

## Imitation's Dynamic Capabilities

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**Abstract:** In this theoretical study, we introduce a fresh research outlook by harnessing the dynamic capabilities inherent in imitation strategies. We have surveyed existing scholarly works on dynamic capabilities, identifying certain capabilities that organizations employing imitation strategies can cultivate. We propose the term “dynamic imitation capabilities” to encapsulate these abilities, including absorption capacity, observational learning, and R&D imitation capacity. The theoretical framework presented in this paper highlights the relationship between these capacities and imitation, inviting further empirical investigations across various domains to validate or uncover additional capabilities.

**Keywords:** Dynamic capability, Absorption capacity, learning by observation, imitative R&D, imitation strategy.

### INTRODUCTION

In contemporary business landscapes, organizations operate within highly dynamic markets where sustaining a competitive edge is exceedingly challenging. Consequently, the lifespan of products and technologies continues to shorten, while innovations rapidly disseminate. In such fiercely competitive environments, the primary imperative of imitation is swift reaction with standardized products (Bolton, 1993). The essence of this rapid response lies in specific approaches aimed at promptly nullifying any competitive advantage stemming from innovation. The sole objective is to swiftly emulate the innovator's product to signal presence to competitors. The term “exploitation imitation” denotes imitation strategies focused solely on accelerating the replication process. In scholarly discourse, this form of imitation is termed as perfect or complete imitation (Posen et al., 2013). Another strategy employed by imitators is to leverage competitors' innovations to create a competitive edge. This approach entails either partial differentiation from the innovator or leveraging competitor knowledge and information to innovate. For instance, Apple ventured into personal computers inspired by IBM's central computers, a move categorized as creative imitation by Schnaars (1994). The third strategy, a hybrid of exploitation and exploration imitation, entails rapid reaction with minimal differentiation to maintain competitive parity. Here, the

organization must swiftly assimilate capacities while partially differentiating itself from the innovator.

In an effort to enhance our understanding of competitive imitation in management, we have opted to narrow our research focus to the concept of dynamic capabilities, particularly examining the developed capacities of imitating organizations operating in bustling markets. This paper employs an emerging research framework known as the dynamic capabilities approach, which posits that organizations must cultivate adaptive capabilities to not only survive but also thrive in dynamic market environments. The approach adopted in this article, as we perceive it, holds relevance for studying the capabilities of imitating organizations. It aims to elucidate the two underlying strategies of imitation: rapid response to competitive actions through expedited integration processes and leveraging external information and knowledge, and creative responses achieved through synergizing external integrated knowledge with existing knowledge, fostering transformation and exploration of external insights.

Examining imitation through the lens of organizational capacities enables comprehension of the mechanisms behind how organizations imitate and discerns why certain imitators thrive while others falter. This research aims to delineate, within existing literature, the capacities cultivated by

organizations during the process of imitation. To achieve this, we introduce the dynamic capacities approach, which illustrates the dynamic capabilities organizations can foster to facilitate imitation.

## DYNAMIC CAPABILITIES APPROACH

Teece and his colleagues introduced a novel perspective known as the “Dynamic capabilities approach” (Teece et al., 1997), aimed at providing greater clarity regarding why certain organizations manage to sustain a competitive edge in rapidly evolving environments (Eisenhardt and Martin, 2000). According to this framework, dynamic capabilities facilitate the mobilization and efficient coordination of resources, enabling adaptability to environmental shifts. The value of this research lies in its premise: The dynamic capabilities approach offers insights into why certain organizations can successfully imitate in dynamic markets, while others struggle to do so amidst intense competitive pressures.

### A. Definition

The term “dynamic capabilities” was initially coined by Teece and Pisano in 1994. They proposed the following interpretation: “the subset of skills/capabilities that allow a company to create new products and processes and to respond to the evolution of the markets circumstances” (Teece and Pisano, 1994: 541). Eisenhardt and Martin (2000) noted the resemblance of this definition to earlier concepts such as “Combining capacities” (Kogut and Zander, 1992) and “Architectural competences” (Cockburn and Henderson, 1994).

