

# Exploring the impact of legitimacy on the competitiveness of international firms

Ana Plaza-Casado

*Rey Juan Carlos University, Spain*

*ana.plaza@urjc.es*

<https://orcid.org/0009-0008-5455-825X>

Alicia Blanco-González

*Rey Juan Carlos University, Spain*

*alicia.blanco@urjc.es*

<https://orcid.org/0000-0002-8509-7993>

Lourdes Rivero-Gutiérrez

*Rey Juan Carlos University, Spain*

*lourdes.rivero@urjc.es*

<https://orcid.org/0000-0001-9562-8885>

Received: 28-02-2024; Accepted: 30-05-2024; Published: 23-08-2024

## Abstract

**Objective and interest of the work:** The legitimacy of international firms is an important and complex issue that requires further academic development. International firms must enhance their legitimacy as a generator of competitive advantages to achieve their business objectives, both economic-financial and relational. However, there is a gap in the literature on the relationship between relationship marketing and legitimacy that needs to be filled.

**Methodology design:** Through an empirical study of Shein's buyers, the model is validated using the PLS-SEM methodology.

**Results:** The implications of this research represent a breakthrough in the academic field by relating both theories applied to the internationalisation of companies. In addition, this research proposes implications for management by establishing strategies for international firms to achieve legitimacy, not only to enter international markets but also to create stable and long-lasting relationships with consumers.

---

Email: [ana.plaza@urjc.es](mailto:ana.plaza@urjc.es)

ISSN 0212-1867 / e-ISSN 1989-3574

CC-BY

ESIC University

<https://revistasinvestigacion.esic.edu/esicmarket>

## How to cite:

Plaza-Casado, A.; Blanco-González, A. & Rivero-Gutiérrez, L. (2024). Exploring the impact of legitimacy on the competitiveness of international firms. *ESIC Market. Economics and Business Journal*, 55(3), e369.

DOI: 10.7200/esicm.55.369

**Practical implications:** This research advances the theory of legitimacy for international firms. International companies must legitimise themselves and build customer loyalty in their host countries if they are to survive and generate economic benefits.

**keywords:** legitimacy; competitiveness; satisfaction; international firms; PLS-SEM methodology

**JEL Codes:** M31; M16; M30

## 1. Introduction

Legitimacy refers to whether a firm operates following social values (Deephouse et al., 2017; Díez-Martín et al., 2021a). Academic literature has demonstrated that legitimacy generates competitive advantages in certain business contexts (Rivero-Gutiérrez et al., 2023), such as increased reputation and trust (Miotto et al., 2020), attraction of human talent (Chaney & Martin, 2017; Del-Castillo-Feito et al., 2022a), access to resources or increased positive perceptions towards sustainable and innovative companies (Del-Castillo-Feito et al., 2021). In this regard, Zhang et al. (2022) find that gaining legitimacy entails recognising the importance of the social system and therefore may vary from country to country. Rivero-Gutiérrez et al. (2023) suggest that firms must adapt to international institutional contexts if they want to be legitimised.

Legitimacy alone does not automatically guarantee competitive advantages (Chen et al., 2021). It must be accompanied by a sound business strategy and the implementation of marketing policies aimed at increasing stakeholder engagement with the company (Del-Castillo-Feito et al., 2022a). In the internationalisation field, legitimacy is considered a dynamic capability that firms need to manage to succeed in their internationalisation (Jiang et al., 2022; Rivero-Gutiérrez et al., 2023). Furthermore, firms legitimised in international markets are more likely to succeed and generate competitive advantages that boost differentiation vis-à-vis their competitors (Tauscher et al., 2021).

The legitimacy of international firms (IFs) is an important and complex issue that requires further academic development (e.g. Jiang et al., 2022; Marschlich & Ingenhoff, 2022). The legitimacy of IFs refers to whether the actions of these firms are socially accepted in the countries in which they operate (Rivero-Gutiérrez et al., 2023). When IFs enter new markets, they must adapt to host country norms, regulations and practices (cultural aspects, local regulations, etc.) and can be judged in terms of legitimacy (Park, 2018; Popli et al., 2021). In addition, sustainability standards may also differ from country to country, for instance, and IFs must adapt to the requirements of the host country if they are to gain the trust of stakeholders (Del-Castillo-Feito et al., 2021; Park, 2018).

IFs must enhance their legitimacy as generators of competitive advantages to achieve their business objective (Munjal et al., 2022), among which are

economic-financial and relational objectives. In other words, if IFs are legitimate and competitive, they will generate better results concerning variables such as satisfaction and loyalty (Blanco-González et al., 2023; Hermes & Mainela, 2022). However, there is a gap in the literature on the relationship between relationship marketing and legitimacy theory that needs to be filled. Therefore, this research claims that legitimacy should be considered as one more variable in the development of relationship marketing strategies.

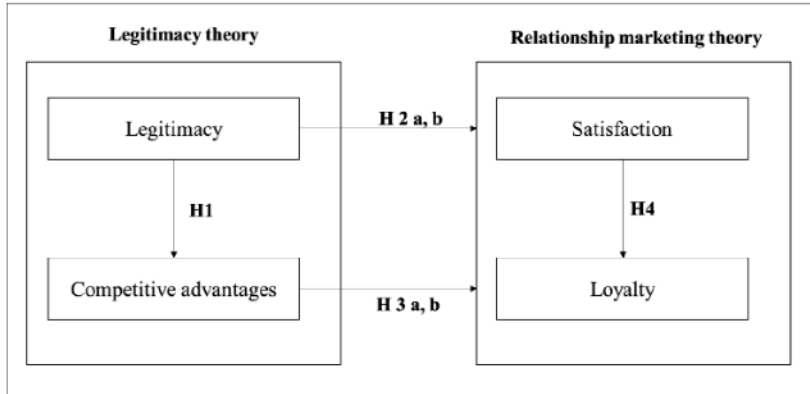
Legitimacy and relationship marketing are connected in the sense that both focus on establishing and maintaining strong and positive relationships with stakeholders (Gordo-Molina & Díez-Martín, 2021). Legitimacy seeks to build trust (Bitektine & Haack, 2014), and relationship marketing is based on mutual trust (Gundlach & Murphy, 1993). Both concepts emphasise the importance of transparency, dialogue with stakeholders to learn about their concerns and needs, the generation of shared value and the formation of long-term relationships (Gundlach & Murphy, 1993). It is therefore necessary to demonstrate how the legitimacy of IFs generates consumer satisfaction, which in turn leads to reinforced loyalty.

Furthermore, this research focuses on IFs because of the need to fill a gap not only in terms of the legitimacy of these types of enterprises but also in how they should adapt relationship marketing policies in host countries (Chabowski & Samiee, 2023). In fact, relationship marketing has shown how its correct implementation generates an increase in the sales of companies (Sharma, 2008). For this reason, in this research, we focus on one stakeholder: consumers.

