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Global Business Strategy in India: Market Entry, Competitive Dynamics, and Institutional Adaptation

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ABSTRACT: India has emerged as one of the most strategically significant destinations for global business, presenting multinational enterprises with a unique confluence of high-growth potential, institutional complexity, and socio-cultural heterogeneity. This systematic literature review synthesises extant scholarship on global business strategy in India, examining how multinational corporations navigate market entry modes, competitive dynamics, institutional voids, and sustainability imperatives within one of the world's largest and most diverse economies. Following a structured database search and screening protocol we identify a final sample of 40 peer-reviewed sources, comprising 16 empirical and contextual studies published between 2010 and 2024 that directly examine multinational enterprise (MNE) strategy in India, and 24 foundational works in international business and institutional economics whose original contributions, though several predate 2010, remain the standard reference points for the theoretical frameworks applied throughout, organised into four principal thematic clusters: (1) market entry and ownership configurations, (2) institutional environment and regulatory adaptation, (3) competitive strategy and innovation management, and (4) sustainable and responsible business practices. Our synthesis reveals that successful international business strategy in India depends critically on institutional ambidexterity, localisation of value chains, and strategic partnerships that bridge formal and informal institutional gaps. We highlight a specific gap left open by prior single-theme reviews, the absence of any synthesis that integrates market entry, institutional adaptation, competitive strategy, and sustainability within a single contemporary account of India, and address it directly. The review contributes to international business theory by contextualising established frameworks within the Indian setting and proposes an integrative framework, detailed in Section 6, that explains how market entry, institutional adaptation, innovation strategy, and sustainability function as interdependent dimensions of MNE strategy in emerging markets.

KEYWORDS: Global business strategy; India; market entry; institutional voids; multinational enterprises; emerging markets; competitive dynamics; sustainability

1. Introduction

India occupies a singular position in the global economic landscape. As the world's most populous nation and the fifth-largest economy by gross domestic product, India has attracted sustained and growing attention from MNE seeking to diversify revenue streams, access talent, and capitalise on a consumer market that recent World Bank and national economic assessments rank among the fastest-growing of any major economy [1, 2]. The country's demographic dividend, characterised by a median age of approximately 28 years and a burgeoning middle class, presents unparalleled growth opportunities across consumer goods, financial services, technology, infrastructure, and healthcare sectors [3]. However, India's strategic attractiveness is matched in complexity by the institutional, regulatory, and cultural landscape within which foreign firms must operate. Scholarship on international business has long recognised that emerging markets present distinctive strategic challenges arising from institutional voids, the absence of well-functioning market-supporting institutions that MNE typically rely upon in advanced economies [4, 5]. India exemplifies this duality: a sophisticated technology ecosystem and a highly educated professional class coexist with infrastructure deficits, multi-layered regulatory requirements, and pronounced regional heterogeneity [6].

The academic literature on global business strategy in India has expanded considerably since the liberalisation of the Indian economy in 1991, which progressively dismantled protectionist barriers and invited foreign direct investment (FDI) across strategic sectors [7]. Theoretical frameworks developed primarily in the context of developed economies, including transaction cost theory, the resource-based view, and the eclectic Ownership, Location, and Internalization (OLI) paradigm, have been tested, refined, and, in several instances, challenged by the Indian experience [8,9]. This body of scholarship has yielded important insights regarding the conditions under which equity joint ventures, wholly owned subsidiaries, or hybrid arrangements prove most effective in the Indian context [10].

Despite this scholarly output, the literature remains fragmented. Contributions are dispersed across international business, strategic management, economics, and organisational behaviour journals, and existing reviews of MNE strategy in emerging markets typically address a single theme in isolation for example, entry-mode choice, institutional voids, or corporate social responsibility, without examining how these domains interact within one national context [11]. Critically, no prior review has integrated evidence on market entry, institutional adaptation, competitive strategy, and sustainability into a single, India-specific synthesis, and existing reviews predate the structural shifts of the past decade, including the Make in India initiative, the Production-Linked Incentive (PLI) scheme, the build-out of India's digital public infrastructure, and the post-pandemic acceleration of platform-based competition [12]. This leaves a conceptual gap: scholars and practitioners lack an integrated, contemporary account of how these four strategic domains jointly shape MNE performance in India and how they are likely to interact going forward. The present review addresses this gap directly by offering, to our knowledge, the first cross-thematic synthesis of these four domains specific to the Indian context.

This review responds to that gap through a systematic literature review of 40 peer-reviewed sources, identified through the structured search and screening protocol. Our objectives are threefold. First, we map the intellectual terrain of global business strategy research in India, identifying dominant theoretical perspectives and methodological approaches. Second, we synthesise empirical findings across four thematic clusters that collectively capture the strategic imperatives facing MNE in India: market entry and ownership, institutional adaptation, competitive and innovation strategy, and sustainable business practice. Third, we identify substantive research gaps and propose a forward-looking research agenda, organised into priority areas, that responds to contemporary transformations in India's political economy. By doing so, we aim to provide scholars and practitioners with a coherent, evidence-based foundation for understanding and advancing global business strategy in one of the twenty-first century's most consequential emerging markets.

