Failure analysis capability and venture goal progress in a turbulent environment. *Industrial Marketing Management*, 113, pp.30-41.
- Lioukas, C.S., Reuer, J.J., & Zollo, M. (2016). Effects of information technology capabilities on strategic alliances: Implications for the resource-based view. *Journal of Management Studies*, 53(2), pp.161-183.
- Liu, C.W., Huang, P., & Lucas Jr, H.C. (2020). Centralized IT decision making and cybersecurity breaches: Evidence from US higher education institutions. *Journal of Management Information Systems*, 37(3), pp.758-787.
- Lozada, C. (2020). The great acceleration. Retrieved 10.5.2021, from <https://www.washingtonpost.com/outlook/2020/12/18/coronavirus-great-acceleration-changes-society/>.
- Lumineau, F., Wang, W., & Schilke, O. (2021). Blockchain governance—A new way of organizing collaborations?. *Organization Science*, 32(2), pp.500-521.
- Marcos-Cuevas, J., Nätti, S., Palo, T., & Baumann, J. (2016). Value co-creation practices and capabilities: Sustained purposeful engagement across B2B systems. *Industrial marketing management*, 56, pp.97-107.
- Marks, M. L., & Vansteenkiste, R. (2008). Preparing for organizational death: Proactive HR engagement in an organizational transition. *Human Resource Management*, 47 (4), pp. 809-827.
- Maruping, L.M., & Magni, M. (2015). Motivating employees to explore collaboration technology in team contexts. *MIS Quarterly*, 39(1), pp.1-16.
- McKinley, W., Latham, S., & Braun, M. (2014). Organizational decline and innovation: Turnarounds and downward spirals. *Academy of management review*, 39(1), 88-110.
- Mellahi, K., & Wilkinson, A. (2004). Organizational failure: a critique of recent research and a proposed integrative framework. *International Journal of Management Reviews*, 5(1), 21-41.
- Meyer, B. H., Prescott, B. C., & Sheng, X. S. (2023). The impact of supply chain disruptions on business expectations during the pandemic. *Energy Economics*, 126, 106951.
- Miles, R.E., & Snow, C.C. (1992). Causes of failure in network organizations. *California Management Review*, 34(4), pp.53-72.
- Möller, K., Nenonen, S., & Storbacka, K. (2020). Networks, ecosystems, fields, market systems? Making sense of the business environment. *Industrial Marketing Management*, 90, pp.380-399.
- Muñoz-Izquierdo, N., Segovia-Vargas, M. J., & Pascual-Ezama, D. (2019). Explaining the causes of business failure using audit report disclosures. *Journal of Business Research*, 98, pp. 403-414.

- Nyuur, R.B., Donbesuur, F., Owusu-Yirenkyi, D., Ampong, G.O.A., & Tantawy, A.A. (2023). Owner-managers failure experience and business model innovations in B2B firms: The roles of coopetition, managerial persistence, and financial resource slack. *Industrial Marketing Management*, 113, pp.128-137.
- Pagani, M., & Pardo, C. (2017). The impact of digital technology on relationships in a business network. *Industrial Marketing Management*, 67, pp.185-192.
- Peng, M.W. (2003). Institutional transitions and strategic choices. *Academy of Management Review*, 28 (2), pp. 275-296.
- Ramanathan, U., Aluko, O., & Ramanathan, R. (2022). Supply chain resilience and business responses to disruptions of the COVID-19 pandemic. *Benchmarking: An International Journal*, 29(7), 2275-2290.
- Rammal, H.G., Kamineni, R., Pereira, V., Tang, R.W., & Ghauri, P.N. (2023). “Reel” ing it in: The Indian film industry's survival and growth in the post-pandemic era. *Industrial Marketing Management*, 115, pp.300-311.
- Rao-Nicholson, R., Khan, Z., & Marinova, S. (2019). Balancing social and political strategies in emerging markets: Evidence in India, *Business Ethics, The Environment and Responsibility*, 28 (1), pp. 56-70.
- Rawal, A., Sarpong, D., & Singh, S.K. (2023). Phoenix rising: Rebounding to venture again post firm-failure. *Industrial Marketing Management*, 112, pp.71-84.
- Rejeb, A., Keogh, J.G., Simske, S.J., Stafford, T., & Treiblmaier, H. (2021). Potentials of blockchain technologies for supply chain collaboration: a conceptual framework. *The International Journal of Logistics Management*, 32(3), pp.973-994.
- Ritter, T., & Pedersen, C.L. (2020). Digitization capability and the digitalization of business models in business-to-business firms: Past, present, and future. *Industrial Marketing Management*, 86, pp.180-190.
- Rosenzweig, E.D., Laseter, T.M., & Roth, A.V. (2011). Through the service operations strategy looking glass: Influence of industrial sector, ownership, and service offerings on B2B e-marketplace failures. *Journal of Operations Management*, 29(1-2), pp.33-48.
- Sheppard, J. P. (1994). Strategy and bankruptcy: An exploration into organizational death. *Journal of Management*, 20 (4), pp. 795-833.
- Singh S., Corner P., & Pavlovich K. (2007). Coping with entrepreneurial failure. *Journal of Management & Organization*, 13, pp. 331-344.
- Tunisini, A., & Marchiori, M. (2020). Why do network organizations fail?. *Journal of Business & Industrial Marketing*, 35(6), pp.1011-1021.
- Wang, M., Wu, Y., Chen, B., & Evans, M. (2020). Blockchain and supply chain management: a new paradigm for supply chain integration and collaboration. *Operations and Supply Chain Management: An International Journal*, 14(1), pp.111-122.