Therefore, the objectives of this research are: 1) to study in depth the relationship between legitimacy and relationship marketing; 2) to quantify the impact of legitimacy on the competitiveness of IFs; and 3) to confirm the impact of legitimacy, as a generator of competitive advantages, on consumer satisfaction and loyalty. These objectives aim to advance the theory of legitimacy and internationalisation. As previously mentioned, legitimacy in host countries is an important objective for IFs if they want not only to gain access to these countries but also to establish a foothold in them.

The paper structure is as follows: after this introduction, the second section presents the theoretical framework that justifies the hypotheses concerning the legitimacy, satisfaction and loyalty of IFs in host countries (Figure 1). The third section explains the sample and methodology used in the research, in this case, a Chinese IF operating in more than 100 countries. The study is carried out in the ultra-fast fashion sector, as it represents a competitive and dynamic industry with significant cultural differences between consumers in different countries. The PLS-SEM multivariate analysis technique is used to test the hypotheses. The fourth section shows the results, encompassing the validation of the measurement scales and the evaluation of the structural model, while the fifth section presents the discussion. The sixth and final section contains the conclusions, including theoretical and managerial implications, limitations and future lines of research.

Figure 1. Theories and hypotheses



Source: Own elaboration.

## 2. Theoretical framework

### 2.1. Legitimacy as a generator of competitive advantages

Globalisation and digitalisation have generated greater complexity in the management of companies at an international level (Rey-Martí & Ribeiro-Soriano, 2015). In addition, consumers have more power due to access to information and the possibility of posting their opinions (Castells, 2007). IFs must respond to the growing demand for transparency and sustainability in a competitive international environment (Saeidi et al., 2015). In this regard, intangible assets, such as legitimacy, are crucial factors for competitive differentiation (Zimmerman & Zeitz, 2002) and help companies to survive and succeed in the market (Miotto et al., 2020).

Legitimacy is one of the variables that has undergone the greatest academic development in recent years (Díez-Martín et al., 2021a). According to Suchman (1995, p. 574), legitimacy is “a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions”. Lack of legitimacy hinders obtaining the necessary resources or support from stakeholders in host countries (Chen et al., 2021). Often, when an IF lacks legitimacy or demonstrates that it is insufficient, it finds itself in a situation of social eviction, usually without a solution (Bronnenberg et al., 2000).

Companies perceived as legitimate obtain better competitive advantages (Brown & Dacin, 1997). The importance of studying legitimacy as a generator of competitive advantages lies in the fact that legitimacy itself is a key advantage (Prado-Román et al., 2016), because it can lead to the success or failure of the IF (Díez-Martín et al., 2013). IFs must have a clear idea about which countries they can operate in without losing their legitimacy (Zimmerman & Zeitz, 2002). Adaptation

without consistency or meaningless isomorphism will result in consumer confidence disappearing. Kostova et al. (2008) identified that legitimacy positively influences the internationalisation of firms. Chaney and Martin (2017) noted that legitimacy increases repurchase intention. Shu et al. (2024) find that green innovation can help IFs gain legitimacy in host countries and increase their exports. Han et al. (2024) investigate the impact of cultural factors and host country populism on the legitimacy of IFs.

Legitimacy and competitive advantages are two different concepts, but they are directly interrelated in the business context (Díez-Martín et al., 2021b; Munjal et al., 2022). On the one hand, legitimacy refers to whether a firm operates according to social norms and rules (Deephouse et al., 2017; Díez-Martín et al., 2021a). On the other hand, competitive advantages refer to the characteristics, resources or capabilities that enable an organisation to outperform its competitors in a specific market (Mikalef & Pateli, 2017; Mitrega, 2020).

The relationship between legitimacy and competitive advantages has been analysed within institutional theory (Greenwood et al., 2008). This theory states that companies survive when they gain legitimacy. An IF must comply with social norms to be considered legitimate (Suchman, 1995), and must also strive to offer the best products and services (Dacin et al., 2007). IFs need to differentiate themselves to be valued by consumers in host countries while adapting to the context (Kostova et al., 2008). The institutional theory is based on the assumption that if firms have to adapt to social demands, they limit their strategic options because they must enhance their competitive advantages (Dacin et al., 2007). At this point, the strategic management of legitimacy is a solution (Greenwood et al., 2008) for IFs which should be further analysed (Chabowski & Samiec, 2023). Therefore, the relationship between legitimacy and competitive advantages is significant because it influences the long-term success of the firm, as legitimacy is a strategic resource that reduces uncertainty and provides access to resources (Ghods et al., 2024).

- *Hypothesis 1. Legitimacy positively influences the perceived competitiveness of IFs in host countries.*

## 2.2. Legitimacy as a generator of relational advantages

Legitimacy and relationship marketing are linked because both focus on maintaining trust-based relationships with their stakeholders (Castelló & Lozano, 2011; Díez-Martín et al., 2021b). Legitimacy seeks to build trust (Bitektine & Haack, 2014) and relationship marketing is based on mutual trust (Gundlach & Murphy, 1993). The literature review on legitimacy provides evidence that most consumers are willing to engage only with legitimate organisations and avoid relationships with those questioned by the social system (Miotto & Youn, 2020; Deephouse et al., 2017). Consequently, one of the most relevant advantages for legitimised companies

is that their consumers are more loyal (Blanco-González et al., 2023; Hermes & Mainela, 2022).

Furthermore, legitimacy affects those variables that companies must manage to build and maintain long-lasting customer relationships by applying relationship marketing properly (Miotto & Youn, 2020; Payne et al., 2021; Liu et al., 2011). Within these factors, we focus on two classic relationship marketing variables: satisfaction and loyalty (Bennet & Barkensjo, 2005; Walsh et al., 2010). In this sense, Payne et al. (2021) determine that consumers will support companies whose behaviour is appropriate. In other words, individuals will identify with companies that share their values (Del-Castillo-Feito et al., 2022b). For instance, several academic studies indicate that when a company demonstrates honesty (Goddard & Assad, 2006; Long & Driscoll, 2008), integrity (Chua & Rahman, 2011; Dhalla & Oliver, 2013), responsibility (Kraft & Wolf, 2018), or develops ethical and socially oriented initiatives, it obtains better ratings and identification from consumers, which in turn influences consumer behaviour. A company that shares social values gains legitimacy and increases consumer satisfaction and loyalty (Seger-Guttmann & Medler-Liraz, 2018).

Satisfaction is an emotional response to the expectations generated by the purchase of a product or service (Giese & Cote, 2000). Loyalty is the positive attitude of consumers towards the company, making it their only purchase option. Loyal consumers do not look for alternatives; if they need something, they look for it in the company (Stangl et al., 2017). This leads to several important advantages for the company, such as repurchase intention, complaint aversion or price insensitivity (Zeithaml et al., 1996). Being responsible and gaining legitimacy is not sufficient, as companies must bring this information to consumers' attention and maintain consistent and constant communication, with the aim of sharing information in an environment where transparency and accountability are demanded (Palazzo & Scherer, 2006). The organisation must constantly "transform" this legitimacy into engagement with its stakeholders, specifically its consumers (Del-Castillo-feito et al., 2022a).

