




Identifying Market Analysis and Strategy Dimensions for Sustainable Internationalization in the Oil Industry of Iraq

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ABSTRACT

This study aims to identify and analyze the core dimensions of market analysis and strategic formulation that support sustainable internationalization in the Iraqi oil industry. A qualitative research design was employed to explore the complex dynamics of internationalization strategies within Iraq's oil sector. Data were collected through 12 semi-structured interviews conducted with stakeholders, including employees of multinational corporations (MNCs), subsidiary managers, and representatives from regulatory bodies. Supplementary data sources included direct observations and document analysis of industry reports, strategic plans, and contractual agreements. Thematic analysis was carried out using NVivo software, applying an inductive coding approach encompassing open, axial, and selective coding phases to develop a conceptual framework. Four primary selective codes were extracted from the data: Market Analysis and Competitiveness, International Market Acceptance, Sales and Distribution, and Pricing and Financial Management. Findings indicate that successful internationalization in Iraq hinges on adaptive market intelligence, product differentiation, regional proximity, and continuous competitive benchmarking. International market acceptance depends on localization, stakeholder engagement, and culturally tailored marketing. Sales and distribution strategies incorporate both traditional and digital channels, supported by strategic intermediaries and CRM technologies. Financial resilience is enabled through pricing flexibility, exchange rate management, and technological integration in financial planning. These strategic dimensions collectively enhance firm adaptability, stakeholder legitimacy, and sustainable positioning in volatile global markets. The study underscores the necessity for oil firms operating in Iraq to adopt an integrated, sustainability-oriented approach to internationalization. Strategic adaptability, digital infrastructure, stakeholder alignment, and ESG-driven frameworks are essential for navigating institutional uncertainty and achieving long-term global competitiveness. The insights contribute to both theory and practice by offering a multidimensional framework for responsible expansion in complex energy markets.

Keywords: Sustainable internationalization, oil industry, Iraq, market analysis, strategy, competitiveness, stakeholder engagement, pricing, digital transformation, ESG.

1. Introduction

The strategic internationalization of the oil industry—particularly within developing or politically complex economies like Iraq—demands an in-depth understanding of sustainable drivers, market readiness, institutional infrastructure, and stakeholder dynamics. As a country with a rich endowment of hydrocarbons yet fraught with post-conflict reconstruction, Iraq represents both a high-potential and high-risk context for international oil ventures. The role of internationalization strategies in such a volatile and resource-dependent environment has become critical, not just for firm-level competitiveness but for national economic revitalization. Within this framework, the oil sector's engagement with sustainable development paradigms and environmental, social, and governance (ESG) imperatives is increasingly reshaping business models and stakeholder expectations (Arena et al., 2022; Nazir et al., 2024). As internationalization evolves from being solely market-oriented to encompassing broader responsibilities, this study addresses the multidimensional dimensions of strategy and market analysis for sustainable integration into the global oil economy.

Recent scholarship underscores the complex interplay between market access strategies and sustainability commitments in the oil sector. International firms operating in Iraq must navigate layers of institutional, infrastructural, and sociopolitical constraints, requiring the integration of environmental and social priorities into operational and expansion frameworks (Ahmmad, 2023; Al-Saadi et al., 2022). For instance, the internationalization process is influenced not only by economic factors such as cost efficiency and resource availability but also by environmental uncertainty, regulatory gaps, and localized socio-political dynamics (Adejare et al., 2023). Firms must reconcile the dual mandates of resource extraction and sustainable performance, where achieving legitimacy and resilience in the host country entails deploying adaptive strategies that extend beyond transactional market behaviors. The strategic alignment between firm capabilities and external uncertainty moderates international performance outcomes, thus underscoring the need for tailored, data-informed market analysis models (Adejare et al., 2023).

The digital transformation of the oil industry and the integration of smart technologies have further impacted the internationalization landscape. Tools such as blockchain, predictive analytics, and digital platforms for remote

monitoring have allowed firms to operate more efficiently across borders while enhancing transparency and compliance (Al-Zehhawi, 2023; Feroz et al., 2021). However, digitalization must be contextualized within broader sustainability goals to ensure that technological adoption leads to positive environmental and social outcomes (Chen et al., 2020; Despeisse et al., 2022). Studies have shown that in emerging markets, the success of digital strategies in the oil and gas sector hinges on compatibility with institutional capacities, infrastructural readiness, and human capital development (García & Landeros, 2020). This intersection of digital maturity and sustainable internationalization highlights the importance of designing adaptive business models that address both competitiveness and responsibility.