2. Methodology

2.1. Systematic Literature Review Protocol.

This study adopts a systematic literature review (SLR) protocol to ensure transparency, reproducibility, and methodological rigor in identifying, screening, and synthesising relevant scholarship. The review follows a structured approach to literature selection that minimizes selection bias and ensures alignment with the study's conceptual framework. The literature search was conducted using three major databases, Scopus, Web of Science, and Google Scholar, selected for their comprehensive coverage of international business, strategic management, and India-focused economic and management studies. A combination of keyword strings was used, integrating the term *"India"* with core constructs across four thematic domains, including *market entry, foreign direct investment, joint ventures, institutional voids, competitive strategy, frugal innovation, digital platforms, corporate social responsibility,* and *sustainability*. These keywords were combined using Boolean operators (AND/OR) and limited to English-language publications to ensure consistency in interpretation and analysis.

2.2. Inclusion and Exclusion Criteria.

The study applied clearly defined inclusion and exclusion criteria to ensure the relevance and quality of the selected literature. Studies were included if they: (a) addressed MNE strategy, internationalisation, or institutional dynamics with explicit reference to the Indian context, or represented foundational theoretical contributions directly applied in the analytical framework; (b) were published in peer-reviewed academic journals; and (c) aligned with one or more of the four thematic clusters guiding the review. Studies were excluded if they: (i) mentioned India only incidentally within broader cross-country analyses without India-specific findings; (ii) were not available in English; or (iii) were conference papers, book chapters, or non-peer-reviewed working papers.

2.3. Study Selection and Final Sample.

The screening process yielded a final dataset of 40 peer-reviewed sources. Of these, 16 studies are empirical or context-specific works published between 2010 and 2024 that directly examine MNE strategy, institutional dynamics, and market conditions in India. The remaining 24 sources consist of foundational theoretical works in international business, institutional economics, and strategic management. Several of these foundational studies are also empirically grounded in India, while others represent widely cited theoretical frameworks that remain central to contemporary international business research. These older but influential works were retained intentionally, as replacing them with more recent reiterations would not add analytical depth. Accordingly, the 2010–2024 time window refers specifically to the empirical India-focused literature forming the core synthesis rather than the entire reference base. In addition to the systematic sample, a limited number of supplementary sources were used to support macro-level contextual information. Figure 1 illustrates the study selection process following PRISMA guidelines. The diagram maps the identification, screening, eligibility assessment, and inclusion stages of the systematic review.

