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**EXPORT MARKETING STANDARDISATION
AND ITS INFLUENCE ON EXPORT PERFORMANCE:
A STRUCTURAL MODEL EXAMINATION**

by

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A thesis submitted in the fulfilment of the requirements
for the Degree of Doctor of Philosophy

Marketing and Strategic Management
Warwick Business School
Warwick University

October 2000

ACKNOWLEDGEMENTS

A great many people and institutions have contributed in a variety of ways to this research study. Primary acknowledgements belong to Fundação para a Ciência e a Tecnologia (Portugal/EU) who generously funded this research.

My next debt is to my supervisors. Vivienne Shaw for believing in this project since the first day and T.C. Melewar for his prompt interest in my study after Viv moved to Otago University. Their comments, advice and criticisms are greatly appreciated.

Next, I thank Robin Wensley, whose keen intelligence, imaginative comments and love for research was quite inspiring. My gratitude is extended to all the other members of the Marketing and Strategic Management (MSM) group and my fellow “doc” students for the comments made in many stimulating seminars at the Business School. I am also indebted to John McGee (MSM Group Convenor), Sheila Frost and Angela Ames for helping me to overcome a series of seemingly unending problems associated with the development and implementation of a large international survey.

Outside Warwick, I am particularly grateful to Tim Ambler (LBS) for his excellent ideas. A special note of thanks goes also to Minoo Farhangmehr (Minho), Luiz Moutinho (Glasgow) and Aviv Shoham (Technion) for their useful insights and never-failing support in international conferences. The following academics, who were willing to meet me and discuss my research, are also acknowledged: David Arnold (HBS), Carlos Brito (Oporto), George Day (Wharton), Adamantios Diamantopoulos (Loughborough), Sandy Jap (Sloan), and Dipak Jain and Nancy Rothbard (Kellogg).

The collaboration of over 600 Portuguese managers was also invaluable to the completion of this thesis. I am indebted to each one of them as well as to their organisations for providing the data used in the empirical part of this dissertation.

Finally, but by no means least, I am grateful to my family: Maria do Céu, António José and Cristiana Raquel. Most of all, I would like to express my deep appreciation for the understanding, encouragement, love and support of my wife Carmen. It is to Carmen and my family that this dissertation is dedicated. They stood fast by me during these four years while providing me the indispensable emotional stability to finish this project.

ABSTRACT

This dissertation aims to present an integrated approach to measuring and linking the variables involved in the 'export marketing standardisation-export performance' phenomenon. Drawing on the literature and primary data (exploratory study, main survey and follow-up interviews), twenty-three hypotheses are developed, simultaneously tested and discussed. Due to the magnitude of the valid sample (519 export market ventures), it was possible to use Confirmatory Factor Analysis (CFA) and Structural Equation Modelling (SEM) with Weighted Least Squares (WLS) (Curran et al., 1996).

At the measurement level, this thesis tests previous measures and presents new constructs for the key elements discussed in the literature. Fourteen constructs emerged across the following topics: degree of marketing programme standardisation, export performance, and internal and external forces.

At the causality level, this research study suggests that *both* export marketing standardisation and export performance are simultaneously affected by internal and external forces. These simultaneous relationships have never been incorporated by past empirical research. More importantly, findings suggest that past performance plays a crucial role in the determination of current export marketing strategy. Export performance must be seen not only as an outcome, as traditionally discussed in the literature, but also as an antecedent of export marketing strategy.

Future investigations are encouraged to incorporate these new research directions in the study of the 'export marketing strategy – export performance' relationship. Additional guidelines are provided to stimulate future discussion and research in the field. The literature and the findings are also used to generate a number of implications for managers and public policy makers.

Keywords: export performance; marketing standardisation; contingency perspective; Portugal; SEM; CFA; WLS

DECLARATION

This is to declare that:

- I am responsible for the work submitted in this thesis.
- This work has been written by me.
- All verbatim extracts have been distinguished and the sources specifically acknowledged.
- During the preparation of this thesis a number of papers were prepared as listed below. The remaining parts of the thesis are unpublished.

1. Lages, L. F. (2000). A conceptual framework of the determinants of export performance: Reorganizing key variables and shifting contingencies in export marketing. Journal of Global Marketing, 13(3), 29-51.
2. Lages, L. F. (2000). Wine marketing and wine business: Insights from Portuguese exporters. Special Issue in International Wine Marketing, Wine Industry Journal, 15(4), 25-33.
3. Lages, L. F. and T. C. Melewar (2000). A factor analytic study of export performance and its determinants: Evidence from Portuguese exporters. EMAC 2000, CD Rom Proceedings, Erasmus University, Rotterdam, Netherlands: European Academy of Marketing.
4. Lages, L. F. and T. C. Melewar (2000). An exploratory study of Portuguese exporters marketing strategies. EMAC 2000, CD Rom Proceedings, Erasmus University, Rotterdam, Netherlands: European Academy of Marketing.
5. Lages, L. F. (1999a). Relationship between export performance and degree of marketing programme adaptation: Adding to the traditional contingent approach. Revista Portuguesa de Gestão, (2), 57-78.
6. Lages, L. F. (1999b). Changing gear in the export marketing-performance relationship. Proceedings of the 8th International Business Association Conference, (pp. 115-126) Cancun, Mexico: International Business Association.

7. Lages, L. F. (1999c). Strategic orientation and export marketing: The case of Portuguese wine exporters. Proceedings of the 9th World Marketing Congress (pp. 464-470). Malta: Academy of Marketing Science.
 8. Lages, L. F. (1999d) Marketing lessons from Portuguese wine exporters: The development and application of a conceptual framework. Journal of Wine Research, 10(2), 5-23.
 9. Lages, L. F. and T.C. Melewar (1999). Determinants of export performance and moderating effects of marketing programme adaptation: A review, conceptual framework and research hypotheses. Warwick Business School Working Paper, No. 317.
 10. Lages, L. F. (1998). Componentes-chave de uma estratégia de marketing para exportadores de vinho do porto [Key components of a marketing strategy for Port wine exporters]. Revista Portuguesa de Marketing, 4(6), 93-101.
 11. Lages, L. F. and V. Shaw (1998a). The marketing strategies of Port wine companies. International Journal of Wine Marketing, 10(2), 5-23.
 12. Lages, L. F. and V. Shaw (1998b). Marketing strategy and export performance: The case of Port in the UK. Proceedings of the 1998 Annual Conference of the Academy of Marketing (pp. 624-625). Sheffield, UK: Sheffield Business School.
- This work has not previously been submitted within a degree programme at this or any other institution.

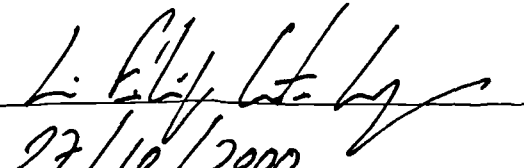
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CHAPTER 1

Introduction

The subject of this thesis is export marketing standardisation and its influence on export performance. It is addressed by developing and testing an empirical model which links current export performance with internal and external forces, export marketing standardisation and past export performance.

This first chapter begins by discussing the scope of the research and the analytical approach. Then, the contribution of the research to theory, practice and public policy making is outlined. Finally, the structure of the thesis is summarised.

1.1 THE SCOPE OF THE RESEARCH

This section introduces the focus of the thesis by discussing the stream of export marketing research that is our main concern - namely, the export marketing strategy - export performance relationship - and the unit of analysis (export venture) that forms the basis of the research.

1.1.1 EXPORT MARKETING STRATEGY-EXPORT PERFORMANCE RESEARCH

During the last four decades, world exports have grown exponentially until they have reached nearly 20 per cent of the world's gross domestic product (World Bank, 1998).

The economic growth of many countries is strongly dependent on the exporting success of their firms. This is the case of Portugal. The most recent data shows that, between 1993 and 1998, Portuguese exports increased 60 per cent (National Statistics Institute, 1999). For 2000-2001 it is also expected an increase of 7.1 per cent in the export activity together with an economic growth rate of 3.6 per cent (European Commission, 11/04/2000).

As a consequence of the growing importance of the exporting activity, export marketing has become a priority for both practitioners and academics. During the last two decades, there has been a great deal of empirical research in this area, leading to the resurgence and development of seven major research streams in the literature (Katsikeas et al., 1998: 323). These are concerned with (1) the factors that stimulate a firm's decision to initiate exporting or maintain export commitment; (2) the problems or barriers faced by firms when initiating exporting or maintaining export operations; (3) the elements which influence the export development process; (4) network relationships and their role in export development and internationalisation; (5) the nature, importance and utilisation of information acquired for export marketing decision making; (6) the nature and effectiveness of governments' promotion and assistance programmes; and, finally, (7) the identification of the factors that influence export performance, with a particular emphasis on the export marketing strategy - export performance relationship. Undoubtedly, a rich understanding of export marketing is provided by analysing this last research stream (Katsikeas et al., 1998).

This thesis also focuses on this research stream, specifically when looking into the 'export marketing standardisation-export performance' link, as this topic is still

unclear and remains an unsolved issue amongst practitioners and academics (Whitelock and Pimblett, 1997; Zou et al., 1997). Similarly to many studies in the field of export marketing (e.g. Aaby and Slater, 1989; Axinn 1988; Axinn et al., 1996; Ayal, 1982; Chetty and Hamilton, 1993; Diamantopoulos and Schlegelmich, 1994; Evangelista, 1996; Koh, 1991; Matthyssens and Pauwels, 1996; Madsen, 1998; McGuinness and Little, 1981; Shoham, 1998; Styles, 1998; Zou and Stan, 1998; Zou et al., 1998), this research focus on export marketing strategy and export performance. Other issues related to different disciplines (e.g. finance, accounting, operations) or to other aspects of marketing strategy and performance measurement are therefore outside the scope of this work.

The discussion of the relationship between export marketing strategy and export performance can be traced back to Tookey's (1964) work. Since then, major efforts have been made to combine the results of previous research through reviews of the literature (Aaby and Slater, 1989; Bilkey, 1978; Ford and Leonidou, 1991) and meta-analytical works (Chetty and Hamilton, 1993; Leonidou, 1998; Madsen, 1987; Zou and Stan, 1998). These studies emphasise the lack of unifying frameworks and synthesis in this field. The lack of conceptual agreement together with a fragmented collection of measurements has naturally led to divergent findings (Aaby and Slater, 1989; Cavusgil and Zou, 1994; Shoham, 1998; Styles, 1998) and has hindered theoretical development (Zou et al., 1998). Today it is commonly argued that further advances in export marketing depend on the provision of a more integrated approach to conceptualising and measuring the variables involved in the exporting phenomenon. There is thus a need for research that re-tests the measures used in

previous studies and applies analytical techniques, thereby allowing greater consistency in conceptualising and measuring export performance and its determinants (Cavusgil and Zou, 1994; Katsikeas et al., 1998; Zou et al., 1998). Furthermore, researchers are being encouraged to develop more conceptual and empirical studies which analyse the relationship between internal and external forces, export marketing strategy and export performance. Works which integrate the key elements associated with the export marketing phenomenon are particularly welcome (Katsikeas et al., 1998; Young, 1995).

1.1.2 THE UNIT OF ANALYSIS

The unit of analysis employed in this research is the firm's export venture. This follows the emphasis of a large number of previous empirical studies (e.g. Bilkey, 1982; Madsen, 1989; Cavusgil and Kirpalani, 1993; Cavusgil and Zou, 1994). Export venture is meant as the export of a single product or product line to a single foreign market. This unit of analysis is chosen because if a firm is analysed as a whole, it is extremely difficult to isolate the effects of specific actions (Cavusgil and Kirpalani, 1993).

In line with the work of Styles and Ambler (Styles, 1996, 1998; Styles and Ambler, 1994), *only* the main export venture (MEV) of a firm is selected. This was done for three reasons. First, if more than one export venture from the same firm were used, this would inevitably reduce variance. Second, there are many managers who just define the strategy for the MEV and have no strategy for the other export venture(s). Third, exploratory research suggests that in many cases the strategy used by a firm for "secondary" export ventures is the same as that previously developed for the MEV. In

short, if more than one export venture from the same firm were used, this would increase the likelihood of bias.

1.2 RESEARCH OBJECTIVES

In this thesis it is proposed to analyse export marketing standardisation and its influence on export performance by examining Portuguese export market ventures.

The specific objectives of this thesis are:

1. To assess the potentially important role of past export performance in influencing export marketing strategy, specifically export marketing standardisation.
2. To determine the characteristics of successful export ventures.
3. To contribute to a more comprehensive understanding of the simultaneous links (both direct and indirect relationships are analysed) among internal and external forces, export marketing strategy and export performance.
4. To provide an empirical study of firms based in Portugal: an emergent economy which is strongly dependent on the success of the exporting activity of its firms.
5. To lay a theoretical and empirical foundation on which further research can be based and to provide a research relevant to managers and public policy makers.

1.3 THE ANALYTICAL APPROACH

In order to understand the export marketing standardisation - export performance relationship, this research draws on the literature as well as primary data collected from exploratory interviews, the main survey and follow-up interviews.

During the last few years, the growing understanding of the export marketing phenomenon (Katsikeas et al., 1998) has been accompanied by a statistical revolution which has completely transformed social science research (Hair et al., 1998). The research approach used in previous export marketing research, described by Cavusgil and Zou (1994: 2) as being of a “simplistic nature”, has given way to the application of sophisticated techniques of analysis that make it possible to simultaneously measure and test the complex relationships among the variables involved in the exporting phenomenon (Hoang, 1998; Shoham, 1999; Styles, 1996). This approach is also used in this thesis to analyse the data gathered through the main survey: Confirmatory Factor Analysis (CFA), associated with psychometrics, is combined with the Structural Equations Model (SEM) from econometrics.

Given the magnitude of the valid sample (519 exporters), it was possible to use Weighted Least Squares (WLS), an asymptotically distribution free method of estimation (Curran et al., 1996) that has not previously been employed in (export) marketing research. This provides a way to simultaneously assess the quality of measurement (CFA) and examine the predictive relationships among the latent variables (SEM) while remaining insensitive to the ordinal nature of the scales and non-normality of the data (WLS) (Browne, 1984).

1.4 EXPECTED RESEARCH CONTRIBUTION

It is hoped that this thesis will make a significant contribution at the theoretical level and will also assist managers and public policy makers by providing a number of useful guidelines.

1.4.1 THE THEORETICAL CONTRIBUTION

This thesis aims to contribute at the theoretical level along the following dimensions: theory extension, conceptualisation and measurement, testing and generalisation, and replication.

First, at the **theory extension** level, the aim is to broaden the scope of export marketing strategy - export performance theory. In this respect, this thesis is offered as an additional contribution to the field of export marketing rather than as an empirical study which aims to replace preceding theories and models in the area. The research sets out to clarify the export marketing strategy - export performance relationship and, at a later stage, to systematise this complex phenomenon in a structural model.

Secondly, at the **conceptualisation and measurement** level, the research seeks to resolve existing confusion by re-testing variables used in preceding studies. Additionally, it develops new variables which should help future researchers to operationalise internal and external forces, export marketing strategy and export performance.

Thirdly, the research seeks to contribute to **theory testing and generalisation** by testing hypotheses from a cross-sectional and cross-size sample of export ventures.

Finally, through the re-testing of hypotheses used in previous research, a contribution is also offered at the **replication** level.

1.4.2 THE MANAGERIAL CONTRIBUTION

Exports are becoming increasingly important for the survival and development of

modern companies (Albaum and Strand, 1998). Managers must look to exporting as an attempt to improve firms' overall performance with low risks. Exporting demands much less management involvement and capital investment than other internationalisation processes through which production or services are moved abroad (e.g. in joint ventures, franchising, and wholly owned subsidiaries) (Paliwoda, 1993).

A firm may benefit from exporting activity at different levels. By exporting, firms may expand the market beyond the limits set by the domestic market. Competing in only the domestic market leads to an excessive dependency on that market. By diversifying into more economies, it is possible to remove this limitation while also reducing the overall operating costs (e.g. costs associated with marketing, production, R&D and technology) by increasing production. Exporting may also be used to absorb a firm's excess capacity. One typical situation is when product's lines are subject to seasonal demand. By exporting to a foreign market, firms may compensate for such seasonality by stabilising sales. Another situation concerns the flowing off of products which are already considered obsolete for the domestic market. By exporting to markets that are less developed technologically, it is possible to extend the life cycle of these products (Nelson, 1999). Exporting is also a way to enhance managers' skills. By developing strategies to compete abroad against other firms, managers can improve their marketing expertise and enhance their ability to protect the domestic market.

Thus, there are several reasons that support a firm's involvement and managerial interest in exporting. Participation in foreign markets can be very rewarding and is sometimes the only way for a firm to survive. However, the managers responsible for

a firm's exporting process usually face higher levels of uncertainty and risk than the managers who focus on the domestic market (Styles, 1996). Without considering the contingent forces affecting exporting operations, these managers cannot expect to be successful (Czinkota and Ronkainen, 1995). An understanding of these forces can thus help managers to assess the strategic direction of their firms while helping them to select the best environment in which to become active. By (re-)defining the export strategy and adjusting it to the internal and external environments, managers may also reduce risk and uncertainty and, consequently, improve export performance. Thus, in order to assist managers to improve their firms' export performance, several guidelines on how to adjust export marketing strategy to the contingent forces will be provided.

1.4.3 THE CONTRIBUTION TO PUBLIC POLICY MAKING

As a consequence of the growing importance of public policy making for international marketing practice, there is an increasing need to develop more policy-oriented international marketing research (Czinkota, 2000). Over the last four decades, the major industrialised nations have become increasingly interdependent in economic terms. There are now over 100 free trade agreements which provide new opportunities for exporting companies (Branch, 2000). These agreements have been developed both at the global and regional level. From a global perspective, the General Agreement on Tariffs and Trade (GATT) and now the World Trade Organisation (WTO) have made major contributions to reduce trade barriers and develop international trade. The 1994 round of negotiations alone predicted to increase global exports by more than \$755 billion by the year 2002 (Czinkota et al., 1996).

At the regional level, one example is the North American Free Trade Agreement (NAFTA) between the United States, Mexico and Canada, which might be expanded in future to other Latin American countries. Similarly, the emergence of the European Union (EU) is based on several trade agreements between the present membership of 15 states, with the potential to expand in the near future to the countries of Central and Eastern Europe. A number of trade accords have also been developed by the Association of South East Asian Nations (ASEAN), which now has ten members, and MERCOSUR, which unites six Latin American countries. All these agreements demonstrate the strong interest of international public policy makers in reducing the number of business barriers and encouraging firms to go global.

From the point of view of a national government, exporting is attractive because “home products are exported, jobs stay at home and foreign currency is induced, which has a positive effect on the nation’s balance of payment” (Nelson, 1999: 6). This encourages national governments to implement export promotion programmes that match or counterbalance the promotion efforts of other nations (Czinkota et al., 1996). Normally, this support falls into the following categories: marketing support, export information and advice, production support, finance and guarantees (Elvey, 1990). Trade associations may also develop a number of supporting activities with the aim of helping firms to increase their participation in international trade. All these supporting programmes tend to be designed to help domestic firms to enter and maintain their positions in foreign markets.

Both trade agreements and the various types of support provided to exporters show the high priority given by many national and international policy makers to the

encouragement of international trade. However, in each case it is essential to evaluate the support provided, its competitive impact and effectiveness (Czinkota et al., 1996). The present research seeks to identify the “optimum” export marketing practice and to show how firms are actually using the support provided by the EU, national governments and trade associations in the definition of their export strategy. In so doing, it is hoped that the research will be of help to national and international public policy makers in planning and refining the substance of their support and will contribute to reduce “the policy gap in international marketing” (Czinkota et al., 2000).

1.5 THE STRUCTURE OF THE THESIS

This study is divided into eight chapters, the first of which is the introduction. This is followed by a literature review (Chapter 2) and an account of the exploratory research (Chapter 3). These two initial stages of research are then joined together in a conceptual framework leading to the development of a set of hypotheses to be tested (Chapter 4). After defining the methodological approach to be used in the main study (Chapter 5), attention is given to the findings that emerge from the process of data collection (Chapter 6). The statistical results are then discussed in relation to the literature review and the managerial insights provided during the follow-up interviews (Chapter 7). Finally, the conclusions, research limitations and directions for further research are presented (Chapter 8). The structure of this thesis (see Figure 1-1) is similar to that used by Styles (1996). A more detailed analysis of the contents of the thesis follows below.

After this introduction (Chapter 1), Chapter 2 is concerned with the relevant literature pertaining to the export marketing strategy - export performance relationship. Initially, it presents the background to export performance measurement and distinguishes three major approaches to the marketing standardisation controversy: standardisation, adaptation and contingency. It then outlines the present state of knowledge concerning the key determinants of export performance and marketing programme standardisation. Finally, the major gaps in the literature are identified.

Chapter 3 introduces the population of Portuguese exporters and presents an overview of their growing importance in the international arena. Then, the results of the exploratory research are presented. This research was conducted with 25 managers at three different levels: (1) the firm, (2) the sector, and (3) the economy (Pettigrew and Whipp, 1998).

In Chapter 4, after establishing a bridge between the theory and key exploratory findings, a conceptual framework is developed. Twenty-three hypotheses are then integrated in an operational model of the export marketing strategy - export performance relationship.

In Chapter 5 the methodology used to test the hypotheses and the operational model developed in Chapter 4 is presented. The various steps and procedures associated with data collection and analysis are discussed in detail.

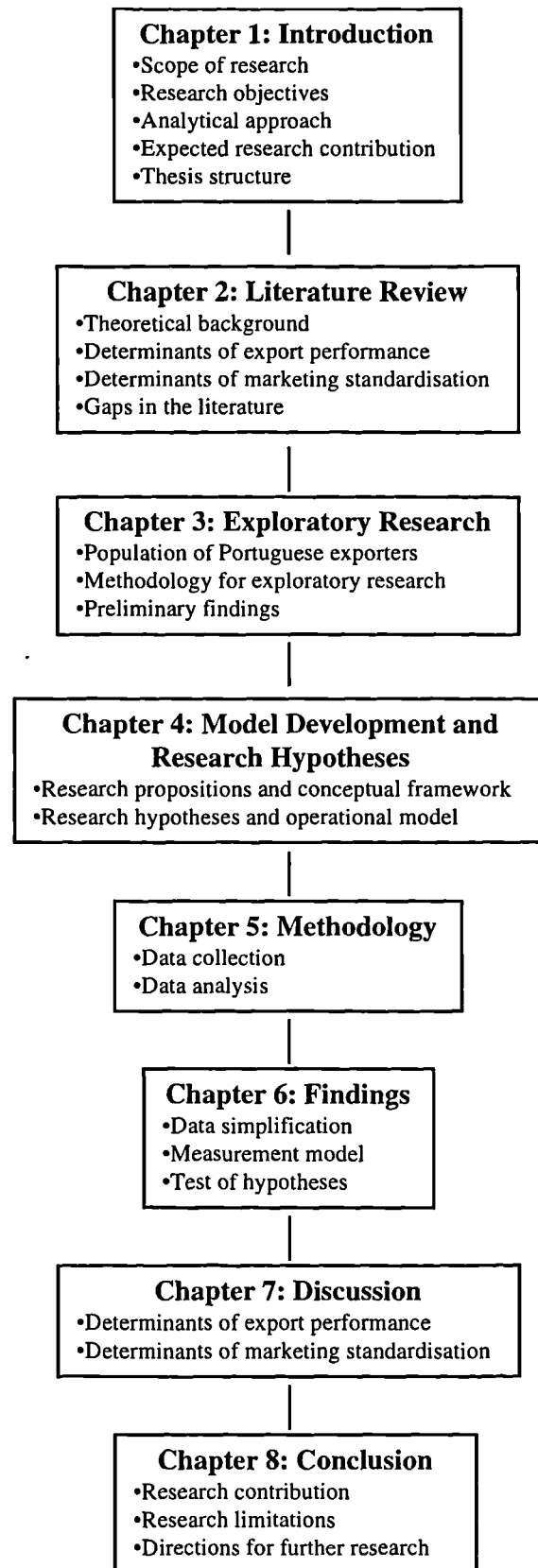
The survey data and their analysis are presented in Chapter 6. During the main survey, data were collected from 590 export ventures originating from the same number of Portuguese firms. After capturing (by EFA and coefficient alpha) and measuring (with

CFA with WLS) the various variables exhibited in the operational model, the 23 research hypotheses are tested (SEM with WLS). Eighteen of the hypotheses are confirmed, three are refuted and two are revealed to be insignificant. A model which summarises all the tested relationships is also presented.

Chapter 7 examines the extent to which the results support or refute each of the 23 hypothesis. The discussion is supported by the export marketing literature and “between methods triangulation”. The statistical findings are crossed with the findings from ten follow-up interviews.

Finally, in Chapter 8, the research contribution to export marketing theory are presented, and the key implications for export business practitioners and public policy makers are discussed. The research limitations are discussed, and possible directions for further research are indicated.

Figure 1-1: Thesis structure



CHAPTER 2

Literature review

Despite the fact that exporting is becoming one of the fastest growing economic activities, recent articles still maintain that there is a lack of a strong theoretical framework in exporting marketing research (Cavusgil and Zou, 1994; Katsikeas et al., 1998; Young, 1995; Zou and Stan, 1998). Some authors are of the opinion that the immaturity of export marketing research is mainly due to the lack of interest in unifying and synthesising the findings of previous studies (Cavusgil and Nevin, 1981; Katsikeas et al., 1998; Young, 1995). This chapter seeks to fill this apparent gap in the literature.

There has been a body of literature which specifically considers the virtues of marketing mix standardisation and adaptation (Boddewyn et al., 1986; Buzzell, 1968; Cavusgil et al., 1993; Hill and Still, 1984; Hite and Fraser, 1988; Jain, 1989; Samiee and Roth, 1992; Shoham, 1996; Wang, 1996). Much of this research, however, has been undertaken in the general context of international marketing with fewer academics concentrating specifically on the debate in the field of export marketing. By reviewing preceding conceptual and empirical studies it is expected to contribute to the development of this particular area.

Most of the studies in the field of export marketing that concentrate on the export

marketing process ignore both internal and external determinants of export performance (Donthu and Kim, 1993). Indeed, very recently, when commenting on the advances in exporting marketing theory and practice, Katsikeas et al. (1998) pointed out that a richer understanding of export marketing is provided by the analysis of contingent elements. Thus, another aim of this chapter is to look at the influence of the contingent elements on export performance.

Over several decades both managers and academics have been concerned with identifying the environmental factors which might influence performance in international markets. However, there is little consensus not only as to the key factors which impact on export performance but also as to how export performance should be defined and measured (Das, 1994; Diamantopoulos and Schlegelmilch, 1994). Previous studies on export performance measurement are also addressed in this chapter.

Thus, in drawing all of the different strands of literature together, this chapter will be divided into six sections. After this brief introduction, the second section will discuss export performance measurement. Additionally, it will look into the marketing standardisation controversy, discussing the three schools of thought associated with it (i.e. standardisation, adaptation, and middle of the road approaches). The third section will focus on the analysis of the determinants of export performance: internal, external and marketing programme standardisation. The fourth section will look at the factors affecting the degree of marketing programme standardisation: internal factors, external factors, and past export performance. In the fifth section, through the integration of the previous chapters, the various gaps in the literature are discussed

and directions for further research presented. Finally, conclusions are presented.

2.1 THEORETICAL BACKGROUND

In this section, two bodies of the export literature are discussed. Firstly, the various theories about export performance measurement are expanded. Then, the three approaches associated with the marketing standardisation controversy are presented (i.e. standardisation, adaptation, and contingency approaches).

2.1.1 EXPORT PERFORMANCE MEASUREMENT

In today's complex business world, export performance measurement is an indispensable guide for any company to analyse its level of international success. It is particularly important for managers as they make future international commitments based on this issue (Madsen, 1998). In fact, performance is central to the effective management of the marketing process (Kinnear and Taylor, 1991). Despite its importance, there is a lack of research concerning its relationship with marketing programme standardisation (Hamel and Prahalad, 1985; Hout et al., 1982; Huszagh et al., 1986; Jain, 1989) as well as no consensus about its conceptual and operational definition (Das, 1994; Shoham, 1998; Zou et al., 1998). As Bonoma and Clarke (1988:1) comment, "perhaps no other concept in marketing's short history has proven as stubbornly resistant to conceptualisation, definition, or application". Indeed, the task of dealing with export performance may become very complicated because there are a large number of conceptual and operational definitions (Diamantopoulos and Schlegelmilch, 1994).

Assessing export performance is quite a complex task as its usefulness depends on the

credibility of the measures (i.e. financial and non-financial) and on the ways in which one measures it (i.e. objective vs. subjective terms). There are two main approaches to measuring export performance (see Table 2-1) - financial and non-financial measures (Zou and Stan, 1998).

While the use of non-financial variables is still rare at the international level (Evangelista, 1994), financial variables are very popular (Das, 1994). Financial measures can be divided into static measures such as export intensity, export sales and export profit intensity, and dynamic measures which include export sales and export profit growth (Bilkey, 1984; Donthu and Kim, 1993; Madsen, 1987; Matthyssens and Pauwels, 1996). Most empirical investigations use export intensity and export profit intensity. Other financial measures, which are not so common, include export sales, export profits, export profits growth, market share, return on investment, return on assets, and ratios of export sales to number of export managers and to number of export employees.

However, there are some limitations associated with the exclusive use of financial variables (Axinn et al., 1994; Cavusgil, 1984a; Dalli, 1994; Evangelista, 1994; Katsikeas et al., 1996; Madsen, 1989; Yang et al., 1992). One of the key limitations concerns the fact that some variables such as export intensity and export profit intensity are dependent on the firm's overall performance and not just export performance (Axinn et al., 1994; Dalli, 1994). Obtaining accurate financial information at the export level is a difficulty acknowledged by some researchers (Katsikeas et al., 1996; Yang et al., 1992). Furthermore, managers are not only guided by financial measures of export performance, but also by subjective evaluations

(Madsen, 1989). The 'strategic choice' school of thought asserts that management action is guided by a manager's perceived reality of the internal and external environment, rather than by an objective reality (Child, 1972). Similarly, with regard to performance evaluation, managers use their own perceptions of performance, rather than objective values, in order to formulate their own decisions (Bourgeois, 1980). Export managers might, therefore, be unwilling or unable to respond effectively to absolute values of export performance (Katsikeas et al., 1996; Shoham, 1996).

In addition, there are problems associated with a comparison of financial export performance across industries, firms and products. What might be a tremendous success for one company, may be a failure for another (Covin, 1991; Evangelista, 1994). The existing differences in terms of characteristics of the market, level of competition and technology intensity might lead to a comparison of measures that do not have the same meaning across the various sectors (Katsikeas et al., 1996). Finally, as suggested by Cavusgil (1984a), export performance measures do not indicate whether or not a firm has adequately exploited existing export opportunities. Thus, the exclusive use of financial measures to operationalise export performance presents several limitations. Nevertheless, it is possible to overcome some of these limitations with the inclusion of some non-financial measures (Bijmolt and Zwart, 1994; Cameron, 1986). The use of non-financial measures will allow managers to give their personal interpretations and revelations taking as a basis their understanding of the context in which a firm is operating.

Both financial and non-financial measures can be operationalised using either objective or subjective terms (Evangelista, 1994). In most studies, while financial

measures (e.g. sales, profit, market share) have been associated with objective, normally absolute, terms, non-financial measures (e.g. satisfaction levels, goal achievement, success levels) have been associated with subjective terms (e.g. manager's perception) (Katsikeas et al., 1996).

Following Bonoma and Clarke's (1988) work, as well as Aaby and Slater's (1989) review, several empirical studies (see Table 2-2) have already shown evidence that supports the reliability and validity of non-financial and subjective measures of export performance. Table 2-2 presents a compilation these studies. For each study, both export performance measures (i.e. financial and non-financial) and export performance terms (i.e. objective or subjective) are presented.

These studies suggest that, provided that these variables are properly measured, the arguments on the basis of these criticisms may be turned into strengths. Furthermore, they might be "replicable, constant and valid across managers, settings and situations" (Evangelista, 1994:210). For example, 'satisfaction' is a measure that has been used increasingly in recent years at the exporting level (Evangelista, 1994; Patterson et al., 1997; Shoham, 1996). After being introduced by Bonoma and Clarke (1988) in the marketing field, it was empirically tested by Seifert and Ford (1989) in the export field. Using a measure such as satisfaction, managers might be able to evaluate export performance, taking into consideration the following factors: a firm's context, responsiveness level to the existing export opportunities, and differentiation between a firm's export performance and a firm's overall performance. Therefore, by measuring satisfaction it might be possible to assess "the effectiveness of a marketing programme as the congruity or incongruity between what management expects in

terms of results [and those] that actually accrue from the programme” (Bonoma and Clarke, 1988: 64).

In summary, due to the advantages and disadvantages associated with the various types of measures, the use of multiple measures of export performance is advisable (Cameron, 1986). As Bijmolt and Zwart (1994) point out, although it is possible to measure export performance with one variable, in order to capture the complexity of export success, it is advisable to construct a scale based on a set of different variables.

2.1.2 MARKETING PROGRAMME STANDARDISATION

Recent articles show that the standardisation debate is still unclear (Zou et al., 1997) and it remains an unsolved issue amongst practitioners and academics (Whitelock and Pimblett, 1997). There is a conceptual ambiguity about this issue, with several approaches (Goshal, 1987; Hamel and Prahalad, 1985) and definitions being suggested (Zou et al., 1997). Sorenson and Wiechmann (1975:38), define standardisation as the use of “the same advertising [or better, promotion], pricing, product, and distribution approach in more than one national market”. Similarly, Zeid (1981:419) presents a standardised strategy as “selling a standard product to different foreign markets (...) with one uniform marketing mix”.

Buzzell’s (1968) definition, despite being an early one, still seems to be probably the most accomplished and enlightened approach to this debate. He uses the definition to introduce the contingency perspective, while defining both standardisation and adaptation. Buzzell’s (1968:103) states:

“Standardisation would mean the offering of identical product lines
at identical prices through identical distribution systems,

supported by identical promotional programmes, in several different countries. At the other extreme, completely 'localised' marketing strategies would contain no common elements whatsoever. Obviously, neither of these extremes is often feasible or desirable."

Buzzell (1968) suggests that what exists is a continuum between the two extremes: pure standardisation and pure adaptation. Since there are many factors (e.g. market characteristics, industry conditions, legal aspects) affecting the degree of standardisation, none of the extremes is suitable. This principle is the basis of the contingency perspective, also known as the "middle of the road approach". The main strength of the contingency perspective is based on the fact that it recognises both advantages and disadvantages associated with both adaptation and standardisation, and asserts that the adequate degree of standardisation is contingent upon a variety of internal and external factors (Jain, 1989; Zou and Cavusgil, 1996).

After Buzzell's (1968) work, two approaches to the standardisation controversy have been introduced: standardisation of marketing programmes/marketing mix (programme-oriented standardisation) and standardisation of marketing processes (process-oriented standardisation). This two-view approach was initially presented by Sorenson and Wiechmann (1975) in an early work that consisted of an executive survey of 27 multinationals operating in the consumer goods industry.

Marketing processes are concerned with the procedures followed by a company in developing marketing decisions. Sorenson and Wiechmann (1975) present a marketing process as the intellectual method used for approaching a marketing problem, for analysing that problem, and for synthesising information in order to

arrive at a decision. According to Kreutzer (1988), the standardisation of a process relates to the structures and processes for development, implementation and control of marketing concepts, as well as the information processes connected with them. It therefore relates to the management of the marketing components and implies the tools that aid in programme development and implementation (Jain, 1989).

On the other hand, a marketing programme is concerned with various aspects of the marketing mix such as product (e.g. design, positioning, packaging), promotion (e.g. message, contents, theme), price (e.g. credit terms, trade margins, price charged) and distribution (e.g. modes of transportation, role, functions and type of middlemen used). Some authors (e.g. Dahringer and Muhlbacher, 1991; Huszagh et al., 1986) argue that the standardisation level of most marketing programmes can be placed in one of four stages. As Dahringer and Muhlbacher (1991:39) state: “a fully standardised marketing mix is not often found. More frequently the mix will progress toward complete standardisation, starting with product (Stage 1), then adding promotion (Stage 2), price (Stage 3), and finally distribution (Stage 4)”. The standardisation of marketing programmes also relates to the identification of factors involved in the development of a marketing mix strategy, such as the internal factors and external factors affecting a marketing strategy (Cavusgil and Zou, 1994; Jain, 1989).

The present investigation, similar to other investigations in the field (e.g. Quelch and Hoff, 1986; Jain, 1989; Sorenson and Wiechmann, 1975; Douglas and Wind, 1987), rather than analysing marketing processes, deals with the understanding of the issues associated with marketing programme standardisation.

Another way to look at standardisation is to examine (1) marketing strategies that are applied to different world markets or (2) domestic marketing strategies that are applied to foreign markets (Cavusgil and Zou, 1994; Zou et al., 1997). The first perspective requires a comparison of the marketing strategies used for various international markets. This particular approach is more concerned with the exploration of the environmental differences between the world markets and their impact on the marketing mix elements (Picard et al., 1988; Samiee and Roth, 1992). The second perspective is concerned with the extent to which it is possible to use the domestic strategies in international markets. This type of approach necessitates looking at the environmental similarities and differences between home and foreign markets, as well as their impact on marketing strategies (Bartels, 1968; Buzzell, 1968). Recent empirical research (Cavusgil and Zou, 1994; Shoham and Alba, 1994; Stewart, 1998) suggests that few studies deal with the application of domestic marketing programmes to foreign markets. The present study will follow this approach.

2.1.2.1 The standardisation perspective

During the 1960s, with the appearance of the first standardisation advocates, a blend of new ideas arose. In addition to the arguments that had been presented during the 1950s by the defenders of an adaptation strategy, new arguments began to be brought forward by the advocates of a pro-standardisation strategy, particularly through works in the field of advertising (Dunn, 1966; Elinder, 1961; Roostal, 1963; Fatt, 1967). As a consequence, this decade became known as the 'decade of confusion' with regard to the standardisation controversy (Agrawal, 1994). In the early 1980s, after the debate had marinated during the 1970s with the publication of few research studies (e.g.

Weinrauch and Rao, 1974; Wiechmann, 1976), Levitt (1983) was able to re-launch this controversy ‘in new clothes’ (Bradley, 1995:112). With his polemical article, “The globalization of markets”, the debate over adapted/differentiated versus standardised/global strategies was then followed by major authors in the marketing and strategy fields (Hamel and Prahalad, 1985; Kotler, 1986; Ohmae, 1985; Porter, 1986; Quelch and Hoff, 1986; Sheth, 1986; Wind, 1986).

The first supporters of a pro-standardisation strategy (Dunn, 1966; Elinder, 1965; Roostal, 1963; Fatt, 1967) were from the advertising field. Both Elinder (1961, 1965) and Roostal (1963) took the European market as an example of why a standardised strategy in the advertising field could be successful. They believed that “an international advertising campaign with a truly universal appeal (could) be effective in every market” (Fatt, 1967:61). Elinder (1965) drew attention to the fact that there was an implicit need for advertising to become international. According to Elinder (1965), although Europeans read and speak different languages, there are millions of Europeans living under similar conditions with similar consumption habits. In the mid 1960s, Dunn (1966) argued that US print advertisements were transferable to Europe and the Middle East. In the following year, Fatt (1967) argued that a growing school of thought held that even different peoples are basically the same. In fact, according to this author, in the late 1960s, many international advertisers were already using campaigns with worldwide themes. One year later, with the contribution of both Bartels’ (1968) and Buzzell’s (1968) work, the standardisation debate expanded to the other areas of marketing, including the 4Ps approach.

