

## **THE STRATEGY OF IMITATION: A REVIEW**

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### **ABSTRACT**

One of the main organizational challenges in the 21<sup>st</sup> century is the protection of intellectual capital, product design and processes. Corporations have to constantly invest in R&D and innovation in order to sustain competitiveness. On the other hand, product and process imitation are some of the greatest challenges confronting organizations in the knowledge economy. Traditional legal and regulatory protections have been rendered inadequate. Digitization, global value chain processing, outsourcing and third-party contracting have made it increasingly difficult to protect intellectual value. Despite the pervasiveness of imitation in the corporate environment, there is a dearth of literature in this stream. This study reviews literature on imitation. Using a transaction cost perspective, a framework for safeguards, credible threats and commitments against imitation is established.