If consumer satisfaction and loyalty are to be improved, companies must behave in a socially accepted manner (Miotto & Youn, 2020). Although the concept of loyalty has been analysed in the literature (Pascual-Nebreda et al., 2023), incorporating the significance of shared social values and norms to achieve it still needs further empirical analysis. Legitimate firms are perceived as trustworthy by stakeholders (Deephouse & Carter, 2005; Suddaby et al., 2017). Adopting social norms can help firms increase their legitimacy and achieve social acceptance by consumers (Chaney & Martin, 2017; Suchman, 1995). Therefore, a high valuation of legitimacy will result in enhanced loyalty among stakeholders (Cachón-Rodríguez et al., 2021).

According to Park (2018), it is essential for IFs to be legitimised, as these types of companies have constraints derived from their background. Therefore, if IFs are legitimised, they will be able to gain the trust of consumers (Donbesuur et al., 2022) and better overcome these constraints. Chen et al. (2021) find that legitimacy is

essential for consumers to reduce their uncertainty of establishing relationships with enterprises. Moreover, IFs can enhance long-term relationships through legitimacy, and even achieve good referrals, recommendations and repurchase intentions (Chen et al., 2021).

- *Hypothesis 2.a. The legitimacy of IFs positively influences customer satisfaction.*
- *Hypothesis 2.b. The legitimacy of IFs positively influences customer loyalty.*

### 2.3. Competitive advantages and relational advantages

Finally, legitimacy alone is insufficient; IFs must foster long-term relationships with their consumers (Dacin et al., 2007). IFs often compete for consumers through price (Bitektine & Song, 2023; Miotto & Youn, 2020). However, IFs must be aware that they also have to generate sustainable competitive advantages (Miotto et al., 2020). From a marketing and management perspective, generating competitive advantages creates benefits for companies (Taeuscher et al., 2021), such as improved levels of satisfaction and engagement. Moreover, competitive sales and differentiation of IFs can be enhanced through interaction with adequate levels of legitimacy (Aldrich & Fiol, 1994). Indeed, Herrera Barriga and Escandon-Barbosa (2024) indicate that to gain legitimacy, the positive and negative aspects of information sharing must be evaluated; therefore, it is essential for IFs to assess the impact of legitimacy on consumer-related variables such as loyalty or satisfaction.

If we focus on the relationship between satisfaction and loyalty, it should be noted that, in the marketing literature (Heskett et al., 1994), loyalty is widely recognised as having an impact on the performance of a firm (Yi et al., 2013). Previous research has identified that customer satisfaction, organisation-customer value consistency, trust, perceived value or enjoyment are associated with customer loyalty (Ashforth & Lee, 1989; Al-Maamari & Abdulrab, 2017). IFs must address the concerns of their consumers to gain legitimacy and differentiate themselves from their competitors (Chen et al., 2021).

- *Hypothesis 3.a. Competitive advantages generated by IFs in host countries have an impact on consumer satisfaction levels.*
- *Hypothesis 3.b. Competitive advantages generated by IFs in host countries have an impact on consumer loyalty levels.*

Finally, considering that loyalty is defined as the user's intention to continue with an organisation, it can involve both emotional and attitudinal components (Zeithaml et al., 1996). "True loyalty" is a psychological drive that leads to a positive perception and repetition of purchase behaviour (Shankar et al., 2003). Brand loyalty is highly dependent on consumer satisfaction (Pascual-Nebreda et al., 2023; Rather &

Hollebeek, 2020). Likewise, loyalty can be assessed by both attitudinal and behavioural measures (Rather & Hollebeek, 2020).

- *Hypothesis 4. Satisfaction generated by IFs in host countries has an impact on consumer loyalty.*

### 3. Sample and methodology

For the research design, the ultra-fast fashion sector was selected. This sector operates within a competitive and dynamic marketplace, characterised by intricate brand perceptions (Bly et al., 2015; Karaosman et al., 2020) and stakeholder activism (Joyner Armstrong et al., 2018). The ultra-fast fashion sector is regarded as one of the most polluting and socially irresponsible industries (García-Torres et al., 2017). In this sector, we find a gap between price and sustainability, which can cause ethical problems among consumers (Miotto & Youn, 2020). This gap implies that, in order to survive, IFs need to adapt to the institutional context of the host country (Zhang, 2022).

Chinese IFs in the ultra-fast fashion sector were selected because their growth and penetration in international markets have increased significantly (Peng, 2005). In general, IFs of Chinese origin lack legitimising elements (e.g. disclosure of sustainability reports, communication of transparent information on environmental, social and governance (ESG) criteria, and disclosure of financial information).

As for the host country, Spain is an attractive destination for IFs because it offers access to the European Union and has government policies that promote foreign investment. Moreover, Spain is the home country of the most internationally recognised fast fashion brand: Zara. The move of Spanish companies in the fast fashion sector towards sustainability and the increase in their prices have created a gap for new brands who want to take up this position in the market, such as Shein.

The fieldwork was carried out between April and September 2023 and the sample consisted of 261 regular consumers of Shein. This sample is representative, with an error of  $\pm 6.07\%$  for a confidence level of 95% considering the most unfavourable population variance  $p=q=50\%$ . The basic profile of the sample is as follows: 50.4% are men and 49.6% are women. The most represented age group is between 35 and 65 years old (60%) and the highest frequency of purchase is once a week (43%).

In the fieldwork, respondents were previously informed about the confidentiality and anonymity of their answers, as well as the compliance of this research with the ethical principles of the Declaration of Helsinki. The sample consists of 196 women, 62 men and 3 non-binary gender, aged between 18 and 34 years.

The questionnaire is composed of 7-point Likert scale questions and all items were justified on the basis of existing literature (Table 1).



Table 1. Items

Variable	Item	Description	Source
Legitimacy	Org Legit_01	It has what I need	Alexiou and Wiggins (2019); Deephouse et al. (2017); Díez-Martín et al. (2022); Plaza-Casado et al. (2024)
	Org Legit_02	It does things in the best possible way	
	Org Legit_03	It makes me identify with it	
	Org Legit_04	The company is trustworthy	
	Org Legit_05	It seems to be well managed	
	Org Legit_06	It complies with the law	
Competitiveness	Comp 01	It is more successful	Del-Castillo-Feito et al. (2022a); Mikalef and Pateli (2017); Miotto et al. (2020); Mitrega (2020)
	Comp 02	It has more customers	
	Comp 03	It is growing faster	
	Comp 04	It is more profitable	
Satisfaction	Satisf 01	I am satisfied with the purchases I make of this brand	Bricci et al. (2016); Miotto and Youn (2020); Pascual-Nebreda et al. (2023)
	Satisf 02	I like to buy this brand	
Loyalty	Loy 01	I like to buy this brand	Del-Castillo-Feito et al. (2022a); Miotto and Youn (2020); Pascual-Nebreda et al. (2023)
	Loy 02	I recommend this brand to my friends and family	
	Loy 03	I like to talk about this brand to my friends and family	
	Loy 04	I feel identified with this clothing brand	

Source: Own elaboration.