In the early 1980s, Levitt (1983), in his controversial article, presented solid

arguments supporting the standardisation approach, particularly concerning production and core product issues. According to Levitt (1983), only global companies would be able to achieve long-term success by concentrating on what everyone wants. He believed that if a company does not commit basic failures, and if it “forces costs and prices down and pushes quality and reliability up [...] customers will prefer its world-standardised products” (Levitt, 1983: 94). This means that it is necessary for firms to focus on standardised strategies, especially concerning production/product issues.

The trend towards the homogenisation of the markets (Buzzell, 1968; Ohmae, 1989; Levitt, 1983) also leads to the possibility of using economies of scale in many other fields, such as research and development (R&D) and marketing strategies. As Ohmae (1985, 1985b) points out, companies may treat the world as a global market, in particular, with regard to the triad of Europe, Japan and USA. The consumer patterns tend to become uniform among these countries.

Another key argument of standardisation supporters was related to the tremendous advances in technology. According to Levitt (1983:92), during the 1980s technology was a new force that led to the appearance of a “new commercial reality - the emergence of global markets for standardised consumer products on a previously unimagined scale of magnitude”. As a consequence of technological development, well-managed companies could now change from selling customised items to selling world-standardised products. These companies could benefit from enormous economies of scale in production, distribution, marketing, and management (Levitt, 1983). In addition, with the advantages provided by the economies of scale,

consumers would prefer to give up some of their preferences for products that could be priced cheaply and simultaneously advanced, functional and reliable (Levitt, 1983). However, technology is not the only factor favouring standardisation. According to Hout et al. (1982), the advantages of increased volume may also come from larger production plants, efficient logistics networks, distribution, and research and development.

Kreutzer (1988) presented an analytical framework to help companies decide whether standardisation could be helpful to them. According to this author, cost-cutting potential and control unproductive parallel work (e.g. in terms of R&D) are some of the arguments in favour of standardisation. Quelch and Hoff (1986) have expressed a similar view. According to these authors, the key advantages associated with standardisation are lower operating costs and effective co-ordination (that will enable the companies to develop their marketing ideas). Important also in the standardisation arguments are some underlying assumptions including the homogenisation of customer needs and interests, customer willingness to sacrifice some preferences (e.g. design and functions) for lower prices with equivalent quality, and the achievement of substantial economies of scale in production and marketing (Douglas and Wind, 1987).

Given the above views on the advantages of standardisation, researchers also acknowledge that there are several barriers to standardisation (e.g. Boddewyn et al., 1986; Buzzell, 1968; Shoham, 1995; Whitelock and Pimblett, 1997), such as government regulations (Cavusgil et al., 1993; Cavusgil and Zou, 1994; Kreutzer, 1988; Wind, 1986) and differences in marketing infrastructures (Douglas and Wind,

1987; Grosse and Zinn, 1990; Hill and Still, 1984).

Both the barriers and underlying assumptions of the pro-standardisation approach will be discussed in the following sections, when comparing the standardisation with the adaptation approach, as well as in the context of a contingency approach.

2.1.2.2 The adaptation perspective

Buzzell (1968:103) defines marketing strategy adaptation as “a localised marketing strategy which contains no common elements”. Similarly, Zeid (1981: 419) defines an “adaptation strategy” as “changing (...) products and other marketing mix elements to meet the different needs of overseas markets (having different marketing mixes).”

During the 1950s, both practitioners and academics were clearly in favour of an adaptation approach (Agrawal, 1994). Barlow (1953), Pratt (1956), Horn and Gomez (1959) and Kramer (1959) were some amongst the first academics to support the adaptation of advertising strategy. Barlow (1953), in an early investigation about US manufacturing subsidiaries in Mexico, was the first to signal the need for a marketing strategy adaptation in order to fit the local conditions. The arguments behind these primary works are mainly concerned with the diverse characteristics associated with any host country, such as the politico-legal, economic and socio-cultural environments. The differences between the various countries in terms of customs (Pratt, 1956), tastes, purchasing power, education, language, ways of living (Horn and Gomez, 1959), tradition, religion, economic conditions (Kramer, 1959) were among some of the first arguments in favour of an adaptation approach. Similarly, a recent study (Shoham, 1995) suggests that an adaptation strategy is more advisable due to the

differences in the foreign markets, that is, differences in terms of market nature and the number of elements inherent to market planning differentiation.

Several studies (Douglas and Urban, 1977; Douglas and Wind, 1987; Garreau, 1981; Kahle, 1978; Mitchell, 1983; Saegert et al., 1987) argue that there are facts supporting an increasing diversity of behaviour across different countries as well as between regions and subcultural segments within a country. In addition, recent empirical evidence (Craig et al., 1992) suggests that customer needs and interests among most industrialised nations seem to be diverging rather than converging. Craig et al. (1992) have looked at 15 macro variables using 18 industrialised nations. They have concluded that despite increased interaction and communications between industrialised nations, they are not becoming more similar in terms of macro-environment characteristics.

A key argument for the supporters of an adaptation strategy is that a standardised strategy is often solely associated with a product orientation. Further, as asserted by Douglas and Wind (1987), it is necessary to take into consideration all the factors of a marketing strategy, and not be exclusively product-driven. Many studies (e.g. Day and Wensley, 1988; Jaworski and Kohli, 1993; Kohli and Jaworski, 1990; Lusch and Laczniak, 1987; Narver and Slater, 1990) have already demonstrated that having a market orientation, rather than a product orientation, may improve performance. In addition, companies that are product-oriented are more vulnerable to attacks from overseas competition (Cavusgil and Zou, 1994; Kotler, 1996). As suggested by Kotler (1996), if a company opts for a standardisation strategy, it may be able to achieve lower production costs, yet there will always be some competitors willing to offer

what the consumer wants. Therefore, in order to achieve a better performance, when competing on a worldwide scale, companies may be forced to adapt their international marketing strategy (Buzzell, 1968; Hill and Still, 1984; Hovell and Walters, 1972; Wind and Douglas, 1972).

As noted earlier, standardisation advocates are concerned with achieving low costs through substantial economies of scale in production and marketing. However, adaptation advocates argue that costs of production are only one of several factors that influence the final cost of a product (Douglas and Wind, 1987). Different authors (Bartlett and Ghoshal, 1987; Douglas and Wind, 1987) argue that with the appearance of flexible factory automation methods, it became possible to supply the markets in an efficient and adapted way. A similar view was expressed in Rabstejnek's (1989) theoretical work, when pointing out the primacy of a differentiation strategy over a cost leadership strategy. A cost leadership strategy is usually associated with the possibility of offering low prices. Contrary to Levitt's (1983: 94) opinion, that if a company "forces costs and prices down and pushes quality and reliability up [...] customers will prefer its world-standardised products", Douglas' and Craig's (1983) research on the performance of US multinationals in foreign markets, reveals that in many markets there is an increasing desire for multiple product features, quality and service. Furthermore, Douglas and Wind (1987) argue that having standardised lower prices is very risky. Firstly, this is because a low price positioning is vulnerable in the long-term, and secondly, a standardised low price may be 'overpriced' for some markets and 'underpriced' for others.

In sum, the key elements driving a marketing programme adaptation include: a)

differing politico-legal, economic and socio-cultural environment factors associated with any host country; b) worldwide customer patterns seem to be diverging rather than converging; c) a market-driven, rather than product-driven strategy, allows a better competitive position and may improve performance; d) cost of production is only one of several factors influencing the final cost of a product; e) the increasing desire for multiple product features, quality and service rather than for low pricing; and f) a standardised price may also not be the 'adequate' price, and a low price is vulnerable in the long-term.

2.1.2.3 The contingency perspective

It is clear that there are pros and cons associated with both sides: adaptation and standardisation. While there are some internal and external factors pushing for an adaptation strategy, there are other factors that might support a more standardised strategy (e.g. Akaah, 1991; Baalbaki and Malhotra, 1993; Cavusgil et al., 1993; Cavusgil and Zou, 1994; Douglas and Wind, 1987; Hovell and Walters, 1972; Jain, 1989; Kashani, 1989; Kreutzer, 1988; Samiee and Roth, 1992; Shoham, 1996; Tuncalp, 1990; Yip, 1989). Due to the notoriety and actuality of this issue (Evangelista, 1996), recent literature about the standardisation controversy stands on the contingency perspective of international marketing (e.g. Baalbaki and Malhotra, 1993; Jain, 1989; Lee et al., 1993; Yavas et al., 1992; Wang, 1996; Zou et al., 1997). It is essential to "understand under what conditions the globally standardised marketing strategies should be employed" (Wang, 1996:89). Rather than questioning which strategy is best (standardisation or adaptation), this school of thought maintains that it is more important to understand under which conditions one strategy might be

more advisable than the other.

Over the last four decades, the contingency perspective has been advocated by many theorists and discussed at several levels (Galbraith and Schendel, 1983). Already by the early 1960s, Chandler (1962) asserted that, to be competitive, a company had to analyse its environment. When applied to the standardisation controversy, the first views of the contingency approach were highlighted in the late 1960s (Buzzell, 1968; Bartels, 1968; Miracle, 1968; Ryans, 1969). While Ryans' (1969) and Miracle's (1968) works were concentrated exclusively in the advertising field, both Buzzell (1968) and Bartels (1968) expanded the standardisation controversy to the other marketing mix elements. At that time, they introduced the contingency perspective as an alternative approach to the standardisation controversy (Agrawal, 1994). The main strength of their argument was based on the fact that they recognised both the advantages and disadvantages associated with each of the two extremes (adaptation versus standardisation). For this reason, this approach is nowadays still known as 'the middle of the road approach'. Indeed, the idea of degree rather than absolute standardisation, which was introduced by Buzzell (1968) and Bartels (1968), are the basis of current research. Their works presented evidence of some environmental factors that influence a possible standardisation strategy.

Their works are still referred to as a historic point in this debate. Buzzell's work (1968:103), based on the interviews conducted with the executives of multinational companies, concluded that "although there are many obstacles to the application of common marketing policies in different countries, there are also some very potential benefits. The relative importance of the pros and cons will of course, vary from

industry to industry and from company to company”. Thus, each case is different and must be analysed individually because there are several factors limiting the standardisation of the major elements of the marketing mix. According to Buzzell (1968), these factors include market characteristics (physical environment, stage of economic and industrial development, cultural factors), industry conditions (stage of product-life-cycle in each market, competition), marketing institutions (distributive system, advertising media and agencies) and legal restrictions. Similarly, according to Bartels’ (1968) theoretical work, the elements of marketing vary from country to country as a consequence of the differences of various national environments. As stated by Bartels (1968:58), “such factors as size of country, dispersion and or concentration of population, transportation and communication facilities, levels and distribution of income, and price levels are significant affectors of markets, channels, outlets, price lines, and promotion budgets.” Different national environments thus present different physical and economic circumstances that influence the way marketing mix strategies are shaped.

Following these works, many researchers suggested that the wrong question was being posed (Britt, 1974; Peebles et al., 1977, 1978). They argued that the debate should not be about whether or not one should standardise; rather, it should involve an examination of the potential for standardisation for a product or service, taking into consideration several internal and external factors. After much further research in the following decades (e.g. Douglas and Wind, 1987; Hite and Fraser, 1988; Porter, 1986; Sorenson and Wiechmann, 1975; Walters and Toyne, 1989; Wang, 1996), the existence of a continuum between the two extreme poles (pure standardisation and

pure adaptation) became a recognised issue.

Taking the basis of some of the empirical findings, it is possible to observe that a real tendency for standardisation or adaptation does not exist. For example, with regard to the degree of product standardisation, a wide diversity of findings have been reported. While some studies found a highly standardised strategy (Akaah, 1991; Sorenson and Wiechmann, 1975), others found a lower degree of product standardisation (Boddewyn et al., 1986; Karafakioglu, 1986; Weinrauch and Rao, 1974). With respect to promotion, while some studies found a degree of promotion standardisation above average (Grosse and Zinn, 1990; Schuster and Bodkin, 1987; Sorenson and Wiechmann, 1975), others found a low degree (Akaah, 1991; Boddewyn et al., 1986). With regard to the degree of price standardisation, some studies report a low level of standardisation (e.g. Schuster and Bodkin, 1987; Weinrauch and Rao, 1974), while others studies report more standardisation (e.g. Sorenson and Wiechmann, 1975). Concerning distribution, different degrees of standardisation have been highlighted. While some find a lower level of distribution standardisation (Karafakioglu, 1986; Weinrauch and Rao, 1974), others find a higher degree of standardisation (Sorenson and Wiechmann, 1975). Thus, in order to determine the appropriate degree of adaptation/standardisation, the contingency perspective suggests that it is necessary to understand which factors influence an export marketing strategy. As previously discussed, rather than trying to find out whether a company should adapt or not, the contingency approach looks at the forces that are influencing a certain phenomenon in order to find out to what extent one approach might be more advisable over the others. This way possible failures might be prevented.

Levitt (1983) is generally accepted as a proponent of the standardisation approach (Rosenbloom et al., 1997; Shoham, 1995; Zou et al., 1997). Even Levitt (1983), however, admits that some companies have failed when they have attempted to standardise their practices worldwide. Explaining these failures, Levitt (1983:97) notes that the deficiencies of these companies “have been seized on as evidence of bovine stupidity in the face of abject impossibility”. This explanation essentially means that they have failed, mainly due to basic matters, such as failure in execution and failure of imagination. Thus, even Levitt (1983) recognises the existence of some forces that limit the effectiveness of the standardised strategy.

Both Levitt (1983) and Ohmae (1989) claim that technology appeared during the early 1980s as a powerful force guiding international marketing strategy. However, technology is not the only force influencing international marketing strategy. There are many other internal forces (Jain, 1989; Weinrauch and Rao, 1974) and external forces (Baalbaki and Malhotra, 1993; Yip, 1997) influencing a company’s export marketing strategy and export performance (Aaby and Slater, 1989; Bilkey, 1978; McGuinness and Little, 1981; Madsen, 1987) at the international level. In addition, if a company opts for a standardisation strategy that might have lower costs, it is always possible that at least one competitor will offer what consumers want (Kotler, 1996). Thus, while a company that wishes to give a greater priority to customer needs is tempted to adapt at least some aspects of an export marketing strategy, a company that wishes to achieve overall cost leadership is tempted to use a standardised strategy (Wang, 1996).

According to Douglas and Wind (1987), a global approach is likely to succeed due to

the existence of a global market segment. However, to conclude that the growing integration of international markets as well as the growth of competition on a worldwide scale “mandates the option of a strategy of universal standardisation appears naive and oversimplistic” (Douglas and Wind, 1987:19). A similar view is held by Samiee and Roth (1992). As an alternative to the strategy of universal standardisation, the authors instead recommend the use of segmented strategies. According to the authors, it is therefore possible to conveniently allocate promotion budgets as well as to use price discrimination. If the promotion budget is conveniently allocated, then large savings can be made. Furthermore, if a price is adapted to the specific conditions of a market, it is possible to maximise profits. As a consequence, these profits and saving costs may cover somewhat greater costs associated with adaptation.

It is tempting for companies to pursue product standardisation due to the evident advantages provided by economies of scale across several fields, such as marketing, R&D and production (Hill and Still, 1984). However, it is also indisputable that cost of production is not the only factor influencing the final cost of a product (Douglas and Craig, 1983; Kotler, 1996; Shoham and Albaum, 1994; Shoham, 1995). Some works (Shoham and Albaum, 1994; Shoham, 1995) argue that company costs are not only driven by economies of scale, but also by hidden costs associated to the sub-optimal execution of an export marketing strategy. Thus, a company should review its alternatives in order to determine which factors would add more revenue or cost (Kotler, 1996). It is necessary to find out if the benefits that are gained through a worldwide volume (e.g. in terms of cost per unit, reputation and service) justify the

additional costs associated with it (Hout et al., 1982). In short, it is necessary to weigh the pros and cons of standardisation carefully and ultimately assess the degree of standardisation to implement.

In summary, the most recent studies on standardisation support the notion that the contingency perspective provides a useful means of examining this important research theme (Baalbaki and Malhotra, 1993; Jain, 1989; Lee et al., 1993; Yavas et al., 1992; Wang, 1996; Zou et al., 1997). The contingency perspective is now widely accepted in marketing research (Zeithaml et al., 1988) and the foundation for recent thought in the standardisation debate is based on the idea of degree rather than absolute standardisation or adaptation (Samiee and Roth, 1992; Szymanski et al., 1993; Wang, 1996). As a result, the debate “has given way to a more fruitful dialogue focusing on [...] the desired degree of standardisation (or adaptation)” (Szymanski et al., 1993: 1). The doubt, if one strategy is better than the other, no longer appears to exist. The assumption of the contingency perspective is that “no strategy is the best across situations and each strategy can be the best in the particular condition” (Wang, 1996: 103). Rather than discover whether a company should adapt its marketing strategies or not, it is more important to look at the degree of adaptation as well as the forces that influence it (Samiee and Roth, 1992; Szymanski et al., 1993; Wang, 1996). Standardisation or adaptation is just a matter of degree since an export marketing strategy is contingent upon a variety of internal and external forces (Jain, 1989; Zou and Cavusgil, 1996; Zou et al., 1997).

2.2 DETERMINANTS OF EXPORT PERFORMANCE

At the internal level, (1) firm characteristics and competencies (Cavusgil and Naor, 1987; Cavusgil and Kirpalani, 1993), (2) management attitudes and perceptions (Beamish et al., 1993; Cavusgil and Nevin, 1981b), (3) management characteristics (Kammath et al., 1987; Madsen, 1989), and (4) product characteristics (Beamish et al., 1993; Christensen et al., 1987) have been associated with export performance. At the external level, (1) domestic market characteristics (Das, 1994; Nayyar, 1976), (2) industry characteristics (Cavusgil and Kirpalani, 1993; Holzmuller and Kasper, 1991) and (3) foreign market characteristics (Beamish et al., 1993; Bilkey, 1982) have been presented as affecting export performance.

2.2.1 IMPACT OF INTERNAL FACTORS ON EXPORT PERFORMANCE

While the external factors influencing export performance have been studied extensively (Diamantopoulos and Inglis, 1988; Rao, 1989), internal factors have received less attention (Aaby and Slater, 1989; Cavusgil and Nevin, 1981; Donthu and Kim, 1993). It is particularly important to consider this issue because, as Zou and Stan (1998) recently pointed out, there is confusion over the impact of internal factors on export performance. This section, therefore, reviews key conceptual and empirical studies that have analysed the impact of internal factors on export performance. Table 2-3 summarises the divergent findings concerning the impact of internal factors on export performance.

2.2.1.1 Firm characteristics and competencies

Cavusgil and Zou (1994) found that a firm's international competence influences

export performance. According to their study, a firm's international competence is a composite of several factors: i) the number of full-time employees; ii) sales volume; iii) the amount of international experience of a firm; iv) the number of years in which a firm has been involved in international business; v) the number of foreign markets in which it regularly operates; and iv) the amount of resources for export development. However, most of the time, when these issues have been analysed individually, there have been conflicting findings. Firm size is one area of great controversy. According to Cavusgil and Kirpalani (1993), small firms are more successful than medium or larger firms because they are usually more committed to exporting. Furthermore, they are concentrated more in specific market niches, thus avoiding competition with larger exporters. However, while some empirical studies support these finding that smaller companies have a better export performance (Cooper and Kleinschmidt, 1985; Das, 1994), others have established a positive relationship between firm size and export performance (Cavusgil and Naor, 1987; Culpan, 1989; Christensen et al., 1987). Controversially, several studies indicate that export performance is independent of the size of the firm (Axinn et al., 1996; Bilkey and Tesar, 1977; Bonaccorsi, 1992; Diamantopoulos and Inglis, 1988; Fenwich and Amine, 1979; Kammath et al., 1987; Sriram and Manu, 1995).

With regard to a firm's age, contradictory findings have also been found. Seifert and Ford (1989) found a positive relationship between firm age/experience and export performance. According to their findings, overall satisfaction with export performance increases with a firm's export experience of the product line and its overall export experience. On the other hand, two other works (Kaynak and Kuan, 1993; Ursic and

Czinkota, 1984) found that the newer the firm, the better its export performance. Kaynak and Kuan's (1993) investigation suggests that younger firms tend to have better profitability because they are more willing to adapt.

Other firm characteristics that influence export performance include technological strengths and type of ownership. Aaby and Slater's (1989) review asserts that most empirical studies establish a positive relationship between technological strengths and the propensity to export. However, there are also findings that reveal that no relationship exists, or there is just a small relationship (Christensen et al., 1987; Reid, 1986). Concerning the type of ownership, Das (1994) concludes that privately owned companies tend to have a better export performance than public companies.

2.2.1.2 Management attitudes and perceptions

Management attitudes and perceptions have been correlated with both export and domestic barriers to exporting (Donthu and Kim, 1993; Pavord and Bogart, 1978). Managers have different perceptions about the level of importance of export barriers (Cavusgil, 1984b). Firms that perceive fewer risks and barriers to exporting usually have a more positive attitude towards it, which, in turn, is reflected in their export performance (Donthu and Kim, 1993).

The suggestion that export performance is influenced by export commitment/support can be traced back to Tookey's (1964) work. According to his investigation of British clothing manufacturers, at that time some of the management commitment to export was due to government and public pressure. Many empirical studies have confirmed this positive relationship (Bilkey, 1982; Cavusgil and Nevin, 1981b; Gomez-Mejia,

1988; Gronhaug and Lorenzen, 1982; Reid, 1981) and 1990s (Cavusgil and Zou, 1994; Donthu and Kim, 1993). However, despite the large number of studies supporting this positive relationship, Koh's (1991) investigation did not find a significant relationship between export commitment (i.e. measured in terms of effort in exporting) and export profitability. According to his findings, perceived export profitability was similar for 'sustained' and 'sporadic' exporters.

A wide range of approaches have been used to operationalise export commitment. For example, while Cavusgil and Zou (1994) looked at export commitment/support along three dimensions - i) the extent of planning for the export venture, ii) the extent of management commitment, and iii) the extent of resource/non-managerial commitment - another investigation of American exporters used only two dimensions: financial and resource commitment (Donthu and Kim, 1993). Beamish et al.'s, (1993) survey of British and Canadian exporters is a typical example of divergent findings being produced when different variables are used. Their study looked at export commitment along three dimensions - i) number of staff primarily involved in exporting, ii) proportion of time devoted to export, and iii) proportion of export employees to total employees. Two performance measures were also used: export sales intensity and domestic versus export profits. With regard to sales performance, a positive relationship was established for the three dimensions for both Canadian and British exporters. However, concerning export profit performance, different findings were revealed. With regard to the first dimension, a non-significant relationship was found for both. For the second and third dimensions, while a positive relationship was observed for Canadian exporters, a non-significant relationship was established for

British exporters. The overall findings suggest that while a positive relationship exists for Canadian exporters in terms of the overall export performance, for British exporters it exists only as a positive relationship in terms of export sales.

Some studies have also revealed that managerial attitudes towards exporting can influence export performance (Bilkey and Tesar, 1977; Czinkota and Tesar, 1982; Tookey, 1964). However, conflicting findings also exist (Axinn et al., 1996; Beamish et al., 1993). Axinn et al. (1996) found a negative relationship between export intention (i.e. intention to export for new markets, introduce new products in foreign markets, increase the proportion of export sales) and export performance. Other studies have not found a significant relationship between export motivation and export profitability (Beamish et al., 1993; Koh, 1991) or export sales growth (De Luz, 1993; Donthu and Kim, 1993). According to Koh (1991), perceived export profitability is similar in 'reactive', 'sustaining' and 'proactive' firms.

2.2.1.3 Management characteristics

Management characteristics have also been correlated with export performance. Kammath et al. (1987) assert that, while the skills of top managers are a key factor in terms of export performance, managerial background is not significant. Koh (1991) also observed no significant relationship between perceived export profitability and the formal educational background (in international business) of the principal export executive. Meanwhile, other studies suggest that export performance is influenced by the international business training of managers and their knowledge of foreign languages (Koh, 1986; De Luz, 1993; Bilkey and Tesar, 1977). While both Koh (1986) and De Luz (1993) establish a relationship with export sales growth, Bilkey

and Tesar's (1977) investigation looks at the impact of knowledge of foreign languages on export success and export involvement. With regard to the level of export experience, some divergent findings have also been presented. In contrast to Bilkey's (1982) findings, most empirical investigations (Da Rocha et al., 1990; Das, 1994; Madsen, 1989) reveal a positive relationship between exporting experience and export performance. Da Rocha et al. (1990), for example, show that managerial experience abroad also influences export success and export involvement. Similarly, Das (1994) asserts that the level of foreign experience influences both export intensity and sales growth.

2.2.1.4 Product characteristics

The impact of product characteristics on export performance is one of the areas where more divergent findings are encountered (see Table 2-3). Beamish et al.'s (1993) investigation found that product technology influences export intensity only in the case of Canadian exporters. However, no association exists between export profits and product technology for either British or Canadian exporters. In contrast, De Luz's (1993) investigation revealed a negative relationship between export sales growth and product technology. Concerning the extension of a product line in the foreign market, Christensen et al. (1987) found that successful exporters have a widely diversified product line. On the other hand, Kirpalani and Macintosh (1980) discovered that a wide product line diffuses export resources, and as a consequence, decreases export performance.

McGuinness and Little's (1981) investigation of new industrial products suggests that the differential advantages associated with any product are linked to export

performance. According to De Luz (1993), however, special features are not correlated with export sales growth. Similarly, according to Bilkey (1982), perceived product uniqueness is not correlated with overall export performance. For Koh (1991), this issue is not associated with the perceived relative profitability of exporting. Similarly, according to Beamish et al. (1993), no correlation exists between export profits and product uniqueness. Nevertheless, their investigation indicates that product uniqueness can influence export intensity. Johansson and Nonaka's (1983) study concluded that successful Japanese firms offer products that provide a differential competitive advantage over alternative products, while providing the customer with 'good value for money'.

Most studies revealed a positive relationship between customer service and export performance (Beamish et al., 1993; Gomez-Mejia, 1988; Tookey, 1964; Zou et al., 1997). Interestingly, customer service was the only product characteristic for which Beamish et al. (1993) established a positive relationship for both countries and for both export intensity and export sales. Similarly, Zou et al. (1997) found a negative relationship between the level of customer service standardisation and export intensity. In contrast with these findings, De Luz's (1993) investigation of Brazilian manufacturers did not find any relationship between service/special warranties and export sales growth.

Cunningham and Spigel's (1971) empirical study shows that the design of a product is a key factor in terms of export performance. With respect to product quality, while Cunningham and Spigel (1971) argue that quality is also a key factor in terms of export performance, De Luz (1993) does not find a significant relationship with

export growth. With regard to product patent/brand, while Bilkey (1982) asserts that there is no correlation with export performance, Koh (1991) reveals that 'own brand names' have a poorer export performance than 'not own brand names'.

2.2.2 IMPACT OF EXTERNAL FACTORS ON EXPORT PERFORMANCE

The above discussion shows clearly that, although much research has focused on the internal factors influencing export success, there is still little consensus within the findings. However, as Zou and Stan (1998) have recently noted, there is also much confusion in the export marketing literature on the impact of external factors on export performance. This section will examine the impact of the following key external factors on export performance: i) domestic, ii) industry and iii) foreign market characteristics (Bilkey, 1987; Zou and Stan, 1998). Table 2-4 summarises the key issues identified in the literature.

2.2.2.1 Domestic market characteristics

Recent literature in the field claims that few investigations exist concerning the impact of domestic characteristics on export performance for firms based in developed countries (Das, 1994; Zou and Stan, 1998). Most of the existing works in this area have looked at the importance of domestic characteristics to export performance for firms based in LDCs (Colaiacono, 1982; Das, 1994; Kinsey, 1988; Nayyar, 1976). Manufacturers based in LDC countries, have not always been successful, thus hampering their likely performance (Das, 1994). He notes that lower economies of scale, higher raw materials costs and less sophisticated manufacturing and marketing practices associated with lower quality, may mean that they receive a lower price for

their products in the export market (Das, 1994).

Rising domestic demand may also put the export market in second place (Nayyar, 1976). Similarly, political and legal issues in the domestic market, such as changes in export policies and the lack or non-existence of governmental agencies that support export activities (Colaiacovo, 1982; Nayyar, 1976), are key issues. According to Tookey (1964), the type of competition faced by a firm, in both domestic and foreign markets, also affects its interest in exporting. Nevertheless, divergent findings have been also advanced. While Madsen's (1989) survey reports that the non-attractiveness of the domestic market influences export growth, Cooper and Kleinschmidt's (1985) findings reveal that domestic market attractiveness (i.e. domestic market potential and market growth) influences export intensity. In addition, Kaynak's (1992) investigation of Canadian firms indicates that the region where a firm is based is extremely important to export performance. His study indicates that firms based in different regions, despite being in the same country, present tremendous differences, and consequently, different levels of export performance can be expected. According to his study, the firms based in two Canadian regions present several differences including the type of exported product (i.e. industrial versus consumer goods), principal export products (i.e. advanced technology versus less sophisticated) and type of end-users (i.e. final consumers versus industry).

2.2.2.2 Industry characteristics

Over the last decade, many empirical studies have investigated issues around industry characteristics in an exporting context studies (Holzmuller and Stottinger, 1996; Lim et al., 1996; Naidu, 1994). However, very few have looked specifically at the impact

of industry characteristics on export performance. An industry's technological intensity is usually referred to as one of its key characteristics in terms of export performance (Cavusgil and Zou, 1994; Holzmuller and Kasper, 1991). Nevertheless, many other variables have also been discussed including an industry's level of stability, predictable changes, speed of change, seasonal or cyclical fluctuations, risk levels and competitive activity (Das, 1994).

Holzmuller and Kasper (1991), when referring to the industry's technological intensity, introduced the concept of 'line of industry'. This means the 'manufacturing complexity' of the industry or the technical know-how involved with the products. Their findings suggest that the level of technological intensity is higher in the metal goods and machinery industry and the textile sector. Lower complexity, however, was observed in food industries, wood and furniture sectors (Holzmuller and Kasper, 1991). 'Middle' industries include chemicals, oil, rubber, leather and printing. Holzmuller and Kasper (1991) conclude that the higher the manufacturing complexity of firms, the better their export performance. By comparison, in a study of US, Canadian and Japanese firms, Cavusgil and Kirpalani (1993) found that the most successful exporters by far were those that possessed a medium level of technological intensity.

2.2.2.3 Foreign market characteristics

An analysis of the findings concerning the impact of foreign market characteristics on export performance revealed the existence of some confusion. For example, when comparing the performance of companies exporting to developed and developing countries, De Luz (1993) found no correlation between export performance and

whether an export market is developed or developing.

Kaynak and Kuan (1993:43) asserted that “high performers must export their product to more industrialized places”. They argue that it is possible to achieve a better level of performance in industrialised countries, due to the existence of more favourable operating conditions in those countries. In contrast, according to Sriram and Manu’s (1995) empirical investigation, firms exporting to developing countries have a better level of export performance than firms exporting to developed countries. This might be explained by the existence of less competition in developing countries. Meanwhile, Beamish et al. (1993) observed a positive relationship between exporting to Less Developed Countries (LDCs) and export profit, and a non-significant relationship between exporting to LDCs and export intensity for Canadian exporters. In contrast, for British firms, a positive relationship between exporting to LDCs and export intensity, and a non-significant relationship concerning export profit was found.

Comparative studies have also focused on firms exporting worldwide and firms that export only to neighbouring countries. Despite the advantages associated with closer geographical proximity such as reduced distribution costs, Cooper and Kleinschmidt (1985) found that companies exporting worldwide had better performance than firms exporting only to neighbouring countries. Meanwhile, according to Bilkey (1982), export market competitiveness is negatively correlated with export performance.

2.2.3 IMPACT OF MARKETING PROGRAMME STANDARDISATION ON EXPORT PERFORMANCE

The degree of marketing programme standardisation at the international level “involves the manipulation of the marketing mix components (product, promotion,

price and distribution)” (Omar, 1986:52). This section will therefore discuss the studies that have looked at the impact of the degree of programme standardisation on export performance from the traditional marketing mix perspective, as this “paradigm” is “time-tested”, being as valuable for today’s academics and managers as it was in 1960 (Anderson and Taylor, 1995:9). Table 2-5 summarises the findings in this field of research.

2.2.3.1 Product standardisation

With regard to the standardisation/adaptation debate, the element of the marketing mix which has received the most attention is product followed by promotional adaptation (Rosenbloom et al., 1997; Jain, 1989). Axinn et al.’s (1996) survey, using a product-market approach, revealed that American firms that adapt their products for ‘many countries’ have similar export profits and export intensity to those who do not. However, with regard to the firms that export to a ‘few countries’ (i.e. less than five countries), while export profit is better for adapters, export intensity is better for non-adapters. Cavusgil and Zou (1994) argue that export performance is influenced by the degree of product adaptation, that is, the ‘degree of initial product adaptation’, ‘degree of product adaptation subsequent to entry’ and the ‘extent to which the product label is in local language’. On the other hand, Beamish et al., (1993) suggest that while there is no relation between ‘little product adaptation’ and export profits for British exporters, there is for Canadian exporters.

Most studies indicate that the degree of core product standardisation is positively associated with export performance. Christensen et al. (1987) reveal that, in the case of Brazilian exporters, export performance is influenced by product standardisation.

These findings are confirmed by De Luz's (1993) investigation which establishes a positive relationship between the degree of standardisation of primary products and export sales growth. Similarly, Zou et al. (1997) found that, for Colombian exporters, the level of standardisation influences export intensity. However, similar to Walters and Toyne's (1989) recommendation that product peripherals must be tailored to the idiosyncrasies of foreign markets, Zou et al. (1997) found a negative correlation with product peripherals standardisation.

Koh (1991), meanwhile, found that American exporters modify their domestic product line for the export market in order to achieve a higher (perceived) profitability level than those who use the same domestic product line for export markets. On the other hand, Shoham (1996) points out that adaptation of the number of items in the product line can harm export sales, export sales growth and export profit growth. However, according to Shoham (1996), the adaptation of the number of product lines improves sales and profits margins. Nevertheless, his study found no relationship between export profit margins and the number of items, or between the number of product lines and growth in either export sales or export profit margins. Other variables which have also been empirically tested in the export field, when looking at the product standardisation debate, include: product quality, service, brand name, packaging, styling, appeal, warranty, colour, features and design (Donthu and Kim, 1993; Seifert and Ford, 1989; Shoham, 1996).

2.2.3.2 Promotion standardisation

According to Jain (1989), nearly half of the studies in the standardisation field are concerned with promotion issues, and in particular, with advertising. Promotional

spending and budget have been some of the most discussed and contradictory issues in this field. Shoham's (1996) work found that the degree of adaptation of the promotional budget is negatively correlated with export profit, export sales margins and export sales growth. Conversely, Seifert and Ford (1989) argue that satisfaction levels, in terms of overall performance, are higher for those firms that spend abroad more on advertising, sales promotion, overall promotion, personal selling and public relations. When using a "marketing x size x experience" approach, they discovered that the majority of the exporting companies had a much lower promotional budget for the foreign market than for the domestic market. With regard to the degree of adaptation of promotion/advertising contents, Shoham's (1996) investigation suggests that this influences (1) export sales margin, (2) export sales growth, (3) export profits margins, and (4) export profit growth. Sriram and Manu (1995) claim that overall promotion/advertising standardisation strategy influences market share. On the other hand, Zou et al. (1997) did not find a significant relationship between export intensity and overall promotion adaptation. Similarly, when looking at overall promotion as a composite of three measures (i.e. promotional strategy, product positioning strategy and packaging), Cavusgil and Zou (1994) did not report any significant correlation with export performance.

2.2.3.3 Price standardisation

As with distribution, pricing has received less research attention in the field of international marketing (Baalbaki and Malhotra, 1993; Cavusgil and Nevin, 1981; Myers and Cavusgil, 1996). Recent studies claim that the issue of price standardisation has been ignored in relation to the other elements of the marketing

mix in recent times (Myers and Cavusgil, 1996; Rosenbloom et al., 1997). According to Myers and Cavusgil (1996), the reasons for the neglect of pricing strategies and practices at the international level can be attributed to the complexity of pricing issues, as well as to the reluctance of managers to discuss their pricing strategies.

Bilkey's (1982, 1985, 1987b) work suggests that export price level influences export performance. For example, Bilkey (1987) posits that export profitability increases for industrial, consumer and intermediate firms as their product prices are raised in the foreign market. Meanwhile, Das (1994) argues that, while there is not a significant relation between price adaptation and export sales growth, overall price adaptation influences export intensity. Koh (1991) points out that, although the level of overall price influences (perceived) export profitability, a non-significant relationship was found concerning currency strategy and determination of the pricing strategy. While Shoham (1996) did not find a significant relationship between the degree of price adaptation and export sales and export sales growth, another study by Zou et al. (1997) did observe that pricing standardisation influences export sales intensity. Shoham's (1996) investigation did, however, report a positive relation between the adaptation of price and credit terms, and export profit margins and profit growth. Other empirical studies have also drawn attention to the fact that having competitive prices in the foreign markets has a positive impact on export performance (Kirpalani and MacIntosh, 1980; Madsen, 1989).

2.2.3.4 Distribution standardisation

In the early 1980s, Cavusgil and Nevin (1981) noted that "research dealing with distribution decisions for international marketing has been very limited". Two decades

later, research related to international distribution is still very limited (Baalbaki and Malhotra, 1993; Rosenbloom et al., 1997). The issue of standardisation within the distribution element of the marketing mix has been particularly neglected (Myers and Cavusgil, 1996; Rosenbloom et al., 1997). With the exception of work by Beamish et al. (1993) and Shoham (1996, 1999) the impact of distribution standardisation on export performance has also received scant attention.

Beamish et al. (1993) argue that two possible different distribution strategies can be used in foreign markets. The first involves the adaptation of the distribution system to the development stage of the foreign market. The second suggests the selection of the distribution system based on domestic experience. Their findings reveal that Canadian exporters that select a different distribution channel from that used for the domestic market had a better export profit. However, the same investigation also pointed out that no significant correlation was found for British exporters. Shoham's (1996) study also indicates that there is a positive relationship between the degree of adaptation of sales force management and export performance. However, with regard to the degree of adaptation of the distribution channels, no significant relationship was found.

2.3 DETERMINANTS OF MARKETING PROGRAMME STANDARDISATION

The internal and external factors affecting the degree of marketing programme standardisation are discussed in this section. As with the determinants of export performance, discussed in the previous section, the internal forces to be analysed in this section are: i) firm characteristics; ii) management perceptions and attitudes; iii) management characteristics; and iv) product characteristics. Similarly to the previous

section, the external forces analysed in this section are: i) domestic characteristics; ii) industry characteristics; and iii) foreign market characteristics.

2.3.1 IMPACT OF INTERNAL FACTORS ON MARKETING PROGRAMME STANDARDISATION

At the international level, there is a lack of empirical research that considers the internal factors affecting standardisation (Bartlett and Ghoshal, 1987; Collis, 1991; Jain, 1989; Zou and Cavusgil, 1996). The internal forces affecting export marketing strategy analysed in this section are: (1) firm characteristics and competencies; (2) management characteristics; (3) management perceptions and attitudes; and (4) product characteristics (Cavusgil et al., 1993; Cavusgil and Zou, 1994; Zou and Stan, 1998).