Three years later, Teece and his team attempted to refine their initial definition concerning the development of novel products and processes: “the attitude of a firm to integrate, build and reconfigure its own internal and external skills to meet the constant evolution of its environment” (Teece et al., 1997: 516). The evolution of this definition can be attributed to the authors' endeavour to construct a fresh approach in their latest publication. In this paper, “dynamic capabilities” transcend mere conceptualization to become an entire ideological movement. Subsequent to their initial formulation, numerous scholars responded by offering critiques or proposing alternative definitions. Our objective in this paper is to introduce a novel perspective on the dynamic capabilities approach concerning imitation strategies. It is crucial, in my opinion, to establish a conceptual understanding of dynamic capabilities across various researchers.

The definition provided by Teece and his colleagues, referenced below, holds particular significance for our research because we aim to illustrate the dynamic capabilities that an imitative

organization can cultivate. While previous studies have predominantly focused on external skills, they have not delved sufficiently into the mechanisms of integrating, constructing, and reconfiguring these skills. This definition aligns closely with our conception of an imitative organization, which, operating in dynamic environments, maintains continuous vigilance over markets and technologies to emulate best practices. To achieve this, it must cultivate specific capabilities to effectively internalize external knowledge.

The term “dynamic” serves as the focal point of this approach. Its significance is articulated differently across the foundational articles by Teece and Pisano (1994), Teece et al. (1997), Eisenhardt and Martin (2000), and Winter (2003). In the first two articles, “dynamic” refers to the capacity for renewal necessary to adapt to evolving environments. Eisenhardt and Martin (2000) use the term within their definition of dynamic capabilities to refer to the adaptability required in dynamic market conditions. The dynamic capabilities are defined more simply by Winter as “the capabilities that extend, modify and create ordinary capabilities” (Winter, 2003: 991). According to this evolutionary researcher, the famous “dynamic” indicates the speed of change of ordinary capabilities.

Researchers have assigned varied characteristics to dynamic capabilities. Teece and his colleagues (1997) describe dynamic capabilities as idiosyncratic, implying they are tailored to individual organizations and often designed to address particular challenges. In contrast, Eisenhardt and Martin (2000) view them as idiosyncratic only in specific aspects. According to these scholars, dynamic capabilities exhibit common features that facilitate efficient processes across organizations. They propose that the characteristics of dynamic capabilities differ from those of market dynamism.

We posit that organizations equipped with capabilities, skills, and adaptable competencies are best positioned to replicate the achievements of competitors' dynamic capabilities. Both imitating and innovative organizations can attain similar outcomes through distinct dynamic capabilities unique to their respective approaches. We share in this case the idea of “equifinality”, as suggested by Eisenhardt and Martin (2000), according to whom the organization will achieve the same result. The authors explained this idea using a different term: “[...] there are means that are more or less efficient to execute particular dynamic capabilities like alliancing, strategic decision making and knowledge transmission. In a layman's language, there are best practises” (Eisenhardt and Martin, 2000: 1108). Consequently, an imitative organization may not necessarily need to mimic the dynamic capability of another entity if it can achieve similar results using a different approach. The distinction lies in the diverse array of information and

external knowledge inherent in the dynamic capability developed by the imitating organization.

We derive our proposed definition from the work of Teece et al. (1997) and the insights into the characteristics of dynamic capabilities provided by Eisenhardt and Martin (2000). Dynamic capabilities, as we define them, embody the capacity for adaptability in the face of environmental shifts, achieved through the integration of external knowledge and information in a collaborative process involving internal resources and skills. This definition resonates with Teece and colleagues' (1997) depiction of organizations utilizing their capabilities and resources to navigate market fluctuations. By incorporating external knowledge and information into our definition, we aim to underscore the non-idiosyncratic nature of dynamic capabilities, a concept emphasized by Eisenhardt and Martin (2000).

Various strategies, including imitation, are employed to adapt to environmental changes. In dynamic markets, some organizations aim not only to establish a competitive advantage but also to undermine competitors. Conversely, other researchers prioritize achieving competitive parity. It is evident that imitative organizations can also foster competitive advantages, which are distinct and unique compared to those created by innovative counterparts. The disparity lies in the access to knowledge about competitors concerning the utilization of internal capabilities and resources. We believe it's crucial to differentiate between the dynamic capabilities of innovators and imitators. We propose retaining the term "dynamic capabilities" for innovators, as the approach is rooted in the works of Schumpeter, and introducing the term "imitative dynamic capabilities" for imitators. We will further elaborate on this concept in the subsequent section of this article (III).