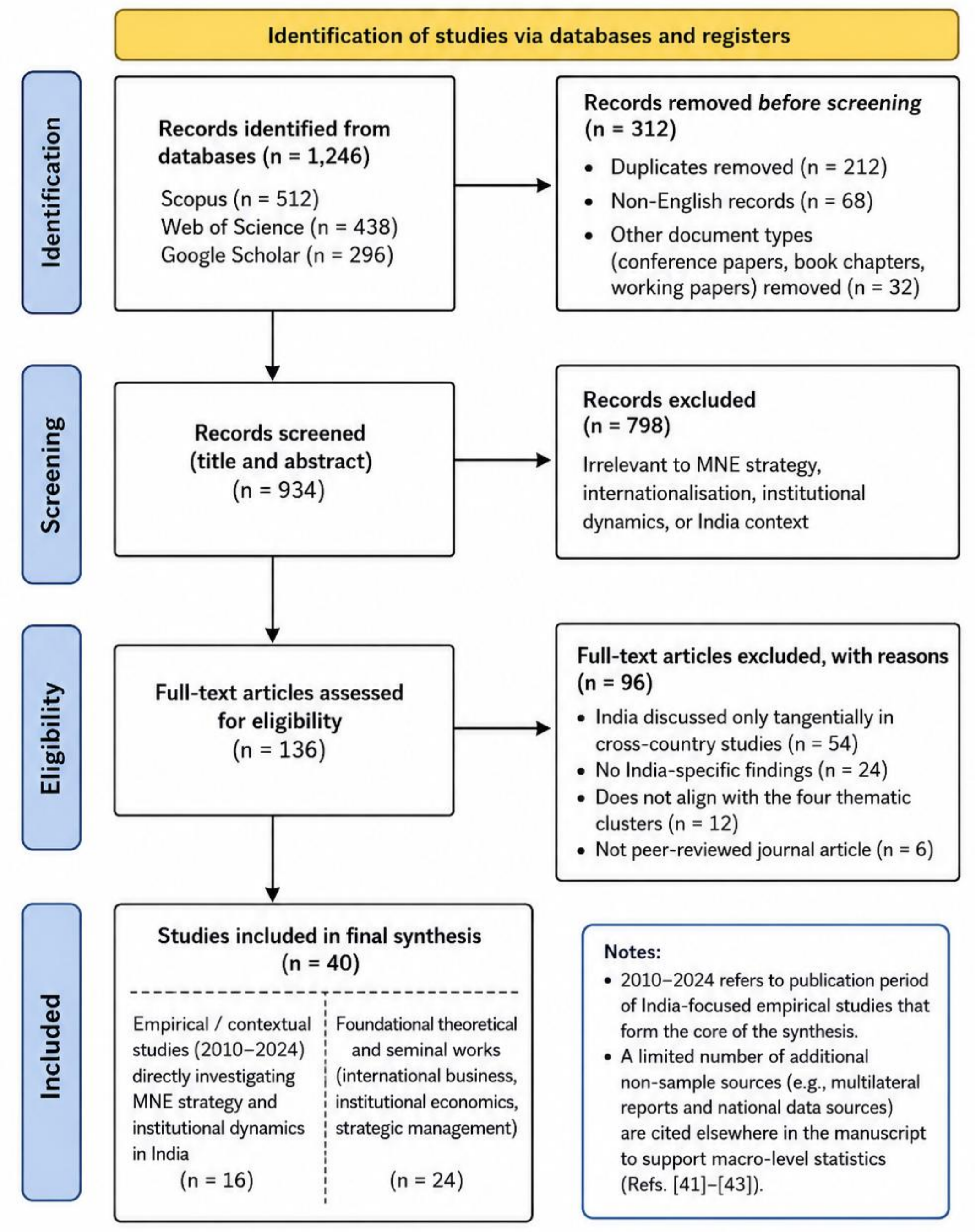

Figure 1. PRISMA Flow Diagram of the Systematic Literature Review Process.

3. Market Entry and Ownership Configurations

The choice of market entry mode represents one of the most consequential strategic decisions confronting MNE considering expansion into India. The academic literature identifies a spectrum of entry vehicles from export-based approaches and licensing arrangements to joint ventures, strategic alliances, and wholly owned subsidiaries, each reflecting a distinctive tradeoff between resource commitment, risk exposure, and control [13]. India's regulatory evolution has progressively expanded the feasible set of entry configurations, yet institutional and cultural factors continue to shape which modes generate superior performance outcomes [14].

3.1. FDI Patterns and FDI Liberalisation.

India’s FDI trajectory has been shaped by successive waves of policy liberalisation, beginning with the 1991 New Economic Policy and continuing through sector-specific reforms in telecommunications, defence, insurance, and retail [7, 15]. Empirical evidence indicates that FDI inflows respond strongly to institutional quality improvements, with reductions in bureaucratic complexity correlating with increased FDI in manufacturing and knowledge-intensive services [16]. Studies employing panel data across Indian states demonstrate that sub-national institutional variation substantially moderates FDI location choices, with states exhibiting stronger rule-of-law environments and infrastructure endowments attracting disproportionate shares of FDI [17]. The determinants of FDI mode choice in India reflect the interaction of transaction-cost considerations, ownership advantages, and host-country institutional attributes as theorised under the OLI paradigm [8].

3.2. Joint Ventures and Strategic Alliances.

Joint ventures have historically served as the preferred entry vehicle for MNE entering India, reflecting both regulatory requirements and the genuine need for local partners who can navigate institutional complexity, supply-chain idiosyncrasies, and customer relationships [10, 18]. Research on Indo-foreign joint ventures highlights the centrality of partner selection, governance structure design, and knowledge-sharing mechanisms as determinants of venture performance [19]. Alliance longevity is moderated by cultural distance, with MNE from culturally proximate countries demonstrating lower rates of premature termination [20]. More recent scholarship has examined how the strategic intent of each partner shapes alliance evolution, with MNE seeking technological dominance more likely to transition from joint ventures to wholly owned subsidiaries as regulatory constraints diminish [18].

3.3. Wholly Owned Subsidiaries and Greenfield Investment.

As India’s FDI regime has progressively extended automatic-route approval to most sectors, wholly owned subsidiaries (WOS) and greenfield investments have grown in strategic salience. Evidence from technology, automotive, and consumer goods sectors demonstrates that MNE with strong proprietary technologies and established brand equity prefer WOS configurations to safeguard intellectual property and maintain operational control [9, 21]. Greenfield investments, while entailing higher setup costs and longer lead times to profitability, generate superior knowledge transfer outcomes and enable greater customisation of products and processes to local market requirements [13]. The choice between greenfield and acquisition routes in India is further conditioned by the availability of suitable acquisition targets, which remains uneven across industries and regions [22]. Table 1 summarises the market entry and ownership configurations adopted by MNE in India, including FDI liberalisation trends, joint ventures and strategic alliances, and WOS/greenfield investment strategies, together with their main characteristics, strategic advantages, and key determinants of success.