2.3.1.1 Firm characteristics and competencies

Several approaches have been used to discuss firm characteristics and competencies. For example, Aaby and Slater's (1989) literature review divides firm characteristics into three categories: organisation size, management commitment, and management perceptions. Zou and Stan's (1998) review suggests another classification. According to their work, a firm's characteristics and competencies can be divided into the following: its size, international competence, age, technology, characteristics, and its capabilities/competencies.

Size of the firm has been one of the most discussed issues. For example, Leontiades' (1984) investigation, which looked at companies operating in the automotive, computer and semiconductor industries, found that larger firms are more likely to

standardise than smaller ones. While the larger firms tend to standardise design, research and production (in order to benefit from the use of economies of scale and high volume mass markets), the smaller companies tend to standardise both at the product and technology levels. Cavusgil and Zou (1994) also suggest that a firm's characteristics are related to size (in addition to international experience, extent of international business development and available resources). This investigation of American exporters found that while firms' international competence has a positive impact on product adaptation, there is no significant relationship with promotion adaptation.

2.3.1.2 Management attitudes and perceptions

Management attitudes and perceptions can be divided into the following: export commitment and support, international orientation, proactive export motivation, perceived export advantages and perceived export barriers (Zou and Stan, 1998).

Andrus and Norvell (1990) asserted that different levels of standardisation are associated with different levels of international involvement. A similar opinion is shared by Cavusgil and colleagues (Cavusgil et al., 1993; Cavusgil and Zou, 1994).

According to Akaah's (1991) investigation, which empirically tested the conceptual model developed by Jain (1989), the corporate orientation of a firm has a significant relationship with the degree of marketing adaptation. His findings suggest that firms with a geocentric/regiocentric orientation (i.e. world-oriented/region-oriented) are more willing to standardise than those with an ethnocentric/polycentric orientation (i.e. home-country-oriented/host-country-oriented). Another example is presented by

Koh's (1991) survey, which indicates that the level of export pricing adaptation is related to management motivation.

Several empirical studies have also analysed the influence of the differences among managers across various cultures (Halliburton and Hunerberg, 1993; Herbig and Miller, 1993; Hofstede, 1984, 1993; Ralston et al., 1993; Tse et al., 1988). For example, Tse et al.'s (1988) investigation, which includes a study of managers of Canada, Hong-Kong and China, found that existing divergence in terms of choice, decisiveness, and risk adjustment may influence international marketing outcomes. Similarly, Hofstede's (1984, 1993) studies, which compared IBM managers across 53 nations, show significant differences in terms of orientation, individualism and risk avoidance.

2.3.1.3 Management characteristics

Very few investigations have been developed when looking at the impact of management characteristics on marketing standardisation. However, despite being contradictory, some of the existing findings indicate that it is possible to establish a relationship between these issues. This is particularly the case of two investigations that have looked at multiple companies across different industries (De Luz, 1993; Koh, 1991). While De Luz's (1993) investigation of Brazilian exporters indicates that the firms employing trained managers tended to export standardised products, Koh's (1986, 1991) survey of American exporters indicates that there is a positive relationship between the number of managers with a formal educational background in international business and the degree of product adaptation.

2.3.1.4 Product characteristics

Many definitions of product characteristics exist. Cavusgil and Zou (1994) present one of the most comprehensive definitions. According to their work, relevant product characteristics include culture-specificity, level of maintenance and service, strength of patent, unit value, uniqueness/special features, and age. Other product attributes, discussed in the literature, include product quality, product line extension, product's technology level, PLC, and 'essentialness'.

The type of product was one of the first issues to be discussed in the standardisation literature. During the 1970s several studies looked into this issue (Sorenson and Wiechmann, 1975; Wind et al., 1973).

Wind et al.'s (1973) executive survey reveals that 'culture-free' products require less adaptation than 'culture-bound' products. At the advertising level, a similar view was shared in findings from Sorenson and Wiechmann's (1975) executive survey. Similarly, Wiechmann (1974) argues that promotional transfer was directly influenced by the type of product. The more culture-bound the product is, the more difficult it is to transfer a promotional strategy.

A wide diversity of relationships between product characteristics and the degree of export marketing strategy adaptation have been reported. A typical example of divergent findings is provided by Cavusgil and Zou's (1994) investigation. Concerning a firm's experience with the product, this study found a negative relationship with product adaptation and a positive relationship with promotion adaptation.

Concerning the cultural specificity of a product, a positive relationship was found with regard to product adaptation. With regard to product uniqueness, a positive relationship was established with both product and promotion adaptation. In contrast, in the context of Brazilian exporters, De Luz (1993) discovered a negative relationship between the uniqueness of product features and product adaptation. Other empirical studies in this field include, for example, Boddewyn et al. (1986) and Huszagh et al.'s (1986) works. According to Boddewyn et al.'s (1986) study, non-durable consumer products require greater adaptation than consumer durables. According to Huszagh et al. (1986), the products that are perceived by customers as being 'essential' are more suitable for standardisation.

2.3.2 IMPACT OF EXTERNAL FACTORS ON MARKETING PROGRAMME STANDARDISATION

Many empirical studies which focus on both exporting and standardisation literature (e.g. Cavusgil et al., 1993; Cavusgil and Zou, 1994; Johnson and Arunthanes, 1995; Seifert and Ford, 1989) show that the degree of marketing standardisation depends on the (1) industry and (2) foreign market characteristics. Additionally, as suggested by a limited number of works (e.g. Bilkey, 1987; Stewart, 1998; Zou and Stan, 1998), (3) domestic marketing characteristics are also essential. In fact, at the external level, the impact of domestic market characteristics in terms of marketing standardisation is considered an under-researched area (Stewart, 1998). This section will now look at the impact of these external forces on the degree of marketing programme standardisation.

2.3.2.1 Domestic market characteristics

The definition of domestic market characteristics is identical to that for foreign market

characteristics (Bilkey, 1987). Therefore, domestic market characteristics include, for example, domestic market barriers, type of market and domestic market attractiveness.

Some empirical studies have compared the characteristics of a domestic market with those of a foreign market. Some of these investigations (Akaah, 1991; Hill and Still, 1984) conclude that a company is more likely to pursue a high level of marketing mix standardisation if the marketing infrastructure, physical, and politico-legal circumstances of the foreign market are similar to the home market.

According to Yip's (1997) investigation of large companies, the domestic market characteristics affect the global solutions that are adopted. For example, European historical, cultural and political differences may encourage European companies to opt for a local rather than a global strategy. On the other hand, the size of the domestic market is also important. While American companies are used to operating in a larger domestic market, most European companies are used to smaller markets. This could lead European companies to be more internationally oriented rather than American companies. Additionally, this may also lead to a tendency for American companies to standardise rather than adapt their programmes.

2.3.2.2 Industry characteristics

Industry characteristics include features such as level of competition (Cavusgil and Zou, 1994; Hill and Still, 1984), technological intensity, level of instability (Zou and Stan, 1998) and type of industry (Bilkey, 1987).

Hill and Still's (1984) investigation reveals that competition might force the firms to adapt their product. Similarly, Cavusgil and Zou's (1994) study reveals that the level

of competition has a positive impact on both product and promotion adaptation. In addition, Baker and Ryans (1973) reveal that the level and intensity of competition of an industry might also affect pricing decisions.

Other empirical studies (Boddewyn et al., 1986; Kim and Mauborgne, 1987; Sorenson and Wiechmann, 1975) reveal that as consumer products are less amenable than industrial products, they are more suitable to be adapted. A similar opinion is shared by two empirical studies (Hite and Fraser, 1988; Seifert and Ford, 1989). While Hite and Fraser's (1988) findings reveal that a standardised promotional strategy is more adequate for industrial products, Seifert and Ford's (1989) survey of US manufacturers reveals that firms exporting industrial goods usually use a standardised strategy for most elements of the marketing mix, with the exception of promotion.

Two other empirical studies (Cavusgil et al., 1993; Cavusgil and Zou, 1994) reveal that the technological orientation of the industry has a negative impact in terms of both product and promotion adaptation. However, these findings contradict other views (Jain, 1989; Robinson, 1987) which argue that when industry technology is intense, firms may adapt their products in order to achieve competitive advantage.

2.3.2.3 Foreign market characteristics

Foreign market characteristics include, for example, type of target market (e.g. level of development and education), foreign market barriers (e.g. politico-legal, economic, socio-cultural barriers) and market attractiveness (e.g. geography and infrastructure, distribution structure, complementary products) (Bilkey, 1987; Zou and Stan, 1998).

The level of market development and education have been related to the degree of

marketing programme adaptation. For example, some studies (Dunn, 1976; Hite and Fraser, 1988) indicate that the level of consumer literacy and education influence promotion adjustments. Similarly, two other surveys (Hite and Fraser, 1988; Synodinos et al., 1989) reveal that there is a relationship between cultural values/norms and a promotional strategy. Another study (Kale and McIntyre, 1991) indicates that distribution must be based on the cultural dimensions presented by Hofstede (1980, 1984), that is, the cultural dimensions of individualism, power-distance, uncertainty avoidance, and masculinity. Some consumer surveys (Erickson et al., 1984; Johansson and Torelli, 1985; Tse et al., 1988) also indicate that a buyer associates the image of a product with the country of origin. Findings reveal that a promotion/advertising campaign is affected by the attitudes and perceptions that a consumer has with regard to the country of origin (Dunn, 1976; Hite and Fraser, 1988). Similarly, Chao's (1989) consumer survey indicates that the credibility of product attributes is also affected by the country of affiliation.

The size of the market is considered a key factor. Grosse and Zinn's (1990) investigation reveals that the practices of US multinationals are different in Latin America and Europe. According to their findings, this is due to the fact that smaller markets are less likely to cover the costs of adaptation than larger markets. A similar opinion is expressed in Chhabra's (1996) investigation of 58 multinationals operating in South America. According to his hypotheses, the larger the market, the greater the marketing mix adaptation.

Other influencing factors include the level and intensity of product consumption on the foreign market (Sorenson and Wiechmann, 1975; Hill and Still, 1984). The

homogeneity of the foreign market is also essential. Taking as a basis Peebles et al.'s (1978) empirical investigation, one may argue that a standardisation strategy is more appropriate for markets that are relatively homogeneous, while an adaptation strategy would be more appropriate in markets that are heterogeneous. With regard to politico-legal circumstances, two surveys (Hill and Still, 1984; Sorenson and Wiechmann, 1975) suggest that different countries have different requirements concerning product standards and features (e.g. safety issues). This might imply the adjustment of export marketing strategy practices. Similarly, two empirical studies (Baker and Ryans, 1973; Sorenson and Wiechmann, 1975) suggest that a pricing strategy is difficult to standardise, mainly because of government rules and regulations. With regard to physical circumstances, some empirical studies (Dunn, 1976; Sorenson and Wiechmann, 1975; Synodinos et al., 1989) indicate that promotion infrastructures have implications for promotional strategy. Similarly, the nature of distribution also has implications for price (Baker and Ryans, 1973) and distribution decisions (Hill and Still, 1984).

2.3.3 IMPACT OF EXPORT PERFORMANCE ON MARKETING PROGRAMME STANDARDISATION

Despite the effects of preceding performance on strategy formulation being somewhat discussed on the organisational and strategic management literature, no empirical research exists about this issue in the marketing field.

Some strategy formulation models (Ansoff, 1965; Hambrick and Snow, 1977; Hofer and Schendel, 1978) have already attempted to analyse how organisational performance might affect the strategic process. However, as asserted by Hambrick and

Snow (1977:11): “little evidence exists regarding the effects ... of performance on strategic decisions”. Indeed, as stated by March and Sutton (1997: 699), “in studies of organisations, performance sometimes appears as an independent variable, but is it more likely to appear on the left-hand side of the equation as a dependent variable”. March and Sutton (1997:698) suggest that the persistence in following this research pattern is mainly due to the fact of organisational researchers being leaving in a world which “demands and rewards speculations of how to improve performance”.

Nevertheless, despite this pressure, for over four decades (Ansoff, 1965; Lindblom, 1959; Wrapp, 1967), organisational and strategic management theory has been discussing the importance of a firm’s situation on strategic decision processes. The two most discussed approaches for strategy formulation on the organisational and strategic management literature are: 1) the use of ‘synoptic processes’ (Ansoff, 1965; Hofer and Schendel, 1978; Lorange and Vancil, 1976, 1977; Steiner, 1979); and 2) the use of ‘incremental processes’ (Lindblom, 1959, 1979; Mintzberg, 1973; Quinn, 1978; Wrapp, 1967). The ‘incremental processes’ are usually remedial, being initiated as a response to problems or dissatisfaction with the current situation. The ‘synoptic processes’, resulting from closely monitoring the opportunities or as a reaction to problems, are detected through close surveillance and are developed to achieve specific goals (e.g. a better level of performance) (Lindblom, 1959; Mintzberg, 1973; Fredrickson and Mitchell, 1984). Both approaches have in common the fact of strategy formulation being developed by taking into consideration the level of satisfaction with the past and current situation of the company.

One of the issues most discussed by organisation theorists is concerned with the

amount of resources disposable for firms with poor and high levels of performance. The fact of having a better level of performance enables firms to have more resources than the ones required for the basic activities (Bourgeois, 1981). It is expected that this excess of resources could be used for information search and a much more elaborate analysis that could lead to a strategy improvement (Fredrickson, 1985). However, it seems that in many cases managers tend to relax and decrease their search for information (Cyert and March, 1963). Rather than redirecting their excess resources to improving their strategy, they tend to make suboptimal strategic decisions (Bourgeois, 1981; March and Simon, 1958; Litschert and Bonham, 1978). This phenomenon might explain why in historically successful firms, managers take intuitive decisions that often have a negative impact (Fredrickson, 1985). On the other hand, poor performance leads to a lack of resources that at a later stage may even result in the close of a business (Bourgeois, 1981). Nevertheless, as performance level decreases, there is more pressure for change (Cyert and March, 1963). Managers are expected to do a better job, which naturally leads to a rethink of their strategies. All subsequent action is taken with the final objective of improving their firm's performance levels (Fredrickson, 1985).

2.4 DISCUSSION AND DIRECTIONS FOR FURTHER RESEARCH

Several articles (Albaum and Peterson, 1984; Aulakh and Kotabe, 1993; Boddewyn, 1981; Cavusgil and Nevin, 1981) highlight the absence of a strong theoretical framework in international marketing research. Indeed, according to Aulakh and Kotabe (1993:5), "international marketing research had been fragmentary and

exploratory without a strong theoretical framework”.

Similarly, the subject of standardisation is particularly ambiguous (Goshal, 1987; Hamel and Prahalad, 1985) and has not been researched conclusively (Jain, 1989). It is an area very pertinent to exporting but which has received insufficient attention (Seifert and Ford, 1989). Most studies in this field have been developed in the context of multinationals (Aydin and Terpstra, 1981; Boddewyn et al., 1986; Buzzell, 1968; Chhabra, 1996; Douglas and Craig, 1983; Hill and Know, 1992; Hill and Still, 1984; Melewar and Saunders, 1999; Ozsomer et al., 1991; Rau and Preble, 1987; Sorenson and Wiechmann, 1975; Wiechmann, 1974). However, despite the large number of studies conducted with multinationals, a lack of investigation exists with regard to exporting companies (Seifert and Ford, 1989; Shoham, 1996) and many key questions still remain unanswered for both practitioners and researchers at this level (Aaby and Slater, 1989; Johnson and Arunthanes, 1995; Seifert and Ford, 1989; Shoham, 1996). In order to narrow this gap in the literature, future research should look into the marketing standardisation phenomenon in an exporting context.

Similar to the multinational studies, most of the previous studies in export marketing tend to look exclusively at a single variable of the marketing mix: product (Atuahene-Gima, 1995; Carpano and Chrisman, 1995), promotion (Marandu, 1995; Raymond and Lim, 1996), price (Jain and Kapoor, 1996; Myers and Cavusgil, 1996) or distribution (Ahmed and Al-Motawa, 1997; Gilliland and Bello, 1997). As a consequence, these studies are not strong in terms of the interactions between the export marketing strategy variables (Davar et al., 1993). Thus, another contribution can be made by looking at the ‘4Ps’ variables as a whole.

The review also revealed that both product and promotion are aspects of the marketing programme that have received most attention. Both distribution and price have been avoided in the international marketing studies. Already by the 1980s, in an outstanding review of the international marketing literature, Cavusgil and Nevin (1981: 203) commented that “research dealing with distribution decisions for international marketing has been very limited. [...] Price is also a weak area in the international marketing literature.” Two recent articles (Myers and Cavusgil, 1996; Rosenbloom et al., 1997) show that this lack of investigation persists, and in particular, with regard to the standardisation/adaptation issue. Thus, since both price and distribution standardisation have been relatively ignored when compared with other areas of international marketing, much empirical research is required in these areas.

The analysis of the relationships between internal and external factors, export marketing strategy and export performance is another under-researched area (Katsikeas et al., 1998; Zou and Stan, 1998). A possible way to approach this issue is through the development of new frameworks both at the conceptual and empirical level (Wang, 1996). Over the past few years, the use of conceptual frameworks to guide the development of hypotheses has played a major role in export development (e.g. Atuaheme-Gima, 1995; Cavusgil and Zou, 1994; Diamantopoulos and Schlegelmich, 1994; Holzmüller and Stottinger, 1996). This type of approach has “strengthened the theoretical foundation of export performance research, legitimising the academic inquiry in the field of exporting.” (Zou and Stan, 1998: 351). More grounded conceptual frameworks are also required (Katsikeas et al., 1998). As argued

by Katsikeas et al. (1998:325), despite the fact that grounded frameworks provide “a richer understanding of our subject matter [...] all too often the scope of research studies fail to take such elements into account”. Thus, future research should create new frameworks while taking in consideration existing grounded findings.

The contingency approach suggests that rather than selecting from either pure adaptation or standardisation, several internal and external factors must be taken into consideration in order to determine the appropriate degree of adaptation (Cavusgil and Zou, 1994; Jain, 1989; Stewart, 1998). As previously discussed, instead of trying to discover what is more adequate, standardisation or adaptation, the key question now centres around finding out which forces influence an export marketing strategy (e.g. Akaah, 1991; Baalbaki and Malhotra, 1993; Cavusgil et al., 1993; Cavusgil and Zou, 1994; Yavas et al., 1992; Wang, 1996; Zou et al., 1997). Due to the richness of this type of approach, it has been applied to the field of export marketing and is particularly recommended for future research. As stated in a recent article (Katsikeas et al., 1998: 324-325), when commenting on the advances in exporting marketing theory and practice, “many researchers are employing contingent elements into their conceptual frameworks, research designs and statistical analysis. [...] Such approaches provide a richer understanding of our subject matter”. Similarly, it is also strongly advised for future research to look at export performance as a function of the fit between the firm’s internal and external environment and the selected export marketing strategy (Koh, 1991).

In addition to the analysis of possible direct relationships (as undertaken by most investigators), future research should also take into account the indirect impact of

internal and external factors on export performance, through their influence on the degree of programme adaptation (Zou and Stan, 1998). Most studies assert that export performance is directly affected by internal factors (De Luz, 1993; Cavusgil and Kirpalani, 1993; Cooper and Kleinschmidt, 1985; Gomez-Mejia, 1988; Gronhaug and Lorenzen, 1982; Zou et al., 1997). However, according to other empirical studies, there are at least some internal factors that have an indirect effect on export performance (Cavusgil and Zou, 1994; Hoang, 1998). Similarly, most empirical studies show that export performance is affected directly by external factors (Beamish et al., 1993; Bilkey, 1982; Cooper and Kleinschmidt, 1985; Sriram and Manu, 1995). However, another empirical study (Cavusgil and Zou, 1994) points out that export performance is affected only indirectly by external factors. Therefore, in order to provide more information on causality and clarify the existing confusion in the literature, more empirical studies should focus on the analysis and understanding of the indirect relationships.

Future research should also investigate whether the strategy defined for the marketing mix variables can be studied as being dependent on the level of export performance achieved in the preceding year. While organisational and strategy theory has covered to some extent the relationship between past performance and current strategy, the (export) marketing literature has not paid any attention to this issue. It is true that a significant amount of works exist with regard to the analysis of the impact of export marketing strategy on export performance (Cavusgil and Zou, 1994; Hoang, 1998; Shoham, 1999). However, the effects of past export performance on export marketing strategy formulation have been completely ignored both at the national and

international level.

Finally, since most of the studies in the field of export marketing have been mainly descriptive or exploratory in nature, more empirical studies are needed in different contexts. At the empirical level, it is also clear that most research in the standardisation field has been conducted exclusively from a US-perspective (Katsikeas and Piercy, 1993; Zou et al., 1997). Additionally, due to the difficulties in obtaining data, previous research has tended to look for information on multiple ventures belonging to the same firm (e.g. Cavusgil and Zou, 1994; Madsen, 1989). Thus, another way to expand knowledge regarding the standardisation controversy is through the development of empirical studies outside the US as well as across different firms.

The directions for future research are now summarised:

1. There is an absence of a strong theoretical framework in international marketing research. The subject of standardisation is particularly ambiguous, with most studies being about multinationals. The exporting literature has not paid significant attention to this issue and thus should be explored further.
2. There is a need to look at the '4Ps' variables as a whole. Most studies in export marketing tend to examine just one single variable of the marketing mix.
3. Both distribution and price are under-researched areas in international marketing, and in particular, in the standardisation/adaptation literature. Much empirical research is required in these areas.

4. Due to the complexity of global markets, there is a need to create international business frameworks, both at the conceptual and empirical level, and wherever possible using grounded findings.
5. The analysis of the relationships between internal and external factors, export marketing strategy and export performance is another under-researched area. The contingency approach is recommended for future research as it is able to provide a richer understanding (than the standardisation or adaptation approaches) of the interaction between these elements.
6. Most researchers concentrate on the analysis of the direct relationships between the elements involved in the export marketing phenomenon. Much more empirical studies have to be developed when focusing on the analysis and understanding of the indirect relationships.
7. Marketing literature has never paid any attention to the impact of performance on marketing strategy (both at the national and international level). This issue presents a great potential for further research.
8. More studies are required when developed outside the US and when looking for information on export ventures which belong to different companies. Existing studies tend to look on export ventures which belong to the same firm.
9. As most of the studies have been mainly descriptive or exploratory in nature, more empirical studies are required.

It is believed that research in these areas could improve significantly the

understanding of how international marketing strategies are defined and could be used to build theory which more accurately reflects how export and marketing managers make their decisions.

2.5 SUMMARY

This chapter opens with a discussion of the theories on export performance measurement and on the standardisation controversy.

This review indicates that evaluating export performance is a very complex task. One of the main reasons concerns the absence of agreement over conceptual and operational definitions of export performance (Das, 1994; Diamantopoulos and Schlegelmilch, 1994). Two principal approaches to looking at export performance include using financial and non-financial measures (Zou and Stan, 1998). Both financial and non-financial measures can be operationalised when using either objective or subjective terms (Evangelista, 1994). Supporters of each approach exist.

However, since any type of approach has its advantages and disadvantages, the most advisable method is to use a set of variables in order to measure export performance (Bijmolt and Zwart, 1994; Shoham, 1996). As Bijmolt and Zwart (1994) point out, although it is possible to measure export performance with one variable, in order to capture the complexity of this measure, it is advisable to construct a scale based on a set of different variables which combines financial and non-financial variables, and objective and subjective measures.

The different approaches to the marketing standardisation controversy were also discussed. In spite of the significant progress that has occurred in recent years in terms

of the standardisation debate, there is still lack of empirical evidence to support the various theories associated with this controversy. Overall, the literature suggests that the contingency approach presents some flexibility, without offering an 'either/or proposition' between pure adaptation or pure standardisation (Quelch and Hoff, 1986). A pure standardisation or adaptation of an export marketing strategy is not feasible because there are several factors influencing it. Thus, as neither of the pure extremes is viable (Boddewyn et al., 1986; Buzzell, 1968; Porter, 1986; Samiee and Roth, 1992; Sorenson and Wiechmann, 1975; Wang, 1996), the contingency perspective helps to understand which factors to take into consideration in order to discover to what extent a company needs to adapt or standardise. These issues form the really interesting basis of today's debate.

In the third and fourth sections a review of the determinants of export performance and the determinants of export marketing strategy are presented. Instead of treating each one of these areas as being unidimensional constructs, various measurement units for each of the components involved in these relationships have been discussed.

The literature revealed that internal and external factors, together with the degree of marketing standardisation, are antecedents of export performance. Additionally, the literature shows that environmental factors (i.e. internal and external forces) also have an impact on export marketing strategy. Based on the organisational and strategy literature it is also suggested that preceding export performance might also affect export marketing strategy development. Furthermore, the examined studies revealed that there is still no clear view about the nature of relationships between the various components involved in the exporting phenomenon. This is mainly due to a

combination of differences in conceptualisation and operationalisation by different researchers (Aaby and Slater, 1989; Cavusgil and Zou, 1994; Madsen, 1987).

Finally, in the fifth section, key directions for future research have been presented. Having identified the export marketing strategy - export performance relationship from the literature as well as potential directions for further research in this field, a more in-depth understanding of these issues was sought by conducting exploratory research. This will now be reported in the following chapter (Chapter 3).

Table 2-1: Export performance measures

Financial measures	Relevant literature
Export intensity i.e., relative export sales (<i>export sales vs. total sales or vs. domestic sales</i>)	Axinn, 1988; Axinn and Tach, 1990; Axinn et al., 1996; Beamish, Craig, and McLellan, 1993; Bilkey, 1982; Chetty and Hamilton, 1993; Das, 1994; Diamantopoulos and Schlegelmich, 1994; Kaynak and Kuan, 1993; Kotabe and Czinkota, 1992; Namiki, 1994; Samiee and Roth, 1992; Shoham, 1996; Sriram and Manu, 1995; Zou et al., 1997
Export sales	Ito and Pucik, 1993; Kaynak and Kuan, 1993; Lee and Yang, 1990; Madsen, 1989; Samiee and Roth, 1992
Export sales growth	Carpano and Chrisman, 1995; Cavusgil and Zou, 1994; Cooper and Kleinschmidt, 1985; Das, 1994; De Luz, 1993; Lee and Yang, 1990; Madsen, 1989; Samiee and Roth, 1992; Shoham, 1996
Relative export profitability (i.e. <i>export profits vs. total profits or vs. domestic profits</i>)	Axinn et al., 1996; Beamish et al., 1993; Bilkey, 1982, 1985; 1987; Kaynak and Kuan, 1993; Koh, 1991; Kotabe and Czinkota, 1992; Louter et al., 1991; Shoham, 1996; Sriram and Manu, 1995
Export profits	Cavusgil and Zou, 1994; Kaynak and Kuan, 1993; Namiki, 1994; Seifert and Ford, 1989; Shoham, 1996
Export profits growth	Shoham, 1996
Market share	Fraser and Hite, 1990; Shoham, 1996; Sriram and Manu, 1995
Return on investment	Carpano and Chrisman, 1995; Fraser and Hite, 1990; Shoham, 1996
Return on assets	Shoham, 1996
Exp. sales / nr. exp. managers	Diamantopoulos and Schlegelmich, 1994
Exp. sales / nr. of employees	Diamantopoulos and Schlegelmich, 1994
Non-financial measures	Relevant literature
Goal achievement	Cavusgil and Zou, 1994; Katsikeas et al., 1996; Naidu and Praisad, 1994
Satisfaction	Evangelista, 1994; Patterson et al., 1997; Seifert and Ford, 1989; Shoham, 1996
Perceived success	Cavusgil and Zou, 1994; Raven et al., 1994; Singer and Czinkota, 1994
Perceived importance	De Luz, 1993

Table 2-2: Operationalisation of export performance measures

Exp. perfor. Measures	Relevant literature	References	Allusion to question* / Question**	Type of measure	Scale / Assessment	Country of origin	Unit of analysis	Type of exporters	Sample size	Data collect.
Export sales intensity	# Axinn et al., 1996	exp. sales to total sales	"Approximately what percentage (%) of your firm's total 1990 sales volume came from export sales?"**	objective	%	US	firm	multiple industries	75	survey
	# Beamish et al., 1993	exp. sales to total sales	"What percentage of total annual sales come from exports?"**	objective	%	US/ Canada	firm	multiple industries	197	survey
	Diamantopoulos and Schlegelmich, 1994	exp. sales to total sales	-	objective	absolute	Germany UK/ US	firm	one industry	296	survey
	Sriram and Manu, 1995	exp. sales to total sales	-	objective	4 groups: <10%, 10-25%, 26-50%, >50%	US	exp. venture	multiple industries	121	survey
Export profit intensity	# Zou et al., 1997	exp. sales to total sales	-	objective	%	Colombia	firm	multiple industries	51	survey
	# Axinn et al., 1996	exp. profits to total profits	"Approximately what percentage (%) of your firm's total 1990 profits would you attribute to its export activities?"**	X	X	X	X	X	X	X
	Beamish et al., 1993	domestic vs. export profitability	"What is export profitability relative to domestic profitability?"**	X	X	X	X	X	X	X
	Sriram and Manu, 1995	exp. profits to total profits	-	X	X	X	X	X	X	X
Export goals	Katsikeas et al. (1996)	Relative to specific goals: a) export sales, b) market share, c) profitability	"Perception of how well the company had performed in achieving each of the following objectives to a specific market: a) export sales, b) market share, c) profitability"	subjective	5 point scale 1-very badly to 5-very well	Greece	firm	one industry	87	Interviews
	Evangelista, 1994	Relative to implicit definition of export performance	The executive was asked to indicate the extent of their satisfaction or dissatisfaction with their company's performance*	subjective	5 point scale	Australia	firm	multiple industries	193	Survey
Export satisfaction	Seifert and Ford, 1989	Relative to implicit definition of export performance	The executive was asked to indicate how satisfied they were with their overall export performance *	subjective	5 point scale: from extremely satisfied to extremely dissatisfied	US	firm	multiple industries	65	Survey

Legends: # the author acknowledges these authors for providing the questionnaires/measures of the constructs involved in their investigations measures available in the paper; ** measures supplied directly by the authors, X: 'previously presented on the table'

Table 2-3: Impact of internal factors on export performance

Hyp	Measurement units – Independent variables	Impact	Relevant literature
Firm's characteristics and competencies			
a)	International competence	+	Cavusgil and Zou, 1994
b)	Size	+	Cavusgil and Naor, 1987; Culpan, 1989; Christensen et al., 1987; Kaynak and Kuan, 1993
		-	Cavusgil and Kirpalani, 1993; Cooper and Kleinschmidt, 1985; Das, 1994
c)	Firm's age/experience	+	Seifert and Ford, 1989
		-	Kaynak and Kuan, 1993; Ursic and Czinkota, 1984
d)	Technological strengths	+	Reid, 1986
e)	Type of ownership	+	Das, 1994
Management characteristics			
a)	Management skills	+	Kammath et al., 1987
c)	Training in international business	+	Koh, 1986; De Luz, 1993
d)	Knowledge of international languages	+	Bilkey and Tesar, 1977
e)	Foreign/export experience	+	Da Rocha et al., 1990; Das, 1994; Madsen, 1989
Management attitudes and perceptions			
a)	Export commitment/support	+	Bilkey, 1982; Beamish et al., 1993; Cavusgil and Nevin, 1981b; Cavusgil and Zou, 1994; Donthu and Kim, 1993; Gomez-Mejia, 1988; Gronhaug and Lorenzen, 1982; Reid, 1981; Tookey, 1964
b)	Number of staff in exporting	+	Beamish et al., 1993
c)	% time devoted to export	+	Beamish et al., 1993
d)	Employees: export to total	+	Beamish et al., 1993
e)	Managerial attitudes	+	Beamish et al., 1993; Bilkey and Tesar, 1977; Czinkota and Tesar, 1982; Donthu and Kim, 1993; Tookey, 1964
		-	Axinn et al., 1996
Product characteristics			
a)	Product technology	+	Beamish et al., 1993
		-	De Luz, 1993
b)	Product line extension in the foreign market	+	Beamish et al., 1993; Christensen et al., 1987
		-	Kirpalani and MacIntosh, 1980
c)	Product uniqueness / special features	+	Beamish et al. 1993; McGuinness and Little, 1981
e)	Product competitive advantage	+	Beamish et al., 1993; Johanson and Nonaka, 1983
f)	Level of customer service/ warranties	+	Beamish et al., 1993; Gomez-Mejia, 1988; Tookey, 1964; Zou et al., 1997
g)	Customer service standardisation	-	Zou et al., 1997
h)	Product design	+	Cunnigham and Spigel, 1971
i)	Quality	+	Cunnigham and Spigel, 1971
j)	Patent / brand ownership	+	Koh, 1991

Table 2-4: Impact of external factors on export performance

Hyp	Measurement units – Independent variables	Impact on export performance	Relevant literature
Industry characteristics			
a)	Industry's technological intensity /line of industry	+	Cavusgil and Zou, 1994; Holzmuller and Kasper, 1991
		+ / -	Cavusgil and Kirpalani, 1993
Foreign market characteristics			
a)	Development level	-	Beamish et al., 1993; Sriram and Manu, 1995
		+	Kaynak and Kuan, 1993
b)	Geographical proximity	-	Cooper and Kleinschmidt, 1985
c)	Export market attractiveness	+	Beamish et al., 1993
d)	Export market competitiveness	-	Beamish et al., 1993; Bilkey, 1982
Domestic market characteristics			
a)	Level of development of firm's based-country	+	Das, 1994
b)	Level of domestic demand	-	Nayyar, 1976
c)	Government support	+	Colaiacono, 1982; Nayyar, 1976
d)	Domestic market attractiveness	+	Cooper and Kleinschmidt, 1985
		-	Madsen, 1989

Table 2-5: Impact of marketing mix standardisation on export performance

Hyp	Measurement units - Independent variables	Impact on export performance	Relevant literature
Degree of product standardisation			
a)	Core product	+	Christensen et al., 1987; De Luz, 1993; Zou et al., 1997
b)	Product peripherals	-	Zou et al., 1997
c)	Product line	- + / -	Koh, 1991 Shoham, 1996
d)	Overall product	- + + / -	Cavusgil and Zou, 1994; Shoham, 1999 Beamish et al., 1993 Axinn et al., 1996
Degree of promotion standardisation			
a)	Promotional spending/budget	+ / -	Shoham, 1996
b)	Promotional contents	-	Shoham, 1996
c)	Advertising	-	Shoham, 1999
d)	Overall promotion	+	Sriram and Manu, 1995
Degree of price standardisation			
a)	Price level in the foreign market	-	Bilkey, 1982, 1985, 1987
b)	Credit terms	-	Shoham, 1996
c)	Price competitiveness	-	Kirpalani and MacIntosh, 1980; Madsen, 1989
d)	Overall price	- +	Das, 1994; Koh, 1991; Shoham, 1996 Shoham, 1999; Zou et al., 1997
Degree of distribution standardisation			
a)	Distribution channel	- +	Beamish et al., 1993 Shoham, 1999
b)	Sales force management	-	Shoham, 1996

CHAPTER 3

Exploratory study

The aim of the literature review (Chapter 2) was to provide useful guidelines for the exploratory study (Chapter 3). The exploratory study, also known as ‘experience survey’, consists of “a judgement sample of persons who can offer some ideas and insights into the phenomenon” (Churchill, 1979:66), which is, in this investigation, the export marketing strategy - export performance relationship.

After introducing the Portuguese exporters population, this chapter focuses on the exploratory research methodological procedures. Then, the ‘experience survey’ conducted with Portuguese managers is matched with literature, and the key exploratory findings are presented.

3.1 THE POPULATION OF PORTUGUESE EXPORTERS

The total population of Portuguese exporters listed in the most recent governmental agency database (ICEP, 1997) accounts for 4765 companies. Principal Portuguese exports are textiles, clothing, vehicles and transport equipment, plastic industrial moulds, footwear and wine (ICEP, 2000).

There are two key reasons supporting research into the Portuguese exporters: (1) the growth of Portuguese exporters; and (2) the growing importance of Portuguese

companies in the international arena.

3.1.1 PORTUGUESE EXPORTS GROWTH

The European Union (EU) is the world's largest exporter of goods. It maintains a stable share of around one fifth of total world exports (intra-EU trade excluded) since 1990 (European Commission, 2000). Despite this fact, most research in export marketing has been developed using firms based outside EU, in particular Northern American companies.

Exporting has had a special relevance in the recent economic growth of some European countries, such as Portugal. During the last decade, several authors and organisations have discussed the importance of the exporting activity to the economic development of Portugal. Rosa (1993) commented that the Portuguese gross domestic product (GDP) had risen at an annual average of 4 per cent since 1986 as a consequence of investment and the "export boom". In 1995, the Organisation for Economic Co-operation and Development (OECD) stated (1995:99): "Driven both by exports and by a rebound in domestic demand, real GDP growth should reach around 2.5 per cent in 1995". The most recent data shows that during the last decade the external commerce has contributed significantly to the economic development of Portugal, representing between 55-77 per cent of the total GDP (ICEP, 1999). Over a period of just six years (1993 to 1998) Portuguese exports increased 60 per cent, from US\$15,930 to US\$24,158 million, a rate that is above the EU average (National Statistics Institute, 1999). This demonstrates that Portugal is the typical case of an emergent EU economy, which is strongly dependent on the success of the exporting activity of its firms.

3.1.2 THE GROWING IMPORTANCE OF PORTUGUESE COMPANIES IN THE INTERNATIONAL ARENA

No research attention has been given to the companies based in the less industrialised countries of the EU (i.e. Portugal, Spain, Greece and Ireland). Indeed, a large number of studies (e.g. Ayal 1982; Anderson and Coughlan, 1987; Boyd and Ray, 1971; Levitt, 1983; Lilien and Weinstein, 1984; Szymanski et al., 1993) which have looked to Western Europe as a single market, only take into account the most industrialised countries. For example, to support his argument for standardisation, Levitt's (1983) famous article "The globalization of markets" just looks at the most industrialised countries within Western Europe (UK, France, West Germany, Sweden and Italy). However, research into the companies based in the less industrialised countries is also worthwhile. Major economic improvements have occurred after these countries' integration into the EU. This is the case of Portuguese companies. These companies have undergone major transformations since Portugal became part of the EU in 1992¹. As a consequence of the integration of Portugal in the EU, a research interest in the various sectors of the Portuguese economy has now emerged. As stated in the web-page of a leading worldwide consultancy (McKinsey, 2000),

"The Portuguese economy has been performing exceedingly well over the past decade. (...) Nowadays, Portugal is a unique place in Europe - political and economic stability combined with high

¹ It is common to see in the economic literature several references to the economic achievements of Portugal (Kamm, 1998). Very recently, Portugal was one of the countries recognised by the EU as meeting the criteria to participate in the EMU from the 1st January of 1999. However, just a few years ago Portugal - together with Greece, Ireland and Spain - was considered one of the less developed countries within EU (Nicoll, 1992).

As a consequence, in 1992, the EU designed the 'Maastricht's Cohesion Fund', particularly to help the "four poorest members". The EU recognised these countries as those that needed more help in order to achieve the proposed "United" European configuration. (Bourgeois de Luxe, *The Economist*, 1992, Dec. 12: 58). A \$15 billion Cohesion Fund, consisting of several programmes, was developed to assist their economic and social welfare to enable these countries to be included in the European Monetary Union (EMU) (Krause, 1994; Rashish, 1992). Since 1992, a large proportion of these funds have been invested in the modernisation of Portuguese companies. Today, these companies have considerably improved their competitive position.

growth. Economic convergence with the EU has been achieved and the challenges ahead are leading to major efforts for increased efficiency in the key sectors of the economy. Opportunities are in abundance and so are the challenges ...”