PLS-SEM and SmartPLS4 software are used for data processing. PLS-SEM focuses on causal-predictive analysis in high-complexity and low-information theoretic environments (Hair et al., 2019). Data processing using PLS-SEM first involves analysing the reliability and validity of the measurement model (Chin, 1998). And second, it involves evaluating the structural model to test the hypotheses that answer the research questions.

## 4. Results

Evaluating the measurement model of the estimated constructs implies analysing the individual reliability of its indicators observed through their loadings, the

reliability of the latent variables through Cronbach's Alpha (CA) and composite reliability (CR). The evaluation of the measurement model requires analysing the convergent validity through the average variance extracted (AVE) and the discriminant one through the heterotrait-monotrait ratio (HTMT) (Hair et al., 2019). Values higher than 0.7 are recommended for the loadings of the individual indicators and the CA (Hair et al., 2019).

**Table 2.** Convergent validity and reliability and discriminant analysis

Convergent validity and reliability						
Variable	Items	Loadings	T-value	CA	CR	AVE
Legitimacy	Org Legit_01	0.670	15.542	0.809	0.812	0.512
	Org Legit_02	0.702	20.560			
	Org Legit_03	0.684	15.560			
	Org Legit_04	0.750	22.353			
	Org Legit_05	0.753	20.963			
	Org Legit_06	0.728	19.142			
Competitiveness	Comp 01	0.844	37.078	0.891	0.893	0.755
	Comp 02	0.908	49.974			
	Comp 03	0.904	53.900			
	Comp 04	0.816	31.914			
Satisfaction	Satisf 01	0.939	91.942	0.878	0.883	0.891
	Satisf 02	0.949	126.930			
Loyalty	Loy 01	0.882	59.059	0.901	0.904	0.772
	Loy 02	0.916	70.726			
	Loy 03	0.876	38.771			
	Loy 04	0.838	38.312			
Discriminant analysis						
Factor	F1		F2	F3	F4	
F1. Legitimacy			0.458	0.857	0.810	
F2. Competitiveness				0.452	0.480	
F3. Satisfaction					0.785	
F4. Loyalty						

Source: Own elaboration.

An analysis of the collinearity of the structural model is performed using the variance inflation factor (VIF) and the statistical significance of the effects of the path coefficients. Table 3 shows VIF values below 3.3 (Hair et al., 2019), hence problems related to this indicator are ruled out. Likewise, the values of the standardised betas and t-values confirm the significance of the established relationships.

Table 3. VIF and hypothesis testing (main effects)

Relationship	VIF	Beta	T-value	F <sup>2</sup>
H1. Legitimacy → Competitive advantages	1.000	0.400	7.570	0.190
H2.a. Legitimacy → Satisfaction	1.190	0.734	22.752	0.875
H2.b. Legitimacy → Loyalty	2.232	0.738	25.185	0.144
H3.a. Competitive advantages → Satisfaction	1.190	0.129	2.204	0.031
H3.b. Competitive advantages → Loyalty	1.228	0.185	3.838	0.036
H4. Satisfaction → Loyalty	2.237	0.381	5.928	0.156

*Competitive advantages: R<sup>2</sup> = 0.16; Q<sup>2</sup> = 0.15. Satisfaction: R<sup>2</sup> = 0.55; Q<sup>2</sup> = 0.53. Loyalty: R<sup>2</sup> = 0.58; Q<sup>2</sup> = 0.48*  
*p<0.05; p<0.01; p<0.001 (based on t (4999), one-tailed test)*

Source: Own elaboration.

Table 3 shows the results of the hypothesis tests using 5,000 subsamples. Regarding the H1 hypothesis, it is observed that legitimacy generates competitive advantages, as indicated by previous literature (Díez-Martín et al., 2021a) (H1:  $\beta=0.400$ ;  $p<0.000$ ). The effect of legitimacy on relationship marketing variables is remarkable and validates the relationship between legitimacy and satisfaction (H2.a:  $\beta=0.734$ ;  $p<0.000$ ) and between legitimacy and loyalty (H2.b:  $\beta=0.738$ ;  $p<0.000$ ). Likewise, competitive advantages directly influence, but to a lesser extent, satisfaction (H3.a:  $\beta=0.129$ ;  $p<0.000$ ) and loyalty (H3.b:  $\beta=0.185$ ;  $p<0.000$ ). Finally, as confirmed by the literature in the field of relationship marketing, satisfaction has an impact on consumer loyalty (H4:  $\beta=0.381$ ;  $p<0.000$ ).

As for the explanatory power of the model, on the one hand, the R<sup>2</sup> values of 0.160 (competitive advantages), 0.55 (satisfaction) and 0.58 (loyalty) indicate a substantial predictive effect of the proposed hypotheses. On the other hand, the Stone-Geisser value (Q<sup>2</sup>) evaluates the predictive relevance of the dependent construct. Values of Q<sup>2</sup> above zero indicate that the model has predictive capacity. As Table 3 shows, values of 0.15 (competitiveness advantages), 0.53 (satisfaction) and 0.48 (loyalty) are obtained, suggesting that the model has predictive capacity. Table 3 reveals that the effect of legitimacy on satisfaction is high, while the other effects are medium.

## 5. Discussion

The results of this research contribute to the existing knowledge in the field and respond to the hypotheses set out in the defined model (Figure 1). First, this research quantifies the impact of legitimacy on the competitiveness of IFs. Academic literature has analysed legitimacy as a generator of competitive advantages (Díez-Martín et al., 2021a). This research goes a step further by quantifying that the legitimacy of IFs impacts consumers' perceived competitive advantages. In line with research by Zhang (2022) or Zhang et al. (2022), this research reiterates the need for IF managers to strategically manage legitimacy. In contrast to research that theoretically formulates the relationship between legitimacy and competitive advantages in the international context (Donbesuur et al., 2022; Rivero-Gutiérrez et al., 2023), this research empirically quantifies this relationship.

Second, we delve into the relationship between legitimacy and relationship marketing, specifically between legitimacy, satisfaction and loyalty. On the one hand, the academic literature has argued that legitimacy generates relational advantages, such as repurchase intention (Blanco-González et al., 2023), social capital (Del-Castillo-Feito et al., 2022b) or engagement (Miotto et al., 2020). However, this research has focused on analysing the impact of legitimacy on other variables without justifying the need to link both theories: legitimacy theory and relationship marketing theory. The results of this research show that legitimacy has a significant impact on satisfaction and loyalty, and therefore companies should manage legitimacy as a determinant of relational benefits. On the other hand, regarding IFs, several authors have investigated the importance of legitimacy for entering new markets and surviving in host countries (Taeuscher et al., 2021; Zhang, 2022). However, further research is needed on how IFs can legitimise themselves in international markets (Chabowski & Samiee, 2023). Indeed, this research focuses on how legitimacy is a key asset in the internationalisation of IFs by analysing how it can generate relational benefits. The results suggest that IFs need to manage their legitimacy in host countries to gain a foothold and make their consumers more satisfied and loyal. In other words, legitimacy should not be a short-term strategy but should be managed as a medium- and long-term strategy.