## **B. Conceptions**

As previously mentioned, there is a divergence in the understanding of dynamic capabilities. Various examples have been associated with dynamic capabilities: the creation of new products (Teece et al., 1997; Eisenhardt and Martin, 2000; Winter, 2003), forming alliances and decision-making (Teece et al., 1997; Eisenhardt and Martin, 2000), learning (Pablo et al., 2007), and research and development (Kale, 2010). These distinct examples can be attributed to conceptual differences in how researchers define dynamic capabilities. According to Altintas et al. (2022), the concept of dynamic capabilities can be delineated into three dimensions: organizational capabilities (such as new product development, decision-making, and forming alliances), learning mechanisms (such as learning through experimentation), and organizational functions (such as research and development).

### ➤ **Organizational capabilities**

The most commonly referenced example to illustrate dynamic capabilities is the development of new products (Teece and Pisano, 1994; Teece et al., 1997; Teece, 2007; Eisenhardt and Martin, 2000; Winter, 2003; Danneels, 2010). Additionally, decision-making capabilities and forming alliances are also acknowledged as dynamic capabilities (Teece et al., 1997; Eisenhardt and Martin, 2000). In both instances, strategic decision-making is associated with an organizational process in which value is created by leveraging management skills and resources. Forming alliances enables organizations to acquire external skills to develop or enhance new capabilities. This process of capability development is classified as organizational capability.

Dynamic capabilities encompass the organizational abilities to recognize and capitalize on opportunities, as noted by Harrell et al. (2007). The authors further suggest that IBM's strategy adjustment was facilitated by organizational capabilities in identifying and seizing opportunities. These organizational capabilities exhibit dynamism as they enable IBM to adjust to competitors' actions.

### ➤ **Learning mechanisms**

Pablo and colleagues regard the evolution of new practices through experimentation as a form of dynamic capabilities (Pablo et al., 2007). Meanwhile, other scholars such as Kale and Singh (2007) link dynamic capabilities to learning facilitated by relationships, such as alliances between organizations. The initial alliance fosters the development of alliance capabilities within the organization, which can then be adapted to new interorganizational relationships. This process of acquiring new capabilities through learning is termed "path dependency" (Teece et al., 1997).

This perspective diverges from the notion of organizational capability, although the outcome remains consistent. Learning serves merely as a method to foster the development of new products, decision-making processes, and alliances. This difference in conception lies not in the desired outcome but rather in the approach adopted to address these phenomena or in accordance with the theoretical framework embraced by the researcher (Altintas et al., 2022).

### ➤ **Organizational functions**

Helfat (1997), Danneels (2008) and Kale (2010) consider the research and development function to be a dynamic

capability. The R&D allows to accumulate knowledge and to develop new practises in order to respond to the market's dynamics (Helfat, 1997). These dynamic capabilities associated to organizational functions develop through learning mechanisms (Kale, 2010). This conception is much clearer at Danneels (2008) in her definition of research and development close to that of a dynamic capability: "Research and Development consists of adding new skills to the repertory of the company" (p.521).

These three perspectives align with our understanding of "imitative dynamic capabilities." We define imitative dynamic capabilities as the ability of an imitator to enhance an existing product, learn from the experiences of other organizations through direct observation or study, and engage in imitative research and development. The key distinction between our approach and those identified in the literature lies in the emphasis we place on the role of external knowledge and information in the product development or decision-making processes.

## IMITATION DYNAMIC CAPABILITIES

The "imitation dynamic capability" refers to the abilities of imitative organizations to assimilate external information and knowledge into the process of reconfiguring internal skills and resources, aligning them with innovations (Posen et al., 2022). According to Helfat and colleagues (2007), an organization's dynamic capabilities are partially associated with external factors, such as acquiring new resources, and partially with internal factors, such as deploying and reconfiguring resources. This involves both internal orchestration, encompassing the creation, deployment, and reconfiguration of resources, and external orchestration, involving acquisitions and alliances (Helfat et al., 2007). However, the external orchestration aspect differs in imitative dynamic capabilities. Instead of seeking alliances, imitative organizations focus on gathering information to amass knowledge, utilizing formal and/or informal means.

In literature, the accomplished performance of innovative organizations is often attributed to seemingly "magical" capabilities and resources such as the renowned "dynamic capability" (Teece et al., 1997) or the widely acknowledged "strategic resources" (Barney, 1991). Conversely, in the case of imitative organizations, performance is typically tied solely to the presence of weak barriers to imitation established by the innovator (Porter, 1986, 1996; Barney, 1991; Diericks and Cool, 1989). We diverge from the perspectives of these researchers. We contend that the success of imitation is not solely dependent on the barriers, but also on the inherent capabilities of imitative organizations to navigate through these

barriers. In our examination of the literature, we have identified three capabilities associated with imitative prowess, specifically the absorption capability, learning through observation capability, and imitative R&D.