As a consequence of becoming fully integrated into the EU, today the partners of Portuguese companies are based in major European countries. In 1998, the four most important countries accounted for 60 per cent of total exports, with Germany (20 per cent) leading, followed by Spain (15 per cent), France (14 per cent) and the UK (12 per cent) (NSI, 1999). The USA, although a minor partner, has taken over a US\$1000 million since 1995, accounting for near 5 per cent of total exports. Portugal is trying to enhance trade relationships with the rest of the Portuguese speaking world, in particular Brazil and its former Overseas Territories in Africa. The European Free Trade Association (of which Portugal was a founding member) is no longer important to Portugal since most members have now joined the EU (ICEP, 2000).

Thus, due to Portuguese exporters growth and their growing importance in the international arena, Portuguese firms may now provide an interesting source of data to explain the export marketing phenomenon. Furthermore, with the study of Portuguese firms, managers and public policy makers from EU countries, emergent economic countries, and countries strongly dependent on the exporting activity, may benefit with the guidelines provided by this research study.

3.2 METHODOLOGY FOR THE EXPLORATORY RESEARCH

3.2.1 EXPLORATORY SAMPLE AND PROCEDURE

The literature review in Chapter 2 identified key factors influencing export performance presented in previous research. These factors were discussed at the internal, external and marketing strategy levels while covering a wide diversity of industries, company sizes and export volumes.

Although partially driven by the literature, the exploratory stage was mainly inductive. The main objective of the exploratory research is to gather preliminary data about the exporting dynamics and processes used by Portuguese companies. The objective of using semi-structured in-depth interviews is not to represent a sample. The investigator's goal is mainly inductive. With this type of approach, a researcher aims "to expand and generalise theories (analytic generalisation) and not to enumerate frequencies (statistical generalisation)" (Yin, 1994:10). This approach is similar to that used in grounded theory methodology (Glaser and Strauss, 1967), in which, through a set of procedures, it is possible to develop 'grounded theory' about what is observed in the field (Strauss and Corbin, 1990). This is more appropriate when the investigator intends to answer 'how' questions (Yin, 1993, 1994), such as 'how do Portuguese companies develop their export marketing strategies?' or 'how do companies achieve export performance?'.

To select our exploratory sample, four criteria were used: number of employees, total sales volume, export sales volume and type of industry. The exploratory study was conducted with 25 managers and was supported by data obtained from several internal

sources. Out of these 25 managers, 20 were interviewed, 12 commented on the questionnaire and 7 completed it (see Tables 3-1, 3-2 and 3-3).

3.2.2 LEVELS OF ANALYSIS

As noted by Luck and Rubin (1987: 661), qualitative analysis must be supported by a 'specified orderly process'. Based on Pettigrew and Whipp's (1998:27) model, the exploratory research was developed at three different levels: (1) firm; (2) sector; and (3) economy. According to their model, at the firm level, key issues to be discussed deal with, for example, the internal capabilities of a firm, the bases on which a firm decides to compete and the chosen strategies. At the sector level, key issues are associated with issues relevant to one particular industry (e.g. the market structure, industry maturity and commercial networks), and at the 'economy level', the discussion should be focused on an overall analysis across several industries.

The sample and procedure used during the three levels of analysis (Pettigrew and Whipp, 1998) will now be discussed.

3.2.2.1 Firm level: In-depth interviews on a particular firm

At the firm level of analysis, three different managers involved in the exporting process of the same company were interviewed in January 1998 (see Table 3-1). In order to select the first firm (company A) two major criteria were used: 1) the role that the firm plays in the sector where it is operating; and 2) the importance of the sector of company A.

Thus, it was decided that a leading company in terms of exporting within the Portuguese wine sector would be selected. The wine sector was selected for this

initial stage for four key reasons. Firstly, Portuguese wine exporters have a long tradition in international trading. According to a register by the customs in Oporto, Portuguese wine exporting dates back to 1679 (ICEP/IVV, 1995). Secondly, the Portuguese wine industry is an important component of the Portuguese economy (Ramos and Thompson, 1996). It is essentially an exporting industry, accounting for exports of nearly US\$500,000 per year and for over 40 per cent of all agricultural exports (IVV, 1998). Thirdly, wine is an extremely important product for Portugal, in both economic and social terms. In the Port wine sector alone, there are 105 companies and an estimated 30,000 Portuguese small farms that are dependent on the success of this wine (Araújo and Brito, 1998). Finally, despite the prominent status of Portuguese wine in the world, and its economic and social importance to Portugal (Araújo and Brito, 1998), there is a lack of research on this topic. As Porter (1994:168) recently stated in his report about the competitiveness of Portugal, “[despite] the long tradition of wine in Portugal, (...) skills related to the areas of marketing (...) are relatively scarce”.

After selecting the sector and the company to study, the President of company A was contacted by telephone. During an in-depth interview, his permission was obtained to conduct two further interviews with two other members of the company who are also involved with the exporting process (i.e. the Public Relations manager and the Brands manager).

3.2.2.2 Sector level: In-depth interviews on a particular industry

It was felt that a cross-organisational investigation within the same sector would provide an in-depth understanding of the exporting phenomenon. Rather than merely

analysing key issues that a single company faces (i.e. at the 'firm level'), it is also necessary to have a better understanding, through in-depth analysis of a specific industry, of how the marketing dynamics operate within a sector ('the sector level') (Pettigrew and Whipp, 1998; Yin, 1994). Nevertheless, since the study of a specific industry presents particular characteristics (e.g. relating to its export marketing strategy, export performance, target markets, competitors, environment and structure), it is necessary to be aware that on the basis of the results, analytic generalisations to other Portuguese exporting industries would need to be made with caution.

At this stage, interviews were conducted not only with the directors of wine shippers (Table 3-2) but also with a researcher who specialised in this industry and the chairs of institutions which play key roles in the port wine industry. Specifically, the chairs were from the Port Wine Shippers Association (PWA), the Port Wine Fraternity (PWF) and the Association for the Development of Viticulture in the Douro Region (ADV). Initially, the chairs were contacted by telephone and then interviewed. The study was then broadened to include some companies that were members of these associations. The associations contacted all its members via facsimile. Finally, the directors of the six selected companies (companies B to G) were interviewed (Table 3-2). These companies were selected, taking into consideration the different types of company ownership identified within this specific industry. The interviewed managers belong to companies owned by: a leading French drinks multinational (company B), a leading Canadian drinks multinational (company F), a Champagne group (company G), a British family (company E) and a Portuguese family (company D). Additionally, an independent winery (company C) was also interviewed.

In summary, at the sector level of analysis, interviews were conducted with a researcher and the chairs of institutions that play key roles in this industry. Additionally, six in-depth interviews were conducted with managers of six companies operating within this sector. All these interviews were carried out in January 1998.

3.2.2.3 Economy level: In-depth interviews across several industries

At the economy level, the Portuguese exporting industry operates on several fronts. According to NSI (1999), Portugal's principal exports are textiles and clothing (21.7 per cent), vehicles and transports equipment (16.2 per cent), machinery, plastic industrial moulds and electrical equipment (16.8 per cent), wood, cork paper and pulp products (9.6 per cent), leather and footwear (7.5 per cent), agricultural products, wine and foodstuffs (7.2 per cent), chemicals, plastics and rubber (6.6 per cent), metals and metal products (4.6 per cent), non-metallic minerals (4.5 per cent) and mineral fuels (1.6 per cent). Other products account for 3.7 per cent of total exports. Due to limitations in terms of financial, human and time resources, it was not possible to study all the Portuguese exporting industries at the exploratory stage. However, despite all these limitations a diverse sample was used. During April 1999, managers from 16 different industries (companies H to X) participated in the study (see Table 3-3).

3.3 PRELIMINARY FINDINGS

In this section, the key preliminary findings are expanded upon. These findings are largely consistent with the findings presented in the literature review chapter. Furthermore, the findings also support the relationships that were presented in the

conceptual model (Chapter 4) but have not been addressed in earlier literature. Thus, it is anticipated that this section will contribute to the export marketing literature by presenting new grounded findings at the following levels: export performance measurement, and determinants of export marketing strategy and export performance.

3.3.1 EXPORT PERFORMANCE MEASUREMENT

The literature review (Chapter 2) identified that the usefulness of measuring export performance depends on the credibility of the measures (i.e. financial and non-financial) and on the ways in which one measures it (i.e. objectively versus subjectively terms).

The interviews revealed how difficult it is to assess export performance. It was not possible to find consensus across the various companies (economy level) and within the same company (firm level) in terms of the variables used to measure export performance. This is reflected in some of the responses obtained during the interviews: “It depends on which person you ask” (President of company A), “I am not sure, it is an issue that I would like to discuss with the other directors” (exporting director of company G), “... the market tells us which indicators to use” (managing director of company D) and, “... we tend to work with less quantifiable variables in order to achieve long-term objectives. However, to the shareholders we show the indicators that are measurable” (public relations manager of company F). Also within the same industry (sector level) no consensus was found. The characteristics of the product play a major role in the definition of which measures to use at the sector level. As stated by a marketing director (company E):

“We don’t look for a return on investment because, in the Port wine

industry, there are many products (e.g. a 40 Year Old Tawny) that are sold only after a few decades. Therefore, it is very difficult to ascertain the return on investment that was made many years ago”.

All these comments suggest that depending on several factors (from the characteristics of the market and product to the characteristics of the audience) the directors will choose which variables to analyse.

Like the work of Katsikeas et al. (1996) on Greek exporters, the findings revealed that many Portuguese managers were also ‘unable’ to answer specific questions about financial export performance. It is possible that export managers were ‘unwilling’ to respond to absolute values, as a consequence of the way in which financial reports are presented in some companies. Many of these reports see company performance as a whole, not making a clear distinction between domestic and export activities (Katsikeas et al., 1996; Yang et al., 1992).

Profit and sales were the most common variables used to measure companies’ export performance. A marketing director stated (company E) that “there is no business that doesn’t look for profit and sales”. Other less common variables include: market share, turnover, cash return, sales growth, margins, return on investment and return on marketing expenditure projects.

Many managers also use their own perceptions of export performance, rather than objective values, to formulate their decisions (Bourgeois, 1980). This is confirmed, by the following statement (company C): “As we are a small company we cannot use our market share to measure performance among the various countries. We prefer to use qualitative measures, such as the measurement of quality levels.” Indeed, as Madsen’s

(1989) work revealed, Portuguese managers revealed that they are guided by subjective evaluations (e.g. customer satisfaction score, customer service and delivery, consumer loyalty, safety standards).

Other interesting approaches to export performance measurement were also provided. Some of the export performance variables were unique to a specific industry. For example, in the case of the wine industry, some of the measures included: margins made on quality wine; the amount of buyers own brand (BOB) sold; the amount of quality wines; the break-even point based on the number of bottles sold; product category versus quality; the break-even point based on a certain amount of BOB sold; and 'repackaging' (instead of introducing new products).

In sum, as any type of approach has its advantages and disadvantages, it is suggested that the most advisable method to measure export performance is to use a set of variables, that is, financial and non-financial, as well as objective and subjective measures (Bijmolt and Zwart, 1994; Shoham, 1996). For each particular case, it might also be advisable to use variables that are specific to each industry.

3.3.2 THE UNCONTROLLABLE FACTORS

Recent articles (Katsikeas et al., 1998; Koh, 1991; Zou and Stan, 1998) in the export marketing literature indicate that the relationship among internal and external factors, export marketing strategy and export performance is a field with much potential for further research. Further research in export marketing is particularly encouraged when using contingent elements (Katsikeas et al., 1998), especially when examining the links between uncontrollable forces (i.e. internal and external factors), export

marketing strategy and export performance (Koh, 1991).

The interviews also indicated that the managers had a particular interest in these areas. Indeed, most of them are in line with the 'strategic choice' school of thought which asserts that management action/strategy is guided by a manager's perceived reality of the internal and external environment rather than by an objective reality (Child, 1972).

At the internal level, both size and resource levels became one of the most discussed topics. With regard to size, some of the smaller companies argued that despite their size giving them some competitive disadvantages, it also provided them with the possibility of being more flexible. As stated by the general manager of a small clothing exporting firm (company S), "... we have a light structure that can be easily changed". The lack of resources or expertise in a certain area may also become determinant when developing an export marketing strategy. As stated by a marketing director in company E:

"In the short term, the main objective of this company is to develop the marketing field. We know that it is possible to do much more in the rest of the world but we do not have enough time because of lack of people in this area."

Another key issue that was raised during the exploratory interviews and had not been identified in the current literature is related to the importance of respecting delivery deadlines. For example, the general manager of a medical material exporting firm (company V) noted that "the fulfilment of delivery deadlines is becoming more important each day. The companies do not like to hold stocks and they demand to receive the merchandise on time."

With regard to the external forces, Portuguese managers give particular importance to the level of competition within an industry. As asserted by the general manager of company V, "... the performance of our company depends on the competition feedback". Similarly, a textiles managing director (company M) stated, "... strong competition and the strong pressure over our prices affect our performance". The level of competition at the domestic level also plays a major role. A managing director (company C) claimed:

"Competition has been increasing in the domestic market and the margins have been decreasing. Since we do not want to relinquish good margins, it was decided to increase our exports. In 1993, this company exported 50 per cent of the total Port production. Nowadays, it exports around 80 per cent."

The politico-legal issues are another key aspects to take into consideration. As argued by the general manager of a non-metallic exporter firm (company P), "... the existing lobbies that led to the recent legislation about amianthus, made our company completely change strategy and look for alternative products." These politico-legal issues may also vary from industry to industry and from market to market. When comparing the way legislation across different countries may affect an export marketing strategy, a marketing director (company E) said:

"Portugal and Britain have been trading allies for many years, and now they both are part of EU. There are no relevant differences concerning the promotional and product legislation in these countries. However, in America, for example, it is necessary to obtain legal approval for any label that will be used on our product."

All these politico-legal issues contribute to force the companies to adapt their

marketing strategy (e.g. in terms of labelling and pricing) to the various exporting markets.

Clear differences between markets can be found when comparing the external factors faced by exporters to Less Developed Countries (LDCs), with exporters to Developed Countries. For example, the sales manager of company X, when asked how current strategy would affect his company's export performance, answered: "It depends more on the conditions of the market (i.e. Angola) than on our strategy". A similar opinion is shared by the managing director of a firm exporting food (company H) to the former Portuguese Overseas Territories in Africa (known as the PALOP - the Portuguese Speaking African Countries): "Our company is very dependent on world economic factors such as problems with wars, and credit lines provided to help the LDC and stability of exchange rates." Another industrial exporter (company N) to three PALOP countries (Green-Cape, Guinea and Angola) stated that "political instability and lack of confidence make it extremely difficult to develop stronger relations with these countries." Indeed, there are Portuguese firms that simply refuse to export to companies based in PALOP countries because they are afraid of not being paid. As the export manager of a games and toys firm (company U) commented, "we do not export to PALOP countries as they don't have the money."

Even when comparing two developed European countries, key differences may be found. For example, the managing director of a wine firm (company A) states:

"The British market may be defined as a quality and mature market with a great deal of history. The French market, which is not as old, is very large and consumes much lower quality products. The points of distribution, the perception of the product, and the consumers are

very different. Despite the UK being much smaller than France, France is in many ways a much less interesting market than the UK. Lower quality, lots of problems, lower margins...”.

Many differences may also be found in these countries in terms of distribution systems. Another marketing director (company E) states:

“The brand names in the UK, rather than having the name of the producer, tend to have the name of the distributor or multiple grocer. These companies have the ability to create and develop the brands. Nowadays, unlike what happens in France, the British customer trusts a brand because it has been selected by a supermarket.”

With so many differences that exist across markets and industries, it is essential to understand and identify the forces operating in both the domestic and export markets. As different markets present different characteristics, the lack of information on these markets may be harmful to a company. A general manager (company V) observed: “Our company’s strategy is delineated on the basis of the information that we have about the characteristics of the internal and external markets.” Similarly, the export manager of a large paint firm (company L) states: “We have little information about the characteristics of the different sectors in the overseas markets. This lack of information negatively affects the development of our strategy”.

In sum, the interviews suggest that both the marketing standardisation process as well as export performance levels are influenced by uncontrollable factors, such as the domestic market characteristics, and by the differences that exist across industries and markets (e.g. product and promotion regulations, distribution systems, consumers’ perceptions and development of markets).

3.3.3 THE CONTROLLABLE FACTORS

The findings revealed that despite the fact that the adaptation of a product strategy requires higher investments, the companies are forced to adapt their strategies in order to achieve better export performance. For example, when asked about what has influenced the export success of his company, the managing director of firm exporting plastic industrial moulds (company O) answered straight away: “The competition did, they made us adapt our product to the foreign markets.”

As previously discussed (Chapter 2), a significant number of investigations assert that the degree of marketing programme standardisation is associated with export performance. This relationship was confirmed by our exploratory interviews. Indeed, as a consequence of the existing differences among cultures the use of a standardised product might be impossible. As stated by an assistant director (company I), “There is a need to adapt our cork-jackets to the various markets. For example, in Norway, that is our main market, the yellow colour cannot be used”.

3.3.4 THE EXPORT MARKETING STRATEGY-EXPORT PERFORMANCE RELATIONSHIP

Several authors have already looked at the impact of the degree of programme standardisation on export performance (Chapter 2). However, the exploratory findings also suggest the existence of an inverse relationship, that is, the impact of export performance on the degree of marketing programme standardisation. To our knowledge, export performance has never been empirically tested as being the independent variable in the export marketing strategy - export performance relationship (see Chapter 2).

The impact of preceding export performance on export marketing strategy has been discussed by several managers at different levels. The general manager of a small medical exporting firm (company V) stated: “It is on the basis of our company’s performance that we define our strategy.” Similarly, the sales executive of a large rope-yard exporting company (company J) stated: “Our allocation budget is made in accordance with export performance of previous year. Indeed, the whole strategy is developed on the basis of previous year’s results”. Likewise, when asked if the export performance of the previous year affected its strategy, an export manager (company U) said that “previous performance is particularly important with regard to the identification of which products should be sold in each market”.

Other statements suggest that the previous year’s export performance affects current year’s export performance through its influence on management’s perceptions and the strategy for the current year. An example is provided by a general manager (company S) who stated:

“Last year we didn’t have a very good year. Thus, this year we are trying to find a way to improve our performance. Recently, we made an analysis of our strategy, particularly in terms of distribution, in order to identify ways in which we could improve our results.”

Similarly, the findings provided by an interview conducted with an exporting director (company G) indicate that the degree of adaptation of some marketing mix elements may also influence export performance. When asked about his product strategy, the exporting director stated:

“We are aware that Port wine is a traditional product and that it is extremely dangerous to make any modification for our export

markets. However, last year [1997] our company decided to adapt the packaging for one of our products. After these modifications our export sales for this product increased by 60 per cent. This year [1998] we are thinking about changing all the packaging, as well as all the labels in our product range. This will improve presentation of our product”.

This statement suggests that successful product adaptation in the preceding year (1997) positively influenced that year's export performance. As a consequence, the current year's decision about product adaptation was strongly influenced by the previous year's export performance and managers' perceptions in 1998. Taking 1997 as a reference year, the manager expects that in order to have a better export performance in the current year (i.e. 1998), the company has to adapt the augmented product strategy (i.e. packaging, labelling, presentation) throughout the current year (1998).

Thus, two major directions for the main investigation can be derived from this statement: (1) the adaptation of the preceding year's export marketing strategy positively influences that year's export performance, and consequently influences the determination of the degree of marketing programme adaptation in the current year; and (2) a positive export performance in the preceding year influences (positively, in this case) the current year's degree of marketing adaptation. As a consequence, this will influence the current year's export performance.

Therefore, using these grounded findings as a basis, it is suggested that the degree of marketing programme standardisation should also be analysed as an antecedent and outcome of export performance, and similarly, export performance may be seen as an

antecedent and outcome of the degree of marketing programme standardisation. Additionally, when analysing the export marketing strategy - export performance relationship, managers' perceptions must also be taken in consideration.

3.4 SUMMARY

The exploratory research was conducted at three different levels (firm, sector and economy levels). Twenty-five managers were contacted. Of these, 20 managers were interviewed, 12 commented on the questionnaire, and 7 have filled in the questionnaire.

The exploratory stage was used for inductive research and to investigate further those variables and relationships indicated by the literature.

The data from the semi-structured interviews allowed us to gain a better understanding of the export marketing phenomenon and, in particular, of the various factors affecting export performance. The grounded findings also suggested that the traditional approach - which draws on the impact of marketing programme standardisation on export performance - can be expanded. They reveal the existence of an opposite relationship that, to our knowledge, has never been empirically tested. Thus, one of the main aims of this research will be to identify in which way the degree of marketing mix standardisation is dependent on preceding export performance and management's perception.

Based on the literature review (Chapter 2) and on the exploratory findings presented in this chapter, the next chapter will develop a conceptual model of export performance. This will help in formulating the hypotheses and the operational model

to be tested in the main survey.

Table 3-1: Contacts within the same firm (firm level)

Contact	Date	Function	Number of employees	Total sales volume	Export sales volume	Interview	Industry
1.	05/01/98 09.30h	President of Company A	100-499	1,000,000cents- 7,000,000cents	1,000,000cents - 7,000,000cents	✓ (70 min)	Wine
2.	05/01/98 11.00h	Brand Manager of Company A	=	=	=	✓ (35 min)	=
3.	05/01/98 11.30h	PR Manager of Company A	=	=	=	✓ (50 min)	=

Table 3-2: Contacts within the same industry (sector level)

Contact	Date	Function	Number of employees	Total sales volume	Export sales volume	Interview	Industry
4.	12/01/98 9.00h	Managing Director of Company B	50-99	1,000,000cents - 7,000,000cents	1,000,000cents - 7,000,000cents	✓ (40 min)	Wine
5.	12/01/98 14.30h	Managing Director of Company C	100-499	1,000,000cents - 7,000,000cents	1,000,000cents - 7,000,000cents	✓ (90 min)	Wine
6.	13/01/98 14.30h	Managing Director of Company D	100-499	1,000,000cents - 7,000,000cents	300,000cents - 700,000cents	✓ (75 min)	Wine
7.	14/01/98 09.00h	Marketing Director of Company E	50-99	1,000,000cents - 7,000,000cents	1,000,000cents - 7,000,000cents	✓ (120 min)	Wine
8.	19/01/98 12.00h	Public Relations Manager of Company F	100-499	7,000,000cents - 29,000,000cents	1,000,000cents - 7,000,000cents	✓ (70 min)	Wine
9.	19/01/98 15.00h	Exporting Director of Company G	100-499	1,000,000cents - 7,000,000cents	300,000cents - 700,000cents	✓ (90 min)	Wine

Table 3-3: Contacts across different industries (economy level)

Ct.	Date	Function	Nr. of empl.	Total sales volume	Export sales volume	Interview	Question. Comments	Question. Filled	Product(s)/ Industry
10.	09/04/99 11.00h	Director of Company H	20-49	700,000cmts - 1,000,000cmts	70,000cmts - 300,000cmts	✓ (35 min)	✓		Foodstuffs, drinks and tobacco
11.	09/04/99 14.00h	Assistant Director of Company I	-	-	300,000cmts- 700,000cmts	✓ (140 min)	✓		Cork-jackets, and life- belts
12.	09/04/99 17.00h	Sales Executive of Company J	100-499	1,000,000cmts - 7,000,000cmts	1,000,000cmts 7,000,000cmts	✓ (90 min)	✓		Rope-yard, cables and nets
13.	12/04/99 17.00h	Managing Director of Company K	20-49	< 20,000cmts	< 20,000cmts		✓		Machinery
14.	12/04/99 11.00h	Export Manager of Company L	100-499	7,000,000cmts - 29,000,000cmts	300,000cmts- 700,000cmts	✓ (30 min)	✓	✓	Paint and varnish
15.	12/04/99 09.00h	Managing Director of Company M	-	20,000cmts - 70,000cmts	< 20,000cmts		✓	✓	Buckrams and strings
16.	12/04/99 14.00h	Director of Company N	50-99	7,000,000cmts - 29,000,000cmts	20,000cmts- 70,000cmts	✓ (40 min)	✓		Metals and metal products
17.	13/04/99 09.00h	Managing Director of Company O	20-49	70,000cmts - 300,000cmts	70,000cmts- 300,000cmts	✓ (20 min)		✓	Plastic industrial molds
18.	13/04/99 14.00h	General Manager of Company P	50-99	70,000cmts - 300,000cmts	70,000cmts- 300,000cmts			✓	Nonmetallic minerals (e.g.: amianthus)
19.	13/04/99 17.00h	Managing Director of Company Q	-	70,000cmts - 300,000cmts	70,000cmts- 300,000cmts	✓ (25 min)			Industrial equipment (e.g. drills and saws)
20.	14/04/99 9.30h	Export Manager of Company R	100-499	7,000,000cmts - 29,000,000cmts	70,000cmts- 300,000cmts	✓ (60 min)	✓		Electronic systems

CHAPTER 4

Model development and hypotheses

This chapter discusses further the factors that influence export marketing strategy, in particular those relating to the adaptation/standardisation of marketing mix elements. As already explained (Chapter 2), the contingency approach asserts that there is no optimal formula for all businesses or companies. In fact, what is important is to understand “how to tailor the global marketing concept to fit each business” (Quelch and Hoff, 1986: 59). This chapter examines the conditions under which one approach might be regarded as more advisable than another. Therefore, instead of discussing whether or not a company should standardise, this chapter considers the potential for standardisation (Britt, 1974; Lee et al., 1993), taking into account several internal and external forces. In addition, as suggested by Churchill (1979), based on the literature (Chapter 2) and the exploratory research (Chapter 3), this chapter presents an operational model and a set of hypotheses.

The chapter is divided into four sections. After this brief introduction, Section 4.1 is concerned with the development of the conceptual framework and presents the research propositions. In Section 4.2, the theoretical background and exploratory findings supporting the conceptual framework are discussed. This is then summarised as an operational framework and list of hypotheses. Finally, in Section 4.3, a summary

of conclusions is presented.

4.1 RESEARCH PROPOSITIONS AND THE CONCEPTUAL FRAMEWORK

Recent work in both the standardisation (Wang, 1996) and exporting literatures (Katsikeas et al., 1998) stresses the need for the development of new frameworks at both the conceptual and empirical levels. Similarly, in a recent literature review, Zou and Stan (1998: 351) state:

“A key point (... is that) more studies in the last decade have incorporated some theoretical reasoning in developing their research questions and hypotheses. Indeed, several studies (e.g. Atuahene-Gima, 1995; Cavusgil and Zou, 1994; Diamantopoulos and Schlegelmich, 1994; Holzmuller and Stottinger, 1996; Louter et al., 1991) have used explicit conceptual models to guide their hypothesis development. These developments in the last decade have significantly strengthened the theoretical foundation of export performance research, legitimising the academic inquiry in the field of exporting.”

This section also presents a conceptual framework as the basis for the final hypotheses (Zou and Stan, 1998). First, a conceptual framework of the determinants of export performance is presented. This systematises the links discussed so far between (1) internal and (2) external factors, (3) the degree of marketing programme standardisation, (4) the preceding year's export performance, and (5) the current year's export performance.

In Chapters 2 and 3, several divergent links (i.e. both negative and positive) concerning the direct impact of export marketing strategy and both internal and

external factors on export performance were identified. This section will now expand on the discussion of the indirect relationships. Research in export marketing should attempt to determine the causal effects of the simultaneous links between internal and external characteristics, export marketing strategy and export performance (Koh, 1991). However, by the end of the 1990s, there were still only a few investigations of this issue, and usually the discussion (Cavusgil and Zou, 1994; Koh, 1991; Hoang, 1998) was extremely limited.

Most studies in this field assert that export performance is directly affected by internal factors (Donthu and Kim, 1993; Holzmuller and Kasper, 1991; Louter et al., 1991; Madsen, 1989). However, according to some empirical studies (Cavusgil and Zou, 1994; Hoang, 1998), there are at least some internal factors that have an *indirect* effect on export performance. Furthermore, these investigations show that there is a significant relationship between export performance and export marketing strategy, which in turn is determined by various internal factors.

Cavusgil and Zou's (1994) investigation reveals that while a weak direct relationship between commitment to venture and export performance exists, there is a significant indirect relationship. On the other hand, while there is a direct relationship between international competence and export performance, there is no indirect relationship. Hoang's (1998) investigation of New Zealand manufacturing exporters also reveals that, depending on the nature of the factors, export performance may be affected directly and indirectly, and is influenced indirectly rather than directly by some internal factors (size, level of business experience, marketing research and planning). However, with regard to one specific factor (the intensity of international

involvement), a direct relationship is established.

Thus, in addition to the analysis of possible links associated with the direct relationships (as highlighted by most researchers in this field), it is proposed that these links should be expanded by adding an analysis of the indirect impact of internal factors on export performance while looking at the moderating effects of the degree of programme standardisation. Therefore, building on earlier investigations in the export field, the following propositions are developed:

P1: Depending on the nature of the internal factors, export performance is affected directly or indirectly by those factors (Cavusgil and Zou, 1994; Hoang, 1998).

P1a: Internal factors directly affect export performance (Cavusgil and Zou, 1994; Donthu and Kim, 1993; Hoang, 1998; Holzmuller and Kasper, 1991; Louter et al., 1991; Madsen, 1989).

P1b: Internal factors indirectly affect export performance through their influence on export marketing strategy (Cavusgil and Zou, 1994; Hoang, 1998) and, in particular, through their influence on the degree of marketing programme standardisation.

The majority of empirical studies also show that export performance is directly affected by external factors (e.g. Donthu and Kim, 1993; Holzmuller and Kasper, 1991; Louter et al., 1991; Madsen, 1989). However, another empirical study (Cavusgil and Zou, 1994) points out that export performance is only indirectly affected by external factors. That is, the external factors have only an indirect effect on export performance through their impact on export marketing strategy. Therefore, while

some external factors might directly affect export performance, others might indirectly affect it. Thus, in addition to the relatively conventional approach of analysing possible direct relationships, there is a clear need to analyse the indirect impact of external factors on export performance through their influence on the degree of marketing programme standardisation. This leads to the following propositions:

P2: Depending on the nature of the external factors, export performance is affected directly or indirectly by those factors (Donthu and Kim, 1993).

P2a: External factors directly affect export performance (Donthu and Kim, 1993; Holzmüller and Kasper, 1991; Louter et al., 1991; Madsen, 1989).

P2b: External factors indirectly affect export performance through their influence on export marketing strategy (Cavusgil and Zou, 1994; Donthu and Kim, 1993) and, in particular, on the degree of marketing programme standardisation.

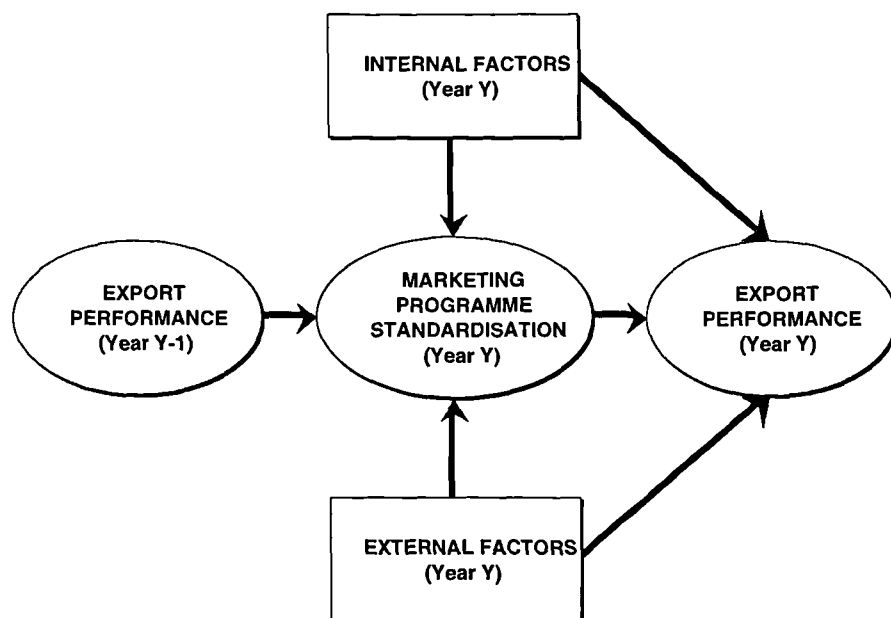
As previously discussed, the traditional approach suggests that export marketing strategy is a key determinant of export performance. However, the opposite relationship - that is, the impact of the preceding year's export performance on the current year's degree of marketing programme standardisation - is also worthy of further investigation. The exploratory findings suggest that the preceding year's export performance does influence export marketing strategy, and in particular, the degree of marketing programme standardisation. Nevertheless, to our knowledge, there are no empirical studies which have looked at export performance as a determinant of the degree of marketing programme standardisation. Therefore, it is proposed in this study

to investigate the impact of export performance on the degree of marketing programme standardisation, rather than, as is traditionally suggested in the literature, to examine the 4Ps as variables that exclusively influence the level of export performance. This leads us to the following proposition:

P3: There is a relationship between export performance in the preceding year (Year Y-1), the degree of marketing strategy standardisation in the current year (Year Y), and current export performance (Year Y) (source: exploratory research)

All the previous propositions are summarised in the following conceptual framework (Figure 4-1):

Figure 4-1: A conceptual framework of the export marketing standardisation - export performance relationship



4.2 RESEARCH HYPOTHESES AND OPERATIONAL MODEL

In order to develop the hypotheses and operational model, the following procedure is

followed. First, the forces influencing export performance (i.e. internal and external forces, and export marketing strategy) are summarised. Secondly, the internal and external factors affecting the degree of marketing programme standardisation are presented. Finally, the research hypotheses and the operational model are presented.

4.2.1 DETERMINANTS OF EXPORT PERFORMANCE

The key determinants of export performance are export marketing strategy and internal and external uncontrollable factors (Zou and Stan, 1998). Since a marketing strategy is composed of several elements, in order to narrow down these elements export performance is seen as an outcome of the degree of marketing mix standardisation (Shoham, 1996).

The literature review (Chapter 2) indicates that a fully standardised marketing mix is rarely found (Dahringer and Muhlbacher, 1991). Often, a standardised strategy is associated solely with product (Douglas and Wind, 1987). Indeed, product tends to be the element in the marketing mix with the highest potential to be standardised (Fraser and Hite, 1990). Most empirical studies recommend a standardised strategy for product based on the fact that this leads to benefits from the enormous economies of scale in production. Moreover, product elements tend to be adapted the least due to the costs associated with such adaptation (Aydin and Terpstra, 1981; Boddewyn et al., 1986; Chhabra, 1996; Hill and Know, 1992; Hill and Still, 1984; Sorenson and Wiechmann, 1975). By contrast, most authors suggest that an adapted approach is more advisable for the other marketing mix elements (Akaah, 1991; Dahringer and Muhlbacher, 1991; Grosse and Zinn, 1990; Quelch and Hoff, 1986; Walters, 1986). A similar opinion was expressed by the managing director of a machinery exporting

firm (company K):

“The product might be the same for the various markets. However, when a company operates in different markets it has to adapt the strategy to the different market characteristics and use different strategies in terms of promotion, price, distribution and service for each market.”

The product issue has received most attention in the standardisation literature - certainly more than price and distribution (Jain, 1989; Rosenbloom et al., 1997; Zou et al., 1997). Most findings in this field (Christensen et al., 1987; De Luz, 1993; Zou et al., 1997) support Levitt's (1983) argument that export performance is positively influenced by product standardisation. On the other hand, with regard to the impact of the degree of promotion standardisation on export performance, Shoham's (1996) investigation suggests that the level of adaptation of promotion and advertising contents influences (1) export sales margin, (2) export sales growth, (3) export profit margins and (4) export profit growth. Similarly, Seifert and Ford's (1989) survey of 65 American exporters indicates that satisfaction levels, in terms of overall performance, are higher for those firms that spend more across the different markets on advertising, sales promotion, overall promotion, personal selling and publicity/public relations respectively.

As Myers and Cavusgil (1996) point out, the impact of export pricing strategies on export performance is a neglected area of research. Price – like distribution – has received little attention in international marketing (Baalbaki and Malhotra, 1993; Cavusgil and Nevin, 1981; Myers and Cavusgil, 1996). Furthermore, as there has been little research on pricing at both the international and exporting levels, specific issues

in the price area, such as price standardisation, have been virtually ignored (Myers and Cavusgil, 1996; Rosenbloom et al., 1997). According to Myers and Cavusgil (1996), the neglect of pricing strategies and practices at the international level can be attributed to the complexity of pricing issues and the general reluctance of managers to discuss their pricing strategies.

Most investigations suggest that price standardisation is negatively associated with export performance. For example, 58 interviews conducted by Das (1994) across industrial and consumer Indian exporters indicate that overall price adaptation affects export intensity positively. Bilkey's (1987b) investigation of 156 American exporters indicates that export profitability increases (for industrial, consumer and intermediate firms) as product prices are higher in the foreign market. Similarly, Shoham's (1996) analysis identifies a positive relationship between price and credit terms, and export profit margins and profit growth.

Distribution is one of the "Ps" on which little research has been conducted, especially in relation to the case of the standardisation controversy (Myers and Cavusgil, 1996; Rosenbloom et al., 1997). As Rosenbloom et al. (1997:50) state, "a review of the literature reveals [... that ...] relative to other areas of marketing, channels of distribution are given short shrift in the standardisation versus adaptation debate". Similarly, with regard to the impact of the degree of distribution adaptation on export performance, there is little research (Zou and Stan, 1998) apart from the studies by Beamish et al. (1993) and Shoham (1996). Both these investigations arrive at similar conclusions. The study by Beamish et al. reveals that Canadian exporters who select a different distribution channel from that used for the domestic market have a better

export profit. Shoham's (1996) study indicates that there is a negative relationship between the degree of standardisation of sales force management and export performance (i.e. sales, profit margins and profit growth).

In addition to the traditional 4Ps, the importance of service quality has gradually emerged in the literature as another key factor related to performance. In many markets there is an increasing desire for multiple product features, quality and service (Douglas and Craig, 1983). Most studies reveal a positive relationship between the quality of service level across the various markets and export performance (Beamish et al., 1993; Gomez-Mejia, 1988; Tookey, 1964; Zou et al., 1997). Interestingly, in Beamish et al.'s (1993) study, service is the only variable to exhibit a relationship with export performance - for both countries studied and for both performance measures (export intensity and export sales). Similarly, Zou et al. (1997) suggest that the level of customer service adaptation favours export intensity.

As some authors (Cavusgil and Nevin, 1981; Donthu and Kim, 1993) have pointed out, while the external factors influencing export performance have been studied extensively, the internal factors tend to be ignored. At the internal level, firm's size is probably the most discussed topic. As previously discussed, most studies establish a positive relationship between firm size and export performance (e.g. Cavusgil and Naor, 1987; Christensen et al., 1987; Culpan, 1989). As size and export volume increase, there is a sequential and gradual change in terms of export marketing attitudes, and therefore a strong impact by export size on export sales (Kaynak and Kuan, 1993). At the external level, Kaynak and Kuan (1993) suggest that companies with a better performance export to the most industrialised markets. They argue that it

is possible to achieve a better performance in industrialised countries due to the existence of more favourable operating conditions in those countries.

4.2.2 DETERMINANTS OF MARKETING PROGRAMME STANDARDISATION

As discussed in the literature review chapter, many empirical studies (e.g. Cavusgil et al., 1993; Cavusgil and Zou, 1994) have demonstrated that the degree of marketing programme standardisation is influenced by both internal and external factors. Due to the variety of existing forces influencing an export marketing strategy, in most cases the pertinent degree of adaptation varies among firms and among the various elements of the marketing mix (Quelch and Hoff, 1986). The most appropriate strategy is the one that results in a positive performance by the firm while taking into consideration several influencing forces. This requires an understanding of the internal and external environments in order to find the most appropriate strategy on the standardisation-adaptation continuum (Terpstra, 1983). This is why it is uncommon to have a completely standardised or adapted strategy (Dahringer and Muhlbacher, 1991; Walters, 1986).