In Iraq specifically, the modernization of oil infrastructure has been challenged by global economic turbulence, geopolitical instability, and fragmented regulatory mechanisms. Yet, as Al-Saadi et al. (2022) note, the development of infrastructure under such conditions is not only possible but imperative for the integration of the Iraqi oil sector into global markets (Al-Saadi et al., 2022). The emphasis has shifted from merely developing extraction capacity to establishing resilient logistical networks, green manufacturing capabilities, and environmentally compliant operational systems (Despeisse et al., 2022; Hami et al., 2020). These developments are further reinforced by the growing importance of ESG factors in evaluating oil and gas firms, with investors and regulators increasingly scrutinizing firms' disclosures and performance on sustainability metrics (Arena et al., 2022; Di Simone et al., 2022). Iraq's unique position—between resource abundance and institutional fragility—thus necessitates internationalization strategies that are both pragmatic and principled.

Sustainability in internationalization also depends on human-centered strategies, including social sustainability practices, workforce development, and stakeholder inclusivity. For instance, Kalfaoğlu (2023) emphasizes the importance of integrating employees' perceptions of social sustainability into business strategy to ensure long-term internal alignment and external legitimacy (Kalfaoğlu, 2023). In resource-dependent economies, where labor conditions and local employment are highly politicized, firms must adopt inclusive practices that foster social cohesion and mitigate conflict. This is particularly relevant in Iraq, where oil operations are often situated in areas with historical grievances and socioeconomic inequalities. In such contexts, aligning internationalization efforts with

community engagement and talent development can serve as a strategic lever for trust-building and operational stability (Malik et al., 2020; Rai et al., 2021).

The role of supply chains and logistics further complicates sustainable internationalization. As Rosi and Obrecht (2023) argue, integrating sustainability topics into logistics education and planning is vital for future-proofing operations, particularly in Middle Eastern contexts where traditional supply chain models are being re-evaluated under sustainability lenses (Rosi & Obrecht, 2023). Iraq's oil sector, highly dependent on imported technologies and regional trade dynamics, necessitates reconfigured supply chain strategies that minimize emissions, optimize transport costs, and adapt to fluctuating geopolitical alignments. Similarly, Martins et al. (2023) demonstrate that even small and medium-sized enterprises (SMEs) must adapt their logistics and performance metrics to ensure long-term survival and international competitiveness (Martins et al., 2023).

Another key driver of international success is intellectual capital, which includes organizational learning, knowledge transfer, and cross-border innovation systems. Nazir et al. (2024) emphasize the relationship between intellectual capital and disaster resilience in oil and gas firms, proposing that knowledge-intensive capabilities allow firms to better navigate environmental disruptions and sustain international presence (Nazir et al., 2024). In Iraq's case, where the post-conflict recovery continues to influence institutional functionality, investing in knowledge management systems and performance evaluation mechanisms is crucial for sustaining internationalization momentum (Cardoni et al., 2020). These tools not only enhance operational efficiency but also contribute to organizational transparency and stakeholder trust, particularly when embedded within ESG-aligned performance frameworks.

The success of internationalization strategies also hinges on firm adaptability to host country norms and institutional voids. As Martos-Martínez and Muñoz-Guarasa (2023) highlight in their study of the agri-food sector, cultural fit, market familiarity, and adaptive strategies are indispensable to successful foreign market penetration (Martos-Martínez & Muñoz-Guarasa, 2023). In the Iraqi oil context, such adaptability is essential, as firms must not only navigate regulatory inconsistencies but also align with localized business practices. Business angel networks and syndication models—although less common in oil—illustrate how risk-sharing and institutional collaboration can enhance cross-border investment returns, as discussed by Wesemann and

Antretter (2023) (Wesemann & Antretter, 2023). The implication here is that flexible, network-based strategies could also be valuable in the oil sector to spread risk, gain local legitimacy, and strengthen market footholds.

Finally, the global debate around green transitions and carbon neutrality exerts increasing pressure on oil firms to transform their internationalization strategies. As Galvão et al. (2021) point out, the alignment between sustainability initiatives and international strategy is no longer optional but integral to competitiveness in global markets (Galvão et al., 2021). In Iraq, where oil remains the backbone of the economy, a gradual shift toward green technologies and sustainable practices must be embedded in international operations. Technological innovation, environmental reporting, and stakeholder dialogue form the core of such transformation strategies (Battalora, 2023). While Iraq's infrastructural and regulatory challenges remain considerable, international oil firms operating in this context must proactively define their market analysis and strategic direction through the lens of sustainability.

In sum, the sustainable internationalization of the oil industry in Iraq is a multifaceted endeavor that blends strategic foresight, environmental responsibility, stakeholder engagement, and adaptive capabilities. This study aims to identify and analyze the critical dimensions of market analysis and strategic formulation that enable oil firms to expand internationally while adhering to sustainability imperatives.