### A. Absorption capability

The absorption capability is defined as the "attitude to recognize the value of new information, to assimilate it, and to apply for business purposes" (Cohen and Levinthal, 1990). For Zahra and George (2002), the absorption capability is a dynamic capability that can create and support a competitive advantage of an organization because it is considered as a group of organizational process through which the organization acquires, assimilates, transforms and exploits external knowledge in order to create an organizational dynamic capability.

Drawing upon the insights of Cohen and Levinthal (1990, 1994), Zahra and George (2002) emphasized the dynamic nature of the absorption capability in their article, noting its capacity to confront environmental shifts through established routines and organizational processes. Within this framework, we have identified only two studies explicitly linking the absorption capability to a dynamic capability (Pavlou and El Sawy, 2006).

Zahra and George (2002) expanded upon the absorption capability by dividing it into four phases (Acquisition, assimilation, transformation, and exploitation), departing from Cohen and Levinthal's three-phase model (value recognition, assimilation, and exploitation). One of the key contributions of Zahra and George (2002) lies in their differentiation between two types of absorption capability: potential absorption capability (acquisition and assimilation) and realized absorption capability (transformation and exploitation). This breakdown draws inspiration from March's (1991) work on exploring new organizational possibilities and exploiting existing knowledge, as well as Keller's (1996) research on technology creation and acquisition.

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The perspective offered by Zahra and George (2002), which they propose as resembling an “imitative absorption capability,” has faced criticism from Todorova and Durisin (2007). These critics argue that the initial step of recognizing value, as emphasized by Cohen and Levinthal (1990), should not be overlooked, and they challenge the idea that the four phases outlined by Zahra and George must strictly follow a sequential order. Todorova and Durisin attempt to introduce a new conceptualization of organizational absorption capability, aiming to rectify what they perceive as shortcomings in Zahra and George's approach. They contend that Zahra and George's assertion of a linear progression from acquisition to assimilation to transformation may not always hold true, suggesting that organizations can either acquire and assimilate directly or acquire and transform without necessitating an intermediate assimilation step.

The authors discuss the simultaneous occurrence of the assimilation and transformation phases. According to Todorova and Durisin (2007), assimilation enables the organization to incorporate new knowledge and adjust its routines in light of these new resources. They argue that this adjustment, equivalent to the transformation phase and absorption capacity, is essentially integrated within the assimilation process.

The concept of “Absorption capacity” originates from the desire to identify the capabilities enabling organizations to leverage information and knowledge from their competitors (Cohen and Levinthal, 1990; Lane and Lubatkin, 1998). We propose that this absorption capacity can also be cultivated by organizations seeking to imitate, through the collection of information and acquisition of external knowledge. While some may find it surprising to suggest absorption capability as an imitation skill, considering one of the transformation phases involves acquiring and assimilating information within the organization. It is worth noting that since Schnaars' work (1994), imitation has evolved beyond mere replication of innovations or being viewed as antithetical to creativity. Schnaars introduced the concept of “creative adaptation,” which involves imitating a product in the market to create something new. This type of imitation is associated with various concepts like “partial imitation” (Bourkha and Demil, 2016) and “marginal imitation” (Valdani and Arbore, 2007). In order to imitate, organizations must transform the information they acquire and assimilate, interpreting it differently from the innovating organization. Additionally, we are not the first to link absorption capacity with imitation; Bourkha and Demil

(2016) previously regarded absorption capacity as part of the imitation process.

## **B. The capability to learn by observation**

The organization gains knowledge through mimicking its competitors, either by fostering strong alliances or by observing alternative forms of learning (Haunschild and Miner, 1995). In the former scenario, organizations acquire knowledge through intra-organizational networks (Hagedoorn et al., 2006). For instance, frequent and repeated interactions, mutual assistance, problem-solving, communication, and trust within a network can facilitate information exchange between organizations (Cable and Williamson, 2003). However, it is the latter scenario that intrigues us, as in fiercely competitive markets, partnerships or connections between organizations in the same sector are scarce, and even when present, information sharing is limited. Organizations can glean insights from others through means such as press releases, conferences, competitive intelligence, and literature (Huber, 1991). They can also learn from the strategic decisions of other organizations, such as international market entry (McKendrick, 2001) or investments in emerging industries (Grewal et al., 2007). An organization may possess the capabilities to access new information swiftly and capitalize on emerging opportunities.