Third, the model jointly analyses how legitimacy and competitive advantages influence satisfaction and loyalty. The results of this research indicate that the impact of legitimacy on the relationship variables is greater than the one of competitive advantages. Thus, consumers in host countries perceive IFs as competitive, but managing legitimacy has a greater impact. Therefore, from a strategic point of view, legitimacy management has a greater impact on the international success of IFs.

Finally, the model analyses how satisfaction influences consumer loyalty. The results of this research indicate that loyalty depends on consumer satisfaction, as confirmed by the literature in the field of relationship marketing (Pascual-Nebreda et al., 2023; Rather & Hollebeek, 2020).

## 6. Conclusions

The results obtained in this research have advanced on the antecedents and consequences of the legitimacy of IFs, and have made it possible to: 1) demonstrate the relationship between legitimacy and relationship marketing, identifying a positive impact of the legitimacy of IFs on customer satisfaction (H2.a) and customer loyalty (H2.b); 2) quantify the impact of legitimacy as a generator of competitive advantages in IFs, identifying a positive impact of legitimacy on the perceived competitiveness of IFs in host countries (H1); 3) confirm the impact of legitimacy, as a generator of competitive advantages, on the satisfaction of IF consumers (H3.a) and, therefore, on their loyalty (H3.b and H4). All of this has allowed us to contrast the proposed hypotheses, answer the research questions and fill the gap identified, highlighting the importance of legitimacy as a generator of competitive advantages in IFs and the need to adapt IFs' relationship marketing to successfully access host countries, through actions that increase consumer satisfaction and loyalty.

### 6.1. Theoretical and management implications

Our study has implications for scholars and practitioners. This research has an important academic implication by confirming that legitimacy and relationship marketing are connected because they focus on establishing and maintaining strong and positive relationships with stakeholders. Considering that both theories are based on the importance of transparency, dialogue with stakeholders to learn about their concerns and needs, the generation of shared value and the formation of long-term relationships (Gundlach & Murphy, 1993), legitimacy should be considered as another variable in the strategic management of companies (Hermes & Mainela, 2022; Sudabby et al., 2017). In fact, legitimacy provides a differential for IFs, which would allow them to improve their credibility and compete because consumers perceive a differential value in their value proposition.

In terms of management implications, this research allows us to establish strategies for IFs' establishment in new markets through legitimacy management. In this line, it is suggested that IFs develop a corporate identity (Gordo-Molina & Díez-Martín, 2020) that allows them to: (1) improve trust-based relationships with consumers in the host country, which implies legitimacy management. Foreign subsidiaries gain legitimacy in the host country by combining identity, community and audience (Li et al., 2007). In this regard, carrying out awareness-raising and information dissemination activities to attract media attention would reach a wider audience and divert their attention to the positive purposes of these actions (Petkova et al., 2013); (2) offer a clear value proposition in the new target market, through after-sales customer service focused on relationship marketing to generate greater legitimacy and thus strengthen ties with consumers (Rivero-Gutiérrez et al., 2023).

Specifically, in the fast fashion sector, strengthening relationships and supporting the customer throughout the entire purchasing process through collaborative actions, such as greater flexibility in handling order returns, will allow IFs to be perceived as partners in the host country, improving customer acceptance; (3) adopt an identity similar to that of other foreign subsidiaries of IFs established in the host country that have already been legitimised (Li et al., 2007). Isomorphism enhances legitimacy (Deephouse, 1996) and should be focused internally or externally depending on the stakeholder (Souitaris et al., 2012). In the case of fast fashion IFs, managers must focus their isomorphism externally to gain legitimacy from the industry and consumers (Gordo-Molina & Díez-Martín, 2020); and (4) adopt corporate social values recognised by the social environment. Performing socially accepted practices (Keating et al., 2014) and acting in accordance with host country codes of conduct and ethics generates a supportive corporate culture (Tyler & Blader, 2005) that grants legitimacy to IFs in host countries.

## 6.2. Limitations and future lines of research

The main limitations of this research are that we have focused on a Chinese IF in a specific sector and have not considered other companies in this sector, personal sales or other countries of origin. These limitations lead us to propose new lines of research. Future research should include IFs from other sectors or different countries of origin. We will be able to conduct comparative studies to develop IF legitimacy management strategies that reduce entry barriers in other countries and generate strong and long-lasting relationships with consumers. Future lines of research also include demonstrating that legitimacy generates other competitive and relational advantages not covered in this research, such as trust, performance and social capital.

## Declaration of conflicts of interest

The authors have no conflicts of interest to declare.

## References

- Aldrich, H. E., & Fiol, C. M. (1994). Fools rush in? The institutional context of industry creation. *Academy of Management Review*, 19(4), 645-670.
- Alexiou, K., & Wiggins, J. (2019). Measuring individual legitimacy perceptions. *Strategy Organization*, 17(4), 470-496. <https://doi.org/10.1177/1476127018772862>