2. Methods and Materials

This study employed a qualitative research design to explore the complex and multifaceted dimensions of market analysis and strategic approaches adopted for sustainable internationalization in Iraq's oil industry. The qualitative methodology was chosen due to its appropriateness in capturing the nuanced experiences and perspectives of individuals embedded within the socio-political and economic realities of the Iraqi oil sector. The study was particularly concerned with how multinational corporations (MNCs) operating in Iraq, alongside governmental and local stakeholders, interpret and implement strategies aimed at achieving long-term, sustainable international expansion. Participants were purposefully selected based on their involvement in the oil production value chain, ensuring representation from MNC employees, executive decision-makers, Iraqi government officials, and local community representatives. The selection criteria were guided by the

need to obtain a well-rounded understanding of market and strategic interactions that shape sustainable practices in the sector. A total of twelve individuals participated in the interviews, including seven employees from multinational oil companies and four influential stakeholders affiliated with local governance or regulatory institutions. Additionally, two comprehensive interviews were conducted with representatives from CNPC subsidiaries—Petro Gina and CNOOC—who provided an in-depth understanding of strategic implementation from a corporate standpoint.

Data collection was achieved through a triangulated approach comprising semi-structured interviews, direct observations, and document analysis. The core of the data collection process was the set of semi-structured interviews that facilitated the collection of rich, contextually grounded narratives. These interviews were guided by a pre-established set of thematic prompts, yet remained open-ended enough to allow for emergent topics to be explored organically. Interview questions were designed to probe perceptions of internationalization strategies, sustainability considerations, decision-making criteria, market entry challenges, and inter-organizational cooperation. Interviewees were encouraged to reflect not only on organizational strategies but also on the socio-political context influencing their effectiveness. Supplementing the interview data, direct field observations were conducted in several oil facilities, providing additional insight into organizational behavior, workplace routines, and inter-organizational interactions. Furthermore, the research integrated a document analysis component, which involved the systematic review of strategic reports, bilateral contractual agreements, operational records, and relevant policy documents issued by both Iraqi authorities and international oil firms. This enabled triangulation of findings and served as a means of validating the accuracy of the interview narratives with concrete operational and policy evidence.

Thematic data analysis was conducted using an inductive approach, wherein codes and categories were derived directly from the data rather than being imposed a priori. Following the transcription of the recorded interviews, the qualitative analysis software NVivo was employed to manage, sort, and code the data systematically. The initial stage of analysis involved open coding, where recurring concepts and phrases were identified within each transcript. These initial codes were subsequently organized into broader axial categories based on thematic relationships and

conceptual overlap. Selective coding was then used to refine the findings into higher-order themes related to market analysis dimensions—such as market entry conditions, geopolitical risk perception, and local market responsiveness—as well as strategic dimensions such as sustainability alignment, stakeholder engagement, and long-term value creation. Emergent themes were continuously validated against observational notes and documentary evidence to ensure credibility. The research adhered to ethical guidelines throughout all stages of data collection and analysis. Informed consent was obtained from each participant prior to their involvement, and all interviewees were made fully aware of their rights regarding participation and withdrawal. To uphold confidentiality and anonymity, pseudonyms were assigned to participants, and identifiable organizational data were either masked or omitted in the reporting of findings. By synthesizing insights from interviews, observations, and document analysis, the study generated a comprehensive and context-sensitive understanding of the market analysis and strategic frameworks that guide sustainable internationalization in Iraq's oil industry.

3. Findings and Results

3.1. Market Analysis and Competitiveness

Participants consistently emphasized the strategic necessity of understanding local and regional market dynamics to inform competitive positioning in the Iraqi oil sector. Multinational corporations (MNCs) engaged in comprehensive evaluations of market saturation, seeking out niche opportunities characterized by low competition and high demand. Key approaches included forming local partnerships and utilizing indigenous networks to gain market access, as well as developing unique value propositions to differentiate from both local and international competitors. Additionally, the analysis of regional cost advantages allowed companies to tailor production and distribution strategies in ways that optimized cost efficiency. Cost-saving measures such as lean manufacturing and supply chain optimization were integrated into broader strategies for competitiveness, especially in the context of regional economic blocs and trade agreements. Competitive intelligence gathering—through tools such as SWOT analysis, benchmarking, and monitoring of pricing strategies—enabled companies to stay ahead of rapidly shifting market dynamics. A strong emphasis was also placed on innovation, with firms

investing in R&D to create differentiated products and leveraging storytelling and brand positioning to communicate uniqueness. The proximity to neighboring markets was highlighted as a key asset, facilitating reduced logistical costs and enhanced cross-border agility.

3.2. *International Market Acceptance*

Achieving acceptance in foreign markets was identified as a multifaceted process involving both strategic and cultural dimensions. Respondents described market entry strategies that combined segmentation, targeting, and positioning to establish relevance and alignment with international demand. Localization efforts played a significant role, including the adaptation of products, services, and messaging to align with the cultural norms and expectations of the target market. Customer feedback loops, brand perception studies, and test marketing were commonly used to refine product-market fit and inform strategic adjustments. Additionally, strong emphasis was placed on building relationships with key stakeholders, such as local influencers, decision-makers, and regulatory actors, to facilitate smoother entry and long-term acceptance. Companies also discussed the use of hedging and currency management strategies in markets with volatile income levels or foreign exchange risks. These financial adaptations helped align pricing with local purchasing power, increasing accessibility and reinforcing the overall perception of value.