At the internal level, previous research indicates that large firms tend to have size-related advantages associated with standardisation of their product strategy (Bilkey, 1978; Kammath et al., 1987; Kirpalani and MacIntosh, 1980). Additionally, as larger exporters have higher levels of market power (Leonidou, 1995; Samiee and Walters, 1990), they are in better position to export their products without modifications. It becomes much easier for larger firms to run and expand their international operations when using a standardised strategy (Miesenbock, 1988; Reid, 1982).

The most committed exporters are usually more aware of the characteristics of the foreign market and are more willing to devote the necessary resources for exporting (Cavugil and Nevin, 1981b; Donthu and Kim, 1993). Based on this deeper knowledge and commitment, they are able to devote time and resources to develop products specifically adapted to the needs of the markets in question. Similarly, the most experienced and competent managers tend to have a better understanding of the export markets; therefore they are more able to adapt their strategy to the requirements of those markets (Douglas and Craig, 1989; Johansson and Vahlne, 1977). For example, Cavusgil and Zou (1994) observe that the understanding of distribution issues is normally considered complex by less experienced managers. Thus, with greater experience and expertise, managers gain a better understanding of the distribution system, transportation strategy, distribution network, and the budgetary requirements of distribution.

At the external level, previous studies reveal that government export programmes (Bilkey, 1978), particularly in terms of the level of government support (Colaiacovo, 1982; Nayyar, 1976), greatly influence export activity. Competition is another crucial factor (Shoham, 1995). The marketing strategy must be adapted to the various markets in order to match the strategies of competitors (Buzzell, 1968). Due to the diversity of competition across markets, price seems to be the marketing mix element with the least potential for standardisation (Shoham, 1995). Several studies (Buzzell, 1968; Baker and Ryans, 1973; Jain, 1990) indicate that a price decision is affected by the level and intensity of competition in the various markets. To have standardised lower prices is risky, because a standardised low price may be 'overpriced' for some markets

and 'underpriced' for others (Douglas and Wind, 1987).

Companies that are production-oriented are also more vulnerable to attacks by overseas competitors (Cavusgil and Zou, 1994; Kotler, 1996). As suggested by Kotler (1996), if a company opts for a standardisation strategy, it may be able to achieve lower production costs; but there will always be some competitors willing to offer what the consumer wants. Therefore, when competing world-wide, in order to match the needs of customers at least as effectively as competitors do (Doyle et al., 1988, 1992; Saunders et al., 1994; Wong et al., 1987) companies may be forced to adapt their product strategy (Buzzell, 1968; Hill and Still, 1984; Hovell and Walters, 1972; Wind and Douglas, 1972).

Finally, the literature indicates that the development level of the various markets clearly enhances marketing mix adaptation (Buzzell, 1968). A strategy is particularly affected by the availability of an infrastructure to support it (Dunn, 1976; Synodinos et al., 1989; Sorenson and Wiechmann, 1975), the nature of the consumer (Ryans, 1969) and the level of education of a population (Buzzell, 1968; Dunn, 1976; Kaynak and Mitchell, 1981; Hite and Fraser, 1988). Thus, the adoption of a standardised strategy which does not take into consideration the cultural values and norms of the various markets may lead to negative reactions (Britt, 1974; Boddewyn, 1982; Boote, 1982; Hite and Fraser, 1988; Kale, 1991).

4.2.3 SUMMARY OF HYPOTHESES AND THE OPERATIONAL MODEL

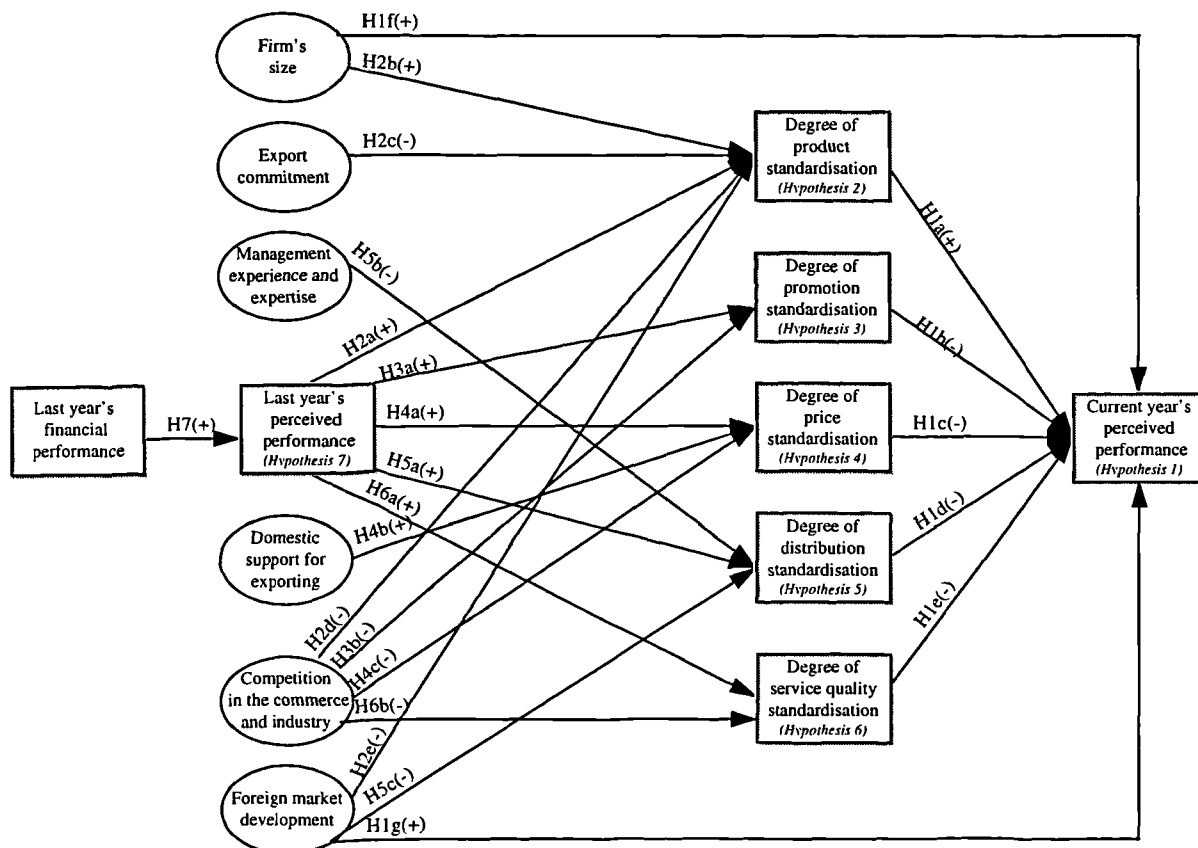
In summary, after a review of the literature and exploratory research the following hypotheses have emerged:

Table 4-1: List of research hypotheses

Hypotheses		Sign	Sources
H1: Export performance in the main export venture is enhanced when:			
a) The degree of product standardisation increases	H1a	+	Beamish et al., 1993; Christensen et al., 1987; De Luz, 1993; Levitt, 1983; Zou et al., 1997
b) The degree of promotion standardisation decreases	H1b	-	Seifert and Ford, 1989; Shoham, 1996
c) The degree of price standardisation decreases	H1c	-	Das, 1994; Koh, 1991; Shoham, 1996
d) The degree of distribution standardisation decreases	H1d	-	Beamish et al., 1993; Shoham, 1996
e) The degree of service-quality standardisation decreases	H1e	-	Beamish et al., 1993; Douglas and Craig, 1983; Gomez-Mejia, 1988; Tookey, 1964; Zou et al., 1997
f) Firm's size increases	H1f	+	Kaynak and Kuan, 1993
g) The level of foreign market development increases	H1g	+	Kaynak and Kuan, 1993
H2: The degree of product standardisation increases as:			
a) Last year's perceived export performance increases	H2a	+	exploratory research
b) Firm's size increases	H2b	+	Bilkey, 1978; Kammath et al., 1987; Kirpalani and MacIntosh, 1980; Miesenbock, 1988; Reid, 1982
c) Export commitment decreases	H2c	-	Cavugil and Nevin, 1981b; Donthu and Kim, 1993
d) Competition in the commerce and industry decreases	H2d	-	Buzzell, 1968; Cavusgil and Zou, 1994; Kotler, 1996; Hill and Still, 1984; Hovell and Walters, 1972; Wind and Douglas, 1972.
e) Level of foreign market development decreases	H2e	-	Britt, 1974; Boddewyn, 1982; Boote, 1982; Buzzell, 1968; Dunn, 1976; Kale, 1991; Kaynak and Mitchell, 1981; Hite and Fraser, 1988; Ryans, 1969
H3: The degree of promotion standardisation increases as:			
a) Last year's perceived export performance increases	H3a	+	exploratory research
b) Competition in the commerce and industry decreases	H3b	-	Buzzell, 1968
H4: The degree of price standardisation increases as:			
a) Last year's perceived export performance increases	H4a	+	exploratory research
b) Domestic support for exporting increases	H4b	+	Colaiacono, 1982; Nayyar, 1976
c) Competition in the commerce and industry decreases	H4c	-	Buzzell, 1968; Baker and Ryans, 1973; Douglas and Wind, 1987; Jain, 1990; Shoham, 1995
H5: The degree of distribution standardisation increases as:			
a) Last year's perceived export performance increases	H5a	+	exploratory research
b) Management's export experience and expertise decreases	H5b	-	Douglas and Craig, 1989; Johansson and Vahlne, 1977
c) Level of foreign market development decreases	H5c	-	Dunn, 1976; Synodinos et al., 1989; Sorenson and Wiechmann, 1975
H6: The degree of service quality standardisation increases as:			
a) Last year's perceived export performance increases	H6a	+	exploratory research
b) Competition in the commerce and industry decreases	H6b	-	exploratory research
H7: Last year's perceived export performance increases as last year's financial export performance increases	H7	+	exploratory research

All these hypotheses are now summarised in the following operational model:

Figure 4-2: An operational model of the
export marketing standardisation-export performance relationship



4.3 SUMMARY

This chapter began with a discussion of the direct and indirect relationships among (1) internal forces, (2) external forces, (3) export marketing strategy, (4) the preceding year's export performance, and (5) the current year's export performance. The literature suggests that depending on the nature of the internal and external forces, export performance is affected directly or indirectly by these factors. Additionally, the

exploratory findings indicate that there is a relationship between export performance in the preceding year (Year Y-1), the degree of marketing strategy standardisation in the current year (Year Y), and the current year's export performance (Year Y). Based on these ideas, a conceptual framework and research propositions were proposed.

Then, in order to develop and propose an operational model and a set of hypotheses, the determinants of export performance and export marketing strategy were summarised. Previous studies suggest that key determinants of export performance include the size of the firm (an internal force), foreign market development (an external force) and the degree of marketing programme standardisation.

The determinants of marketing programme standardisation were then reviewed. Previous research indicates that the internal forces affecting the degree of marketing programme standardisation include the size of the firm, export commitment, and management experience and expertise. External forces include domestic support for exporting, competition in the commerce and industry, and foreign market development. Additionally, the exploratory research suggests that last year's perceived performance influences the degree of marketing programme standardisation.

Finally, an operational model of export performance was derived and a set of hypotheses was stated. The methodology for testing the operational model and the hypothesis is presented in the next chapter (Chapter 5).

CHAPTER 5

Methodology

This chapter explains the methodology used to test the hypotheses and operational model developed in Chapter 4. Initially, the various steps and procedures associated with data collection are discussed. Then the approach to data analysis is presented.

5.1 DATA COLLECTION

In this section the following issues are considered: 1) the unit of analysis, 2) the development and pre-test of the survey instrument, 3) the administration of the questionnaire, 4) the profile of the sample, and 5) the assessment of non-response bias.

5.1.1 THE UNIT OF ANALYSIS

This study follows a number of previous export studies (Bilkey, 1982; Cavusgil and Zou, 1994; Koh, 1991; Madsen, 1989) in using the firm's export venture as the unit of analysis. This means that the measures used in these studies can be applied here, thereby allowing us to compare these studies' results directly with the findings emerging from this research.

Most studies (e.g. Madsen, 1989; Cavusgil and Zou, 1994) include more than one venture from the same firm. However, in line with Styles' (1996, 1998) work, only the

firm's *main* export venture is analysed in this research. This departure from previous studies ensures a wider variance in the 68 variables. Furthermore, it is believed that analysing a single product or product line exported to a single foreign market allows to associate the effects of export marketing strategy more precisely to the marketing outcomes (Cavusgil and Kirpalani, 1993). The exploratory research also revealed that managers often develop a marketing strategy just for the main export venture. Many of the "secondary" export ventures have no defined strategy or are just a consequence of the strategy defined for the main export venture.

5.1.2 DEVELOPMENT AND PRE-TEST OF THE SURVEY INSTRUMENT

A mail survey was used for primary data collection during the main study. Surveys have been traditionally used in export studies (e.g. Koh, 1991; Shoham, 1995, 1999; Styles and Ambler, 1994). This approach was used as it could be administered easily from the UK to the different regions of Portugal. Additionally, this instrument facilitates the investigation of a large number of companies across many industries.

Several steps were taken to develop and test the questionnaire used in the survey. First, following Churchill's approach (1979), the questionnaire contained a number of indicators and measures that had already been used in previous research (see pp: Ap15-Ap17). The literature review (Chapter 2) was used to discover how the constructs had previously been defined and how many sub-constructs and items they comprised. Secondly, key indicators and findings revealed by the qualitative exploratory research were also included. Thirdly, based on the questionnaires kindly

provided by their authors², additional items and measures were included in the initial version.

Six steps were then followed to test both content validity and face validity³:

First, to assess the content validity of the items, the British version of the questionnaire was discussed with three marketing lecturers and five doctoral researchers in the Warwick Business School, and their suggestions were incorporated. As recommended by other researchers (Lichtenstein et al., 1990), faculty members and marketing PhD students were asked to categorise the importance of each statement and indicate which items should be retained. The items which most judges agreed should be retained were kept for the next version of the questionnaire (Bearden et al., 1989).

Secondly, the questionnaire was translated into Portuguese by the researcher. The face validity of this new version was assessed by three people who had no knowledge of the exporting industry or export marketing strategy. Following this process, a clear and more easily readable version emerged.

Thirdly, in line with procedures used by previous studies in marketing (Lichtenstein et al., 1990; Zaichkowski, 1985), content validity was once again assessed by four

² The author acknowledges all researchers who kindly provided the questionnaires used on their own research (Axinn and Thach, 1990; Axinn et al., 1996; Beamish et al., 1993; Das, 1994; De Luz, 1993; Marandu, 1995; Omar, 1986; Samiee and Roth, 1992; Schlegelmich, 1983; Shoham, 1996; Szymanski et al., 1993; Zeid, 1981; Zou et al., 1997).

³ Content validity is a subjective measure of how appropriate the items seem to a set of reviewers who have knowledge on the subject matter. Despite not being a scientific measure of a survey instrument's currency, it provides a good foundation on which to build a methodologically rigorous assessment of a survey's instrument validity. Face validity is considered to be the least scientific measure of all the validity measures (Litwin, 1995). However, simply showing the questionnaire and discussing it with individuals who have no knowledge of the marketing theory and export industry becomes extremely useful in clarifying it.

Portuguese judges (university lecturers in marketing). These judges were then asked to assess how representative each item was of the final construct.

Fourthly, the remaining items were assessed by 12 managers involved in export operations. Additionally, seven managers completed the questionnaire (see Tables 3-1, 3-2 and 3-3). This stage of the process improved the questionnaire as new items were included that had not been identified from the literature review. Furthermore, the managers interviewed contributed by identifying key problems that were not identified in the preceding stages. For example, as suggested by the export manager of company R, some of the questions had to be changed in order to become less personal. Another key problem concerned the type of scale to be used. While some managers were resistant to the use of the '6-point likert scale' (as the export manager of company U put it: "it is very difficult to fill in if there is no middle"), others found the '7-point likert scale' too long, complex or tiring. Thus, it was decided to use the '5-point likert scales' as it is much simpler and managers prefer it. Moreover, as the initial scales were not named (with the exception of their extremes), some managers had difficulty in associating a meaning with each point of the scale. Thus, all the numbers were labelled for clarification purposes.

The findings of the exploratory research also indicated that Portuguese export managers are not very receptive to mail surveys. In order to increase the response rate, the suggestion provided by a managing director (company O) was incorporated: "We could help each other. I fill in your questionnaire and in return, rather than the results, I would be more interested if you could find some contacts for me in the UK." Thus, it was decided that in return for a manager's participation in the survey, the author

would send a report with the results of the investigation and, wherever possible, a list of contacts of potential overseas importers/clients. Complete confidentiality was also assured. The questionnaire was thus adapted to the practitioners' reality.

Finally, in accordance with the suggestion of Douglas and Craig (1983), with the collaboration of a new judge (a Portuguese lecturer doing a PhD in marketing in the UK), the final version of the questionnaire was then translated back into English. The new British and Portuguese versions of the questionnaire were then compared and minor changes were made.

The British version and the sources for each of the questions exhibited in the final questionnaire are presented in Appendix 1; the Portuguese questionnaire is presented in Appendix 2; and the back-translation from Portuguese to English is in Appendix 3.

5.1.3 ADMINISTRATION OF THE SURVEY INSTRUMENT

A sub-sample of 2,500 companies was taken from firms listed in a database of Investments, Trade and Tourism of Portugal (ICEP, 1997). This governmental agency database is considered to be the most comprehensive and up-to-date database. It contains information - the company's name, address, telephone number and export sales value - on 4,765 Portuguese exporters. Katsikeas et al. (1998) point out that many of the inconsistencies in export marketing theory are due to the fact that researchers often use non-stratified sampling, which does not take into account the characteristics of the firms. Stratified sampling based on export sales value was used in this study to determine the most appropriate sampling frame. Export sales value was used as a criteria for stratified sampling as this variable partially captures

performance in an exporting context. Additionally, ICEP database contains data on export sales value for all of the 4,765 companies.

The principal Portuguese exports are textiles, clothing, vehicle and transport equipment, plastic industrial moulds, footwear and wine (ICEP, 2000). However, no particular industry was targeted during the main survey because this type of research needs varying export settings. It also requires a heterogeneous sample of export ventures to allow variation in the dependent and independent variables (Styles, 1996).

Data collection involved two mailshots. In the first mailshot a cover letter (Appendices 1 and 2), a questionnaire and an international postage-paid business reply envelope were sent to the person responsible for exporting in each of the 2,500 Portuguese firms in the sampling frame. Ten days later, the second mailshot included a reminder letter (Appendices 1 and 2) and a reply envelope.

Out of the sample of 2,500 managers, 29 stated that they no longer exported and 119 questionnaires were returned by the mailing service. These firms had either closed down or moved without leaving a forwarding address. Thus the sample size was reduced to 2,352. By the cut-off date⁴, 590 questionnaires had been returned (519 of them valid) leading to a response rate of 25.1 per cent. The 519 usable questionnaires yielded a net response rate of 22.1 per cent. This result is quite satisfactory, considering that the average top management domestic survey response rate is between 15 and 20 per cent (Menon et al., 1999), and high-level executives are much less likely to respond than people in the general population (Hunt and Chonko, 1987).

⁴ Three questionnaires were received after the cut-off date.

Furthermore, as a consequence of the numerous obstacles that have to be overcome, the collection of data from a foreign country is usually more difficult (Douglas and Craig, 1983), making the response rates much lower for international surveys (Zou et al., 1997).

5.1.4 PROFILE OF THE SAMPLE

The appropriateness of the sample size has to be seen and determined within the context of the population (Douglas and Craig, 1983). For a 95 per cent confidence level, 266 was established as the minimum number of valid questionnaires that had to be returned (i.e. the minimum n). The calculations are presented in Equation 5-1.

Based on the value of the minimum n , a minimum n_i was then established as a target for each of the eight strata. Table 5-1 shows that all the minimum n -values were achieved across the different strata.

In Table 5-2 the sample and the population are grouped by exporting size: micro (strata 1 and 2), small (strata 3), medium (strata 4 and 5) and large exporters (strata 6-8) (ICEP, 1997). Table 5-2 also summarises the number of companies participating in the exploratory research and in the main survey, as well as the response rates and the non-valid responses for each group of exporters.

In Table 5-3 an extensive profile of the sample is presented.

With respect to the main export venture (MEV), of the 519 valid cases most of the sampled export ventures involve trading with an agent/distributor in the foreign market (47.4 per cent), or directly with the industry (20.6 per cent). A significant

number of MEVs are also delivered to retail/supermarkets (9.8 per cent) and other commercial organisations (8.6 per cent). Nearly 75 per cent of the respondents stated that their companies sell their MEVs to European countries. Just four European countries (Spain, France, Germany and UK) account for nearly 60 per cent of the MEV imports. The USA is the first importing country outside Europe and the fifth country overall (5.6 per cent). Other non-European countries significantly represented in the sample are Brazil, Japan and some of the PALOP countries (Angola, Cape Verde and Mozambique). The MEV sales values are well balanced across the various strata of the sample. The largest sampled export ventures are between £256,000 (Euro400,000) and £960,000 (Euro1.5m).

With respect to the main exported product (MEP), just 10 per cent of the respondents reported that their MEP is sold in a single foreign market, while 70 per cent sell in 2 to 9 markets, and 20 per cent sell in more than 10 markets. The MEPs are exported to one or more of the following regions: the European Union (90.4 per cent) and European countries (32.8 per cent), Central/North America (24.5 per cent), PALOP (24.1 per cent) and other African countries (14.5 per cent), Brazil (12.3 per cent) and other South American countries (8.7 per cent), Asia (15.8 per cent), and Australia/Oceania (8.3 per cent).

The whole size range of Portuguese industries and companies is represented in the sample. However, just 7.5 per cent of the companies have a sales value of over £22.4m (Euro35m), and 4.8 per cent have more than 500 employees. This reflects the characteristics of Portuguese industry, which is mostly composed of SMEs, including small and medium exporters. Exporters from all the Portuguese regions

have also participated in the survey. Most are from the north of Portugal (47.3 per cent), which is where the majority of Portuguese industry is situated.

5.1.5 NON-RESPONSE BIAS

The existence of a high response rate provides some confidence that response bias is not a significant problem (Weiss and Heide, 1993). Nevertheless, non-response bias was tested by assessing the differences between the early and late respondents (see Table 6-1) with regard to the means of all the variables (Armstrong and Overton, 1977; Li, 1999; Menon et al., 1999; Shoham, 1996; Weiss and Heide, 1993).

Early respondents were defined as the first 75 per cent of the returned questionnaires and the last 25 per cent were considered to be late respondents. Thus, the last 25 per cent were meant to be representative of firms that did not respond to the survey (Weiss and Heide, 1993). These proportions approximated the actual way in which questionnaires were returned. Similar to previous studies (Li, 1999; Weiss and Heide, 1993), it was also possible to verify that approximately 75 per cent of the questionnaires were returned well before the last 25 per cent. No significant differences were found.

In order to identify the reasons associated with non-response, 50 phone calls were also made. The three main reasons given were: (1) questionnaire length, (2) the role of company gatekeepers in preventing potential respondents from seeing the questionnaires, and (3) the fact that some companies have a corporate policy to respond only to governmental surveys as they are compulsory. These reasons are also unrelated to response rates, and therefore it is believed that non-response does not

have an impact on the overall result.

The larger exporters produced a higher response rate. A few exporters also stated that they had not replied because their exporting activity is very small or insignificant when compared to their domestic activity. This may suggest that the survey results are more typical for larger firms. However, since the final frequency was well balanced across the groups (see Table 5-2), it is believed that this is not a valid statement (Shoham, 1998).

In sum, we may assume that non-response bias is not a significant problem due to four reasons: 1) the good response rate, 2) the existence of no significant differences between the early and late respondents with regard to the means, 3) the reasons associated with non-response rates and 4) the fact of the final frequency being well balanced across all the various strata.

5.2 DATA ANALYSIS

A four-step approach to data analysis was adopted: 1) exploratory factor analysis (EFA) and coefficient alpha, 2) confirmatory factor analysis (CFA), 3) structural equation modelling (SEM) and 4) between methods triangulation.

First, Churchill's (1979) traditional approach to scale development was used. This suggests that in order to increase reliability and decrease measurement error it is more advisable to use multi-item scales than single-item scales. With the aim of producing a set of items which reflect an underlying factor or construct, EFA and coefficient alpha were conducted.

Churchill's (1979) and Peter's (1979, 1981) approach to scale development has been expanded by Gerbing and Anderson (1988) with the use of CFA. CFA was also used to assess the measurement properties of the existing scales.

After conducting CFA, a structural model was developed. This second-generation multivariate technique (Fornell, 1987) provides a more rigorous and more flexible approach than the alternative techniques based on multiple regression.⁵ SEM allows us to look into the mediational relationships rather than concentrating exclusively on simple bivariate prediction (Kelloway, 1998). With SEM it becomes possible to model complex relationships that are not possible with any of the other multivariate techniques (Hair et al., 1998).

Finally, with the objective of enhancing external validity, all the relationships exhibited in the final structural model were discussed with the managers during the follow-up interviews.

5.2.1 EXPLORATORY FACTOR ANALYSIS AND COEFFICIENT ALPHA

EFA was conducted to examine the factor structure of each variable presented in the conceptual model. EFA is used to suggest the various dimensions associated with the underlying constructs (Churchill, 1979) on the basis of the resulting factor loadings.

⁵ The first steps of SEM were given by Spearman (1904) work on factor analysis, and Wright (1934) research on path analysis. Although the roots of SEM can be traced back to the beginning of the century (Spearman, 1904; Wright, 1934), just in the last decade this tool emerged as a powerful multivariate data analysis in social research (Mueller, 1996). This was mainly to the contribution of LISREL programme developed by Karl Jöreskog and his colleagues (Jöreskog and Van Thillo, 1972; Jöreskog and Sörbom, 1988, 1993; Jöreskog et al., 1999). This programme which was originally introduced in 1972 (and now on its 8th release) allowed SEM techniques to become accessible to the social and behavioural sciences (Mueller, 1996).

EFA is a data simplification technique, i.e it is particularly useful for reducing the number of indicators to a manageable set. The analysis of factor loadings helps to identify factors that are independent from each other, thereby enabling an understanding of the structure of a specific field (Hair et al., 1998).

In line with Shoham's (1998) investigation, it was decided that in order to reduce the number of items, principal components analysis (PCA) with varimax rotation, when Kaiser's rule is used for factor selection, would be performed on the survey data. This method was selected because, although the sub-dimensions may be related, these relationships cannot not be anticipated *a priori* (Shoham, 1998). Varimax rotation is the most widely used analytical format to analyse orthogonal factors (Hair et al., 1998). Furthermore, the use of an orthogonal rotation has the advantage of allowing a more intuitive interpretation of the results (Shoham, 1998).

Coefficient alpha remains the most widely used measure of scale reliability (Peterson, 1994). It was also used in this study to assess the validity of the scales. The reliability is evaluated through coefficient alpha, which is computed for the emerged factors.

5.2.2 CONFIRMATORY FACTOR ANALYSIS

CFA formally tests the unidimensionality of a scale initially developed by exploratory factor analysis (Steenkamp and Van Trijp, 1991). When using EFA, each factor is defined as a weighted sum of all observed variables. Thus, the emerging factors in EFA do not correspond directly to the constructs represented by each set of indicators. Therefore, the construction of scales based on the analysis of the size of the factor

loadings does not allow us to evaluate unidimensionality. In CFA, when assuming linearity, the relationship between an indicator and a theoretical construct is represented by the following equation: $x_i = \lambda_i \xi + \delta_i$, where x_i is the *i*th item in a set of indicators, λ_i is the factor loading, ξ the underlying factor and δ_i the residual (Gerbing and Anderson, 1988; Jöreskog and Sörbom, 1993). Unlike EFA, CFA provides a test of unidimensionality through the application of this equation to each indicator (Gerbing and Anderson, 1988). CFA also provides a better estimate of reliability than coefficient alpha (Steenkamp and Van Trijp, 1991). While coefficient alpha assumes that different indicators have equal factor loadings (λ) and error variances (δ), this equation shows that CFA takes into account the differences among the existing indicators (Styles, 1998).

CFA is more rigorous and more parsimonious than the traditional forms of EFA. While EFA is “guided by intuitive and ad hoc rules”, CFA tests both the quality of the factor solution and the specific parameters which compose a model (Kelloway, 1998:2). CFA facilitates the testing of three validity dimensions: convergent, discriminant and nomological validity.

Convergent validity refers to the homogeneity of the constructs, i.e. the extent to which each measure correlates with other measures of the same construct. When using LISREL, Jöreskog and Sörbom (1993) suggest that convergent validity should be assessed according to the t-values (large when $t > 1.96$) and the level of significance ($p < .05$) of the factor loadings of the items in the respective constructs.

Discriminant validity refers to the extent of separation between constructs, i.e. the

extent to which the measure of a construct does not correlate with measures of other constructs. It is achieved when an item correlates more highly with items which measure the same construct than with items that measure different constructs. Discriminant validity is revealed when no confidence interval around the correlation estimates for the pairs of latent variables includes $r=1.0$ (Anderson and Gerbing, 1988)⁶.

Nomological validity refers to the validity of the entire model (Chau, 1997; Eriksson and Sharma, 1998) and is investigated by χ^2 and degrees of freedom. There has been some debate about which measures should be used to assess nomological validity. However, as Jöreskog and Sörbom (1993: 122) point out, “all of these measures are functions of chi-square” measuring the distance between the data and the model.

5.2.3 STRUCTURAL EQUATION MODELLING

The latent variable models are a form of SEM which simultaneously consider issues of measurement and prediction. This method allows the use of structural and measurement models simultaneously through the combination of the confirmatory factor analysis model associated with psychometrics and the structural equations model from econometrics (Goldberger, 1971, 1972).

As the understanding of the export-marketing phenomenon has grown in the last few years, the need has emerged to look for more complex predictive models which allow the testing of complex relationships.

⁶ see also: Shoham (1999:35)

With SEM it is possible to analyse simultaneously relationships between previous export performance, export marketing strategy, internal and external forces, and current export performance. These complex inter-relationships are not accommodated by any of the other multivariate techniques (Hair et al., 1998). Due to its ability to test and build on such complex issues, Cliff (1983) refers to SEM as a ‘statistical revolution’ which is transforming social science research. It provides a way to simultaneously assess the quality of measurement and examine the predictive relationships among the latent variables.

5.2.4 TRIANGULATION

The triangulation approach has been broadly defined as the use of different methodologies in the study of the same phenomenon with the objective of enhancing the external validity. This type of approach is also known as “between (or across) methods triangulation” because the findings from one type of study are checked against the findings from another type of study (Campbell and Fiske, 1959; Creswell, 1994; Denzin, 1978; Fielding and Fielding, 1986; Jick, 1979; Paul, 1996; Punch, 1998; Webb et al., 1966).⁷

According to Greene et al. (1989), there are five main purposes for combining different methods in the same study: 1) the classic sense, where there is an examination of the convergence of results; 2) the complementary sense, wherein

⁷ There is a small number of authors, who defend that there is another type of triangulation approach, known as the “within-method triangulation”, which involves the use of multiple techniques within a given method to collect and interpret data (Denzin, 1978; Jick, 1979; Creswell, 1994). This would be for example, the approach applied in the survey used for the quantitative study, where multiple scales are used for the same construct (Jick, 1979).

However, since most authors associate the term triangulation with “between (or across) methods triangulation” (Punch, 1998; Maxwell, 1998), in order not to add to the already existing confusion in the literature, this is also the association used in this study.

different facets of a phenomenon may emerge; 3) the developmental sense, in which the methods are used sequentially (e.g. as in this research, where the quantitative method is used to help inform the qualitative method); 4) the initiation sense, where the aim is to find contradictions and new perspectives; and 5) the expansion sense, which seeks to add scope and breadth to a study.

Some researchers, particularly the proponents of a quantitative approach, are concerned with the generalisation of qualitative research (Yin, 1994). They argue that more bias exists when this approach rather than a quantitative methodology is used. However, bias can also exist with quantitative research strategies (Sudman and Bradburn, 1982). Since every method might present validity threats, triangulation is advised as it “reduces the risks of systematic distortions inherent in the use of only one method” (Maxwell, 1998: 93). However, for pragmatic reasons, including issues of time and cost, researchers tend to use either qualitative or quantitative research (Jick, 1979; Creswell, 1994). Nevertheless, it was decided to use both methods in this research in order to reduce the bias.

The “dominant-less dominant design” was applied to the current research (Creswell, 1994). Here the dominant approach is quantitative, and the less dominant approach is qualitative. As stated by Creswell (1994: 177), “a classic example of this approach [dominant-less dominant design] is a quantitative study based on testing a theory with a small qualitative interview component in the data collection phase”. Thus, in this research, despite the main findings being quantitative (see Chapter 6: Findings), the triangulation approach is also used (see Chapter 7: Discussion) in order to determine how congruent and comparable the main findings are with the data from the follow-up

interviews. In this way, it becomes possible to combine analytic generalisation with statistical generalisation, and consequently to reduce bias and check the external validity of the study (Brannen, 1992).

5.3 SUMMARY

The objective of this chapter is to describe and discuss the methodology used to test the operational model and hypotheses presented in Chapter 4.

This chapter has discussed the key issues associated with data collection in the main study: the unit of analysis, the development and administration of the survey instrument, and sampling. It has also considered the techniques used in the data analysis: exploratory factor analysis and coefficient alpha, confirmatory factor analysis, structural equation modelling, and between methods triangulation. These techniques will be applied in the following chapters in order to present (Chapter 6) and discuss (Chapter 7) the findings.

Equation 5-1: Calculations for stratified sampling

$$n = \frac{z^2 N \sum_{h=1}^L N_h S_h^2}{N^2 d^2 + z^2 \sum_{h=1}^L N_h S_h^2} = \frac{3.8416 \times 4765 \times 315101.06}{22705225 \times 0.9025 + 3.8416 \times 315101.06} = 265.756$$

Table 5-1: Analysis of population versus sample by strata

Type of exporter	Strata	Export sales value*	Population Frequency	Sample	
				Minimum n required	Valid frequency
Micro	Strata 1	≤ £64thous (Euro100thous)	785	44	56
	Strata 2	> £64thous (Euro100thous) - £224thous (Euro350thous)	832	46	73
Small	Strata 3	> £224thous (Euro350thous) - £960thous (Euro1.5m)	1528	85	147
	Strata 4	> £960thous (Euro1.5m) - £2.24m (Euro3.5m)	831	46	103
Medium	Strata 5	> £2.24m (Euro3.5m) - £3.2m (Euro5m)	239	13	34
	Strata 6	> £3.2m (Euro5m) - £22.4m (Euro35m)	496	28	89
Large	Strata 7	> £22.4m (Euro35m) - £92.8m (Euro145m)	44	3	13
	Strata 8	> £92.8m (Euro145m)	10	1	4
Total			4765	266	519**

Obs.: * Exchange cross rates (source FT,1/10/99, p:35): Cnt1 (1000\$00)= Euro5 = £3.2 = US\$5.3

** Out of 590, 71 non-valid questionnaires have been excluded from this analysis.

Table 5-2: Profile of sample and population by type of exporter

Type of exporter	Export sales value *	Valid Freq.	Valid %	Non-valid frequency	Pop.	% pop.	Sent	Excluded **	Valid resp. rate ***	Minimum n required	Explor. research
Micro (1-2)	≤ £224thous (Euro350thous)	129	24.9%	9	1617	33.93%	800	40 / 18	16.1%	90	3
	> £224thous (Euro350thous) - £960thous (Euro1.5m)	147	28.3%	14	1528	32.07%	700	37 / 11	21.0%	85	8
Medium (4-5)	> £960thous (Euro1.5m) - £3.2m (Euro5m)	137	26.4%	23	1070	22.46%	600	27	22.8%	59	4
	> £3.2m (Euro5m)	106	20.4%	25	550	11.54%	400	15	26.5%	32	8
Total		519	100%	71	4765		2500	148	20.76%	266	23

Obs.: * Exchange cross rates (source FT,1/10/99, p:35): Cnt1 (1000\$00)= Euro5 = £3.2 = US\$5.3

(a / b) a-questionnaires were returned by the mailing service, b- stated that they no longer exported. * Based on the total number of questionnaires sent (2500).

Table 5-3: Descriptive statistics

ABOUT THE MAIN EXPORT VENTURE (MEV)		Valid Frequency	Valid Percent	ABOUT THE MAIN EXPORT PRODUCT (MEP)		Valid Frequency	Valid Percent
Type of buyer for the MEV				Number of countries importing the MEP			
Agent/distributor		237	47.4	1		51	10.2
Industry		103	20.6	2-4		211	42.1
Retail or supermarkets		49	9.8	5-9		142	28.3
Other commercial		43	8.6	10-25		76	15.2
Final consumer		29	5.8	≥ 26		21	4.2
Subsidiaries abroad		14	2.8	Regions where the companies sell their MEP			
Headquarters abroad		11	2.2	European Union countries		469	90.4
Services		5	1.0	Other European countries		170	32.8
Other		9	1.8	Central / North America		127	24.5
Country of destination of the MEV				Portuguese former overseas territories in Africa (PALOP)		125	24.1
Spain		93	19.3	Other African countries		75	14.5
France		86	17.9	Asia		82	15.8
Germany		66	13.7	Brazil		64	12.3
UK		46	9.6	Other South American countries		45	8.7
USA		27	5.6	Australia / Oceania		43	8.3
Benelux		25	5.2	ABOUT THE COMPANY			
Angola		24	5.0	Annual sales of the firm*			
Italy		15	3.1	≤ £960thous (Euro1.5m)		137	27.2
Cape Verde		13	2.7	> £960thous (Euro1.5m)- £3.2m (Euro5m)		174	34.5
Sweden		13	2.7	> £3.2m (Euro5m)-£22.4m (Euro35m)		155	30.8
Brazil		9	1.9	> £22.4m (Euro35m)		38	7.5
Switzerland		9	1.9	Number of full-time employees			
Japan		8	1.7	1-19		101	19.5
Denmark		6	1.2	20-49		139	26.8
Mozambique		5	1.0	50-99		112	21.6
Other countries		36	7.5	100-499		141	27.2
Sales value of the MEV*				≥ 500		25	4.8
≤ £64thous (Euro100thous)		76	14.6	Localisation			
> £64thous (Euro100thous)- £256thous (Euro400thous)		85	16.4	North		245	47.3
> £256thous (Euro400thous) - £960thous (Euro1.5m)		163	31.4	Centre		123	23.8
> £960thous (Euro1.5m) - £3.2m (Euro5m)		117	22.5	Lisbon and Vale do Tejo		123	23.8
> £3.2m (Euro5m)		78	15.0	Other (including Islands)		26	5.1

Obs.: * Exchange cross rates (source FT, 1/10/99, p:35): Cnt1 (1000\$00) = £3.2 = Euro5 = US\$5.3

CHAPTER 6

Findings

This chapter presents the research findings of the main study. First, the elements involved in the export activity of Portuguese companies are captured by employing exploratory factor analysis (EFA) and coefficient alpha. Secondly, measurement analysis is reported using confirmatory factor analysis (CFA) with weighted least squares (WLS). Thirdly, hypothesis testing is reported utilising structural equation modelling (SEM). The chapter concludes with the presentation of a model which summarises all the tested relationships.