- Al-Maamari, Q. A., & Abdulrab, M. (2017). Factors affecting on customer loyalty in service organizations. *International Journal of Energy Policy and Management*, 2(5), 25-31.
- Ashforth, B. E., & Lee, R. T. (1989). The perceived legitimacy of managerial influence: A twenty-five year comparison. *Journal of Business Ethics*, 8, 231-242. <https://doi.org/10.1007/BF00383336>
- Bennet, R., & Barkensjo, A. (2005). Relationship quality, relationship marketing, and client perceptions of the levels of service quality of charitable organizations. *International Journal of Service Industry Management*, 16(1), 81-106.
- Bitektine, A., & Haaack, P. (2014). The “Macro” and the “Micro” of Legitimacy: Toward a Multilevel Theory of the Legitimacy Process. *Academy of Management Review*, 40(1), 49-75. <https://doi.org/10.5465/amr.2013.0318>
- Bitektine, A., & Song, F. (2023). On the Role of Institutional Logics in Legitimacy Evaluations: The Effects of Pricing and CSR Signals on Organizational Legitimacy. *Journal of Management*, 49(3), 1070-1105. <https://doi.org/10.1177/01492063211070274>
- Blanco-González, A., Cachón-Rodríguez, G., Hernández-Perlines, F., & Prado-Román, C. (2023). Effects of Social Responsibility on Legitimacy and Revisit Intention: The Moderate Role of Anxiety. *Journal of Business Research*, 157, 113583. <https://doi.org/10.1016/j.jbusres.2022.113583>
- Bly, S., Gwozdz, W., & Reisch, L. A. (2015). Exit from the high street: An exploratory study of sustainable fashion consumption pioneers. *International Journal of Consumer Studies*, 39(2), 125-135. <https://doi.org/10.1111/ijcs.12159>
- Bricci, L., Fragata, A., & Antunes, J. (2016). The effects of trust, commitment and satisfaction on customer loyalty in the distribution sector. *Journal of Economics, Business and Management*, 4(2), 173-177.
- Bronnenberg, B. J., Mahajan, V., & Vanhonacker, W. R. (2000). The emergence of market structure in new repeat-purchase categories: The interplay of market share and retailer distribution. *Journal of Marketing Research*, 37(1), 16-31. <https://doi.org/10.1509/jmkr.37.1.16.18723>
- Brown, T. J., & Dacin, P. A. (1997). The company and the product: Corporate associations and consumer product responses. *Journal of Marketing*, 61(1), 68-84. <https://doi.org/10.2307/1252190>
- Cachón-Rodríguez, G., Blanco-González, A., Prado-Román, C., & Díez-Martín, F. (2021). Sustainability actions, employee loyalty, and the awareness: The mediating effect of organization legitimacy. *Managerial and Decision Economics*, 42(7), 1730-1737. <https://doi.org/10.1002/mde.3340>
- Castelló, I., & Lozano, J. M. (2011). Searching for New Forms of Legitimacy Through Corporate Responsibility Rhetoric. *Journal of Business Ethics*, 100(1), 11-29. <https://doi.org/10.1007/s10551-011-0770-8>
- Castells, M. (2007). Communication, power and counter-power in the network society. *International Journal of Communication*, 1, 238-266.

- Chabowski, B. R., & Samiee, S. (2023). A bibliometric examination of the literature on emerging market MNEs as the basis for future research. *Journal of Business Research*, 155, 113263. <https://doi.org/10.1016/j.jbusres.2022.08.027>
- Chaney, D., & Martin, D. (2017). The Role of Shared Values in Understanding Loyalty over Time: A Longitudinal Study on Music Festivals. *Journal of Travel Research*, 56(4), 507-520. <https://doi.org/10.1177/0047287516643411>
- Chen, X., He, Y., Wang, L., & Xiong, J. (2021). The effects of customer socialization on customer behavior in social enterprises: role of organizational legitimacy in the eyes of customers. *Management Decision*, 59(11), 2713-2736. <https://doi.org/10.1108/MD-05-2019-0679>
- Chin, W. W. (1998). The partial least squares approach to structural equation modeling. *Modern Methods for Business Research*, 295(2), 295-336.
- Chua, F., & Rahman, A. (2011). Institutional Pressures and Ethical Reckoning by Business Corporations. *Journal of Business Ethics*, 98, 307-329. <https://doi.org/10.1007/s10551-010-0551-9>
- Dacin, M. T., Olver, C., & Roy, J.-P. (2007). The legitimacy of strategic alliances: an institutional perspective. *Strategic Management Journal*, 28(2), 169-187. <https://doi.org/10.1002/smj.577>
- Deephouse, D. (1996). Does isomorphism legitimate? *Academy of Management Journal*, 39(4), 1024-1039. <https://doi.org/10.2307/256722>
- Deephouse, D., & Carter, S. (2005). An Examination of Differences Between Organizational Legitimacy and Organizational Reputation. *Journal of Management Studies*, 6(March), 3-23.
- Deephouse, D. L., Bundy, J., Tost, L. P., & Suchman, M. C. (2017). Organizational legitimacy: Six key questions. In R. Greenwood, C. Oliver, T. B. Lawrence & R. E. Meyer (Eds.), *The Sage Handbook of Organizational Institutionalism* (vol. 4, pp. 27-54). Sage.
- Del-Castillo-Feito, C., Blanco-González, A., & Díez-Martín, F. (2021). The effect of implementing environmental policies and employees' environmental training in multinational companies' legitimacy level in emerging countries. *Journal of Cleaner Production*, 312(20), 127817. <https://doi.org/10.1016/j.jclepro.2021.127817>
- Del-Castillo-Feito, C., Blanco-González, A., & Hernández-Perlines, F. (2022a). The impacts of socially responsible human resources management on organizational legitimacy. *Technological Forecasting and Social Change*, 174, 121274. <https://doi.org/10.1016/J.TECHFORE.2021.121274>
- Del-Castillo-Feito, C., Blanco-González, A., & Díez-Martín, F. (2022b). Social Capital and Organizational Legitimacy as Competitive Advantages in the Information and Communications Technology Sector. *Journal of High Technology Management Research*, 33(2), 100441. <https://doi.org/10.1016/j.hitech.2022.100441>
- Dhalla, R., & Oliver, C. (2013). Industry Identity in an Oligopolistic Market and Firms' Responses to Institutional Pressures. *Organizational Studies*, 34(12), 1803-1834. <https://doi.org/10.1177/0170840613483809>



- Díez-Martín, F., Blanco-González, A., & Díez-de-Castro, E. (2021a). Measuring a scientifically multifaceted concept. The jungle of organizational legitimacy. *European Research on Management and Business Economics*, 27(1). <https://doi.org/10.1016/J.IEDEEN.2020.10.001>
- Díez-Martín, F., Blanco-González, A., & Prado-Román, C. (2021b). The intellectual structure of organizational legitimacy research: a co-citation analysis in business journals. *Review of Managerial Science*, 15, 1007-1043. <https://doi.org/10.1007/s11846-020-00380-6>
- Díez-Martín, F., Miotto, G., & Cachón-Rodríguez, G. (2022). Organizational legitimacy perception: Gender and uncertainty as bias for evaluation criteria. *Journal of Business Research*, 139, 426-436. <https://doi.org/10.1016/j.jbusres.2021.09.073>
- Díez-Martín, F., Prado-Román, C., & Blanco-González, A. (2013). Beyond legitimacy: legitimacy types and organizational success. *Management Decision*, 51(10), 1954-1969. <https://doi.org/10.1108/MD-08-2012-0561>
- Donbesuur, F., Hultman, M., Oghazi, P., & Boso, N. (2022). External knowledge resources and new venture success in developing economies: Leveraging innovative opportunities and legitimacy strategies. *Technological Forecasting & Social Change*, 185, 122034. <https://doi.org/10.1016/j.techfore.2022.122034>
- García-Torres, S., Rey-García, M., & Albareda-Vivo, L. (2017). Effective disclosure in the fast-fashion industry: From sustainability reporting to action. *Sustainability*, 9(12). <https://doi.org/10.3390/su9122256>
- Ghods, A., Ricard, A., & Aldebert, B. (2024). Exploring social cognition in an international context: insights from the social representation perspective on legitimacy among French entrepreneurs. *Entrepreneurship & Regional Development*, 1-19. <https://doi.org/10.1080/08985626.2024.2313562>
- Giese, J. L., & Cote, J. A. (2000). Defining Consumer Satisfaction. *Academy of Marketing Science Review*. <http://www.amsreview.org/articles/giese01-2000.pdf>
- Goddard, A., & Assad, M. J. (2006). Accounting and navigating legitimacy in Tanzanian NGOs. *Accounting, Auditing & Accountability Journal*, 19(3), 377-404. <https://doi.org/10.1108/09513570610670343>
- Gordo-Molina, V., & Díez-Martín, F. (2020). ¿Cómo conseguir legitimidad? Una revisión sistemática. *Espacios*, 41(50), 370-388. <https://doi.org/10.48082/espacios-a20v41n50p26>
- Gordo-Molina, V., & Díez-Martín, F. (2021). Dimensiones de la legitimidad organizativa en función del género y el estatus de los consumidores. *ESIC Market*, 53(1), e13. <https://doi.org/10.7200/esicm.53.013>
- Greenwood, R., Oliver, C., Suddaby, R., & Sahlin-Andersson, K. (2008). *The SAGE handbook of organizational institutionalism*. SAGE Editions. <https://doi.org/10.4135/9781849200387>
- Gundlach, G., & Murphy, P. E. (1993). Ethical and Legal Foundations of Relational Marketing Exchanges. *Journal of Marketing*, 57(4), 35-46. <https://doi.org/10.1177/002224299305700403>