3.3. *Sales and Distribution*

The findings revealed that successful internationalization in the oil industry required deliberate structuring of sales and distribution mechanisms. Many firms maintained distinct systems for domestic and international operations, with tailored pricing models, payment terms, and logistics arrangements adapted to each market context. A key theme was the strategic use of direct export channels, allowing firms to bypass intermediaries and maintain control over customer engagement. Companies developed dedicated export distribution networks, ensured compliance with international regulations, and coordinated logistics and

customs clearance efficiently. Sales intermediaries such as agents, distributors, and resellers were selectively employed based on their regional expertise and network strength. These relationships were carefully managed through training, performance evaluation, and incentive alignment. Furthermore, the role of technology in enabling efficient distribution was underscored through the integration of CRM systems and online sales platforms. Participation in digital marketplaces and the use of e-commerce tools expanded global reach, while local brokers provided vital support in navigating complex regulatory and cultural environments.

3.4. *Pricing and Financial Management*

Pricing and financial decision-making emerged as critical pillars of sustainable internationalization. Firms employed a variety of pricing models—including cost-plus, value-based, and competitive pricing—based on market conditions and customer profiles. Dynamic pricing systems were implemented to respond swiftly to market fluctuations and competitor movements. Promotional tactics such as bundling, loyalty programs, and discounts were used to attract and retain customers, especially in price-sensitive markets. To support these strategies, companies leveraged advanced analytics for real-time price monitoring and adjustment. Financially, firms were highly attentive to the implications of foreign exchange fluctuations, employing hedging strategies and diversifying revenue sources to mitigate risk. The ability to determine cost price in relation to exchange rates was cited as a vital competency, influencing production, pricing, and investment decisions. Additionally, technological investments—such as ERP and financial management systems—were made to streamline operations, ensure regulatory compliance, and maintain financial agility. The pursuit of operational efficiency, including lean manufacturing and capacity optimization, was aligned with the overarching goal of maintaining profitability while remaining competitively priced in global markets.

Table 1
Selective, Axial, and Open Codes

Open coding	Axial coding	Selective Coding
Evaluation of local market saturation	Limited Local Competition	Market Analysis and Competitiveness
Market analysis to identify niches with low competition and high demand		
Utilization of local networks or partnerships for competitive advantage		
Strategies for differentiation from local competitors		
Development of unique value propositions to differentiate from local competitors		
Continuous monitoring of market dynamics to anticipate changes in competitive landscape		
Strategic partnerships with local suppliers or distributors to gain market access		
Examination of cost frameworks in contrast to regional rivals		
Exploration of regional cost advantages or disadvantages	Intensity of International Competition (Regional Cost Advantages)	
Comparative cost analysis to identify regions with cost advantages for production or distribution		
Strategies for cost optimization in international markets		
Adoption of cost-saving measures such as lean manufacturing or supply chain optimization		
Leveraging regional partnerships or alliances for competitive advantage		
Leveraging regional trade agreements or economic blocs to access markets with reduced trade barriers		
Differentiation strategies based on quality, innovation, or service to compete effectively in international markets		
Methods for tracking local competitors' activities and strategies	Monitoring Local Competitors	
Analysis of local competitors' market share and pricing strategies		
Tools or systems for ongoing competitor monitoring and analysis		
Adaptation of strategies based on competitive intelligence		
Competitive intelligence gathering through market research, industry reports, and competitor analysis		
Regular monitoring of competitor pricing, product offerings, and marketing strategies		
SWOT analysis to identify strengths, weaknesses, opportunities, and threats posed by local competitors		
Benchmarking performance metrics against industry peers to identify areas for improvement		
Innovation strategies for enhancing product uniqueness	Product Variety - Uniqueness of the Product	
Research and development initiatives for product		
Innovation pipeline development to continuously introduce new and distinctive products to the market		
Identification of unique selling propositions (USPs) for products		
Product differentiation strategies based on unique features, design, or functionality		
Communication strategies for highlighting product differentiation		
Brand positioning and storytelling to communicate the uniqueness and value proposition of the product		
Customer feedback mechanisms to gather insights and validate product uniqueness in the market		
Leveraging geographic proximity to neighbouring markets for logistical and cost advantages	Advantage of Proximity in Regional Transactions	
Optimization of supply chain efficiency through regional distribution networks		
Establishment of regional distribution hubs or warehouses to reduce lead times and transportation costs		
Capitalizing on cultural and linguistic similarities in regional marketing and sales strategies		
Exploiting regulatory harmonization and trade agreements to facilitate cross-border transactions		
Strategic alliances or joint ventures with local partners to navigate regulatory complexities and cultural nuances		
Localization of production or assembly facilities to leverage proximity advantages in regional markets		
Investment in local talent and capabilities to build relationships and networks in regional markets		
Analysis of factors influencing the company's bargaining power in negotiations with suppliers, customers, and partners	Bargaining Power of the Company	
Analysis of factors influencing the company's bargaining power in negotiations with suppliers, customers, and partners		