6.1 DATA SIMPLIFICATION: EFA AND COEFFICIENT ALPHA

As previously discussed, there is much controversy concerning the key determinants of export performance and their relative importance (Zou et al., 1998). This is mainly due to the lack of consensus in the literature over conceptual definitions and the measurement of these issues (Shoham, 1998; Styles, 1998). Thus, in order to conceptualise and measure the variables involved in the exporting phenomenon, a more integrated approach, which takes account of previous research, is needed (Cavusgil and Zou, 1994; Styles, 1998). Table 6-1 presents the measurement scales and respective sources for the 68 items maintained after factor analysis. Additionally, the descriptive statistics for each of these items are presented.

Table 6-1: Exploratory factor analysis-factors composition, sources and descriptive statistics for 68 questionnaire items

Factor	Item	Source	Measurement	Source	Mean	SD	Early respond.	Late respond.
Yearly change on export performance * from Year Y-2 to Year Y-1*	Y_PCHG1	New measurements based on exploratory research	5-point scale 1- in Y is much worse than in Y-1 5- in Y is much better than in Y-1	New scales based on exploratory research	3.38	1.01	3.35	3.38
	Y_PCHG2				3.37	1.01	3.33	3.30
	Y_PCHG3				3.19	0.91	3.26	3.17
	Y_PCHG4				3.19	0.94	3.15	3.14
	Y_PCHG5		Overall export performance (achievement level)		3.32	0.99	3.33	3.31
	Y_PCHG6		MEV export sales volume (satisfaction level)		3.13	1.01	3.08	3.12
	Y_PCHG7		MEV export sales value (satisfaction level)		3.12	1.00	3.11	3.08
	Y_PCHG8		MEV export profitability (satisfaction level)		2.99	0.96	3.03	2.98
	Y_PCHG9		MEV market share in the main importing market (satisfaction level)		3.00	0.93	2.96	3.00
	Y_PCHG10		Overall export performance (satisfaction level)		3.05	0.99	3.04	3.09
	Y_PCHG11		MEV % to total sales volume (financial level)		3.32	1.10	3.36	3.25
	Y_PCHG12		MEV % to total sales value (financial level)		3.29	1.10	3.36	3.23
	Y_PCHG13		MEV % to total profitability (financial level)		3.14	1.03	3.17	3.15
Last year's perceived export performance * Year Y-2*	P_PPER1	New measurements based on Katsikeas et al., 1996 and exploratory research	5-point scale 1- achieved very badly 5- achieved very well	Katsikeas et al., 1996	3.35	0.90	3.32	3.45
	P_PPER2				3.33	0.87	3.33	3.41
	P_PPER3				3.10	0.79	3.15	3.16
	P_PPER4				3.00	0.95	3.04	3.06
	P_PPER5	Overall export performance (achievement level)	3.27	0.87	3.31	3.34		
	P_PPER6	MEV export sales volume (satisfaction level)	2.92	0.86	2.87	3.01		
	P_PPER7	MEV export sales value (satisfaction level)	2.88	0.85	2.85	2.99		
	P_PPER8	MEV export profitability (satisfaction level)	2.77	0.77	2.76	2.87		
	P_PPER9	MEV market share in the main importing market (satisfaction level)	2.74	0.83	2.77	2.82		
	P_PPER10	Overall export performance (satisfaction level)	2.88	0.83	2.89	3.02		
Last year's financial export performance * Year Y-2*	P_FPER1	Evangelista, 1994; Seifert and Ford, 1989; Sriram and Manu, 1995	5-point scale 1- 0-9% / 2- 10-29% / 3- 30-59% 4- 60-84% / 5- 85-100%	Exploratory research	3.68	1.07	2.58	3.27
	P_FPER2	MEV % to total sales value (financial level)			3.29	1.05	2.60	3.25
	P_FPER3	MEV % to total profitability (financial level)	Evangelista, 1994; Seifert and Ford, 1989; Sriram and Manu, 1995			3.29	1.10	2.30

Note: "Year Y"= the year in which the survey was developed (1999); "Year Y-1"=1998; "Year Y-2"=1997

Table 6-1 (continuation)

Factor	Item	Source	Measurement	Source	Mean	SD	Early respond.	Late respond.
Degree of product standardisation * Year Y-I *	PRODSTD1	Product's brand name	5-point scale** 1- no adaptation at all 5- extensive adaptation	Donthu and Kim, 1993 Donthu and Kim, 1993; Shoham, 1996 Cavusgil and Zou, 1994 Shoham, 1996; Seifert and Ford, 1989 Seifert and Ford, 1989; Zou et al., 1997	3.31	1.05	3.76	3.93
	PRODSTD2	Product design						
	PRODSTD3	Product labelling						
	PRODSTD4	Product quality						
	PRODSTD5	Range of variety of main exporting product line						
Degree of promotion standardisation * Year Y-I *	PROMSTD1	Advertising idea/theme	5-point scale** 1- no adaptation at all 5- extensive adaptation	Zou et al., 1997 Zou et al., 1997 Exploratory research Exploratory research Exploratory research; Zou et al., 1997 Seifert and Ford, 1989; Shoham, 1996; Sriram and Manu, 1995	3.72	1.18	3.59	3.76
	PROMSTD2	Media channels for advertising						
	PROMSTD3	Direct marketing/mailling						
	PROMSTD4	Promotion objectives						
	PROMSTD5	Public relations emphasis						
	PROMSTD6	Budget for promotion						
Degree of price standardisation * Year Y-I *	PRICSTD1	Determination of pricing strategy	5-point scale** 1- extensive adaptation 5- no adaptation at all	Koh, 1991 Shoham, 1996 Exploratory research; Zou et al., 1997 Exploratory research	2.91	1.19	3.00	2.98
	PRICSTD2	Concession of credit						
	PRICSTD3	Price discount policy						
	PRICSTD4	Margins						
Degree of distribution standardisation * Year Y-I *	DISTSTD1	Criteria to select the distribution system	5-point scale** 1- no adaptation at all 5- extensive adaptation	Beamish et al., 1993; Shoham, 1996 Zou et al., 1997 Zou et al., 1997 Exploratory research	3.05	1.14	2.92	3.15
	DISTSTD2	Transportation strategy						
	DISTSTD3	Budget for distribution						
	DISTSTD4	Distribution network						
Degree of service quality standardisation * Year Y-I *	SERVSTD1	Accomplishment of delivery deadlines	5-point scale** 1- no adaptation at all 5- extensive adaptation	Exploratory research; De Luz, 1993 Exploratory research De Luz, 1993; Seifert and Ford, 1989; Shoham, 1996; Zou et al., 1997	3.07	1.25	3.51	3.73
	SERVSTD2	Quality/price relationship						
	SERVSTD3	Service quality/Product warranties						
	SERVSTD4	Distribution network						
Firm's size * Year Y-I *	SIZE1	Sales value of the MEV	5-point scale**	Cavusgil and Zou, 1994 Exploratory research Exploratory research Cavusgil and Zou, 1994	3.15	0.96	3.15	3.26
	SIZE2	Export sales value						
	SIZE3	Number of full-time employees						
	SIZE4	Total sales value of the company						
Management export experience and expertise * Year Y-I *	EXPERT1	Degree of professional exporting experience	5-point scale 1- none 5-substantial	Cavusgil and Zou, 1994; Seifert and Ford, 1989 Das, 1994 Beamish et al., 1993; De Luz, 1993; Koh, 1991 Donthu and Kim, 1993	3.80	0.95	3.67	3.68
	EXPERT2	Degree of overseas experience (live/ work abroad)						
	EXPERT3	Degree of training in international business (e.g, formal courses and export seminars attended)						
	EXPERT4	Ability to follow-up on trade leads in the main importing market						

* Refers to the degree of strategy standardisation when comparing the strategy defined for the domestic with the one defined for the main foreign market. These scales have been inverted for clarification purposes.

Table 6-1 (continuation)

Factor	Item	Source	Measurement	Source	Mean	SD	Early respond.	Late respond.
Export commitment * Year Y-1 *	EXPCOM1	More financial resources for exporting than those for the domestic market	5-point scale 1- strongly disagree 5-strongly agree	Exploratory research	3.23	0.92	2.73	3.47
	EXPCOM2	Substantial planning for the MEV		Cavusgil and Zou, 1994	3.97	0.85	3.49	3.48
	EXPCOM3	Significant amount of human resources involved in the exporting activity		Beamish et al., 1993; Cavusgil and Zou, 1994	3.76	0.92	3.12	3.29
	EXPCOM4	Significant amount of management commitment to exporting		Cavusgil and Zou, 1994	3.87	0.86	3.91	3.91
Competition in the commerce and industry * Year Y-1 *	INDCMP1	Extent of price competition in the ind./com.	5-point scale 1- none 5-substantial	Cavusgil and Zou, 1994	3.64	1.36	3.95	4.03
	INDCMP2	Competition in the accomplishment of deliver deadlines in the industry/commerce		Exploratory research	3.66	1.27	3.76	3.90
	INDCMP3	Competition in the industry/commerce		Exploratory research; Porter, 1980	3.97	1.10	3.95	4.00
Domestic support for exporting * Year Y-1 *	DOMEST1	Support of trade associations	5-point scale 1- none 5-substantial	New measurements based on exploratory research	1.87	0.87	1.96	1.88
	DOMEST2	Support of European Union (EU)			1.78	0.90	1.77	1.79
	DOMEST3	Support of government (excluding EU support)			1.63	0.81	1.73	1.63
Foreign market development * Year Y-1 *	IMPMARK1	Degree of country's development	5-point scale 1- none 5-substantial	Austin, 1990; Beamish et al., 1993; Cooper and Kleinschmidt, 1985; Das, 1994; Geringer et al., 1989; Piercy, 1981; Siram and Manu, 1995	3.85	0.98	3.92	3.64
	IMPMARK2	Level of consumer education in the importing country			3.64	0.98	3.62	3.52

**These scales were converted to a 5 point-scale. Analysis N=519. Missing values were replaced with mean.

Although we started with well-validated measures from the literature (see pp: Ap7, Ap8, Ap9, Ap11, Ap12), 18 items did not pass the tests of EFA and reliability (see Table 6-2). The initial data set⁸ produced a solution of 16 factors with eigen values greater than one. A purification procedure was used in order to arrive to the final data set. This procedure works as an 'interactive process' in which the indicators that do not load on a single component or significantly decrease coefficient alpha are dropped (Styles, 1998: 17). During this process service-quality standardisation emerged as an uncovered and non-expected factor. Additionnaly, some of the original factors had to be renamed as a consequence of the withdrawal of 18 items from the original 86 questionnaires items. At the internal level, the factor 'firm's characteristics' was renamed 'firm's size'. With regard to the external forces, the factor 'domestic market characteristics' turned into 'domestic support for exporting'; 'industry/commerce characteristics' became 'industry/commerce competition'; and 'foreign market characteristics' was changed to 'foreign market development'. The factor 'product characteristics' was excluded from further analysis as none of its original items emerged during EFA. All the other factors retained their initial names.

Inspection of a scree plot and variance suggested that 14 factors with eigen values greater than 1.2 should be retained and used as descriptors of the variance in the data. Together, these 14 factors accounted for 73 per cent of the total variance. The two excluded factors (factors 15 and 16) together accounted for just two per cent of the total variance.

⁸ See Table 6-8 (at the end of this chapter) for initial loadings and factors.

Table 6-2: The 18 items removed from the 86 questionnaire items during the purification process (EFA and reliability tests)

Item	Source	Measurement	Source	Aimed factor
Employees allocated in full-time to the commercial activity of the MEV	Beamish et al., 1993; Shoham, 1996	5-point scale*		Firm's characteristics
Strength of patent of main exporting product	Cavusgil and Zou, 1994	5-point scale 1- none 5-substantial	Cavusgil and Zou, 1994	Product characteristics
Amount of training that the sales force needs to handle with the main product	Cavusgil and Zou, 1994			
Degree of product line extension in the main overseas market	Beamish et al., 1993; Christensen et al., 1987; Kirpalani and MacIntosh, 1980 Omer, 1986			
Difference between the goals to be achieved for the domestic market and those for the export venture		5-point scale 1- none 5-substantial	Cavusgil and Zou, 1994 Cavusgil and Zou, 1994 Cavusgil and Zou, 1994	Product characteristics
Degree to which the product is culture-specific				
Product's service requirements				
Extent to which the product is established within the firm (product tradition within the firm)		5-point scale 1- none 5-substantial	Donthu and Kim, 1993	Domestic market characteristics
Availability of national credit to finance export sales				
Barriers of the Portuguese legal system to the export venture	Exploratory research			
Degree of domestic competition	Exploratory research	5-point scale 1- none 5-substantial	Cavusgil and Zou, 1994; Exploratory research Cavusgil and Zou, 1994 Cavusgil and Zou, 1994	Foreign market characteristics
Extent of legal and regulatory barriers in the main importing market				
Demand potential in the main importing market				
Degree of product familiarity of customers		5-point scale 1- none 5-substantial	Omar, 1986 Exploratory research	Industry/commerce characteristics
Cultural similarity of main importing market to home market				
Number of new competitors entering the industry/commerce	Das, 1994; Porter, 1980			
Degree of stability of the industry/commerce	Das, 1994	5-point scale 1- none 5-substantial	Cavusgil and Zou, 1994	Industry/commerce characteristics
Degree of technological orientation of the industry/commerce	Cavusgil and Zou, 1994			

*This scale was converted to a 5 point-scale.

More specifically, after the purification procedure the following factor structure emerged. Yearly change in export performance was loaded on one factor (f1). Preceding export performance was loaded on two factors: last year's perceived export performance (f2) and last year's financial export performance (f5). The degree of marketing strategy standardisation was loaded on five factors: product (f4), promotion (f3), price (f7), distribution (f6), and service quality (f13) standardisation. Internal forces were loaded on firm's size (f8), management experience and expertise (f11), and export commitment (f9). Similarly, external forces were loaded on three factors: competition in the industry and commerce (f10), domestic support for exporting (f12), and foreign market development (f14).

Of the 14 identified factors, 10 factors (factors 1-9 and factor 14) presented moderate or high levels of reliability with alpha values over 0.8. The four other factors (factors 10-13) presented acceptable values with a coefficient alpha between 0.7 and 0.8 (Murphy and Davidshofer, 1988; Nunnally, 1978). Table 6-3 presents the factor loadings for all 68 variables and Table 6-4 provides the eigen value, variance and coefficient alpha for each factor.

In summary, after EFA, less than 20 per cent of the total items were removed. The apparent purity of the final EFA outcomes indicates that the new items as well as the scales derived from previous literature were relevant, and a solid survey instrument was produced.

Table 6-3: The purified version of exploratory factor analysis- Factor loadings for the 69 questionnaire items

	Factor 1 Y_PCHG	Factor 2 P_PPER	Factor 3 PROMSTD	Factor 4 PRODSTD	Factor 5 P_FPER	Factor 6 DISTSTD	Factor 7 PRICSTD	Factor 8 SIZE	Factor 9 EXPCOM	Factor 10 INDCMP	Factor 11 EXPERT	Factor 12 DOMEST	Factor 13 SERVSTD	Factor 14 IMPMARK
Y_PCHG1	.894	.096	.001	.052	.003	.059	-.016	.049	.031	.012	.136	-.015	.008	-.054
Y_PCHG2	.890	.094	-.022	.076	-.007	.033	.014	.047	.028	.027	.109	-.011	-.006	-.042
Y_PCHG3	.816	.075	-.009	.053	-.088	-.033	.019	.021	.044	.037	.033	.016	.011	-.018
Y_PCHG4	.790	.101	-.025	.026	-.001	-.035	.031	.018	-.004	.079	-.005	-.132	-.002	.000
Y_PCHG5	.888	.093	-.015	.006	-.015	.006	.048	.034	.013	.068	.071	-.026	.003	-.023
Y_PCHG6	.915	.101	.022	-.008	-.010	.021	.022	.008	-.003	.046	-.025	.043	-.018	-.013
Y_PCHG7	.912	.110	.044	-.023	-.025	.036	.038	.001	-.002	.044	-.018	.034	-.015	-.023
Y_PCHG8	.852	.063	.035	.014	-.069	.013	.069	-.032	.030	.066	-.084	.080	.040	-.010
Y_PCHG9	.832	.112	.000	-.002	.022	-.025	.062	.009	-.003	.049	-.076	-.008	.060	-.008
Y_PCHG10	.898	.078	-.002	-.012	-.016	-.009	.062	.014	.034	.033	-.041	.041	.023	-.009
Y_PCHG11	.838	-.093	-.010	.037	.059	-.002	-.057	.100	.060	-.044	.034	.009	-.071	.100
Y_PCHG12	.846	-.082	-.016	.024	.058	-.003	-.036	.126	.067	-.043	.033	.009	-.053	.080
Y_PCHG13	.800	-.087	.005	.024	.051	.041	-.044	.069	.038	-.026	-.038	.013	-.022	.075
P_PPER1	-.024	.842	-.058	-.008	.086	.020	.032	.162	.110	.018	.101	-.006	.036	-.023
P_PPER2	-.030	.851	-.054	.006	.088	.004	.044	.128	.093	.035	.088	-.013	.042	-.007
P_PPER3	.040	.693	-.032	.053	.028	-.007	.060	-.012	.114	.055	-.037	.034	.019	-.088
P_PPER4	.069	.715	-.019	-.044	.158	-.069	.002	.101	.107	.075	-.045	-.048	.091	.012
P_PPER5	.085	.824	-.062	.005	.065	-.017	-.008	.090	.134	.056	.048	.022	-.019	-.041
P_PPER6	.095	.876	.019	-.023	.044	.074	-.011	.048	-.017	.071	.022	.014	-.022	.105
P_PPER7	.085	.884	-.002	-.004	.077	.068	-.010	.003	-.007	.070	.020	.005	-.040	.086
P_PPER8	.078	.803	.010	.037	-.002	.039	.021	-.056	.024	.061	-.075	.079	-.048	.068
P_PPER9	.081	.781	.030	.010	.091	-.020	.001	.024	.031	.056	-.055	.019	.079	.076
P_PPER10	.101	.861	-.011	.033	.073	.006	.025	.019	.069	.044	-.020	.083	-.046	.065
PROMSTD1	.034	-.034	.725	.174	-.024	.136	.136	-.136	-.018	.019	-.062	-.098	.024	.063
PROMSTD2	-.016	-.008	.824	.020	.038	.138	.083	-.014	-.057	.024	-.033	-.063	-.059	.063
PROMSTD3	-.053	.001	.773	.074	.005	.159	.066	.007	.011	-.045	.011	-.031	-.002	-.023
PROMSTD4	.003	-.022	.831	.094	-.063	.086	.122	-.047	.008	-.032	.098	-.031	.064	-.097
PROMSTD5	.002	-.068	.656	.110	.023	.099	.056	-.009	-.016	-.033	.090	.013	.254	-.164
PROMSTD6	.032	-.043	.835	.065	-.009	.128	.139	-.007	-.037	-.005	-.021	-.039	.011	-.027

Table 6-3 (continuation)

	Factor 1 Y_PCHG	Factor 2 P_PPER	Factor 3 PROMSTD	Factor 4 PRODSTD	Factor 5 P_FPER	Factor 6 DISTSTD	Factor 7 PRICSTD	Factor 8 SIZE	Factor 9 EXPCOM	Factor 10 INDCMP	Factor 11 EXPERT	Factor 12 DOMEST	Factor 13 SERVSTD	Factor 14 IMPMARK
PRODSTD1	.051	-.009	.162	.758	-.051	.051	.227	-.002	-.013	-.043	-.082	-.054	-.088	-.071
PRODSTD2	.051	.037	.058	.813	-.030	.015	.054	-.031	-.086	.074	-.031	-.019	.121	.010
PRODSTD3	.086	-.023	.102	.767	-.024	.102	.086	.008	-.033	.020	-.055	.086	.097	.061
PRODSTD4	-.015	-.009	.011	.643	-.103	-.126	.097	.108	-.074	.014	.056	-.049	.471	-.167
PRODSTD5	.031	.043	.135	.677	-.117	.081	.105	-.005	-.061	-.024	.048	-.049	.117	-.073
P_FPER1	-.063	.222	-.007	-.114	.886	.011	.012	.073	.237	.085	.111	.034	.022	.033
P_FPER2	-.063	.233	.002	-.130	.894	-.013	.018	.060	.231	.054	.108	.013	.012	.034
P_FPER3	.021	.219	-.020	-.044	.851	.002	.016	-.010	.156	.102	.065	.013	-.040	.023
DISTSTD1	.032	.044	.200	.106	-.025	.803	.106	.021	-.078	-.059	-.003	-.048	.009	-.127
DISTSTD2	-.017	-.011	.183	.057	.037	.815	.126	-.046	.006	-.042	.006	-.058	.020	.046
DISTSTD3	-.005	.030	.192	-.013	.026	.794	.188	-.068	-.019	.016	.040	-.013	.029	-.056
DISTSTD4	.070	.028	.187	.062	-.045	.798	.225	.018	-.037	-.025	-.083	-.030	.091	-.053
PRICSTD1	-.022	.025	.098	.234	.030	.163	.660	-.012	-.058	-.014	.005	.001	.261	-.036
PRICSTD2	.073	.051	.169	.162	-.006	.151	.764	.013	.025	-.109	-.037	.032	-.005	.065
PRICSTD3	.045	.018	.217	.112	.029	.218	.816	.000	.031	-.012	.010	.009	-.053	.106
PRICSTD4	.097	.058	.187	.128	.002	.197	.785	-.006	-.009	.020	.015	-.003	.232	-.022
SIZE1	.128	.259	.009	-.095	.355	-.005	.024	.764	.251	.132	.072	.025	.013	.047
SIZE2	.143	.292	-.026	-.064	.270	-.008	.009	.792	.233	.177	.066	.008	.005	.043
SIZE3	.059	-.018	-.076	.048	-.059	-.004	.018	.720	-.026	.027	.062	.093	.082	.044
SIZE4	.133	.130	-.081	.061	-.140	-.067	-.049	.829	-.041	.134	-.023	.024	-.039	-.041
EXPCOM1	.076	.118	.000	-.093	.468	.019	-.008	.030	.649	.008	.038	.029	-.099	.177
EXPCOM2	.152	.234	.000	-.052	.094	-.043	.059	.115	.695	.273	.063	.015	.031	.063
EXPCOM3	.049	.164	-.040	-.115	.163	-.088	-.012	.035	.799	.086	.043	.026	-.031	.032
EXPCOM4	.045	.150	-.060	-.034	.161	-.003	-.039	.041	.696	.156	.141	.022	.013	.075
EXPERT1	.016	.110	-.003	-.014	.188	-.062	-.042	.133	.308	.522	.041	.073	.066	.046
EXPERT2	.069	.048	-.009	.074	.029	.009	-.105	.079	-.048	.832	.054	.000	-.105	.160
EXPERT3	.063	.143	-.028	.002	.007	-.013	.051	.060	.129	.741	.002	.058	.024	-.107
EXPERT4	.122	.203	-.027	-.028	.071	-.061	-.031	.113	.218	.682	.079	.010	.062	-.013

Table 6-3 (continuation)

	Factor 1 Y_PCHG	Factor 2 P_PPER	Factor 3 PROMSTD	Factor 4 PRODSTD	Factor 5 P_FPER	Factor 6 DISTSD	Factor 7 PRICSTD	Factor 8 SIZE	Factor 9 EXPCOM	Factor 10 INDCMP	Factor 11 EXPERT	Factor 12 DOMEST	Factor 13 SERVSTD	Factor 14 IMPMARK
INDCMP1	.017	-.014	.023	.034	.054	-.049	-.022	.062	.033	.059	.751	.098	-.038	.106
INDCMP2	.028	.093	.004	-.095	.094	.008	-.008	.011	.128	-.001	.798	.011	.011	.047
INDCMP3	.028	-.082	.041	.005	.073	.019	.020	.045	.064	.081	.792	.031	-.016	.169
DOMEST1	-.012	.042	-.026	-.077	.030	-.039	.092	-.021	.026	.017	.049	.741	.050	.010
DOMEST2	.043	.058	-.086	.041	.064	-.026	-.062	.117	.073	.076	.013	.831	-.013	.031
DOMEST3	.002	.047	-.096	-.015	-.040	-.057	-.023	.046	-.024	.016	.071	.771	-.006	-.061
SERVSTD1	-.051	.026	.122	.211	.008	.180	.132	.076	.028	.039	-.192	.200	.739	.223
SERVSTD2	-.034	.044	.041	.398	-.062	-.036	.369	-.025	-.095	.064	-.018	-.160	.601	-.028
SERVSTD3	.031	.068	.193	.387	.028	.092	.140	.024	.016	-.061	.122	-.008	.504	-.052
IMPMARK1	.038	.168	-.060	-.083	.039	-.064	.047	.042	.117	.021	.232	-.003	.030	.771
IMPMARK2	-.003	.052	-.094	-.068	.066	-.109	.054	.024	.125	.036	.149	-.027	.030	.797

Analysis N=519. Missing values were replaced with mean. Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization. Rotation converged in 8 iterations.

Table 6-4: Eigen-values, variances and coefficient alphas for the 14 EFA factors

Factor	Eigen-value	Variance (%)	Cumulative variance (%)	Alpha	N value
f1 Y_PCHG	11.479	15.068	15.068	.9721	474
f2 P_PPER	10.226	13.423	28.491	.9503	486
f3 PROMSTD	8.101	10.633	39.124	.9214	253
f4 PRODSTD	4.761	6.249	45.374	.8578	354
f5 P_FPER	3.506	4.602	49.976	.9560	453
f6 DISTSTD	2.798	3.673	53.649	.8980	347
f7 PRICSTD	2.716	3.566	57.215	.8644	407
f8 SIZE	2.184	2.867	60.081	.8590	503
f9 EXPCOM	2.038	2.675	62.757	.8137	485
f10 INDCMP	1.692	2.222	64.978	.7974	477
f11 EXPERT	1.645	2.159	67.138	.7542	484
f12 DOMEST	1.504	1.974	69.112	.7719	387
f13 SERVSTD	1.430	1.876	70.988	.7181	385
f14 IMPMARK	1.230	1.615	72.603	.8590	503

6.2 THE MEASUREMENT MODEL: CFA

CFA was employed for measure validation. The data screening indicated a moderate departure from multivariate normality with regard to two dimensions: competition and domestic support. Asymptotic covariance matrices are required when there is a departure from multivariate normality (Cui and Park, 1999; Jöreskog and Sörbom, 1993). Accordingly, and given the non-metric ordinal nature of the scales ('5-point likert scale')⁹, WLS using asymptotic covariance matrices was used.

WLS is an asymptotically distribution-free (ADF) method of estimation (Browne, 1984) which is also insensible to the non-normality of the data (Hair et al., 1998). Despite its popularity in other disciplines (e.g. medicine, sociology and psychology), this method has never been used in (export-) marketing research. Asymptotic covariance matrices require large samples. The simulations carried out by Curran et al. (1996) demonstrate that a valid sample of at least 500 is required to use an ADF method of estimation.

Marketing authors (Cui and Park, 1999; Styles, 1998) have recently recognised the advantages of ADF methods over non-ADF methods such as Maximum Likelihood Estimation (MLE). Nevertheless, the export-marketing literature tends to use (Shoham, 1998; Styles, 1998), or at least recommends the use (Cavusgil and Zou, 1994) of, non-ADF methods. To some extent, this is understandable, as samples larger

⁹ According to Hair et al. (1998:8):

"Numbers utilised in ordinal scales (e.g. '5 point likert scale') are non-quantitative (i.e. non-metric measurements) because they indicate only relative positions in an ordered series. (For example,) there is no measure of how much satisfaction of the consumer receives in absolute terms, nor the researcher know the exact difference between points on the scale of satisfaction. Many scales in the behavioural sciences fall into this category."

than 500 are very difficult to obtain due to the time constraints and lack of resources usually dedicated to export-marketing research. Indeed, data collection in foreign markets has very high costs, and normally international marketing researchers are constrained by budgetary limitations (Zou et al., 1997). However, we should note that statisticians, including the creators of the LISREL programme (Jöreskog and Sörbom, 1993), argue that non-ADF methods are appropriate only for metric scales, i.e. interval and ratio scales. For non-metric scales, i.e. ordinal and nominal scales, ADF methods such as WLS are preferred.

A complete measurement model for all the scales included in the study could not be estimated. Asymptotic covariance matrices require very large samples. In order to have just one measurement model with 68 variables (the number of variables presented in this study), the sample size should be higher than the number of estimates (7038^{10}). Since our sample size is smaller than 7245, the constructs had to split into 6 measurement models (Cavusgil and Zou, 1994; Shoham, 1999).

Two criteria were used for grouping the variables behind specific measurement models. First, while taking in consideration the theory, the variables have been sorted as follows: last year's export performance change, current year perceived export performance, current financial export performance, product, promotion, price, distribution, service, size, expertise, commitment, import market, domestic support, competition and, finally, a new construct.

¹⁰ $1.5k(k+1)=7038$, where $k=68$.

Second, the following rationale was followed. For a valid sample of 519, as in our study, for each CFA model we are limited to a maximum of 18 variables per model¹¹. The constructs which have been previously sorted taking in consideration the theory, had now to be split into the minimum possible number of models. Thus, taking in consideration the theory and the sample size, six groups of variables emerged.¹² A root mean square error of approximation (RMSEA) of between 0.05 and 0.08 was achieved for the six measurement models, meaning that reasonable errors of approximation in the population were achieved. Thus, the six measurement models reveal nomological validity. They are fairly good in the sense of reproducing the population covariance structure, and there is an acceptable discrepancy between the observed and predicted covariance matrices (Browne and Cudeck, 1993; Jöreskog and Sörbom, 1993; Steiger, 1990).

The unique Δ construct (Y_PCHG^{c1}) is analysed in the first group. This construct was created with ten measures, each of them with acceptable levels of reliability ($0.5 \leq R^2 \leq 1$). Both Bagozzi's (1980) construct composite reliability index¹³ ($\rho^{c1} = 0.9808$) and Fornell and Larker's (1981) index of the average variance extracted¹⁴ ($\rho_{vc(n)}^{c1} = 0.8370$) are within the acceptable ranges ($0.7 \leq \rho \leq 1$; $0.5 \leq \rho_{vc(n)} \leq 1$). Of the initial 13 items, three were excluded (Y_PCHG6, Y_PCHG7, Y_PCHG11) due to cross loading.

¹¹ $1.5k \times (k+1) = 513$ (ie. < 519), where $k=18$.

¹² As suggested by Hair et al. (1998), at least five observations for each item analysed have been maintained.

¹³ $\rho = [(\sum \text{standardised loading})^2] / [(\sum \text{standardised loading})^2 + \sum \text{measurement errors}]$

¹⁴ $\rho_{vc(n)} = [\sum (\text{standardised loading}^2)] / [\sum (\text{standardised loading}^2) + \sum \text{measurement errors}]$

The second group includes two exogenous constructs (P_PPER^{c2} , P_FPER^{c3}) with 11 measures of the preceding year's export performance. The averaged scales for both constructs are reliable ($\rho^{c2}=0.9789$, $\rho_{vc(n)}^{c2}=0.8536$ / $\rho^{c3}=0.9719$, $\rho_{vc(n)}^{c3}=0.9203$). CFA revealed that out of 13 items, two were not reliable (P_PPER2 , P_PPER8).

The third group includes three intermediate endogenous constructs ($PRODSTD^{c4}$, $PROMSTD^{c5}$, $PRICSTD^{c6}$) with 15 measures of the degree of standardisation. The averaged scales were reliable ($\rho^{c4}=0.9352$, $\rho_{vc(n)}^{c4}=0.7431$ / $\rho^{c5}=0.9630$, $\rho_{vc(n)}^{c5}=0.8131$ / $\rho^{c6}=0.9326$, $\rho_{vc(n)}^{c6}=0.7762$). No item was excluded as all of them had acceptable values.

The fourth group includes the other two intermediate endogenous constructs ($DISTSTD^{c7}$, $SERVSTD^{c8}$), corresponding to seven measures, and one endogenous construct ($SIZE^{c9}$) with three measures. These measures form three reliable scales ($\rho^{c7}=0.9312$, $\rho_{vc(n)}^{c7}=0.7721$ / $\rho^{c8}=0.7877$, $\rho_{vc(n)}^{c8}=0.5530$ / $\rho^{c9}=0.8471$, $\rho_{vc(n)}^{c9}=0.6528$). Just one item ($SIZE2$) was not reliable.

The fifth group includes the remaining five endogenous constructs ($EXPERT^{c10}$, $EXPCOM^{c11}$, $IMPMARK^{c12}$, $DOMEST^{c13}$, $INDCMP^{c14}$) with 14 measures. Five reliable scales were also formed ($\rho^{c10}=0.8584$, $\rho_{vc(n)}^{c10}=0.6691$ / $\rho^{c11}=0.8824$, $\rho_{vc(n)}^{c11}=0.7144$ / $\rho^{c12}=0.8569$, $\rho_{vc(n)}^{c12}=0.7503$ / $\rho^{c13}=0.8905$, $\rho_{vc(n)}^{c13}=0.7335$ / $\rho^{c14}=0.9135$, $\rho_{vc(n)}^{c14}=0.7790$). Of the sixteen initial environmental items, just two were not reliable ($EXPERT2$, $EXPCOM1$).

In the sixth group, the endogenous construct - the current year's perceived export performance (C_PPER^{c15}) - is analysed separately. Export performance change is the

unique delta (Δ) construct (which varies through time). In the first version of the questionnaire managers were asked about their firms' perceived export performance (achievement/satisfaction). Initially, each of the ten items concerning perceived export performance had to be answered for 1997 and 1998. However, when testing the questionnaire it was observed that managers were ignoring the questions concerned 1998's perceived export performance. Consequently, instead of asking managers for absolute values relating to perceived export performance for both years (1997 and 1998), it was decided to ask them for absolute values for 1997 only. This necessitated an alternative strategy for capturing 1998's perceived export performance: managers were asked about "the degree of change" from 1997 to 1998 (see pp: Ap11). A new absolute construct was built¹⁵ (the current year's perceived export performance) by adding yearly export performance change to 1997's absolute export performance. The current year's perceived export performance is composed of six absolute measures. The initial 10 C_PPERS items (C_PPERS1-C_PPERS10) were built from the sum of the respective P_PPERS's item with the corresponding Y_PCHG item. For example, $C_PPERS3 = P_PPERS3 + Y_PCHG3$, i.e. "The current year's perceived MEV export profitability" (C_PPERS5) = "Last year's perceived MEV export profitability" (P_PPERS5) + "Yearly change on perceived MEV export profitability" (Y_PCHG5). The CFA model shows that out of ten items, four were not reliable (C_PPERS2, C_PPERS6, C_PPERS7 and C_PPERS8). These four items are also a reflection of both P_PPERS's and Y_PCHG's unreliable items.

¹⁵ It must be noted that an analysis of the relationships between absolute and Δ constructs is not recommended.

Although this type of approach is unusual, the final construct is seen to have very high levels of composite reliability ($\rho^{c15}=0.9311$) and variance extracted ($(\rho_{vc(n)})^{c15}=0.6960$), and can therefore be used in future (export) performance measurement research.

Table 6-5 presents the items excluded from each construct during the CFA purification process. Table 6-6 shows the 6 CFA measurement models and RMSEA values for the final measures, after purification and after the various items composing C_PPER being calculated.

Table 6-5: The 12 items removed during the purification process (CFA with WLS)

Item	Item description
Y_PCHG6	Perceived MEV export sales volume (satisfaction level)
Y_PCHG7	Perceived MEV export sales value (satisfaction level)
Y_PCHG11	MEV % to total sales volume (financial level)
P_PP2	Perceived MEV export sales value (achievement level)
P_PP8	Perceived MEV export profitability (satisfaction level)
SIZE2	Export sales value
EXPERT2	Degree of overseas experience (live/ work abroad)
EXPCOM1	More financial resources for exporting than those for the domestic market
C_PP2	P_PP2+Y_PCHG2 (achievement level)
C_PP6	P_PP6+Y_PCHG6 (satisfaction level)
C_PP7	P_PP7+Y_PCHG7 (satisfaction level)
C_PP8	P_PP8+Y_PCHG8 (satisfaction level)

Note: These items were dropped due to cross loading.