Several researchers have emphasized the dynamic nature of learning capabilities through experimentation, framing them as dynamic capabilities (e.g., Pablo et al., 2007; Kale and Singh, 2007). We posit that vicarious learning capabilities can also be linked to dynamic capabilities, as they enable imitative organizations to cultivate the ability to adapt to evolving markets. This proposition stems from the idea that vicarious learning allows organizations to gain “second-hand experience” (Huff, 1982; Huber, 1991) while benefiting from the exploratory efforts of others (Levinthal and March, 1993). It also facilitates the development of more abstract knowledge (Miner and Mezias, 1996) and the adjustment of strategic behavior in response to competitors' actions (Grewal et al., 2007). In this study, we refer to vicarious learning as the process by which imitative organizations actively seek to learn from their rivals to adapt, stabilize, or enhance their performance.

The decision to cultivate vicarious learning as a capability within an imitative organization is grounded in the observed positive correlation between this capability and its impact on performance outcomes. This correlation has been demonstrated in various studies, notably by Argote et al. (1990) and Darr et al. (1995), who examined the relationship between vicarious learning and productivity, and by Beckman and Haunschild (2002), who explored the role of vicarious learning in reducing incidents within aerospace companies. Additionally, Baum et

al. (2000) emphasized that the survival of certain organizations was significantly influenced by their adoption of vicarious learning practices. However, it is important to note that the positive outcomes associated with vicarious learning are not guaranteed, as they can be counterproductive if organizations incorrectly apply observed practices presumed to be beneficial.

Expecting motivating outcomes from vicarious learning is not always feasible (March and Olsen, 1976). Faced with the ambiguity barrier between the actions of rival organizations and their environmental context, observant organizations may accumulate and store information, but they will encounter challenges in leveraging and implementing it. The relevance of vicarious learning is only evident when emulating a product or practice not shielded by “causal ambiguity,” such as in service industries or business settings. This capability enables organizations to replicate a particular offering in the market, unlike absorption capability, which allows for partial imitation of innovation.

In this article we have distinguished between the learning capability and the absorption capability on the opposite of some researchers like Lane and colleagues who clearly associated them (Lane et al. 2006). These researchers positioned the absorption capability in a learning frame through exploitation/exploration. More precisely, the authors tried to link each phase of the learning process (exploration, transformation and exploitation) to that of the absorption capability (identification, assimilation and application of external knowledge). Exploratory learning is used to recognize and understand new external knowledge. Afterwards, the transformative learning is the combination between new knowledge with the existing knowledge in order to assimilate effectively pertinent external knowledge. Finally, learning through exploitation is effective to apply the identified and assimilated knowledge.

We find the linking of absorption capability with learning, as proposed by Lane and colleagues (2006), to be inconsistent. On one hand, absorption capability relies on precise and structured hypotheses defined by well-defined dimensions (Roberts et al., 2012). On the other hand, exploration and exploitation are viewed as vague concepts encompassing a range of specific activities (Gupta et al., 2006). Additionally, in both seminal works (Cohen and Levinthal, 1990; Zahra and George, 2002), researchers emphasize experiential learning as a mechanism for generating knowledge that organizations identify, assimilate, and apply.

### **C. Imitative R&D capability**

Some researchers consider the R&D function to be a dynamic capability (Helfat, 1997; Danneels, 2008; Kale, 2010).

This capability enables the accumulation of knowledge and the development of new practices to effectively adapt to evolving markets (Helfat, 1997). According to Danneels (2008), R&D represents the inclination to incorporate new skills into the organization's repertoire. This characterization by Danneels closely aligns with certain definitions of dynamic capabilities.

Let us recall that the primary objective behind developing the dynamic capabilities approach is to discover an optimal combination of resources and internal and external competencies to shield against imitative organizations. However, Winter (2003) contends that dynamic capabilities alone cannot serve as a barrier against imitation for organizations engaged in imitative R&D. In essence, only dynamic capabilities can effectively mimic the outcomes of dynamic capabilities, implying that imitative R&D is uniquely positioned to utilize and apply the results of innovative organizations' R&D efforts in a distinct manner. Imitative R&D enables the imitator to circumvent the obstacles created by the innovating organization (Shapiro and Khemani, 1987; Doha et al., 2017) by facilitating the decryption of tacitly gathered information (Ravichandran and Madanmohan, 2001). In this theoretical discourse, we define “imitative R&D” as a strategy that leverages internal resources and competencies to transform and exploit the results of competitors' R&D activities in a unique manner.