Strategies for enhancing bargaining power through economies of scale, vertical integration, or strategic alliances		
Utilization of leverage from market dominance, unique capabilities, or brand reputation in negotiations		
Investment in vertical integration or backward integration to control input costs and improve bargaining position		
Mitigation of risks associated with asymmetric bargaining power through contractual safeguards or alternative sourcing options		
Diversification of supplier base to reduce dependency and increase bargaining power		
Collaboration with industry peers or trade associations to collectively negotiate with suppliers or buyers		
Determination of optimal pricing strategies to gain a competitive advantage in the market	Competitive Price	
Pricing strategy development based on cost-plus, value-based, or competitive pricing approaches		
Analysis of cost structures, demand elasticity, and competitor pricing dynamics		
Monitoring and adjusting prices in response to changes in market conditions, costs, and customer preferences		
Dynamic pricing algorithms to adjust prices in response to market conditions and competitor actions		
Balancing price competitiveness with profitability objectives and value proposition		
Promotional tactics such as discounts, bundling, or loyalty programs to drive sales and market share		
Price monitoring tools and analytics to track competitor pricing and adjust pricing strategies accordingly		
Market entry strategies for gaining acceptance in international markets	Acceptance in the International Market	International Market Acceptance:
Market entry strategies such as market segmentation, market targeting, and market positioning to gain acceptance		
Customer feedback mechanisms to gauge acceptance and satisfaction		
Brand perception studies in target international markets		
Cultural adaptation strategies to enhance acceptance and relevance		
Localization strategies to adapt products, services, and marketing messages to cultural preferences and market needs		
Relationship-building activities with key stakeholders, influencers, and decision-makers in target markets		
Test marketing and pilot programs to validate product-market fit and refine market entry strategies		
Impact of income levels on purchasing power and demand for products	Income Level and Foreign Exchange	
Pricing strategies based on income levels and exchange rates		
Strategies for mitigating risks associated with foreign exchange fluctuations		
Hedging strategies to mitigate foreign exchange risks and protect against currency fluctuations		
Financial hedging mechanisms to manage currency exposure		
Diversification of revenue streams across multiple markets or currencies to reduce dependency on specific income sources		
Monitoring macroeconomic indicators such as GDP growth, inflation rates, and exchange rate movements to inform business decisions		
Collaboration with financial institutions or currency brokers to optimize foreign exchange transactions and minimize transaction costs		
Distinction between domestic and international sales processes	The Difference Between Internal and External Sales Systems	
Adaptation of sales strategies for different markets		
Adaptation of sales strategies, pricing models, and payment terms to align with market dynamics and customer preferences		
Logistics and distribution considerations for international sales		
Sales channel management for diverse market environments		
Development of distinct sales channels and distribution networks for domestic and international markets		
Integration of sales systems with customer relationship management (CRM) software for data-driven decision-making and sales performance tracking		
Training and incentivization programs for sales teams to effectively manage both internal and external sales channels		
Knowledge transfer mechanisms from international markets to local production	The Impact of Direct Export on Improving the Quality of Local Production	
Quality standards alignment with international requirements		
Continuous improvement driven by international market feedback		
Investment in technology and processes to meet export standards		