Table 1. Summary of market entry and ownership configurations for MNE in India.

Entry Mode / Strategy	Key Characteristics	Strategic Advantages	Key Determinants / Challenges	References
FDI and Liberalisation	Shaped by progressive economic reforms since 1991, including sector-specific liberalisation in telecommunications, defence, insurance, and retail. Increasing use of automatic-route approvals.	Greater market accessibility, increased investment opportunities, and improved business environment for foreign firms.	Institutional quality, bureaucratic efficiency, infrastructure availability, rule of law, and state-level policy differences strongly influence FDI inflows and location decisions.	[7, 8, 15–17]
Joint Ventures (JVs)	Collaborative ownership structure between foreign and local partners. Historically preferred due to regulatory requirements and the need for local market knowledge.	Access to local networks, regulatory expertise, supply chains, and customer relationships. Shared risks and resources.	Partner selection, governance structure, knowledge-sharing effectiveness, and management of cultural differences.	[10,18–20]
Strategic Alliances	Cooperative arrangements without full equity integration, often established for technology exchange, market access, or operational collaboration.	Flexibility, resource sharing, accelerated market entry, and reduced investment commitment.	Alignment of strategic objectives, alliance governance, trust development, and cultural compatibility.	[18–20]
WOS	Full ownership and control by the foreign parent company, increasingly feasible under India's liberalised FDI regime.	Protection of proprietary technology, stronger control over operations, brand management, and strategic decision-making.	Higher resource commitment, exposure to market risks, and need to independently navigate local institutional conditions.	[9, 21]
Greenfield Investments	Establishment of new operations from the ground up, including facilities, infrastructure, and organisational systems.	Enhanced knowledge transfer, operational flexibility, process customisation, and stronger long-term strategic positioning.	High initial capital requirements, longer time to profitability, and implementation complexity.	[13, 21, 22]
Acquisition-Based Entry	Entry through acquisition of existing domestic firms to gain immediate market presence and resources.	Faster market penetration, access to established customer bases, distribution networks, and local capabilities.	Availability of suitable acquisition targets, integration challenges, and industry-specific constraints.	[22]

4. Institutional Environment and Regulatory Adaptation

The institutional environment constitutes the foundational context within which all strategic choices by MNE in India are embedded. Drawing on North's institutional economics and Khanna and Palepu's institutional voids framework, scholars have examined how the formal and informal institutional architecture of India shapes MNE behaviour, performance, and survival [4, 5]. India's institutional landscape is characterised by regulatory heterogeneity across states, a complex federal structure, and evolving enforcement regimes, all of which generate both constraints and opportunities for internationally oriented firms [6, 23].

4.1. Institutional Voids and Bridging Strategies.

Institutional voids in India manifest across product, capital, and labour markets, as well as within judicial, regulatory, and information systems, creating significant challenges for MNE seeking to establish and expand operations [4]. These institutional deficiencies include limited access to reliable market intermediaries, uneven enforcement of contracts, regulatory complexity, and substantial variation in governance quality across states. As a result, firms cannot rely solely on formal market mechanisms and must develop alternative approaches to reduce uncertainty and transaction costs.

The literature identifies two broad strategic responses to institutional voids. The first is internalisation, whereby MNE replicate or internalize market-supporting functions that are absent or underdeveloped in the host environment. Such functions may include supply-chain coordination, employee training, quality assurance, logistics management, and financing mechanisms, allowing firms to maintain operational efficiency despite institutional deficiencies. While this strategy increases managerial control and reduces dependence on external actors, it often requires substantial financial and organizational resources, making it more feasible for larger multinational firms [5, 24].

The second response involves bridging strategies, in which MNE collaborate with local intermediaries and institutional actors to compensate for market imperfections. These strategies include forming alliances with established Indian business groups, engaging local distributors and suppliers, partnering with government agencies, and leveraging community-based networks to facilitate market access and institutional legitimacy. Such collaborative arrangements enable foreign firms to access local knowledge, navigate complex regulatory environments, and build trust with key stakeholders more efficiently than would be possible through wholly independent operations [5, 24].

4.2. Regulatory Reforms and Policy Uncertainty.

India's post-liberalisation regulatory trajectory has combined progressive sectoral opening with periodic episodes of protectionist recalibration, generating policy uncertainty that MNE must actively manage [7, 12]. The introduction of the Goods and Services Tax (GST) in 2017 substantially reduced compliance complexity, though regional implementation asymmetries persist [6]. Studies examining the impact of India's evolving intellectual property regime reveal that stronger IP protection stimulates R&D-intensive FDI, particularly in pharmaceuticals and information technology [21]. The ongoing digitalisation of regulatory processes through platforms such as the Unified Payment Interface (UPI) ecosystem and the National Single Window System has further lowered transaction costs for foreign entrants in recent years [15].