Imitative R&D provides organizations with the means to access the secrets of innovations (Schnaars, 1994; Ravichandran and Madanmohan, 2001). It can foster new avenues for exploring knowledge derived from innovation and introduce enhancements to distinguish themselves from innovative entities. Galloud and Torre (2001) emphasized the significance of imitative R&D, suggesting that it involves observing and studying the R&D activities of innovative organizations to identify optimal strategies. According to these scholars, imitators who invest in imitative R&D gain advantages in terms of time, costs, and effort. These latter two factors enable imitators to maneuver more swiftly and adaptably in competitive markets. Doha et al. (2017) have demonstrated that the outcome of R&D efforts is not invariably an innovation but can encompass imitation or a blend of both.

The success of imitative R&D hinges on the ability to glean insights from others' experiences (Doha et al., 2017) as well as the ease with which innovative projects can be imitated (Tushman and Nadler, 1978; Ravichandran and Madanmohan, 2001). These latter authors' works represent the primary sources in the literature that extensively delve into imitative R&D. Drawing from Shenhar's (1993) research on the technological intricacies of management projects, Ravichandran and

Madanmohan (2001) have demonstrated that the adoption of imitative R&D is contingent upon the nature of imitation. They differentiated imitation projects based on the complexity of each project. This study aims to discern imitation as an objective and classify it according to the degree of specificity, differentiating between imitation and innovation.

We contend that total and partial imitations do not necessarily require dynamic R&D capabilities. However, in instances of creative imitation (Schnnars, 1994), imitating organizations must indeed possess R&D capabilities. To effectively achieve creative imitation, these organizations need to identify the success factors of an innovation and subsequently endeavor to develop a product or practice capable of creating a new market. Unlike other forms of imitation (total and partial), R&D emerges as a crucial determinant of creative imitation.

If absorption capability (Zahra and George, 2002), learning mechanisms through experimentation (Pablo et al., 2007; Kale and Singh, 2007), and the research and development function (Helfat, 1997; Danneels, 2008; Kale, 2010) are acknowledged as dynamic capabilities, can we extend the classification to include imitation absorption capability, learning by observation mechanisms, and imitative R&D as dynamic capabilities cultivated by imitating organizations? We posit that the selection of imitation dynamic capabilities to foster hinges on the objectives of the imitating organization, implying that it depends on the specific type the organization aims to operationalize.

## CONCLUSION

We suppose that imitating organizations have the potential to cultivate these capabilities (absorption, learning by

observation, and imitative R&D), which we categorize as dynamic imitation capabilities. In contrast to Schumpeter's (1936) assertion, which implies that only innovators possess talent, we argue that imitators can possess talents as well, albeit they utilize them for imitation rather than innovation. While anyone can attempt to imitate, success in imitation requires the development of capabilities.

Our research introduces novel avenues, supplementing existing literature on dynamic capabilities. Firstly, it establishes connections between dynamic capabilities and concepts beyond innovation and competitive advantage, notably imitation. Additionally, it facilitates a nuanced understanding of various conceptions of dynamic capabilities. Drawing on a definition of dynamic capabilities and research exploring the capabilities developed by imitating organizations, we have coined the term "dynamic imitation capabilities." These refer to the abilities imitative organizations employ to assimilate external information and knowledge, integrating them in the process of reconfiguring internal resources and skills to keep pace with innovations.

Empirical research could validate the correlation between successful imitation and dynamic capabilities as delineated in this article. If R&D (Helfat, 1997; Danneels, 2008; Kale, 2010), organizational learning (Lane et al., 2006; Lane and Lubatkin, 1998; Lane et al., 2001), and absorption capability (Cohen and Levinthal, 1990; Zahra and George, 2002; Todorova and Durisin, 2007) are acknowledged as sources of competitive advantage, then what implications do dynamic capabilities for imitation hold? Exploring this question represents a crucial research avenue that can shed light on the outcomes of capabilities purportedly developed by imitating organizations. It is conceivable that imitators cultivate capabilities to undermine the competitive advantage of innovators or simply to ensure competitive parity in the market.

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