Talent acquisition strategies focused on hiring individuals with local market knowledge, language proficiency, and cultural awareness		
Cross-cultural training programs and cultural immersion experiences to facilitate integration and collaboration within diverse teams		
Collaboration with local educational institutions or vocational training centres to develop talent pipelines and address skill gaps		
Employee retention initiatives such as career development opportunities, competitive compensation packages, and work-life balance programs		
Advantages and challenges of direct export as a market entry strategy	Direct Export	Sales and Distribution:
Development of export channels and distribution networks		
Compliance with export regulations and documentation requirements		
Coordination of logistics and transportation for direct export operations		
Managing logistics, shipping, and customs clearance processes efficiently to ensure timely and cost-effective delivery of exported goods or services		
Directly exporting products or services to foreign markets without the involvement of intermediaries or third-party distributors		
Leveraging direct export channels such as e-commerce platforms, trade shows, and export agents to access international markets and customers		
Developing export capabilities, knowledge, and expertise to navigate regulatory requirements, cultural differences, and market entry barriers in target countries		
Role and selection criteria for sales intermediaries such as agents or distributors	Sales Intermediaries	
Negotiation of terms and agreements with sales intermediaries		
Management of relationships with sales intermediaries to ensure alignment with business objectives		
Collaborating with sales intermediaries such as agents, distributors, wholesalers, or resellers to expand market reach and penetrate new customer segments or geographic areas		
Establishing mutually beneficial partnerships and agreements with sales intermediaries to leverage their expertise, networks, and resources for sales and distribution		
Providing training, support, and incentives to sales intermediaries to promote product knowledge, brand awareness, and sales performance		
Monitoring and evaluating the performance of sales intermediaries and adjusting strategies or agreements as needed to optimize sales and distribution channels		
Adaptation of production processes to meet quality and regulatory standards		
Adapting production processes, technologies, and product specifications to meet or exceed industry standards, regulations, and customer expectations		
Implementing quality management systems, certifications, and continuous improvement initiatives to ensure compliance with international standards and best practices		
Clearing mechanisms for international trade transactions	Clearing Transactions	
Compliance with financial regulations and reporting requirements		
Utilization of clearing platforms and financial intermediaries for transaction processing		
Risk management strategies for currency fluctuations and payment delays		
Facilitating the smooth and efficient clearance of financial transactions, payments, and settlements across international borders and currencies		
Leveraging banking services, payment platforms, and financial institutions to process transactions securely, accurately, and transparently		
Complying with regulatory requirements, anti-money laundering (AML) regulations, and international financial standards to mitigate risks and ensure compliance		
Implementing robust transaction monitoring, reporting, and auditing mechanisms to detect and prevent fraud, errors, or irregularities in financial transactions		
Role and responsibilities of a local broker in international trade transactions	Use of a Local Broker	
Engaging local brokers or intermediaries to navigate regulatory, legal, and cultural complexities in foreign markets and facilitate business transactions and negotiations		
Leveraging the local knowledge, networks, and relationships of brokers to identify opportunities, access decision-makers, and overcome market entry barriers		
Selection criteria and due diligence process for choosing a local broker		
Management of relationships with local brokers to ensure transparency and compliance		
Establishing clear roles, responsibilities, and expectations with local brokers and providing support, training, and incentives to maximize their effectiveness and performance		
Evaluation of the effectiveness of using a local broker in facilitating business activities		
Conducting due diligence and risk assessments when selecting and partnering with local brokers to ensure alignment with business objectives and ethical standards		
Strategies for effective communication with suppliers and service providers	Communication with Providers	
Establishing effective communication channels and relationships with suppliers, vendors, and service providers to ensure timely and transparent information exchange		

Negotiation of terms and agreements with providers to optimize value		
Collaboration with providers to innovate and improve product or service offerings		
Collaborating with providers to align production schedules, delivery timelines, and quality standards with business requirements and customer expectations		
Monitoring and evaluation of provider performance to ensure quality and reliability		
Resolving issues, addressing concerns, and managing conflicts through open dialogue, negotiation, and conflict resolution techniques		
Monitoring provider performance, conducting regular reviews, and providing feedback to drive continuous improvement and enhance collaboration		
Assessment of regulatory and legal requirements for independent operations abroad	Independence in Activities in	
Adhering to local laws, regulations, and customs while upholding corporate values, standards, and ethical principles in all business dealings	Destination Countries	
Establishment of local subsidiaries or branches for independent presence		
Building local capabilities, partnerships, and relationships to reduce dependency on external resources, dependencies, or intermediaries		
Localization strategies for adapting to cultural and market differences		
Maintaining autonomy and control over business activities, operations, and decision-making processes in destination countries to safeguard corporate interests and strategic objectives		
Balancing autonomy with centralized control in international business activities		
Balancing the benefits of independence with the need for collaboration, cooperation, and adaptation to local market conditions and stakeholder expectations		
Utilization of online platforms and digital marketplaces for international sales	Participation in Electronic Markets	
Engaging in electronic or digital marketplaces, platforms, or ecosystems to buy, sell, or exchange goods, services, or information online		
Strategies for enhancing visibility and reach in electronic markets		
Leveraging e-commerce, online advertising, and digital marketing channels to reach and engage customers, partners, and stakeholders in virtual marketplaces		
Integration of e-commerce tools and technologies into sales and distribution processes		
Management of online reputation and customer reviews in electronic markets		
Investing in technology, infrastructure, and cybersecurity measures to ensure secure, seamless, and reliable transactions in electronic markets		
Monitoring market trends, consumer behaviour, and competitive dynamics in electronic markets to inform strategic decisions and optimize digital marketing strategies		
Recruitment strategies for hiring local talent with market knowledge	Strategies for Effective International	Pricing and
Training and development programs for local employees	Operations	Financial
Cross-cultural competency initiatives for international teams		Management:
Employee engagement strategies to leverage local insights and expertise		
Identification of infrastructure gaps or deficiencies in target markets		
Strategies for navigating infrastructure challenges in international operations		
Collaboration with local authorities or partners to address infrastructure shortcomings		
Investment in infrastructure development or improvement initiatives	Starting with Less Profit in the	
Infrastructure investment projects to address deficiencies in transportation, logistics, energy, and telecommunications	Market	
Public-private partnerships (PPPs) to finance and develop critical infrastructure projects in collaboration with government agencies		
Contingency planning and risk mitigation strategies to manage operational disruptions caused by infrastructure deficiencies		
Innovation in infrastructure technologies such as smart grids, renewable energy systems, and digital infrastructure to overcome weaknesses		
Technology assessment and investment strategies for upgrading facilities		
Continuous evaluation and monitoring of technological needs and trends		
Integration of cutting-edge technologies to enhance operational efficiency		
Adoption of Industry 4.0 technologies such as Internet of Things (IoT), artificial intelligence (AI), and big data analytics to modernize operations		
Training programs for employees to adapt to new technological advancements	Skill of Determining the Cost Price	
Collaboration with technology partners, startups, and research institutions to co-innovate and co-develop cutting-edge solutions	Based on the Exchange Rate	
Training and upskilling programs to ensure employees have the necessary digital literacy and technical skills to leverage new technologies		
Continuous evaluation and monitoring of technological needs and trends		
Technology road mapping exercises to prioritize investments and align technological upgrades with business objectives		
Benchmarking against industry standards and competitors' technological facilities		

