

Does the Origin of the Firm Matter? Regional Determinants of Acquisition Strategies in Emerging Countries: Some Empirical Evidence from Russia

We aim at deepening the existing understanding of the antecedents of acquisitions by emerging market firms by providing a multi-layered analysis of the firm, industry, and region level determinants of acquisition behavior. Based on a sample of 1500 of medium-sized and large firms in different regions of Russia, we examine what drives firms with little prior experience or capabilities to engage in acquisitions. Consistent with prior research, we confirm that firm size, slack, and low overall industry growth increase a firm's likelihood to engage in acquisitions. As novel findings we show that the subnational region a firm is embedded in – in particular its institutional context – plays a major role in its acquisition behavior.