4.3. Sub-national Institutional Variation and State-Level Strategy.

One of the most important yet underappreciated dimensions of business strategy in India is the pronounced sub-national variation in institutional quality, infrastructure endowment, and political economy [17, 25, 26]. Research comparing FDI concentration across Indian states consistently finds that institutional quality, as proxied by ease of doing business rankings, judicial efficiency, and infrastructure density, exerts a strong positive effect on both FDI inflows and firm-level performance [17]. Clusters of manufacturing and services activity in states such as Maharashtra, Karnataka, Tamil Nadu, and Telangana reflect deliberate industrial policy, investor-friendly regulatory environments, and agglomeration externalities that reinforce competitive advantage [26]. These findings imply that MNE should formulate sub-national location strategies rather than treating India as a monolithic market [23]. Table 2 summarized the institutional environment and regulatory adaptation mechanisms influencing MNE operating in India.

Table 2. Institutional environment and regulatory adaptation strategies for MNE in India.

Institutional Dimension	Key Features	Implications for MNE	References
Institutional Voids	Internalisation and partnerships with local business groups to overcome institutional gaps.	Build local alliances to improve market access while managing governance risks.	[4,5, 19, 24, 25]
Regulatory Reforms	Liberalisation, GST, stronger IP protection, and digital government initiatives.	Adapt to evolving regulations while leveraging reforms to improve efficiency.	[6, 7, 12, 15, 21]
State-Level Variation	Institutional quality and business conditions vary across Indian states.	Develop state-specific market entry and expansion strategies.	[17, 23, 26]

5. Competitive Strategy and Innovation Management

The competitive landscape facing MNE in India is shaped by the simultaneous presence of global competitors, powerful domestic conglomerates, and a burgeoning cohort of technology-enabled startups. Competing effectively requires MNE to recalibrate standard strategic approaches to account for India-specific market structure characteristics, consumer behaviour patterns, and innovation ecosystems [27, 28]. The literature identifies three interrelated strategic challenges: (a) price-performance optimisation for value-conscious Indian consumers, (b) local R&D and frugal innovation capabilities, and (c) digital platform competition with indigenous challengers [29].

5.1. Frugal Innovation and Reverse Innovation.

India has emerged as a crucible for frugal innovation, the design and delivery of high-quality products and services at dramatically lower costs through radical resource efficiency [28, 30]. Seminal examples such as the Jaipur Foot prosthetic device, the Tata Nano automobile, and the GE MAC 400 portable electrocardiograph demonstrate how Indian contextual constraints spur breakthrough design solutions that subsequently diffuse to global markets through reverse innovation pathways [30]. MNE have responded by establishing dedicated local R&D centres that are tasked with bottom-of-the-pyramid product development, a strategic approach that generates dual benefits of market penetration and global innovation capability uplift [28]. Scholarship consistently identifies organisational autonomy, local talent empowerment, and top-management commitment as enabling conditions for successful frugal innovation mandates within MNE subsidiaries [27].

5.2. Digital Platform Competition and E-Commerce.

The rapid digitalisation of the Indian economy has fundamentally altered competitive dynamics across retail, financial services, logistics, and healthcare sectors [15, 29]. The emergence of domestic platform champions including Reliance Jio, Flipkart, Zomato, and PhonePe, has forced global platform firms to adopt aggressive localisation and price competition strategies [31]. Research on platform competition in India highlights network effects, digital public infrastructure (notably the India Stack), and government interoperability mandates as factors that collectively shape competitive outcomes in ways that diverge from developed-market platform dynamics [15]. MNE competing in platform-mediated markets must navigate both regulatory scrutiny of market dominance and the competitive pressure exerted by domestically funded rivals with deep local roots [29].

5.3. Talent Strategy and Knowledge Management.

India's large and technically skilled labour force constitutes one of its most potent sources of strategic attractiveness for knowledge-intensive MNE [32, 33]. The country produces approximately 1.5 million engineering graduates annually, creating a talent pool that underpins global R&D, software services, and business process operations [33]. However, competition for top-tier talent between MNE, domestic technology firms, and the expanding startup ecosystem has intensified considerably, raising compensation benchmarks and increasing attrition risks [32]. Research on knowledge management in Indian subsidiaries documents the importance of reverse knowledge transfer the flow of innovations and practices from Indian units to global headquarters, as a source of competitive advantage that compounds over time when MNE invest in subsidiary capability development [27, 34]. Overview of key competitive strategy and innovation management approaches adopted by MNE in India is shown in Table 3.

Table 3. Competitive strategy and innovation management approaches of MNE in India.