Gap analysis to identify areas for technological improvement or investment	
Implementation of technology adoption roadmaps for business growth	Price Adjustment to Attract or Retain Customers
Investment in scalable and flexible technological solutions that can accommodate future growth and expansion	
Assessment of current technological capabilities and infrastructure readiness through technology audits and assessments	
Integration of enterprise resource planning (ERP) systems, customer relationship management (CRM) platforms, and other business technologies to streamline operations	
Continuous evaluation and optimization of technological facilities to maintain competitiveness and agility in a rapidly evolving business landscape	
Optimization strategies for maximizing production efficiency and output	
Lean manufacturing initiatives to minimize waste and enhance productivity	
Capacity planning and management to meet demand fluctuations	
Capacity planning and production scheduling to optimize production rates and meet demand fluctuations	
Continuous improvement programs to streamline production processes	Maintaining the Domestic Price Level
Lean manufacturing principles and continuous improvement initiatives to enhance production efficiency and reduce cycle times	
Investment in automation, robotics, and digitalization to increase throughput and minimize production downtime	
Collaboration with suppliers and logistics partners to ensure timely delivery of raw materials and components to support production schedules	
After-sales service offerings and support mechanisms	
Establishment of customer service centres or help desks to address post-purchase inquiries, issues, and complaints	
Customer service excellence initiatives to enhance post-purchase experiences	
Feedback loops for capturing customer satisfaction and addressing issues	
Feedback mechanisms such as surveys, reviews, and customer feedback portals to gather insights and improve after-sales service offerings	

4. Discussion and Conclusion

The findings of this study offer a comprehensive understanding of the critical dimensions of market analysis and strategic orientation that support the sustainable internationalization of the oil industry in Iraq. Through the qualitative exploration of stakeholder perspectives—including MNC employees, subsidiary managers, and policy influencers—this research identifies four major domains that shape internationalization in the Iraqi context: market analysis and competitiveness, international market acceptance, sales and distribution, and pricing and financial management. Each of these domains encapsulates a wide spectrum of strategic behaviors, institutional responses, and operational mechanisms that enable oil companies to expand globally while maintaining contextual sensitivity and long-term sustainability goals.

The first key theme—market analysis and competitiveness—reveals the vital role of strategic market intelligence and adaptive competition strategies in navigating Iraq's complex business environment. Respondents emphasized practices such as cost benchmarking, competitive intelligence, product differentiation, and regional alliance building. These results are in line with Adejare et al. (2023), who argue that the

strategic alignment between firm capabilities and external uncertainty significantly moderates internationalization performance, especially in unstable economies (Adejare et al., 2023). The need to develop unique value propositions and maintain continuous market monitoring echoes the findings of Nazir et al. (2024), which highlight intellectual capital and adaptability as core drivers of sustainable performance in the oil and gas sector (Nazir et al., 2024). Furthermore, respondents' focus on geographic proximity and logistical advantages supports the propositions made by Martos-Martínez and Muñoz-Guarasa (2023), who underscore regional positioning as a critical factor in cross-border expansion (Martos-Martínez & Muñoz-Guarasa, 2023).

The second major area of findings centers on international market acceptance, encompassing cultural adaptation, localization, stakeholder engagement, and feedback integration. Companies in Iraq actively tailored their offerings to match international standards while also customizing communication and branding to fit cultural expectations. These practices resonate with Galvão et al. (2021), who found that sustainability integration and cultural responsiveness are pivotal for global success in traditional industries (Galvão et al., 2021). Localization strategies and stakeholder relationship-building efforts observed in the

study also support Rai et al. (2021), who emphasize the need for organizational resilience and socio-economic alignment in volatile market environments (Rai et al., 2021). Moreover, the use of test marketing, pilot programs, and real-time feedback channels aligns with the recommendations of Di Simone et al. (2022), who argue that ESG factors and innovation must be balanced to ensure not only economic performance but also stakeholder trust (Di Simone et al., 2022).