Table 6-6: CFA with WLS- Factor loadings, t-values and reliability for the 61 measures

Groups (RMSEA)		Standardised factor loading	T-values	Measure's reliability	Composite reliability	Variance extracted
	<i>Recommended (Hair et al., 1998: 612)</i>	$(0.7 \leq f \leq 1)$	$(t > 1.96)$	$(0.5 \leq R^2 \leq 1)$	$(0.7 \leq \rho \leq 1)$	$(0.5 \leq \rho_{\text{var}} \leq 1)$
1st GROUP (0.078)	Y_PCHG^{c1}				0.9808	0.8370
	Y_PCHG1	0.98	198.68	0.97		
	Y_PCHG2	0.98	176.24	0.95		
	Y_PCHG3	0.94	100.88	0.88		
	Y_PCHG4	0.88	56.95	0.78		
	Y_PCHG5	0.99	314.46	0.98		
	Y_PCHG8	0.90	77.08	0.80		
	Y_PCHG9	0.85	53.85	0.73		
	Y_PCHG10	0.94	113.11	0.88		
	Y_PCHG12	0.85	49.63	0.73		
	Y_PCHG13	0.82	40.82	0.67		
2nd GROUP (0.079)	P_PPER^{c2}				0.9789	0.8536
	P_PPER1	0.95	131.50	0.91		
	P_PPER3	0.84	45.97	0.70		
	P_PPER4	0.81	43.35	0.66		
	P_PPER5	0.96	119.65	0.93		
	P_PPER6	0.98	162.79	0.95		
	P_PPER7	0.98	162.55	0.95		
	P_PPER9	0.88	59.46	0.78		
	P_PPER10	0.97	174.02	0.95		
	P_FPER^{c3}				0.9719	0.9203
	P_FPER1	0.99	181.36	0.97		
	P_FPER2	0.99	342.91	0.98		
	P_FPER3	0.90	65.78	0.81		
3rd GROUP (0.074)	PRODSTD^{c4}				0.9352	0.7431
	PRODSTD1	0.88	60.21	0.78		
	PRODSTD2	0.91	61.60	0.82		
	PRODSTD3	0.84	43.97	0.70		
	PRODSTD4	0.82	43.97	0.70		
	PRODSTD5	0.85	45.50	0.72		
	PROMSTD^{c5}				0.9630	0.8131
	PROMSTD1	0.89	79.28	0.80		
	PROMSTD2	0.95	72.46	0.91		
	PROMSTD3	0.84	39.63	0.70		
	PROMSTD4	0.94	89.54	0.89		
	PROMSTD5	0.84	38.52	0.70		
	PROMSTD6	0.94	88.07	0.88		
	PRICSTD^{c6}				0.9326	0.7762
	PRICSTD1	0.87	44.85	0.75		
	PRICSTD2	0.82	39.83	0.67		
	PRICSTD3	0.93	82.38	0.86		
	PRICSTD4	0.91	74.14	0.82		

Table 6-6 (continuation)

Groups (RMSEA)		Standardised factor loading ($0.7 \leq x \leq 1$)	T-values ($t > 1.96$)	Measure's reliability ($0.5 \leq R^2 \leq 1$)	Composite reliability ($0.7 \leq \rho \leq 1$)	Variance extracted ($0.5 \leq \rho_{\text{var}(n)} \leq 1$)
	<i>Recommended</i> (Hair et al., 1998: 612)					
4th GROUP (0.065)	DISTSTD^{c7}				0.9312	0.7721
	DISTSTD1	0.91	52.03	0.83		
	DISTSTD2	0.84	42.03	0.71		
	DISTSTD3	0.86	45.32	0.73		
	DISTSTD4	0.90	49.08	0.82		
	SERVSTD^{c8}				0.7877	0.5530
	SERVSTD1	0.75	24.83	0.56		
	SERVSTD2	0.75	22.10	0.56		
	SERVSTD3	0.73	24.28	0.54		
	SIZE^{c9}				0.8471	0.6528
	SIZE1	0.70	26.14	0.50		
	SIZE3	0.75	26.95	0.57		
	SIZE4	0.95	42.55	0.89		
5th GROUP (0.067)	EXPERT^{c10}				0.8584	0.6691
	EXPERT1	0.80	37.71	0.65		
	EXPERT3	0.81	39.09	0.65		
	EXPERT4	0.84	50.23	0.71		
	EXPCOM^{c11}				0.8824	0.7144
	EXPCOM2	0.86	54.77	0.74		
	EXPCOM3	0.84	49.97	0.70		
	EXPCOM4	0.84	45.58	0.70		
	IMPMARK^{c12}				0.8569	0.7503
	IMPMARK1	0.92	34.09	0.84		
	IMPMARK2	0.81	30.40	0.66		
	DOMEST^{c13}				0.8905	0.7335
	DOMEST1	0.73	25.32	0.53		
	DOMEST2	0.99	47.29	0.99		
	DOMEST3	0.83	36.50	0.68		
	INDCMP^{c14}				0.9135	0.7790
	INDCMP1	0.86	42.33	0.74		
	INDCMP2	0.85	35.16	0.73		
	INDCMP3	0.93	49.91	0.87		
6th GROUP (0.061)	C_PPER^{c15}				0.9311	0.6960
	C_PPER1	0.92	94.30	0.85		
	C_PPER3	0.86	54.85	0.74		
	C_PPER4	0.75	26.87	0.57		
	C_PPER5	0.98	133.69	0.96		
	C_PPER9	0.67	20.84	0.45		
	C_PPER10	0.78	34.90	0.61		

Analysis N=519. $p < 0.01$

Note:

Composite reliability = $(\sum \text{standardised loading})^2 / [(\sum \text{standardised loading})^2 + \sum \varepsilon_i]$ (Bagozzi, 1980)Variance extracted = $\sum (\text{standardised loading})^2 / [\sum (\text{standardised loading})^2 + \sum \varepsilon_i]$ (Fornell and Larcker, 1981)Measurement error (ε_i) = 1 - indicator's reliability

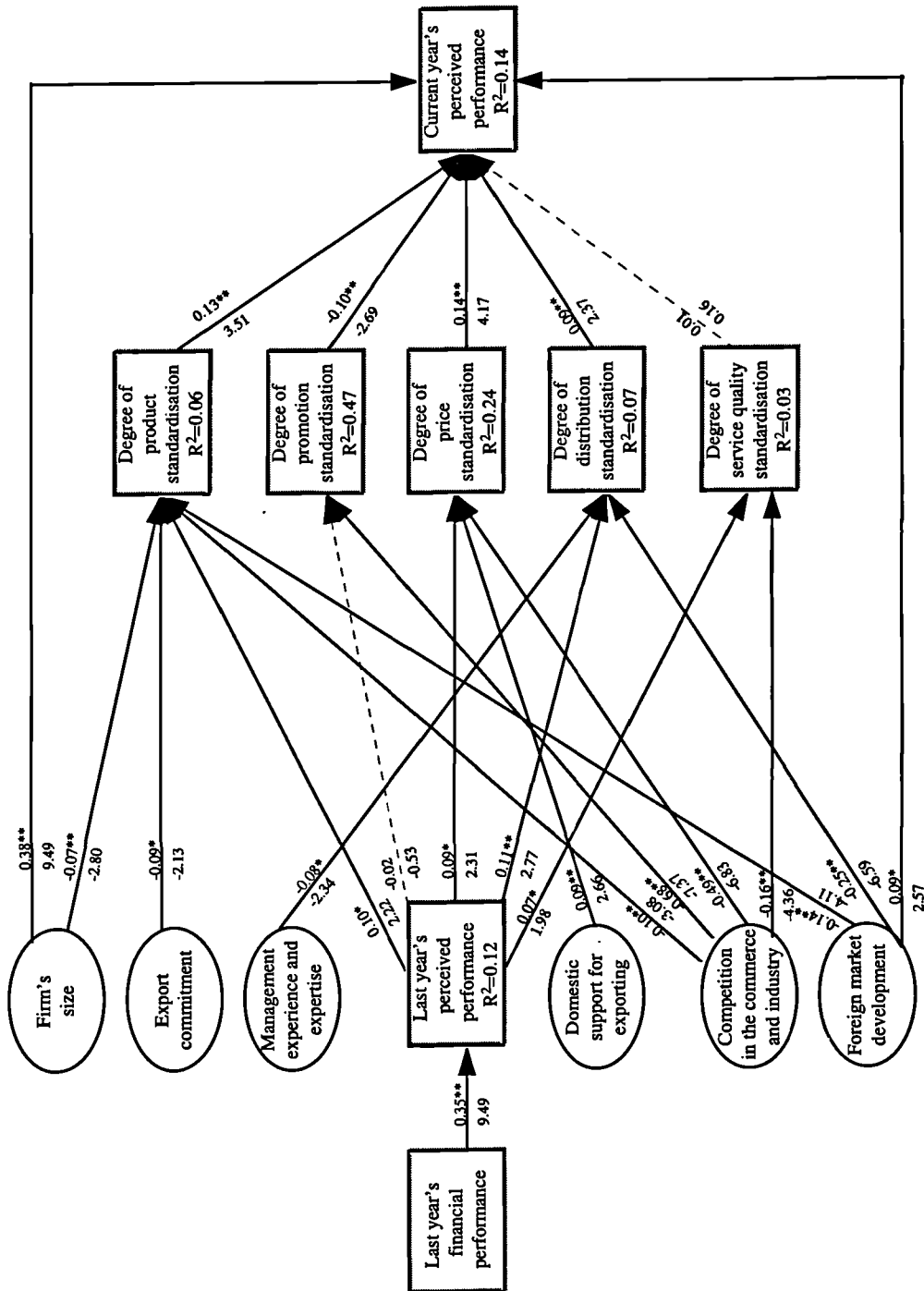
(see also Hair et al., 1998: 612)

In summary, CFA analyses allowed for tests of reliability and validity (convergent, discriminant and nomological validity). All the constructs are unidimensional, presenting the desirable levels of composite reliability ($0.7 \leq \rho \leq 1$) and variance extracted ($0.5 \leq \rho_{vc(n)} \leq 1$). Out of the 78 tested items, the CFA models revealed that just 12 items were rejected (Table 6-5). Discriminant validity was also evidenced by the correlation estimates between any two constructs. No correlation includes the value of 1, and the highest correlation was 0.58 for EXPERT and EXPCOM. Convergent validity was evidenced by large and significant standardised loadings (i.e. between 0.7 and 1) of each item on its construct ($t > 1.96$) (see Hair et al., 1998: 612). Nomological validity was evidenced by the RMSEA values (i.e. below 0.08) for the six models.

6.3 THE TESTING OF HYPOTHESES

The SEM approach with LISREL 8.3 was used for testing the hypotheses (Bollen, 1989; Mackenzie and Spreng, 1992). This was considered to be the most adequate approach due to the size of the valid sample (519), the complexity of the model, and the need to test all the relationships simultaneously. The final set of measures was summed for each respondent, and then a composite mean was calculated to represent the constructs in the SEM model (Shoham, 1999; Styles, 1998). The measurement coefficient for the latent variables was then fixed at 1, and the error variance was fixed as equal to 0. It must be noted that in using this approach, we assume that we are using perfect measures of the latent variables (Jöreskog and Sörbom, 1993). Given this constraint, the final model (Figure 6-1) was estimated using WLS procedure.

Figure 6-1: SEM with WLS- Estimates, t-values, significance levels and variance explained



CHI-SQUARE=136.34, df=35, $p<0.001$, RMSEA=0.075

Notes: Estimated parameters are above the lines and t-values below the lines; $p<0.05$, ** $p<0.01$

6.3.1 MEASURES OF MODEL FIT

The model exhibited in Figure 6-1 presents a chi-square (χ^2) of 136.34 (df=35, $p<0.001$). Since a small χ^2 corresponds to a good fit, χ^2 may be seen as a “badness-of-fit measure” which measures the distance between the covariance matrix and the fitted covariance matrix. As the χ^2 tends to be large in large samples, some measures which are also a function of χ^2 had to be used in our analysis in order to reduce χ^2 dependence on sample size (Jöreskog and Sörbom, 1993:122).

The analysed measures are now presented. The Root Mean Square Error of Approximation (RMSEA) of 0.075 is between 0.05 and 0.08 and therefore indicates reasonable errors of approximation in the population (Browne and Cudeck, 1993; Steiger, 1990). The values of the Goodness of Fitness measures (GFI=0.99 and AGFI=0.96) are near 1. These show that the model fits well the data when compared to no model at all (Jöreskog and Sörbom, 1989; Tanaka and Huba, 1985). Both the Non Normed Fitted Index (NNFI=0.92) and Normed Fitted Index (NFI=0.96) are between 0.9 and 1, suggesting that the model’s fit is better than that of a baseline model (Bentler and Bonnet, 1980; Tucker and Lewis, 1973). Similarly, the other variations of these measures compare well with the literature: the Incremental Fit Index (IFI=0.97) and Relative Fit Index (RFI=0.90) of Bollen (1989, 1989b), and the Comparative Fit Index (CFI=0.97) of Bentler (1990). Thus, in general the model fits the data.

6.3.2 SEM EXAMINATION

Table 6-7 shows the SEM results testing hypotheses 1 to 6. Parameters with an

absolute t-value greater than 1.96 indicate a significance level of 0.05 (i.e. $p < 0.05$), and those with an absolute t-value over 2.58 present a significance level of 0.01 (i.e. $p < 0.01$). Assuming that two paths are statistically significant in one model, we may compare the estimated parameters to assess their relative influence (Johnson, 1999).

SEM results are now presented and will be discussed in more detail in the next chapter.

As a group (see hypothesis 1), the antecedents of the current year's perceived export performance explain 14 per cent of the variance ($R^2 = 0.14$). The regression coefficients show that most variance is explained by firm's size. If firm's size increases by one unit, while the others determinants are held fixed, the expected increase in the current year's perceived export performance is 0.38 units ($p < 0.01$). Hypothesis H1f is strongly supported. In hypothesis H1g, foreign market development is expected to result in better export performance. The results also indicate support for this hypothesis. The parameter estimate of 0.09 is significant at $p < 0.05$.

Both the positive relationship between product standardisation and export performance in H1a (parameter estimate=0.13, $p < 0.01$), and the negative relationship between promotion standardisation and export performance stated in hypothesis H1b (parameter estimate=-0.10, $p < 0.01$), are supported.

Table 6-7: Assessment of research hypothesis (SEM, WLS)

	Hypothesis	Expected Sign	Estimated parameter	Standard error	T-value	Relative influence	Assessment	R ²
Current year's perceived export performance								0.14
Degree of product standardisation	H1a	+	0.13 **	0.037	3.51	3	+ S	
Degree of promotion standardisation	H1b	-	-0.10 **	0.036	-2.69	4	- S	
Degree of price standardisation	H1c	-	0.14 **	0.033	4.17	2	+ R	
Degree of distribution standardisation	H1d	-	0.09 *	0.037	2.37	5	+ R	
Degree of service quality standardisation	H1e	-	0.01	0.031	0.16	-	ns ns	
Firm's size	H1f	+	0.38 **	0.040	9.49	1	+ S	
Foreign market development	H1g	+	0.09 *	0.034	2.57	5	+ S	
Degree of product standardisation								0.06
Last year's perceived export performance	H2a	+	0.10 *	0.043	2.22	3	+ S	
Firm's size	H2b	+	-0.07 **	0.025	-2.80	5	- R	
Export commitment	H2c	-	-0.09 *	0.040	-2.13	4	- S	
Competition in the commerce and industry	H2d	-	-0.10 **	0.033	-3.08	2	- S	
Foreign market development	H2e	-	-0.14 **	0.033	-4.11	1	- S	
Degree of promotion standardisation								0.47
Last year's perceived export performance	H3a	+	-0.02	0.041	-0.53	-	ns ns	
Competition in the commerce and industry	H3b	-	-0.68 **	0.093	-7.37	1	- S	
Degree of price standardisation								0.24
Last year's perceived export performance	H4a	+	0.09 *	0.039	2.31	3	+ S	
Domestic support for exporting	H4b	+	0.09 **	0.035	2.66	2	+ S	
Competition in the commerce and industry	H4c	-	-0.49 **	0.071	-6.83	1	- S	
Degree of distribution standardisation								0.07
Last year's perceived export performance	H5a	+	0.11 **	0.039	2.77	2	+ S	
Management export experience and expertise	H5b	-	-0.08 *	0.036	-2.34	3	+ S	
Foreign market development	H5c	-	-0.25 **	0.038	-6.59	1	- S	
Degree of service quality standardisation								0.03
Last year's perceived export performance	H6a	+	0.07 *	0.037	1.98	2	+ S	
Competition in the commerce and industry	H6b	-	-0.16 **	0.038	-4.36	1	- S	
Last year's perceived export performance								0.12
Last year's financial export performance	H7	+	0.35 **	0.037	9.49	1	+ S	

*p<0.05; **p<0.01, S- supported, R-refuted, ns-not significant

Note1: 5% level of significance (p<0.05) when absolute t-value>1.96; 1% level of significance (p<0.01) when absolute t-value>2.58

Note2: Assuming two paths are "statistically significant" in one model, one may compare the estimated parameters to assess their relative influence (Johnson, 1999).

The estimated partial regression coefficient of price standardisation indicates that if this construct increases by one unit, and the other constructs are held fix, the current year's perceived export performance will increase by 0.14 units ($p < 0.01$). This result refutes the initial expectations (hypothesis H1c). Similarly, the significant parameter of 0.09 ($p < 0.05$) suggests that distribution standardisation enhances the current year's perceived export performance, thus refuting hypothesis H1d. With regard to hypothesis H1e, the results do not establish any relationship between the degree of service standardisation and the current year's perceived export performance.

With regard to the second group of hypotheses, the statistically significant parameters suggest that as firm's size, export commitment, competition and foreign market development increase, the degree of product standardisation decreases (hypotheses H2b, H2c, H2d and H2e). An increase in last year's export performance results in greater product standardisation (hypothesis H2a). With the exception of hypothesis H2b, according to which a positive relationship between firm's size and the degree of product standardisation was expected, all the hypotheses are supported. These five constructs explain 6 per cent of the variance in product standardisation as measured here.

In the third group of hypotheses, while a non-significant relationship is found for hypothesis H3a, hypothesis H3b is supported. H3b suggests that the higher the competition, the less likely it is that the companies will standardise their promotion. The parameter estimate of -0.68 is significant at $p < 0.01$. The two constructs explain 47 per cent of the variance in promotion standardisation. Promotion standardisation will decrease by 0.68 units for each unit by which competition increases.

The statistically significant parameter estimates of 0.09 ($p<0.05$) for last year's export performance, 0.09 ($p<0.01$) for domestic support for exporting, and -0.49 ($p<0.01$) for competition, indicate that H4a, H4b and H4c are supported. The 24 per cent price standardisation variance is explained by these three constructs, with the largest quota being that of competition.

Similarly, all the hypotheses related to distribution (H5a, H5b and H5c) and the degree of service quality standardisation (H6a and H6b) are supported. Three constructs - last year's export performance (parameter estimate=0.11, $p<0.01$), management export experience and expertise (parameter estimate=-0.08, $p<0.05$), and foreign market development (parameter estimate=-0.25, $p<0.01$) - explain 7 per cent of the variance in the degree of distribution standardisation. While there is a positive relationship between last year's perceived export performance and the degree of distribution standardisation (parameter estimate=0.11, $p<0.01$), the other two relationships are negative (H5b, H5c).

Last year's perceived export performance enhances the standardisation of service quality (parameter estimate=0.07, $p<0.05$). By contrast, the statistically significant parameter estimate of -0.16 ($p<0.01$) indicates that higher levels of competition result in lower service-quality standardisation. These two constructs explain 3 per cent of the variance in the degree of service-quality standardisation.

Finally, hypothesis H7 suggests that managers' perception of export performance is influenced by preceding financial export performance. The results support this hypothesis. The parameter estimate of 0.35 is statistically significant at $p<0.01$, and

last year's financial export performance explains 12 per cent of the variance in last year's perceived export performance.

6.4 SUMMARY

The research instrument presented in Chapter 5 was tested in this chapter through SEM with WLS based on a valid sample of 519 questionnaires. The model presented in Figure 6-1 shows all the relationships. This model will be discussed in more detail in the next chapter.

Table 6-8: The 86 questionnaire items before the purification process

Factors:	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
1. B1AA	.014	.036	.100	-.119	.118	-.018	.099	.025	.230	.050	.279	-.087	-.094	.594	.017	-.117
2. B1AB	-.013	.066	.036	.040	-.003	.032	-.031	.091	.006	-.087	.030	.026	.053	.659	-.045	.047
3. B1AC	.064	.034	-.011	.100	.049	.043	.119	.030	.027	.039	-.054	.115	.115	.676	-.027	.065
4. B1AD	.009	.047	.031	.125	-.032	.067	.053	.039	-.103	.002	-.057	.061	.095	.601	.038	.036
5. B1AE	-.041	-.056	.058	.033	.017	-.014	-.117	.039	-.049	.012	-.192	.035	.083	.278	.154	-.055
6. B1AF	-.146	-.070	-.016	.086	-.008	.019	-.125	.527	.259	.024	-.016	-.014	-.136	.229	.068	-.049
7. B1BA	-.087	-.086	-.073	.162	-.069	-.043	-.049	.106	-.043	.154	-.221	-.007	.180	.156	.256	-.060
8. B1BB	.106	.087	-.104	.003	.006	.002	.032	.114	.130	.072	.396	.050	.073	.047	.144	-.003
9. B1BC	.070	.028	-.025	-.028	.073	-.047	.081	.072	.089	.019	.534	.051	.026	-.001	.087	-.086
10. B1BD	.028	-.054	-.169	-.002	-.073	-.111	.034	-.022	-.086	.018	.314	.013	-.043	.058	.620	.101
11. B1BE	.018	.132	.103	.076	.044	.074	.003	.227	.061	-.093	.665	.033	.098	-.051	-.081	.036
12. B1BF	-.015	.052	.105	.100	.059	.124	-.016	.157	.067	-.102	.701	.046	.067	-.027	-.008	.124
13. B1CA	.018	-.018	-.029	-.022	.074	.034	-.078	.704	.050	.046	.121	.012	-.004	.085	.002	-.103
14. B1CB	.058	.090	.066	-.018	.109	-.020	.058	.676	.094	.036	.164	-.023	.049	-.004	.006	.056
15. B1CC	.030	-.077	-.015	-.033	.107	-.033	.060	.758	.082	.013	.182	.050	.038	.002	-.018	-.028
16. B1CD	-.052	-.081	.035	-.012	-.027	.033	-.058	.642	-.010	-.049	-.080	.062	.124	.037	.076	.080
17. B1CE	.056	.220	.005	-.008	-.057	.067	.050	.257	-.128	-.146	.122	.031	.097	-.029	-.072	.046
18. B1CF	.111	.184	.089	-.003	-.006	.038	.072	.422	-.076	-.056	.247	.164	.083	.013	-.101	.064
19. C4A	.015	.117	-.012	.001	.168	.053	.100	.057	.322	.070	.173	.481	.052	.091	-.092	.041
20. C4B	.069	.049	-.009	.019	.048	.003	.064	.052	-.034	.080	.078	.843	.032	.005	.123	-.004
21. C4C	.071	.139	-.026	.016	-.034	.005	.068	.044	.119	-.024	-.053	.709	.077	.099	-.023	.039
22. C4D	.120	.220	-.005	.028	.056	.051	.112	.059	.226	.030	.089	.653	.056	.044	-.053	-.057
23. C5A	.090	.120	.139	-.004	.431	-.008	.019	.061	.659	-.004	.196	-.004	.057	.039	.044	.012
24. C5B	.153	.221	.027	.018	.119	.033	.100	.084	.641	-.089	.091	.258	.163	-.046	-.037	.020
25. C5C	.069	.151	.108	.042	.144	.086	.061	.075	.753	-.002	.066	.072	.128	.002	-.002	.160
26. C5D	.065	.153	.037	.060	.159	.004	.025	.096	.662	.042	.114	.181	.116	-.013	-.071	.023
27. C6A	.001	.084	-.029	.078	.012	.071	-.024	-.098	.020	-.061	-.054	-.017	.560	.097	.088	.070
28. C6B	.054	.102	.075	.030	.097	.023	-.020	.132	.200	-.030	-.021	.047	.564	.070	-.139	.002
29. C6C	.066	.099	.078	.004	.004	-.024	.118	.083	.181	-.010	.082	.003	.578	.015	-.084	-.043
30. C6D	.032	-.016	.104	.002	.019	.155	.034	.084	.048	.187	.221	-.018	.404	.143	-.097	-.111
31. C6E	.043	-.021	.034	.035	.125	-.051	-.129	-.063	-.034	.019	.204	.066	.580	.048	.239	.106
32. C6F	.017	.078	.065	.020	-.047	-.032	.095	.094	-.036	.104	-.026	.078	.476	-.005	.028	-.020
33. C6G	.025	.143	.003	.000	.295	.065	.151	.057	.254	.007	.213	.177	.403	.008	-.141	.024
34. D2AA	-.035	-.042	.097	.215	.028	.795	-.017	.012	.063	.098	.118	.049	.043	.052	-.048	-.031
35. D2AB	.014	.012	.052	.185	-.026	.808	.045	-.012	.006	.133	-.026	.032	-.020	.089	-.046	-.033
36. D2AC	.002	-.028	-.008	.212	-.035	.790	.047	.027	.013	.177	-.001	-.013	.062	-.004	-.021	.017
37. D2AD	-.065	-.030	.094	.207	.047	.794	-.018	.057	.029	.219	.057	.022	.005	.021	.050	.017
38. D2AE	.067	-.016	.511	.087	.003	.228	-.066	.131	-.006	.131	-.265	-.046	-.020	-.177	.457	-.003
39. D2BA	.022	-.024	.359	.102	-.028	.189	.012	.039	.029	.616	-.026	.019	.121	-.054	.069	-.065
40. D2BB	-.068	-.046	.171	.171	.001	.142	-.005	.003	-.017	.770	-.011	.101	-.015	.032	-.014	.030
41. D2BC	-.044	-.025	.103	.229	-.032	.207	.013	-.041	-.034	.807	-.067	.025	.033	-.006	-.033	.023
42. D2BD	-.087	-.057	.256	.196	-.005	.215	.004	-.021	.011	.762	-.008	-.012	.030	-.032	.102	-.061
43. D2BE	.036	-.034	.644	.046	.056	.009	.027	.037	.069	.309	-.037	-.044	.071	.043	.344	-.169
44. D2CA	-.062	.002	.636	.182	.062	.014	.006	-.013	-.009	.202	.116	.049	.063	.067	-.220	.105
45. D2CB	-.055	-.034	.767	.059	.016	-.001	.019	.017	.046	.034	.014	-.069	.095	.059	-.150	.151

Table 6-8 (continuation)

Factors:	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
46. D2CC	-.090	.029	.713	.106	.026	.064	-.024	.050	.029	.088	-.025	-.032	.010	.027	-.178	.070
47. D2CD	.015	.014	.816	.003	.074	-.083	-.078	.024	.058	.024	.050	.004	-.004	-.004	.120	-.021
48. D2CE	-.042	-.041	.648	.141	.092	.064	.007	-.024	.056	.088	.093	.005	.096	.099	-.094	.022
49. D2CF	-.026	-.064	.585	.190	-.037	.126	-.008	-.004	.011	.094	-.074	.047	-.002	-.030	.148	-.125
50. D2DA	-.035	.028	.178	.783	.035	.115	.092	-.017	.004	.109	.023	-.042	.095	.064	-.036	-.021
51. D2DB	.011	.014	.000	.811	-.027	.139	.033	-.002	.029	.098	.026	-.023	.022	.083	-.025	-.030
52. D2DC	.048	-.007	.084	.762	.006	.151	-.007	.013	.005	.067	-.024	.045	.045	.016	-.012	.000
53. D2DD	.012	.016	.119	.824	.053	.099	.033	-.072	.009	.127	.056	.037	.057	.049	.026	.016
54. D2DE	.009	.074	.242	.644	-.039	.134	.014	.007	.038	.037	.039	.047	-.033	-.012	.077	.013
55. D2DF	-.026	.047	.069	.832	.007	.127	.018	.026	.023	.143	.037	.003	.004	.066	.028	-.019
56. E1AA	-.021	.847	-.018	.066	.090	-.029	.123	.091	.089	-.023	.004	.036	.029	.009	-.009	.083
57. E1AB	-.030	.012	-.033	.060	.097	-.009	.103	.097	.065	-.036	.001	.032	.045	.016	-.024	.095
58. E1AC	.036	.891	-.062	.031	.012	.006	-.021	-.047	.081	-.060	-.017	.068	.124	-.013	-.002	.014
59. E1AD	.060	.701	-.015	.006	.149	.055	.083	-.049	.121	.012	.120	.037	.085	.018	-.018	.012
60. E1AE	.091	.824	.000	.062	.075	.018	.076	.027	.103	.005	.000	.059	.079	-.012	.007	.034
61. E1BA	.895	.096	-.057	.005	.003	-.058	.033	.113	.015	.019	-.024	.020	.035	-.017	.034	.052
62. E1BB	.890	.087	-.066	.026	-.007	-.030	.038	.085	.028	-.018	-.031	.037	.029	-.026	.033	.042
63. E1BC	.822	.055	-.049	.011	-.080	.034	.035	.011	.015	-.031	.021	.043	.058	-.007	.013	.019
64. E1BD	.780	.087	-.029	.014	-.005	.032	.031	.003	.001	-.029	.019	.050	.044	-.076	.028	-.017
65. E1BE	.887	.085	-.012	.017	-.004	-.005	.053	.056	-.007	-.058	-.002	.081	.059	-.031	.023	.035
66. E2AA	.078	.878	.038	-.019	.040	-.067	.056	.023	-.001	.011	.055	.055	-.008	.018	-.025	-.022
67. E2AB	.072	.887	.029	-.003	.071	-.059	.017	.025	.010	.010	.030	.054	.002	.014	-.015	-.010
68. E2AC	.069	.799	-.003	-.005	-.024	-.028	-.034	-.061	-.006	-.034	.045	.068	.075	.019	.015	-.069
69. E2AD	.059	.767	-.047	-.032	.096	.009	.017	-.056	.087	.010	.099	.041	-.008	.066	-.040	-.021
70. E2AE	.099	.860	.001	.006	.074	.004	.042	-.022	.056	-.033	.026	.053	.010	.043	.016	-.012
71. E2BA	.914	.096	.015	-.019	-.008	-.022	.032	-.023	.001	-.025	.020	.044	-.012	.055	.020	-.093
72. E2BB	.911	.103	.024	-.040	-.023	-.037	.029	-.029	.004	-.039	.017	.048	-.002	.037	.018	-.078
73. E2BC	.855	.049	-.029	-.034	-.065	-.011	.007	-.101	.020	-.073	.042	.069	.045	.067	-.017	-.077
74. E2BD	.821	.091	-.033	-.005	.044	.013	.023	-.080	.026	-.051	.057	.027	-.017	.049	-.016	-.075
75. E2BE	.890	.077	-.002	-.002	.006	.005	.050	-.058	.026	-.065	.040	.042	.023	.046	.010	-.075
76. E3A	-.063	.208	.088	.007	.887	-.011	.063	.088	.236	-.014	.058	.055	.065	.059	-.038	.092
77. E3B	-.065	.217	.102	.003	.895	.009	.046	.094	.224	-.018	.067	.027	.063	.031	-.038	.096
78. E3C	.019	.209	.058	.019	.865	.002	.003	.074	.136	-.020	.053	.064	.051	.009	.006	.004
79. E4A	.845	-.080	.005	.012	.031	.008	.042	.049	.084	.074	.047	-.048	-.028	-.007	-.025	.089
80. E4B	.856	-.062	.008	.017	.036	.008	.069	.046	.083	.053	.050	-.043	-.009	-.013	-.040	.083
81. E4C	.808	-.076	-.003	.003	.031	-.031	.032	.003	.040	.043	.048	-.024	.020	-.030	-.055	.053
82. E5	-.044	.093	.109	-.067	.212	-.045	.168	.028	.237	-.058	.056	.016	.043	.074	.064	.839
83. E6	.096	-.009	-.064	.076	-.083	.042	.723	.069	-.113	-.015	.125	.057	-.009	.101	-.071	.270
84. E7	.131	.249	.065	.006	.359	-.012	.763	.046	.263	-.010	.054	.089	.134	.020	-.038	.027
85. E8	.153	.255	.013	.054	.248	-.020	.812	.052	.262	.007	.056	.132	.080	.002	-.019	.012
86. E9	.142	.111	-.083	.080	-.142	.046	.865	.003	-.028	.034	-.005	.130	.037	.052	.093	-.097

Analysis N= 519; Missing values were replaced with means. Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization. Rotation converged in 10 iterations.

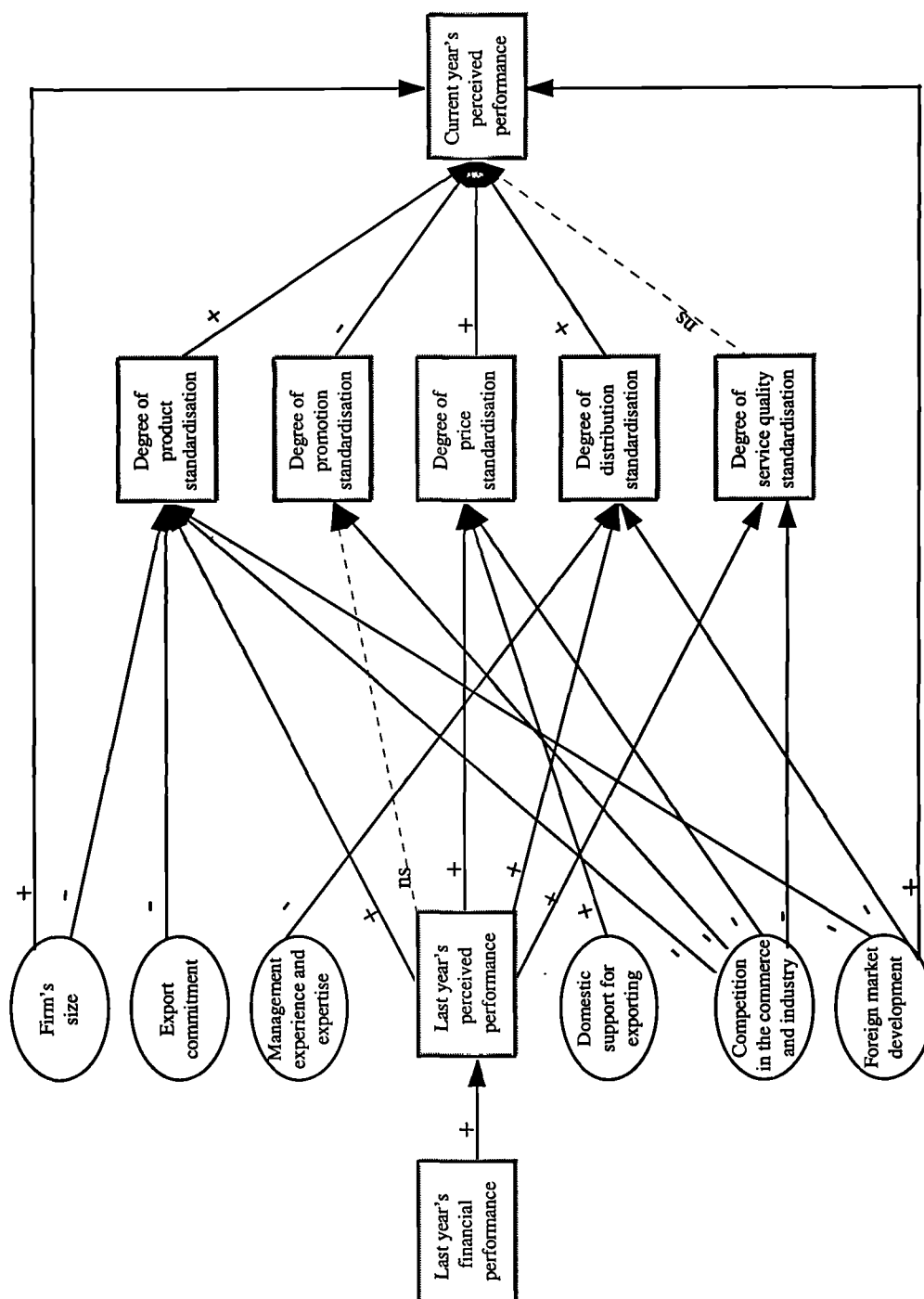
CHAPTER 7

Discussion

In this chapter, the findings presented in Chapter 6 are discussed in more detail. Both the literature and the follow-up interviews are used to support the discussion of the 23 resulting relationships/hypotheses. On the basis of Figure 7-1, which summarises the research findings, ten follow-up interviews were conducted with managers responsible for the export operations of Portuguese companies. These companies are of varying size and operate in different industries.

The structure of Chapter 7 is as follows (see Table 6-7). First, the determinants of the current year's export performance (hypotheses H1a-H1g) are discussed. Secondly, the determinants of product (H2a-H2e), promotion (H3a-H3b), price (H4a-H4c), distribution (H5a-H5c) and service quality (H6a-H6b) standardisation are considered. Thirdly, the relationship between financial export performance and perceived export performance (H7) is examined.

Figure 7-1: Summary assessment of SEM with WLS



7.1 THE DETERMINANTS OF THE CURRENT YEAR'S PERCEIVED EXPORT PERFORMANCE

The previous findings generally support the idea that while product standardisation enhances export performance, the standardisation of the other marketing mix elements hinders it (see Chapter 2, Table 2-5). However, this research reveals that while there is a negative impact of the degree of promotion standardisation, there seems to be a positive impact of the degree of product, price and distribution standardisation on export performance. A non-significant relationship exists between service and export performance. The two contingent factors, i.e. the firm's size and degree of foreign market development, result in enhanced export performance.

Thus, four out of the seven hypothesised relationships (H1a, H1b, H1f, H1g) concerning the impact of export marketing strategy elements on short-term export performance are confirmed. With regard to the other three hypothesised relationships (H1c, H1d, H1e), the findings of this research are divergent from those initially proposed by the literature and exploratory findings. All these relationships will now be discussed in detail. Statistical results will be supported by the literature and follow-up interviews.

7.1.1 PRODUCT STANDARDISATION AND EXPORT PERFORMANCE

Product has received a lot of attention in the standardisation literature – much more than that given to price and distribution (Jain, 1989; Rosenbloom et al., 1997). The literature often presents product as the element in the marketing mix with the greatest potential for standardisation (Fraser and Hite, 1990). Indeed, as in previous research

(e.g. Beamish et al., 1993; Christensen et al., 1987; De Luz, 1993; Zou et al., 1997), the present findings show that product standardisation tends to lead to better export performance (see H1a). This has also been confirmed by the findings in the follow-up interviews. For example, the managing director of a wine company (company AB) stated:

“Standardisation normally leads to a reduction of costs and increase in profit. In most cases it has a positive impact on export performance. When there is no impact in terms of performance it is because this reduction of costs was transferred to the market and the consumer.”

Thus, Levitt's (1983) argument that companies which tend to standardise their products benefit from economies of scale and are able to produce high-quality products at low prices is supported here. Another key argument of the advocates of standardisation, also supported by the follow-up interviews, is that product standardisation allows the company to be consistent with the various customers across markets, and to improve control and planning (Buzzell, 1968). For example, the general manager of a seeds exporting firm (company AA) observed that “...unfortunately, many firms do not standardise their products in order to have a similar quality across the various markets”. He went on to suggest that, with the objective of providing lower competitive prices, some Portuguese companies prefer to adapt their products to the export market through a reduction of the quality levels.

7.1.2 PROMOTION STANDARDISATION AND EXPORT PERFORMANCE

Nearly half of the studies in the standardisation field are concerned with promotion issues (Jain, 1989). In conformity with previous findings (e.g. Britt, 1974;

Boddewyn, 1982; Boote, 1982; Hite and Fraser, 1988; Kale, 1991; Shoham, 1996, 1999), the results of this research study reveal that a standard promotional strategy, which does not take into consideration the characteristics of the various markets, may lead to negative export performance (see H1b). Since a promotional strategy depends on several environmental factors (e.g. socio-cultural, politico-legal and economic), it is understandable that for most cases an adapted strategy is more advisable. However, managers should be aware that promotional adaptation is particularly effective when there is an in-depth understanding of the foreign market. As stated by the export manager of an electrical appliances firm (company AJ):

“A promotional adaptation will only be successful if supported by a in-depth knowledge and understanding of the influencing factors. If this knowledge does not exist it is more adequate to use a similar promotional strategy to the one that is used for the domestic market”.

7.1.3 PRICE STANDARDISATION AND EXPORT PERFORMANCE

Price is one of the less researched topics in international marketing (Baalbaki and Malhotra, 1993; Cavusgil and Nevin, 1981), especially in relation to the standardisation/adaptation debate (Myers and Cavusgil, 1996; Rosenbloom et al., 1997). This is surprising, since the present research study reveals that price strategy has a strong impact on export performance. As the managing director of a foodstuff exporting firm (company AG) stated:

“Price is always considered to be the most important factor ... Since buying from abroad brings several difficulties (e.g. longer delivery deadlines, dealing with different cultures and languages), the first issue in which foreign companies are interested in order to start

analysing our proposal is the price that we are able to offer.”

This study suggests that companies which standardise prices tend to have a better export performance (see H1c). This discloses an unexpected relationship. The positive relationship between price standardisation and export performance also surprised some managers. This became clear during the follow-up interviews. For example, according to one managing director (company AB):

“The positive effect of standardising prices is quite surprising. The various markets have different levels of buying power. Although people speak about the EU as a single market, the reality is that each national market is still a different market.”

This statement is in line with recent findings (Shoham, 1999; Zou et al., 1997). A possible explanation for this unexpected relationship is that price is normally associated with the consistency of a product’s image across markets (Buzzell, 1968). It is possible that for most products in the sample, the adaptation of the price strategy would worsen the desired universal image of the product, and consequently have a negative effect on its performance. A possible alternative explanation, based on Bilkey’s (1984, 1987) work, suggests that, as with American firms, the competitive advantage of many Portuguese firms might lie in exporting price-inelastic products, or in particular situations Portuguese firms might tend “to follow the firm’s price-supply function rather than foreign price-demand functions” (Bilkey, 1984: 225). According to the director of a stone exporting firm (company AE), most Portuguese companies have to conform to international legislation or market rules concerning their prices:

“Today, the more common products tend to have their prices listed internationally. With regard to the products where there is some

added value or which are unique, it is possible to set our own prices.”

Other explanations are provided by Cavusgil and Zou (1994). They agree that standardised strategies might be more effective, because both the costs associated with adaptation and the incapability to implement adaptation might lead to poor export performance. Additionally, the managers might have a false assessment of the external environment as well as poor execution, for example in the timing of their strategy implementation.