- Hair, J. F., Risher, J. J., Sarstedt, M., & Ringle, C. M. (2019). When to use and how to report the results of PLS-SEM. *European Business Review*, 31(1), 2-24. <https://doi.org/10.1108/EBR-11-2018-0203>
- Han, X., Lukoianove, T., Zhao, S., & Liu, X. (2024). International relations in international business research: A review and research agenda. *Journal of Business Research*, 174, 114536. <https://doi.org/10.1016/j.jbusres.2024.114536>
- Hermes, J., & Mainela, T. (2022). Actor legitimation in emerging markets: A network-embedded process. *Journal of World Business*, 57, 101315. <https://doi.org/10.1016/j.jwb.2022.101315>
- Herrera Barriga, R., & Escandon-Barbosa, D. (2024). Synergizing board dynamics, sustainability, and strategy for international success. *Corporate Social Responsibility and Environmental Management*. <https://doi.org/10.1002/csr.2742>
- Heskett, J. L., Jones, T. O., Loveman, G. W., Sasser, W. E., & Schlesinger, L. A. (1994). Putting the service-profit chain to work. *Harvard Business Review*, 72(2), 164-174.
- Jiang, T., Yang, B., Yang, B., Wu, B., & Wan, G. (2022). How does liability of origin influence cross-border acquisition completion? Evidence from Chinese firms. *Chinese Management Studies*, 16(4), 857-884. <https://doi.org/10.1108/CMS-02-2021-0079>
- Joyner Armstrong, C. M., Kang, J., & Lang, C. (2018). Clothing style confidence: The development and validation of a multidimensional scale to explore product longevity. *Journal of Consumer Behaviour*, 17(6), 553-568. <https://doi.org/10.1002/cb.1739>
- Karaosman, H., Perry, P., Brun, A., & Morales-Alonso, G. (2020). Behind the runway: Extending sustainability in luxury fashion supply chains. *Journal of Business Research*, 117, 652-663. <https://doi.org/10.1016/j.jbusres.2018.09.017>
- Keating, A., Geiger, S., & Mcloughlin, D. (2014). Riding the practice waves: Social resourcing practices during new venture development. *Entrepreneurship Theory and Practice*, 38(5), 1207-1235. <https://doi.org/10.1111/etap.12038>
- Kostova, T., Roth, K., & Dacin, M. T. (2008). Institutional Theory in the Study of Multinational Corporations: A Critique and New Directions. *The Academy of Management Review*, 33(4), 994-1006. <https://www.jstor.org/stable/20159458>
- Kraft, B., & Wolf, S. (2018). Through the Lens of Accountability: Analyzing Legitimacy in Environmental Governance. *Organization & Environment*, 31(1), 70-92. <https://doi.org/10.1177/1086026616680682>
- Li, J., Yang, J. Y., & Yue, D. R. (2007). Identity, community, and audience: How wholly owned foreign subsidiaries gain legitimacy in China. *Academy of Management Journal*, 50(1), 175-190. <https://doi.org/10.5465/AMJ.2007.24162209>
- Liu, C. T., Guo, Y. M., & Lee, C. H. (2011). The effects of relationship quality and switching barriers on customer loyalty. *International Journal of Information Management*, 31(1), 71-79.
- Long, B. S., & Driscoll, C. (2008). Codes of Ethics and the Pursuit of Organizational Legitimacy: Theoretical and Empirical Contributions. *Journal of Business Ethics*, 77, 173-189. <https://doi.org/10.1007/s10551-006-9307-y>

- Marschlich, S., & Ingenhoff, D. (2022). Public-private partnerships: How institutional linkages help to build organizational legitimacy in an international environment. *Public Relations Review*, 48, 102124. <https://doi.org/10.1016/j.pubrev.2021.102124>
- Mikalef, P., & Pateli, A. (2017). Information technology-enabled dynamic capabilities and their indirect effect on competitive performance: Findings from PLS-SEM and fsQCA. *Journal of Business Research*, 70, 1-16. <https://doi.org/10.1016/j.jbusres.2016.09.004>
- Miotto, G., Del-Castillo-Feito, C., & Blanco-González, A. (2020). Reputation and legitimacy: Key factors for Higher Education Institutions' sustained competitive advantage. *Journal of Business Research*, 112, 342-353. <https://doi.org/10.1016/J.JBUSRES.2019.11.076>
- Miotto, G., & Youn, S. (2020). The impact of fast fashion retailers' sustainable collections on corporate legitimacy: Examining the mediating role of altruistic attributions. *Journal of Consumer Behaviour*, 19(6), 618-631. <https://doi.org/10.1002/cb.1852>
- Mitrega, M. (2020). Dynamic marketing capability—refining the concept and applying it to company. *Journal of Business and Industrial Marketing*, 35(2), 193-203. <https://doi.org/10.1108/JBIM-01-2019-0007>
- Munjal, S., Bhasin, N., Nandrajog, D., & Kundu, S. (2022). Examining the evolution of emerging market multinational enterprises' competitive advantages: Evidence from India. *Journal of Business Research*, 145, 732-744.
- Palazzo, G., & Scherer, A. G. (2006). Corporate Legitimacy as Deliberation: A Communicative Framework. *Journal of Business Ethics*, 66(1), 71-88. <https://doi.org/10.1007/s10551-006-9044-2>
- Park, S.-B. (2018). Multinationals and sustainable development: Does internationalization develop corporate sustainability of emerging market multinationals? *Business Strategy and the Environment*, 27(8), 1514-1524. <https://doi.org/10.1002/bse.2209>
- Pascual-Nebreda, L., Cabanelas-Lorenzo, P., & Blanco-González, A. (2023). Understanding Dissatisfaction Through Evaluation Theory. *Managerial and Decision Economics*, 43(7), 3116-3129. <https://doi.org/10.1002/mde.3585>
- Payne, G., Blanco-González, A., Miotto, G., & Del-Castillo-Feito, C. (2021). Consumer Ethicality Perception and Legitimacy: Competitive Advantages in COVID-19 Crisis. *American Behavioral Scientist*. <https://doi.org/10.1177/00027642211016515>
- Peng, M. W. (2005). Perspectives-From China Strategy to Global Strategy. *Asia Pacific Journal of Management*, 22, 123-141. <https://doi.org/10.1007/s10490-005-1251-3>
- Petkova, A. P., Rindova, V. P., & Gupta, A. K. (2013). No news is bad news: Sensegiving activities, media attention, and venture capital funding of new technology organizations. *Organization Science*, 24(3), 865-888. <https://doi.org/10.1287/orsc.1120.0759>
- Plaza-Casado, A., Blanco-González, A., Rivero-Gutiérrez, L., Gómez-Martínez, R. (2024). Does the legitimacy of countries influence the internationalization of