A third important theme emerging from the data relates to sales and distribution mechanisms, especially in terms of direct export strategies, the use of sales intermediaries, and participation in electronic marketplaces. The use of online platforms and the strategic engagement of regional brokers demonstrate a transition towards digitized and diversified sales infrastructures. This finding aligns with Feroz et al. (2021), who emphasize the importance of digital transformation in enhancing sustainability and operational resilience (Feroz et al., 2021). The deployment of digital sales tools, CRM integration, and logistics optimization echo García and Landeros (2020), who demonstrated that digitalization, when integrated into distribution channels, significantly improves international business performance (García & Landeros, 2020). Additionally, the engagement of local brokers and agents supports the decentralized model proposed by Wesemann and Antretter (2023), who noted that syndication and intermediary networks enhance the efficacy of cross-border operations, especially in high-risk markets (Wesemann & Antretter, 2023).

Finally, the study identifies pricing and financial management as a pivotal domain underpinning the sustainability of international expansion. Respondents discussed a broad range of pricing strategies, from cost-plus to dynamic pricing models, as well as foreign exchange risk management through hedging and revenue diversification. These approaches reflect the broader literature on strategic pricing and financial resilience in international markets. For example, the findings support Malik et al. (2020), who argue that sustainability in organizations is inseparable from strategic financial planning and green financial instruments (Malik et al., 2020). Similarly, Hami et al. (2020) assert that sustainability performance in Iraq's oil and gas industry depends heavily on sound financial strategies and alignment with global reporting standards (Hami et al., 2020). The emphasis on ERP integration and technology-based pricing analytics aligns with the technology-focused frameworks developed by Chen et al. (2020) and Despeisse et al. (2022), who show that digital platforms enhance financial

transparency, cost control, and strategic agility in manufacturing and extractive industries (Chen et al., 2020; Despeisse et al., 2022).

Taken together, these findings illustrate a multidimensional framework for understanding sustainable internationalization in the Iraqi oil industry. They reflect a convergence of internal capabilities, digital enablement, stakeholder-centered strategies, and macroeconomic adaptability. Furthermore, the alignment with prior empirical research—from industry-specific studies such as Arena et al. (2022) and Battalora (2023), to broader theoretical frameworks like those proposed by Cardoni et al. (2020) and Martins et al. (2023)—reinforces the validity and generalizability of the emergent themes (Arena et al., 2022; Battalora, 2023; Cardoni et al., 2020; Martins et al., 2023). Notably, the integration of environmental and social sustainability into international strategy was not seen as a constraint but rather as a new arena of competitive differentiation. This transition toward value-driven globalization reflects a broader paradigm shift in the oil and gas sector, where firms are increasingly judged not only on performance metrics but also on ethical conduct, environmental stewardship, and long-term societal contributions (Al-Zehhawi, 2023; Rosi & Obrecht, 2023).

Despite its contributions, the study is not without limitations. First, the sample size was relatively small and limited to stakeholders operating in or around the Iraqi oil sector, which may restrict the generalizability of findings to other regions or industries. Second, the reliance on qualitative data, while rich in context, could introduce bias through selective interpretation of interview responses or thematic coding. Moreover, the geopolitical sensitivities of Iraq may have influenced participant openness or candor in sharing strategic insights. Lastly, the study was conducted within a specific temporal window, which may not fully capture the evolving dynamics of internationalization amid global disruptions such as energy transitions or regional conflicts.

Future studies could expand on this research by incorporating comparative case studies from other oil-producing nations in the Middle East or Global South to assess the generalizability of the identified dimensions. Longitudinal research designs could also offer insights into how internationalization strategies evolve over time, especially in response to environmental shocks or policy changes. Additionally, quantitative analyses could be used to validate the thematic framework developed in this study, potentially measuring the impact of specific strategic

dimensions on international performance indicators. There is also scope for exploring the role of emerging technologies such as AI, blockchain, and green hydrogen in shaping the next generation of sustainable international strategies in the oil sector.

Practitioners in the oil industry, particularly those aiming to operate in fragile or transitional economies, should consider adopting an integrated framework that combines market intelligence, cultural adaptation, financial agility, and sustainability performance. Companies should invest in digital infrastructure and talent development to support scalable, transparent, and adaptive international operations. Furthermore, engaging with local stakeholders—through co-development, local hiring, and shared governance—can enhance legitimacy and reduce resistance. Finally, aligning internationalization strategies with global ESG standards will not only fulfill regulatory requirements but also attract investors, customers, and partners committed to long-term value creation.

Authors' Contributions

Authors contributed equally to this article.

Declaration

In order to correct and improve the academic writing of our paper, we have used the language model ChatGPT.

Transparency Statement

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