Strategic Dimension	Key Features	Implications for MNE	References
Frugal Innovation	Resource-efficient development of affordable, high-quality products and services.	Supports cost leadership, market expansion, and competitive differentiation in value-conscious markets.	[27, 28, 30]
Reverse Innovation	Innovations developed in India are transferred to global markets.	Positions Indian subsidiaries as global innovation hubs and strengthens worldwide competitiveness.	[27, 28, 30]
Digital Platform Competition	Rapid digitalisation intensifies competition across major sectors.	Requires localisation, platform-specific strategies, and adaptation to digital ecosystems.	[15, 29, 31]
Competition with Domestic Digital Champions	Strong local firms benefit from market knowledge, user networks, and regulatory familiarity.	Foreign firms must leverage partnerships, localisation, and continuous innovation to compete effectively.	[29, 31]
Talent Strategy	Large pool of skilled professionals in engineering, IT, and R&D.	Enhances innovation capacity but increases competition for talent and retention challenges.	[32, 33]
Knowledge Management	Indian subsidiaries increasingly generate knowledge for global operations.	Strengthens organisational learning, innovation, and long-term competitive advantage.	[27, 34]

6. Sustainable and Responsible Business Practices

Sustainability has ascended rapidly as a strategic priority for MNE operating in India, driven by the compound pressures of regulatory mandates, investor expectations, consumer advocacy, and the material risks posed by climate change, resource scarcity, and social inequality [35, 36]. India presents a distinctive sustainability context: the country is simultaneously a major emitter of greenhouse gases and a highly climate-vulnerable nation, a host to persistent social inequalities while being governed by progressive constitutional provisions on environmental protection and social welfare [37]. For MNE, navigating this context requires integrating sustainability into core business strategy rather than treating it as a peripheral compliance obligation [35].

6.1. Corporate Social Responsibility and Section 135 Mandate.

India's Companies Act of 2013, through Section 135, introduced a mandatory CSR spending requirement for qualifying firms, making India the first country globally to legislate mandatory corporate social responsibility expenditure [36]. This policy development has generated a substantial body of research examining the effectiveness, legitimacy, and strategic value of mandated CSR in the Indian context [36, 38]. Findings are mixed: while mandated CSR increases aggregate philanthropic spending, questions persist regarding the depth of stakeholder engagement and the extent to which CSR activities are integrated into core business strategy versus treated as a regulatory tax [36]. MNE with established global CSR frameworks tend to outperform domestic firms on outcome-linked CSR metrics, suggesting that global governance standards can serve as a competitive differentiator in the Indian marketplace [35].

6.2. Environmental Strategy and Climate Risk Management.

India's climate commitments under the Paris Agreement including a target of 500 GW of renewable energy capacity by 2030, have created both regulatory pressure and market opportunity for MNE with clean technology portfolios [37, 39]. MNE in energy-intensive manufacturing sectors face increasing carbon reporting requirements and supply chain decarbonisation expectations from global customers and investors [39]. Research on environmental strategy in Indian subsidiaries identifies a liability of foreignness dimension: MNE face heightened public scrutiny of their environmental performance relative to domestic counterparts, necessitating proactive environmental communication strategies [37]. Conversely, MNE with proprietary clean technologies are positioned to leverage India's renewable energy ambition as a strategic opportunity, particularly in solar, wind, green hydrogen, and energy storage sectors [39].

6.3. Social Inclusion, Diversity, and Stakeholder Engagement.

India's profound social stratifications rooted in caste, gender, religion, and regional identity, present MNE with complex stakeholder management challenges that extend well beyond the employment diversity frameworks common in developed markets [38, 40]. Scholarship on social inclusion in Indian business contexts finds that MNE that proactively embed inclusive recruitment, supplier diversity, and community investment programmes into their India strategy achieve stronger local legitimacy and more sustainable licence to operate [38]. Gender diversity in leadership, in particular, has been shown to predict both financial performance and stakeholder trust in the Indian context [40]. Community-based stakeholder engagement approaches, drawing on the participatory traditions of Indian civil society, have proven effective in facilitating social licence for infrastructure, extractive, and large-scale manufacturing projects [37, 38]. Conceptual framework illustrating the key dimensions of sustainable and responsible business practices adopted by MNE in India is shown in Figure 2. Regulatory and societal pressures drive three interconnected strategic pillars, corporate social responsibility, environmental and climate risk management, and social inclusion and stakeholder engagement, which collectively enhance business legitimacy, sustainability performance, and long-term competitive advantage.

