Abstract

For those Western multinational enterprises (MNEs) such as HP and IBM under the pressure of ongoing E-Business transformation, strategic alliances can be a very useful way. In this paper, we compare two MNE subsidiaries (HP and IBM) in Taiwan to analyze their e-service alliance strategies and the similarities and differences. We find that Taiwanese firms are interested in forming strategic alliances with MNEs, and they have particular interest in forming horizontal alliances aimed at accessing new markets and exchanging resources, sharing risk, achieving economies of scale. We find the size of Taiwanese firm which alliance with MNE’s
subsidiary is approximately large firms, and the large domestic firm will likely undertake the
non-equity type alliance. We argued that alliance can be classified into three distinct types for
MNE subsidiaries in a developing country: TYPE A: Market Seeking, TYPE B: FSA
Enhancement and TYPE C: Substitute.

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Index Terms

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Key words

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