- emerging market multinationals. *European Research on Management and Business Economics*, 30(1), 100233. <https://doi.org/10.1016/j.iedeen.2023.100233>
- Popli, M., Raithatha, M., & Ahsan, F. M. (2021). Signaling behavioral intent through better governance: A study of emerging market multinational enterprises. *Journal of Business Research*, 135, 697-710. <https://doi.org/10.1016/j.jbusres.2021.07.002>
- Prado-Román, C., Blanco-González, A., Díez-Martín, F., & Payne, G. (2016). Construyendo un Índice de Legitimidad del Estado en los Países Bálticos y Nórdicos. *ESIC Market*, 47(155), 437-449. <https://doi.org/10.7200/esicm.155.0473.2>
- Rather, R. A., & Hollebeek, L. D. (2020). Exploring and validating social identification and social exchange-based drivers of hospitality customer loyalty. *International Journal of Contemporary Hospitality Management*, 31(3), 1432-1451. <https://doi.org/10.1108/IJCHM-10-2017-0627>
- Rey-Martí, A., & Ribeiro-Soriano, D. (2015). The new spirit of strategy for competitive management: Editorial. *Journal of Promotion Management*, 21(4), 413-415. <https://doi.org/10.1080/10496491.2015.1050944>
- Rivero-Gutiérrez, L., Cabanelas, P., Díez-Martín, F., & Blanco-González, A. (2023). How can companies boost legitimacy in international markets? *International Marketing Review*. <https://doi.org/10.1108/IMR-09-2022-0215>
- Saeidi, S. P., Sofian, S., Saeidi, P., Saeidi, S. P., & Saeidi, S. A. (2015). How does corporate social responsibility contribute to firm financial performance? The mediating role of competitive advantage, reputation, and customer satisfaction. *Journal of Business Research*, 68(2), 341-350. <https://doi.org/10.1016/j.jbusres.2014.06.024>
- Seger-Guttmann, T., & Medler-Liraz, H. (2018). Hospitality service employees' flirting displays: Emotional labor or commercial friendship? *International Journal of Hospitality Management*, 73, 102-107. <https://doi.org/10.1016/j.ijhm.2018.02.008>
- Shankar, V., Smith, A. K., & Rangaswamy, A. (2003). Customer satisfaction and loyalty in online and offline environments. *International Journal of Research in Marketing*, 20(2), 153-175. [https://doi.org/10.1016/S0167-8116\(03\)00016-8](https://doi.org/10.1016/S0167-8116(03)00016-8)
- Sharma, A. (2008). The Metrics of Relationships. Measuring Satisfaction, Loyalty and Profitability of Relational Customer. *Journal of Relationship Marketing*, 6(2), 33-50. [https://doi.org/10.1300/J366v06n02\\_04](https://doi.org/10.1300/J366v06n02_04)
- Shu, C., Zhao, J., Yao, Q., & Zhou, K. Z. (2024). Green Innovation and Export Performance in Emerging Market Firms: A Legitimacy-based View. *Management and Organization Review*, 20(1), 85-110. <https://doi.org/10.1017/mor.2023.40>
- Souitaris, V., Zerbinati, S., & Liu, G. (2012). Which iron cage? Endo- and exoisomorphism in corporate venture capital programs. *Academy of Management Journal*, 55(2), 477-505. <https://doi.org/10.5465/amj.2009.0709>
- Stangl, B., Kastner, M., & Prayag, G. (2017). Pay-what-you-want for high-value priced services: Differences between potential, new, and repeat customers. *Journal of Business Research*, 74, 168-174. <https://doi.org/10.1016/j.jbusres.2016.10.030>

- Suchman, M. C. (1995). Managing Legitimacy: Strategic and Institutional Approaches. *Academy of Management Review*, 20(3), 571-610. <https://doi.org/10.2307/258788>
- Suddaby, R., Bitektine, A., & Haack, P. (2017). Legitimacy. *Academy of Management Annals*, 11(1), 451-478.
- Taeuscher, K., Bouncken, R., & Pesch, R. (2021). Gaining Legitimacy by Being Different: Optimal Distinctiveness in Crowdfunding Platforms. *Academy of Management Journal*, 64(1). <https://doi.org/10.5465/amj.2018.0620>
- Tyler, T. R., & Blader, S. L. (2005). Can businesses effectively regulate employee conduct? The antecedents of rule following in work settings. *Academy of Management Journal*, 48(6), 1143-1158. <https://doi.org/10.5465/AMJ.2005.19573114>
- Walsh, G., Hennig-Thurau, T., Sassenberg, K., & Bornemann, D. (2010). Does relationship quality matter in e-services? A comparison of online and offline retailing. *Journal of Retailing and Consumer Services*, 17(2), 130-142.
- Yi, Y., Gong, T., & Lee, H. (2013). The impact of other customers on customer citizenship behavior. *Psychology and Marketing*, 30(4), 341-356.
- Zeithaml, V. A., Berry, L. L., & Parasuraman, A. (1996). The Behavioral Consequences of Service Quality. *Journal of Marketing*, 60(2), 31-46. <https://doi.org/10.2307/1251929>
- Zhang, J. (2022). Liability of emergingness and EMNEs' cross-border acquisition completion: A legitimacy perspective. *International Business Review*, 31(2). <https://doi.org/10.1016/j.ibusrev.2021.101951>
- Zhang, J., Deephouse, D., van Gorp, D. & Ebbers, H. (2022). Individuals' Perceptions of the Legitimacy of Emerging Market Multinationals: Ethical Foundations and Construct Validation. *Journal of Business Ethics*, 176, 801-825. <https://doi.org/10.1007/s10551-020-04599-x>
- Zimmerman, M. A., & Zeitz, G. J. (2002). Beyond Survival: Achieving New Venture Growth by Building Legitimacy. *The Academy of Management Review*, 27(3), 414-431. <https://doi.org/10.2307/4134387>