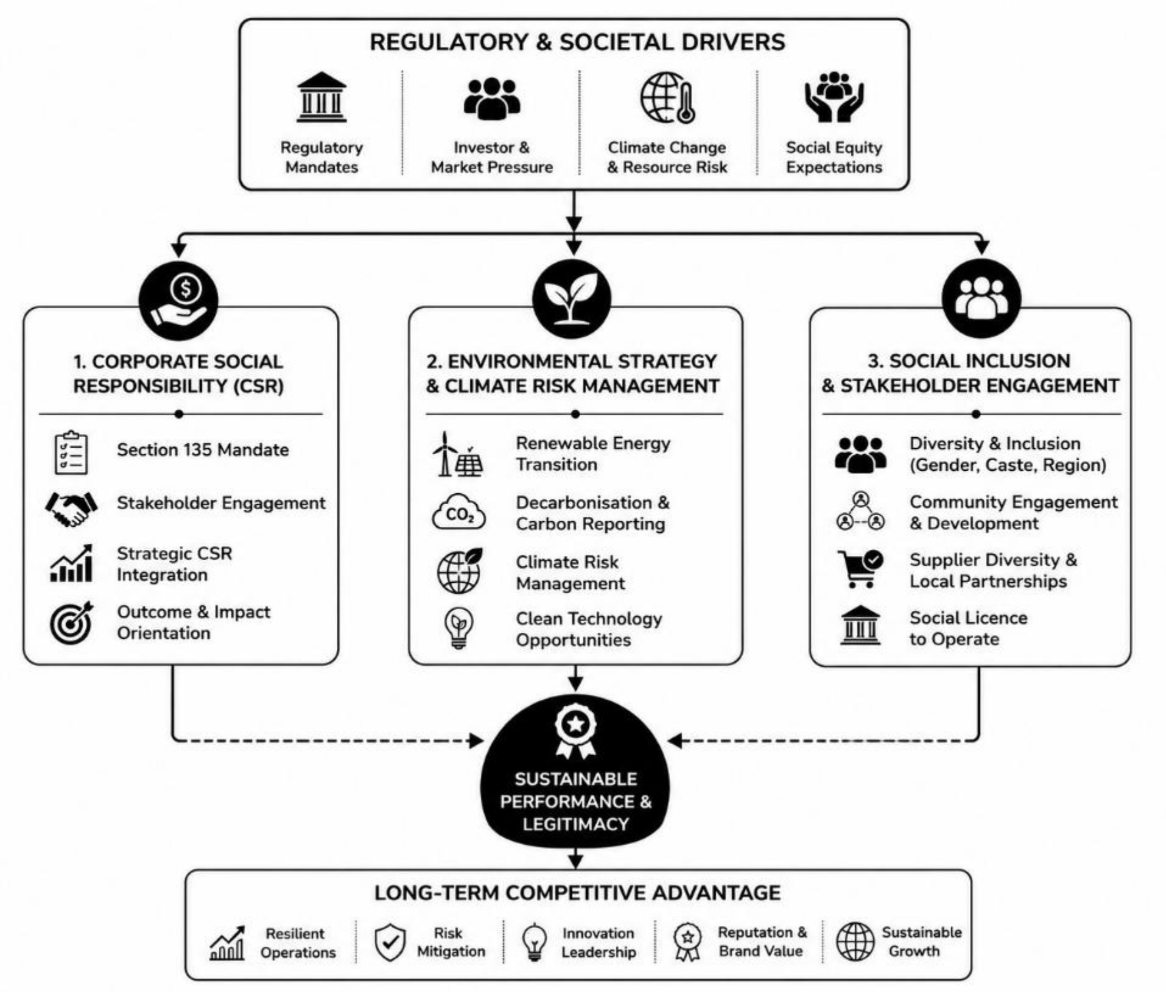

Figure 2. Sustainable and responsible business practices of MNE in India.

7. Discussion and Integrative Framework

Table 4 synthesizes the principal insights emerging from this review of MNE strategies in India. The table integrates findings across the four thematic clusters, market entry, institutional adaptation, competitive strategy, and sustainability, highlighting their strategic implications for MNE, theoretical contributions, and priority directions for future research. Collectively, the evidence demonstrates that successful business strategies in India depend not only on firm-specific capabilities but also on the ability to navigate a dynamic and institutionally complex business environment. he synthesis of evidence across the four thematic clusters converges on a central insight: successful global business strategy in India requires institutional ambidexterity, the simultaneous capability to operate within existing institutional constraints while proactively shaping the institutional environment in directions favourable to firm interests [5, 23]. MNE that treat India's institutional complexity as a fixed constraint to be minimised tend to underperform relative to those that develop dynamic capabilities for institutional navigation and institutional co-evolution [4, 24].

Table 4. Integrative framework and future research directions for MNE strategy in India.