- Worldometers (2023). Coronavirus Cases. Retrieved 04.11.2023, from: <https://www.worldometers.info/coronavirus/>.
- Xiao, S.S., Roh, T., & Park, B.I. (2023). Double-edged sword of open innovation for business failure in the post-pandemic era: The moderating roles of industrial embeddedness and absorptive capacity. *Industrial Marketing Management*, 115, pp.378-394.
- Zhang, D., & Tveterås, R. (2022). Influence of price variability and financial ratios on business failure in the Atlantic Salmon Industry. *Marine Resource Economics*, 37(2), pp.183-200.
- Zhang, H., Amankwah-Amoah, J., & Beaverstock, J. (2019). Toward a construct of dynamic capabilities malfunction: Insights from failed Chinese entrepreneurs. *Journal of Business Research*, 98, pp. 415-429.
- Zia, N.U., Shamim, S., Zeng, J., Awan, U., Chromjakova, F., Akhtar, P., & Orel, M. (2023). Avoiding crisis-driven business failure through digital dynamic capabilities. B2B distribution firms during the COVID-19 and beyond. *Industrial Marketing Management*, 113, pp.14-29.



## Guest Editors Bios

---

**Joseph Amankwah-Amoah** is a Professor of International Business at Durham University Business School, UK. Joseph was included in Stanford University's prestigious list of the World Top 2% scientists for citation impact for the single year 2023, marking four consecutive years of inclusion (2023, 2022, 2021, 2020). He is also a recipient of multiple research awards across the social science disciplines and has consistently published in many journals of international repute, including the *Journal of International Business Studies*, *British Journal of Management* (4+), *Journal of World Business*, *Industrial and Corporate Change*, *Business History* (2+), *Journal of Product Innovation Management*, *Social Science and Medicine*, *International Business Review* (7+), *Technological Forecasting and Social Change* (17+), *International Journal of Human Resource Management* (2), *Journal of International Management* (3+), *MIT Sloan Management Review*, and *Journal of Business Research* (12+).

**Zaheer Khan** is a Professor in Strategy & International Business at Business School, University of Aberdeen, UK. He is a Fellow of the Academy of Social Sciences. His research focuses on global technology management with a particular focus on knowledge transfer through FDI to emerging markets. His work has appeared in leading journals such as the *Journal of International Business Studies*, *Journal of World Business*, *Global Strategy Journal*, *International Business Review*, *Industrial Marketing Management*, *Long Range Planning*, *Human Relations*, *British Journal of Management*, and *Journal of Corporate Finance*, among others.

**Samuel Adomako** is an Associate Professor of Strategy at the University of Birmingham. His research examines the nexus of Strategy, Entrepreneurship, and Innovation. His research has appeared in leading journals including *British Journal of Management*, *International Small Business Journal*, *International Business Review*, *Business Strategy and the Environment*, *Journal of Business Research*, *Journal of International Management*, and many others. He received his Ph.D. from Warwick Business School, University of Warwick (AACSB, EQUIS and AMBA Accredited) and is a Fellow of the Higher Education Academy, United Kingdom.

**Huda Khan** is Senior Lecturer in Marketing and Associate Director of Africa Asia Centre of Sustainability Research at the University of Aberdeen, UK. Prior to joining University of Aberdeen, Huda has worked on a wide range of industry-led research projects with Ehrenberg-Bass Institute of Marketing Science (EBI) in Australia, a world class market research centre. As a Marketing Scientist with EBI, she has worked on consultancy projects involving well-known multinational corporations such as Unilever and SC Johnsons. These projects (worth > \$100,000) involved research in a number of markets including the United Kingdom, the United States, Norway, Argentina, Brazil, China, Germany and France. Her research focuses on dynamic marketing capabilities of emerging market firms in advanced markets and competition between multinational firms from advanced and emerging markets when they enter into each other's market. Huda's research has appeared in leading journals including *International Business Review* and *Annals of Tourism* journals, among others.



**Citation on deposit:** Amankwah-Amoah, J., Khan, Z., Adomako, S., & Khan, H. (2023). Business failure in post-pandemic era: New challenges for industrial networks, emerging insights and market opportunities. *Industrial Marketing*

Management, <https://doi.org/10.1016/j.indmarman.2023.12.014>

**For final citation and metadata, visit Durham Research Online URL:**

<https://durham-repository.worktribe.com/output/2271706>

**Copyright statement:** This accepted manuscript is licensed under the Creative Commons Attribution 4.0 licence.

<https://creativecommons.org/licenses/by/4.0/>