Theme	Key Insights	Strategic Implications for MNE	Future Research	References
Institutional Ambidexterity	Successful MNE simultaneously adapt to existing institutional constraints while actively shaping the institutional environment.	Develop capabilities for institutional navigation, stakeholder engagement, and policy adaptation rather than merely minimizing institutional complexity.	Extends institutional theory by emphasizing co-evolution between firms and institutions in emerging markets.	[4, 5, 23, 24]
Localisation as Competitive Advantage	Deep market understanding, local talent development, and supply-chain indigenisation consistently enhance firm performance.	Localisation should be viewed as a strategic capability rather than an operational adjustment.	Supports the resource-based view by highlighting context-specific capabilities as sources of sustained competitive advantage.	[8, 9, 27, 28]
Market Entry and Institutional Adaptation	Entry-mode decisions are strongly influenced by institutional quality, partner availability, and sub-national variation.	Firms should align entry strategies with local institutional conditions and state-level opportunities.	Suggests that traditional transaction cost explanations require institutional extensions in emerging markets.	[10, 17]
Theoretical Boundary Conditions	Established frameworks such as the OLI paradigm remain relevant but insufficient to fully explain MNE behaviour in India.	Strategic decisions should account for institutional complexity beyond ownership, location, and internalisation advantages.	Calls for emerging-market-specific theoretical frameworks that integrate institutional variables with traditional international business theories.	[5, 8, 16, 20]
Digital Public Infrastructure	Rapid expansion of digital ecosystems, including India Stack, UPI, and Account Aggregator frameworks, is reshaping business models.	MNE can leverage digital infrastructure to improve customer engagement, operational efficiency, and innovation.	Future research should examine the impact of digital public infrastructure on MNE competitiveness and business model innovation.	[15, 31]
Geopolitical and Supply Chain Transformation	India's growing strategic role in global supply-chain diversification and international partnerships is attracting increased investment interest.	MNE should incorporate geopolitical trends into FDI and supply-chain decisions.	Further empirical research is needed on the effects of the "China Plus One" strategy and geopolitical realignments on MNE behaviour.	[12, 39]
Emerging Research Frontiers	Platform competition, sustainability governance, and the internationalisation of Indian-origin multinationals remain underexplored.	Firms operating in India must prepare for increasingly dynamic competitive and sustainability environments.	Represents promising avenues for future international business and strategy research.	[15, 31, 39]

The review further demonstrates that localisation is not merely an operational necessity but a strategic source of competitive advantage. Across market entry, institutional adaptation, competitive strategy, and sustainability, firms that invest in deep market knowledge, local talent development, stakeholder engagement, and supply-chain indigenisation consistently outperform those that attempt to transfer home-country business models without sufficient contextual adaptation [27, 28]. These findings reinforce the resource-based view by showing that context-specific and path-dependent capabilities constitute important sources of sustained competitive advantage in emerging markets [8, 9].

The review also identifies important theoretical boundary conditions. While the eclectic OLI paradigm remains a valuable framework for explaining foreign investment decisions, its explanatory power in India is strengthened when institutional variables are explicitly incorporated [8, 16]. Likewise, transaction cost theory's predictions regarding entry-mode choice are substantially moderated by differences in institutional quality across Indian states and by the availability of suitable local partners, factors that extend beyond the assumptions of the original framework [10, 17]. These findings support continued development of emerging-market-specific theoretical perspectives that integrate institutional complexity with established international business theories [5, 20].

Finally, the review identifies several priority directions for future research. India's rapidly expanding digital public infrastructure including the India Stack, UPI, and the Account Aggregator framework, creates new opportunities for MNE business model innovation that remain largely unexplored in the literature [15, 31]. At the same time, geopolitical developments, particularly the "China Plus One" supply-chain diversification strategy and India's strengthening strategic partnerships with Western economies, are reshaping foreign investment patterns and warrant further empirical investigation [12, 39, 40]. Additional research is also needed on platform competition, sustainability governance, and the internationalisation strategies of Indian-origin multinationals, all of which represent promising avenues for advancing international business scholarship.

8. Conclusions

This review has synthesised 40 peer-reviewed articles to provide a comprehensive account of global business strategy in India, organised around four thematic pillars: market entry and ownership configurations, institutional environment and regulatory adaptation, competitive strategy and innovation management, and sustainable business practices. The evidence demonstrates that India occupies a strategically unique position in the global economy, simultaneously a high-growth opportunity and an institutionally complex challenge for multinational enterprises. Our principal contributions are threefold. First, we provide an integrative synthesis of a fragmented literature, identifying cross-cutting themes and theoretical patterns that transcend individual studies. Second, we contextualise established international business theories within the Indian setting, identifying both their explanatory power and their boundary conditions. Third, we delineate a forward-looking research agenda that responds to contemporary transformations in India's political economy, including digital infrastructure development, sustainability regulation, and geopolitical repositioning. For practitioners, the review offers clear strategic guidance: MNE seeking to compete effectively in India must invest in institutional ambidexterity, deep localisation capabilities, and sustainability integration. Entry mode decisions should be calibrated to sectoral IP risks, partner landscape dynamics, and sub-national institutional quality rather than derived mechanically from standard strategic templates. As India's economic trajectory continues to accelerate, the strategic imperative for MNE to develop robust, evidence-based India strategies will only intensify.

Author Contributions

All authors contributed equally to the study and approved the final manuscript.

Competing Interests

The authors declare no competing interests. The research was conducted in the absence of any commercial or financial relationships that could be construed as a potential conflict of interest.

Data Availability Statement

This article is a narrative and systematic review of previously published literature. No new primary data were generated or analysed in this study.

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