Other reasonable explanations also emerged from the in-depth interviews with executives. According to the export manager of one clothing firm (company AF):

“The more organised companies are able to calculate properly the costs per minute, i.e. both the fixed and variable costs. Thus, as they know their real costs, they tend to standardise their prices and therefore have a better performance. The less organised companies do not know what are the real costs, and therefore their prices are not stable. These companies often determine their price based exclusively on the price which is imposed by the buyer, ignoring their real costs. Logically, they tend to perform worse.”

This manager suggests that the greater the firm’s ability to be organised, the more standardised are its prices and the better its export performance. A similar explanation is provided by the export manager of an electrical appliances firm (company AJ), who identifies a relationship between firms’ maturity, price standardisation and export performance:

“I believe that price standardisation is concerned with the maturity of companies. Companies which standardise prices tend to be more

mature, with a well defined and established strategy. On the other hand, in companies where the managers do not know what they are doing, the price is very volatile.”

Two other explanations are provided by export managers. Portuguese exporters usually trade in US dollars, a stronger currency than the Portuguese escudo. The benefits associated with the relative strength of the US dollar take some of the pressure off Portuguese exporters to increase foreign prices. Thus, the weakness of the escudo helps Portuguese exporters to maintain their foreign prices after penetrating a market with similar price levels to those in the domestic market (company AA). Another possible explanation is that, since the Portuguese market tends to have lower prices than most of the other European markets, the use of a standardised price strategy, i.e. with prices similar to those in the domestic market, might help to penetrate the export market and improve export performance (company AH; see also Zou et al., 1997).

7.1.4 DISTRIBUTION STANDARDISATION AND EXPORT PERFORMANCE

Research into international distribution is very limited (Baalbaki and Malhotra, 1993; Cavusgil and Nevin, 1981; Rosembloom et al., 1997), and in particular little attention has been given to distribution standardisation (Myers and Cavusgil, 1996; Rosembloom et al., 1997).

Based on previous studies (Beamish et al., 1993; Shoham, 1996) and on the exploratory research it was initially suggested a negative relationship between distribution standardisation and export performance. During one of the interviews, the

director of an exporting firm to PALOP countries (company H) stated:

“There are some cases where the distribution system used in the domestic market is not appropriate for the main export market (e.g. LDCs). In these particular situations the distribution strategy has to be adapted in order to suit the particular characteristics of the foreign market”.

However, our research findings, like Shoham's (1999) work, fail to confirm the hypothesised negative relationship between distribution standardisation and export performance (see H1d). It appears that distribution standardisation actually enhances export performance. This raises several possibilities. One is that Portuguese firms, like firms in other developed countries, tend to standardise their approach (Douglas and Craig, 1989) and simply follow the domestic distribution strategy. As suggested by Zou and Stan (1998), the domestic market systems of developed countries (such as Portugal) are normally sophisticated enough to ensure success at the international level. A second explanation lies in the fact that global distribution systems allow for better control and better planning (Buzzell, 1968). A third explanation is that advances in transportation systems have homogenised the markets around the globe and helped firms to implement standard strategies and benefit from the use of global channels (Levitt, 1983; Hamel and Prahalad, 1985), particularly in the developed markets.

7.1.5 SERVICE STANDARDISATION AND EXPORT PERFORMANCE

This research study supports both Shoham's (1996) and De Luz's (1993) finding that there is no relationship between service quality/product warranties and export performance levels. Several reasons might explain this neutral relationship between

service strategy and short-term export performance (see H1e). One important factor might be the diversified nature of the firms used in the sample (Beamish et al., 1993): they cover the exports of a variety of goods, from medical instruments, which are universally accepted (Cavusgil and Zou, 1994), to clothing, which is much more dependent on local taste and culture.

A second possible explanation is that service quality is now a prerequisite for exporting and has already been integrated into the exporting activity of most companies exporting to developed countries. The follow-up interviews revealed that Portuguese firms have experienced inconsistent service quality in the past. In order to change their international image, most Portuguese firms came under pressure to start ensuring good service levels in their international operations. According to a Portuguese delegate to a European Commission for Normalisation, the number of Portuguese companies which cannot ensure consistent levels of service quality is now very low. This delegate, who is also the director of an exporting firm (company AE), stated:

“At the European level, service quality is no longer a differentiating factor; it is a requirement. Nowadays companies compete mainly in terms of price and distribution in order to achieve a good export performance. As the levels of service quality tend to be very similar across markets, if a company does not achieve good levels it becomes impossible to survive.”

Due to the fact that service strategy is now a requirement for both domestic and export markets, similar approaches tend to be implemented. As one managing director (company AG) explained:

“The policy of our company is to convey to the importer the image that we are not a foreign company. Although we operate from abroad, we expect the importer to perceive us as if we were a *domestic* supplier, so that no complications are created. A similar service strategy is used with domestic clients. Therefore, there is a tendency to standardise our service. This might not have an impact in the short term but it is essential in the medium/long term. It consolidates our commercial relationship with the client.”

Thus, another possible explanation for the lack of a relationship between service strategy and export performance is that the impact of service strategy might be felt only in the medium/long-term.

A final explanation might be that service strategy is ignored because of the need to pay more attention to other marketing mix variables. Thus, Portuguese managers who invested in adjusting their promotion to the foreign market may have neglected the issue of service support. According to one export manager (company AJ), “when the Portuguese companies have a good price, they tend not to pay attention to service”. Similarly, the export manager of a cable firm (company AI) stated that “since service quality is closely related to distribution and price, the companies often put their efforts into these issues, and forget the importance of service”.

Thus, due to the fact that they concentrate their efforts on other issues (promotion, price and distribution), Portuguese managers believe that service standardisation has no major impact on export performance.

7.1.6 FIRM SIZE AND EXPORT PERFORMANCE

Like several previous studies (e.g. Cavusgil and Naor, 1987; Christensen et al., 1987; Culpan, 1989), the present research study suggests that the larger the firm, the better its export performance (see H1f). This partially supports the claims of a managing director (company AG), who argued that the only way for small companies to be successful abroad is to provide a technological advantage or to operate in a market niche. Indeed, in this research, the size of the firm seems to explain most of the variance in export performance.

Miesenbock's (1988) literature review shows that, with few exceptions, most studies of the relationship between firm size and export performance have established a positive relationship. It certainly seems much easier for larger firms to run and expand their international operations (Miesenbock, 1988; Reid, 1982). Large firms have size-related advantages which contribute positively to export success (Bilkey, 1978; Kammath et al., 1987; Kirpalani and MacIntosh, 1980). They have greater access to the financial, marketing and production resources that are essential for the effectiveness of exporting programmes (Abdel-Malek, 1978; Calof, 1994; Cavusgil, 1980; Cavusgil and Naor, 1987). Furthermore, they have better facilities to obtain competent and qualified personnel with the capability to perform international marketing tasks effectively (Abdel-Malek, 1978; Bilkey and Tesar, 1977; Tookey, 1964).

Previous research also suggests that larger firms perform better because they have higher levels of market power (Leonidou, 1995; Samiee and Walters, 1990). This is in line with the managers' insights. According to one managing director (company

AG), the positive relationship between size and export performance exists because “size strengthens and feeds the relationship with the clients abroad”. Another export manager (company AI) suggested that “buyers look to the size of the companies, particularly in industries where there is no significant differences among the core products”, which is the case with most Portuguese industries.

7.1.7 FOREIGN MARKET DEVELOPMENT AND EXPORT PERFORMANCE

In a review of the export marketing literature, Aaby and Slater (1989) conclude that better performers tend to emerge more in industrialised markets than in LDCs. The hypothesis that success in exporting is associated with exporting to more developed countries is supported (see H1g). This is in line with a previous investigation across a broad range of countries (Austin, 1990). Key problems (e.g. balance-of-payments and external debts) are normally associated with LDCs (Sriram and Manu, 1995), and companies operating in more attractive markets tend to perform better (Beamish et al., 1993). As suggested by the export manager of an electrical appliances firm (company AJ):

“The more developed countries are more attractive. Portuguese companies prefer to work with developed countries because of the economic stability of these markets and the higher purchasing power of the buyers.”

Moreover, LDCs might become less attractive as companies exporting to these countries tend to operate in “unfamiliar terrain” and accordingly might dilute their resources (Sriram and Manu, 1995).

Some other explanations of why export performance is positively associated with exporting to more developed countries, have been provided in the follow-up interviews. According to one sales manager of a chocolate exporting firm (company AH):

“Since the LDC markets are easier markets to operate in, the companies tend to accommodate themselves. In the more developed countries, companies need to react. These markets are harder and companies have to be more committed.”

Thus, Portuguese firms selling to the more developed countries are expected to be more committed. Companies which are more committed to exporting usually perform better (Bilkey, 1982; Beamish et al., 1993; Cavusgil and Nevin, 1981b; Cavusgil and Zou, 1994; Donthu and Kim, 1993; Gomez-Mejia, 1988; Gronhaug and Lorenzen, 1982; Reid, 1981; Tookey, 1964). Therefore, Portuguese companies selling to the more developed countries are expected to present better results.

7.2 THE DETERMINANTS OF MARKETING STRATEGY STANDARDISATION

7.2.1 THE DETERMINANTS OF PRODUCT STANDARDISATION

The research results show that product standardisation is enhanced by the last year's perceived export performance. On the other hand, it is limited by the firm's size, export commitment, competition level, and foreign market development. Thus, with regard to the determinants of product standardisation, four out of the five hypothesised relationships (H2a, H2c, H2d, H2e) are confirmed. With regard to the other hypothesis (H2b), an inverse relationship to the one predicted was found. The five relationships

will now be discussed in detail, with the supported of data from the follow-up interviews.

7.2.1.1 The last year's export performance and product standardisation

The research findings reveal that there is a tendency to standardise product strategy when firms perform better in the last year (see H2a). As a matter of fact, this relationship, which has not been discussed in the literature, emerges as a critical determinant of product standardisation.

Various explanations of this positive relationship were provided in the follow-up interviews. One explanation focuses on the role played by product managers within Portuguese companies. As one of the directors (company AE) explained, “Portuguese product managers have no autonomy to make their own decisions and therefore have no power to adapt their products”. This director argued that the role of the Portuguese product manager is quite different from the role of his counterparts in the more developed European countries: “In the more developed European countries, product managers play a different role within the firm. They work directly with the market, have short-term targets to achieve, and have much more autonomy”. Therefore, as Portuguese product managers have a lack of decision power within Portuguese companies, they have no autonomy to develop and implement a product strategy adapted to the various markets.

An additional explanation was provided by a general manager (company AA):

“When companies start their export operations, they tend to sell to the export market the same product that is sold in the domestic market. If they achieve good performance, the managers will

accommodate themselves and will not change their strategy.”

Furthermore, there is a tendency of Portuguese managers to reduce costs and avoid investments. As one director (company AE) put it: “Portuguese managers are usually reluctant to invest.” He added:

“In Portugal, product managers are very dependent on the top managers. As the top managers usually tend to reduce costs, they don’t put so much pressure on the product managers to define a specific strategy for each market, as the adaptation of a product strategy would require high investments.”

Thus, since Portuguese managers are reluctant to invest and change, it is understandable that if they have a good previous year’s export performance, they will prefer to maintain the same product without modifications.

7.2.1.2 Firm size and product standardisation

Contrary to expectations, this research study finds that a higher degree of product standardisation exists for smaller firms (see H2b). There are several possible explanations. To begin with, smaller firms are in a worse position than larger firms when dealing with the costs associated with adaptation, because they do not enjoy the same size-related advantages (Aaby and Slater, 1989; Reid, 1982). In particular, they lack the financial resources needed for product adaptation (Leonidou, 1995). Indeed, the literature suggests that product strategy tends to be more standardised due to the costs associated with adaptation (Aydin and Terpstra, 1981; Boddewyn et al., 1986; Chhabra, 1996; De Luz, 1993; Hill and Know, 1992; Hill and Still, 1984; Walters and Toyne, 1989; Whitelock, 1987). As one managing director (company AB) stated:

“High investments are required in order to develop flexible production systems”. Larger firms are definitely in a better position to deal with these investments. They have the capability to invest in technology, which then enables them to build efficient manufacturing processes (Cooper and Kleinschmidt, 1985); and they are able to invest in R&D, which in turn makes it easier for them to produce superior products adapted to local needs (McGuinness and Little, 1981).

Since larger firms have more resources than smaller firms, they are better equipped to perform at the international level (Leonidou, 1998). As stated by the sales manager of one small exporting firm (company AH):

“Larger companies can be much more competitive in the foreign markets. If we compare ourselves with companies like Nestle, we are just a small insect. We have to use the products that are sold in the domestic market in order to find market niches abroad where the giants do not operate. Since we do not have the resources to modify our products to the export market, we just export two products out of our domestic range.”

Therefore, rather than investing in product adaptation, smaller firms might prefer to select small niches in the foreign market that suit some of their existing strategic business units (SBUs). Furthermore, as one export manager (company AF) explained, “smaller companies might prefer to convert the costs associated with the acquisition of more complex machines in order to reduce the final prices to the foreign buyer”. Nevertheless, the money that smaller companies are trying to save in the short-term through the use of simpler and non-flexible production systems can have a negative impact in the long-term. Because of the increasing sophistication of consumers,

technological investments and the use of flexible production systems are becoming more and more important (Christensen et al., 1987).

The follow-up interviews also revealed that while large firms see foreign markets as their main targets, small firms seem them only as secondary markets for the purpose of periodical sales. Many small firms are driven to engage in exporting operations mainly because of their excess capacity. Naturally, many of these companies, seeing the export market as the right place to sell their surplus, will choose to sell abroad the products that have been developed for the domestic market with no further modification.

7.2.1.3 Export commitment and product standardisation

The research findings suggest that the more a company is committed to exporting, the more it tends to adapt its product strategies to the main exporting market. The most committed exporters are usually willing to devote the necessary resources for exporting (Cavusgil and Nevin, 1981; Donthu and Kim, 1993), and therefore are more willing to adapt their products. According to the export manager of one agricultural products firm (company AC):

“The companies which are more committed to exporting tend to have a better understanding of the foreign market. Based on this deeper knowledge, they are able to develop strategies which are adapted to the needs of the foreign markets.”

Low commitment to exporting is often associated with a lack of resources (Cavusgil and Nevin, 1981) and tends to be characteristic of those firms which use exporting as a way of getting rid of their surplus (Kacker, 1975). As previously explained, smaller

firms tend to have less resource availability and see exports as a way of getting rid of their production excesses. This is confirmed by the research findings, which suggest that product standardisation is higher for the less committed managers (H2c) as well as for the smaller firms (H2b).

7.2.1.4 Competition and product standardisation

Not surprisingly, competition in commerce and industry seems to restrict product standardisation (see H2d). Since product adaptation helps a firm to gain competitive advantage over its rivals (Hill and Still, 1984), the more intense the competition in foreign markets, the more a company tends to adapt its product strategy (Cavusgil and Zou, 1994). As one export manager (company AI) put it: “The stronger the competition, the more we need to adapt the product in different markets”.

However, one general manager (company AA) stressed that “the need to adapt the product strategy, as a consequence of the existing competition, is an illness of Portuguese companies”. He went on:

“As competition operates mainly at the price level, the Portuguese companies adapt their products to the various markets in order to maintain acceptable margins while leaving the quality and the image of their products in second place.”

Thus, contrary to the suggestion of Kotler (1996), who argues that companies should adapt their products in order to suit the needs of their consumers better than competition, it seems that in the case of Portuguese companies there is a more complex relationship. With the objective of improving their margins and reducing their production costs, Portuguese companies prefer to provide competitive prices

rather than to enhance consumer satisfaction. In order to reduce their prices, they tend to reduce the quality of the products that they offer to the foreign market. Naturally, this promotes a negative image of Portuguese products.

7.2.1.5 Foreign market development and product standardisation

As initially predicted, the current findings suggest that foreign market development limits product standardisation (see H2e). This provides support for the argument that the product strategies which are used for the developed countries tend to be different from those used for the LDCs (Howard and Mayo, 1988).

Some explanations have emerged from a review of the literature as well as from follow-up interviews. According to Buzzell (1968), legal restrictions limit product standardisation. Today, the more developed a country is, the more strict are its legal requirements. As one an export manager (company AI) stated:

“We have to conform to very strict norms in the more developed markets. Therefore, in the cable industry the products must be developed in accordance with these norms. In the LDC markets, which are more flexible, we may use the same product.”

Another explanation is based on the different power relationships between suppliers and importers in the developed countries and LDCs. The follow-up interviews support the view that suppliers are subject to much less pressure from importers based in the LDCs. Several managers suggested that Portuguese companies have considerable power over importers based in the PALOPs, so that strategic decisions are taken by the exporter. As one export manager (company AI) stated: “The more powerful the company is in a certain market, the more it tends to impose what it considers to be

convenient”. Not surprisingly, in many situations, the product normally offered to the import market is that which is more convenient to the company, i.e. the one which is sold in the domestic market.

A power relationship also exists between the suppliers and consumers of the more developed countries. Many consumers in LDCs prefer products from developed countries to those from their own country (Bilkey and Nes, 1982b). On the other hand, in the more developed markets, what the consumer demands is what the Portuguese companies try to provide (company AC). The consumers in LDCs are generally not very demanding. Thus, according to one managing director (company AG):

“When we are selling to LDCs, there is a tendency to standardise. In our sector, they accept everything; it is almost as though we are doing them a favour. On the other hand, in the more developed countries everyone knows that we cannot play games. Either we adapt our product or we have to leave the market.”

This statement suggests that some Portuguese companies only use the LDCs as a way of exporting their production surpluses, and are not interested in adapting their product strategies. By contrast, they feel the pressure to adapt their products for importers based in the developed markets.

Another explanation was provided by a managing director (company AD), who argued that Portuguese exporters are normally required to adapt their strategy for most of the developed markets because the domestic market is not very demanding. Moreover, most developed markets are more competitive than the domestic market. Since product adaptation may help to gain competitive advantage over local challenges (Hill

and Still, 1984), the companies operating in more competitive markets tend not to standardise their products. As Buzzell (1968) argues, the stage of economic and industrial development of the foreign country limits product standardisation.

Another explanation is based on the fact that marketing standardisation is more likely to occur when similar tastes exist in the home and foreign markets (Ozsomer et al., 1991). In this respect, it is noteworthy that Portuguese exporters still have some cultural and linguistic similarities with their ex-colonies. Thus, the PALOP countries (e.g. Angola, Cape Verde and Mozambique) and Brazil are key destinations of Portuguese exports. Until 1974, when the Portuguese revolution occurred, many Portuguese people lived in the PALOP countries. One managing director (company AD) stated that:

“The PALOPs still have a taste close to ours. This is related to the Portuguese colonisation of these countries and the linguistic proximity. There is also a tendency in these countries to copy what is done in Portugal. In our sector what happens is that the importers from these countries visit the Portuguese manufacturers directly and select products which already exist. The importers from the other markets send us a prototype and then ask us to develop this specific product.”

This statement confirms the idea that in certain situations there are more similarities between a developed country and a LDC than among developed countries (Sriram and Manu, 1995).

7.2.2 THE DETERMINANTS OF PROMOTION STANDARDISATION

The findings suggest that Portuguese managers analyse the level of competition in

commerce and industry to determine the appropriate degree of promotion standardisation. While there is no relationship between previous export performance and promotional strategy, the level of competition harms promotion standardisation. These two topics will be discussed in more detail below.

7.2.2.1 The last year's export performance and promotion standardisation

The findings reveal that the last year's perceived export performance is not related to the degree of promotion standardisation (see H3a). This is somewhat surprising. It suggests perhaps that the firms involved in this study have more elaborate dimensions of promotion decisions. That is, firms might pay particular attention to some aspects of the promotional mix, while ignoring others. Thus, when all the dimensions are joined together, a non-significant relationship is found (Zou and Stan, 1998). Therefore, future studies should examine the impact of export performance on promotion standardisation with respect to the individual dimensions discussed here: advertising idea/theme, media channels for advertising, direct marketing/mailing, promotional objectives, emphasis on public relations, and the promotional budget. While some promotional actions (e.g. direct-marketing/mailing and advertising) may represent an immediate reflex following previous export performance, other actions (e.g. public relations activities) are likely to have only a long-term significance.

Other interesting explanations arise from the follow-up interviews. One export manager (company AF) suggested that in several cases the promotional strategy is the importers' responsibility:

“In most cases the foreign importers do not expect to be provided with a complete service by the exporters. Some importers just want a

good product with a good price. The promotional strategy is their responsibility.”

This director also added that this situation “is convenient for most Portuguese companies because they are not able to follow the trends in the foreign market adequately”. Consequently, if they are responsible for determining the promotional strategy, this lack of knowledge could be disastrous.

A second explanation is that most Portuguese companies are unable to develop a promotional strategy because they have very low budgets for this purpose. As one export manager (company AI) explained:

“I believe that there is a limited budget for promotion. Even when a company presents good results at the end of the year, it becomes difficult to obtain additional resources to invest in the promotional strategy. There are other priorities.”

Two explanations were provided to justify this lack of resources for promotional activities. One director (company AE) explained that it is a consequence of the previous economic recession: “Because in the last two years there was a recession, the companies were forced to reduce their promotional budgets”. The export manager of a small exporting firm (company AF) added that “usually companies use savings in the promotional activities to decrease the prices for the foreign buyer”. In other words, rather than investing in promotional activities as a result of having a good past export performance, some companies prefer to reduce promotional expenses with the objective of providing more competitive lower prices and improving their export performance.

7.2.2.2 Competition and promotion standardisation

The research findings reveal that promotion standardisation is strongly and negatively affected by existing competitive pressures (see H3b). This supports the opinions of those managers who participated in the study by Cavusgil and Zou (1994), namely that there is a need to adapt promotional strategy as a consequence of pressures in the export market. Similarly, according to Buzzell (1968), both promotional practices and the promotional budget must be adapted to the various markets if firms are to operate alongside competitors.

7.2.3 THE DETERMINANTS OF PRICE STANDARDISATION

The optimal degree of price standardisation must take into account the last year's export performance as well as two external forces (domestic support and competition). More specifically, a high degree of price standardisation is sought when firms receive substantial domestic support, when the market is less competitive, and when the last year's export performance is positive. Each of these relationships will now be discussed in more detail.

7.2.3.1 The last year's export performance and price standardisation

Several reasons were highlighted in the follow-up interviews to justify why firms with a better export performance tend to standardise their prices (see H4a). One reason was suggested by a director (company AE), who argued that when companies perform better, they might prefer to standardise their prices in order to "become more homogeneous across markets and decrease the disorder" resulting from having different prices in different markets.

Another explanation was provided by an export manager (company AI):

“When companies present good results, and the price in the main export market is lower than in the domestic market, they tend to slightly increase the prices abroad. If the prices abroad are higher, the companies tend to increase the prices in the domestic market.”

A similar explanation was given by a sales manager (company AH): “When companies have good results and good commercial margins, they will maintain their strategy. Otherwise they will decrease their prices abroad.” As reported in Shoham’s (1999) work, this issue suggests that future studies should identify the direction of price standardisation.

7.2.3.2 Domestic support for exporting and price standardisation

Previous research indicates that government support is particularly crucial for companies based in LDCs (Colaiacovo, 1982; Nayyar, 1976). However, the findings of the present study suggest that such support is also important for firms based in the more developed countries (see H4b). The Portuguese companies which receive domestic support for exporting are more likely to standardise their prices. The opinions expressed in the follow-up interviews support this position. For example, one managing director (company AG) stated that companies use the domestic support in the reduction of the production costs, which in turn is reflected in the final selling price: “This allows the company to balance its prices across the various markets. For example, the support received makes it possible to avoid increases in sales prices in some markets.”

A similar opinion was voiced by a general manager (company AA): “...one of the

objectives of applying for domestic support is to decrease the production costs. This, consequently leads to price reduction and therefore standardisation across the various markets.” However, one managing director (company AB) added an important qualification:

“Domestic support only contributes to standardised prices when the support is stable and pre-defined by the government. When the support is variable and defined by the government as a function of achieving (or not achieving) particular objectives, this situation is less likely to occur.”

7.2.3.3 Competition and price standardisation

The findings confirm Buzzell’s (1968) view that competition in the foreign market limits price standardisation (see H4c). This is also supportive of the argument of Baker and Ryans (1973) and Jain (1990) that price decisions are strongly affected by the level and intensity of competition in the various markets. Furthermore, this research findings show that competition is by far the most important determinant of pricing (estimated parameter=-0.49, $p<0.01$). Thus, contrary to Cavusgil and Zou’s (1994: 16) findings on American exporters, it seems that pricing strategy is working as a “competitive weapon” for Portuguese exporters.

Some managers believe that in the future there will be a tendency for prices to become more standardised. This is supported by two main arguments. First, there is “strong competition across the various markets which each day puts more pressure on the companies to have lower prices” (company AA). Secondly, “there are no secrets anymore. Everyone knows the final cost of a product because the suppliers across an industry are the same or very similar” (company AD).

7.2.4 THE DETERMINANTS OF DISTRIBUTION STANDARDISATION

The research results show that distribution standardisation occurs mostly when there is a good previous export performance, when managers have little experience and expertise, and when the markets are less developed.

7.2.4.1 *The last year's export performance and distribution standardisation*

The data in this research confirm the positive influence of previous export performance on distribution standardisation (see H5a).

As the follow-up interviews revealed, both small and large companies, though at different levels, prefer to have a standard distribution strategy. Large companies prefer to use global distribution systems (e.g. those of large multinationals) for their products. By contrast, smaller companies lack bargaining power and look for agents who can help them conclude better deals. They are aware that with a similar distribution system across the different markets, they will be able to achieve better control and planning (Buzzell, 1968). As one export manager of a small firm (company AC) explained:

“We use a similar distribution strategy for both the domestic and export markets. We always work with agents who have the best knowledge of the market niches within each market. We provide them some support but basically they are the ones who define the strategy.”

Thus, as most companies aim to have a standard strategy in the long term, it is natural that, when they have achieved a good export performance in the previous year, they should use the additional resources to standardise their distribution strategy. As one

managing director (company AB) stated:

“It is logical that better performance leads to the standardisation of distribution. If a company uses some of the turnover to invest in the standardisation of the distribution system, this will lead to a reduction of costs and, later on, to profitability.”

7.2.4.2 Management experience/expertise and distribution standardisation

The negative relationship between management export experience/expertise and distribution standardisation was expected (see H5b). Firms with more export experience are more likely to explore the opportunities available in the export markets (Johanson and Vahlne, 1977). The relationships with other channel members (Kale and McIntyre, 1991) and distribution systems (Buzzell, 1968; Douglas and Dubois, 1977; Stock and Lambert, 1983) are both influenced by social and cultural norms. The most experienced and competent managers tend to have a better understanding of these norms, and are therefore more able to adapt their strategy to the requirements of local markets (Douglas and Craig, 1989). As one export manager (company AJ) put it: “Experience provides the possibility for the manager to adapt. When there is no knowledge, there is no alternative to standardisation”. Similarly, according to another export manager (company AF), “it is only possible to understand the distribution systems as well as the local agents across the different markets with some years of experience”. Thus, greater management experience and expertise enable managers to have a better understanding of the distribution system, transportation strategy, distribution network, and the budgetary requirements of distribution.

According to Cavusgil and Zou (1994), the understanding of distribution issues is

normally seen as complex by the less experienced managers. According to one export manager (company AF):

“Portuguese companies are aware that better results might be obtained if they had more experience and a deeper knowledge of the foreign distribution systems. In this way they would be able to apply customised strategies targeted specifically to the foreign distribution channels. However, since many companies do not have adequate experience in dealing with foreign agents, they prefer not to take chances with an incorrect adaptation of the distribution strategy.”

Thus, instead of not adapting properly, Portuguese managers prefer to use a standard distribution, even though this might not completely suit the characteristics of all the different markets.

7.2.4.3 Foreign market development and distribution standardisation

Previous research (Sriram and Manu, 1995) suggests that the differences between developed and less developed countries justify the use of different strategies. This is confirmed by the present research findings, which reveal that the level of foreign market development limits distribution standardisation (see H5c).

Buzzell (1968) also argues that the number and variety of outlets available, and competitors' control over the distribution channels, limit distribution standardisation. All these issues are clearly related with the development of the market. Both cultural and structural dimensions of the developed and LDC markets influence manufacturer-distributor relationships in both developed and developing countries (Frazier et al., 1989). Exporters have to face much greater power from the importers based in the more developed countries than LDC importers. As stated by one export manager

(company AJ), “in the more developed markets, our bargaining power is very low.”

As with a product strategy, the degree of distribution standardisation is associated with the level of a firm’s interest in being present in a specific market. As one export manager (company AJ) expressed:

“Since we are interested in achieving success in the more developed markets, we are forced to adapt our strategy even more. With regard to the less developed markets, such as in the PALOPs, since the interest is lower, companies are less committed and therefore tend to standardise their strategies.”

Distribution standardisation is also limited by customer mobility and consumer shopping patterns (Buzell, 1968), which tend to be more sophisticated in the more developed markets. As one managing director (company AD) explained:

“The distribution strategy of Portuguese industries for LDCs is based on manufacturers selling first to warehouses, which then distribute the product across the country to small shops and markets. It is not possible to sell the products directly to these small shops and markets because they just buy small amounts. On the other hand, in the more developed countries, most of the time the importers have large chains of shops. Thus, the strategy has to be different.”

Finally, another export manager (company AJ) suggested that the differences in terms of legislation between the developed countries and LDCs is another key factor. According to this manager, contrary to what happens in LDCs, in the developed countries the rules are so strict that if companies do not follow them, they will not be able to operate.

7.2.5 THE DETERMINANTS OF SERVICE STANDARDISATION

7.2.5.1 *The last year's export performance and service standardisation*

Not surprisingly, a previous positive export performance leads to compelling service standardisation (see H6a). Companies operating in the international arena usually have to provide continuous technical support and a good level of service (Cavusgil and Zou, 1994). In the particular case of Portuguese companies, a general manager (company AA) suggested that:

“Better performance allows companies to develop alternative systems, which in turn allows them to improve service quality and as a consequence makes possible a standardisation of the service across the various markets.”

Thus, despite the service cost sometimes being higher, it seems that a better export performance might create the conditions in which companies can use the same process in both the domestic and main exporting markets (company AI).

Curiously, the findings suggest that while the last year's perceived export performance affects service strategy, service strategy does not affect export performance. On this issue, Portuguese managers provided some interesting insights. According to one export manager (company AJ):

“Companies are using strategies which have no practical consequences in the short term. Since the strategy is changed every year, as a result of previous performance, it is not possible to see the long-term effects. To have effects in the long term it is necessary to have effects in the short term.”

Thus, this might lead Portuguese companies into a vicious circle where they will not be able to improve service performance in the long term because they are not able to observe the effects of a service strategy in the short term. In this respect, one managing director (company AG) stated:

“When comparing the relationships, the only conclusion we may draw from it is that we are thinking incorrectly. If we are changing the strategy based on past performance, and this has no effect in the following year, it is because the current approach is not correct.”

In short, the service strategy used by Portuguese companies seems to be determined by past export performance but has no effect on current export performance.

7.2.5.2 Competition and service standardisation

The data analysis indicates that the degree of service standardisation (i.e. in terms of service quality/product warranties, the accomplishment of delivery deadlines, and the quality/price relationship) is restrained by the level of competition in the business and the industry (see H6b).

With regard to service quality/product warranties, one export manager (company AJ) suggested that “the more competitive the market or industry, the more the necessity for differentiating the service. Differentiation is only obtained by adapting the strategy.” With regard to the accomplishment of delivery deadlines, as Cavusgil and Zou (1994: 16) argue, competition seems to lead managers to strengthen their relationships with foreign distributors. As a consequence, the service level tends to be adjusted to suit the needs of each specific distributor.

Finally, the impact of competition on the price/quality relationship is a very complex issue that needs to be analysed in more detail in further research. The following statement of one managing director (company AD) generates some interesting thoughts:

“Different markets are willing to pay different prices. For example, while in Japan they pay 4500 Esc for a pair of shoes, in the Scandinavian market they pay a maximum of 3600 Esc. Thus, in the Japanese market we have margins which allow us to produce a pair of shoes of higher quality.”

This statement clearly suggests that different product and price strategies are being used by the company for different markets. However, in terms of “value for money”, it may be that this company is using a similar strategy. This would occur, for example, if, for the Japanese market, the company increased the selling price by the same degree as an increase in product quality. In that case, the quality/price relationship would be the same across the different markets.

7.3 THE DETERMINANT OF THE LAST YEAR’S PERCEIVED EXPORT PERFORMANCE

7.3.1 THE LAST YEAR’S FINANCIAL AND PERCEIVED EXPORT PERFORMANCE

As discussed in Chapter 2, the best method of assessing export performance is to use both financial and non-financial variables (Bijmolt and Zwart 1994; Shoham 1996). This is the approach used in the present study. Furthermore, the research findings show that there is a relationship between the last year’s perceived export performance and financial export performance (see H7). As stated by a managing director

(company AB):

“This is an evident relationship. It is logical that all the *numbers* associated with the evaluation of performance (ie. financial performance) influence the way manager’s perceive performance.”

This is in line with Madsen’s (1989) analysis, which suggests that managers are guided by subjective evaluations of financial performance.

7.4 SUMMARY

Based on the model presented at the end Chapter 6, the follow-up interviews were initially used to assist in the discussion of the various determinants of current export performance. They were also utilised to examine the way in which each of the marketing mix elements (i.e. product, promotion, price, distribution and service) is affected by internal and external factors as well as by previous export performance.

Both the follow-up interviews and the main research findings support the argument that managers have several strategies available, contingent to internal and external factors, which might improve their export performance (Cavusgil and Zou, 1994). By adapting their promotional strategy, while standardising their products, prices and distribution across markets, they can expect to enhance their export performance.

But even more importantly, the follow-up interviews provide support for the argument that export marketing strategy is an outcome as well as an antecedent of export performance. As a matter of fact, the findings suggest that, in the particular case of service, the impact of exporting strategy on export performance is less important than the impact of export performance on exporting strategy. The existing literature in

export marketing has not looked at export performance as an antecedent of export marketing strategy. Thus, the issue of past export performance also affecting export marketing strategy, initially raised during the exploratory study (Chapter 3) and later confirmed by the findings (Chapter 6), was confirmed by the follow-up interviews. Further research is needed to contribute to the analysis and understanding of how companies respond strategically to past export performance.

Table 7-1: Managers which participated in the follow-up interviews

Ct.	Date	Function	Number of employees	Total sales volume	Export sales volume	Product(s)/ Industry
1	03/01/00 9.00h	General Manager of Company AA	20-49	300,000cents - 700,000cents	20,000cents - 70,000cents	Seeds
2	03/01/00 11.30h	Managing Director of Company AB	100-499	7,000,000cents - 29,000,000cents	7,000,000cents - 29,000,000cents	Wine
3	03/01/00 14.00h	Export Manager of Company AC	100-499	7,000,000cents - 29,000,000cents	7,000,000cents - 29,000,000cents	Agricultural products (e.g. honey, wine)
4	03/01/00 16.30h	Managing Director of Company AD	50-99	300,000cents - 700,000cents	300,000cents - 700,000cents	Shoes
5	04/01/00 19.00h	Director of Company AE	100-499	700,000cents - 1,000,000cents	20,000cents- 70,000cents	Stone (e.g. granite and marble)
6	05/01/00 9.00h	Export Manager of Company AF	100-499	300,000cents - 700,000cents	300,000cents - 700,000cents	Clothing
7	05/01/00 11.30h	Managing Director of Company AG	20-49	70,000cents - 300,000cents	< 20,000cents	Foodstuff (e.g. biscuits)
8	05/01/00 16.00h	Sales Manager of Company AH	50-99	1,000,000cents - 7,000,000cents	70,000cents- 300,000cents	Foodstuff (e.g. chocolate)
9	07/01/00 11.30h	Export Manager of Company AI	100-499	1,000,000cents - 7,000,000cents	1,000,000cents - 7,000,000cents	Metals and metal products (e.g. cables)
10	07/01/00 14.00h	Export Manager of Company AJ	100-499	1,000,000cents - 7,000,000cents	700,000cents- 1,000,000cents	Electrical appliances (e.g. coffee machines)

CHAPTER 8

Conclusion

This chapter brings together the major arguments of the thesis and presents the key conclusions. First, the main research contributions for the theory and the implications for export business practitioners and public policy makers are discussed. Secondly, the main limitations of the research are considered. Thirdly, possible directions for further research are outlined. Fourthly, the chapter ends with a summary account of the conclusions.

8.1 RESEARCH CONTRIBUTIONS

In this section, theoretical contribution is initially discussed. Then, a number of implications for managers and public policy makers will be raised.

8.1.1 THEORETICAL IMPLICATIONS

This research contributes to the export marketing literature by re-testing previously established hypotheses and providing new empirical findings. Furthermore, by using a new method of analysis (CFA and SEM with WLS) that has not been employed before in export marketing research, it also makes a contribution at the methodological level.

8.1.1.1 The research hypotheses

An assessment summary of the 23 initially proposed hypotheses is now provided.¹⁶

Product standardisation and export performance (H1a)

The relationship is *positive*. Product standardisation tends to lead to a better export performance. This finding supports the argument that product standardisation leads to a reduction of costs and an increase in profit. Companies that standardise their products benefit from economies of scale, since they are able to produce high-quality products at low prices. Product standardisation also allows companies to improve control and planning and to be consistent across markets.

Promotion standardisation and export performance (H1b)

The relationship is *negative*. The results of this research reveal that a standard promotional strategy leads to a negative export performance. Since the definition of promotional strategy is strongly dependent on key (e.g. socio-cultural, politico-legal and economic) forces, an adapted strategy, when supported by an in-depth knowledge of the influencing factors in the export market, is more advisable.

Price standardisation and export performance (H1c)

The relationship is *positive*. This study suggests that companies which standardise prices tend to have a better export performance. This is an unexpected relationship. There are several possible explanations. First, as price is normally associated with the consistency of a product's image across markets, the adaptation of the price strategy could worsen the desired universal product image and hence its export performance.

¹⁶ Please refer to the discussion chapter for a full discussion on the 23 hypotheses.

Secondly, the competitive advantage of Portuguese firms lies in exporting price-inelastic products. Thirdly, price standardisation strategies can be more effective due to (a) the costs associated with adaptation and/or (b) a firm's incapacity to implement adaptation. Fourthly, as the Portuguese market tends to have lower prices than most of the foreign markets, the transference of the domestic price strategy to the foreign market helps to increase market share and improve export performance.

Distribution standardisation and export performance (H1d)

The relationship is *positive*. Distribution standardisation enhances export performance. This is a second unexpected relationship. Possible explanations include, first, the fact that the domestic market systems of developed countries (such as Portugal) are normally sophisticated enough to ensure success at the international level. Secondly, global distribution systems allow for better control and better planning. Thirdly, firms benefit from the use of global channels to implement standard strategies.

Service standardisation and export performance (H1e)

No relationship is found between service quality and export performance levels. This neutral relationship can be explained by several factors. First, the firms used in the sample are extremely diverse, and their exports range from universally accepted goods to goods dependent on local taste and culture. Secondly, service strategy is now a requirement for both domestic and export markets, and similar approaches tend to be implemented in both cases. Thirdly, the impact of service strategy is usually felt only in the medium and long terms. Fourthly, service strategy can be neglected due to the concentration of attention on other marketing mix variables.

Firm size and export performance (H1f)

The relationship is *positive*. Larger firms tend to have a better export performance. Size-related advantages such as financial resources, production resources, the availability of qualified personnel to perform international marketing tasks effectively, and higher levels of market power contribute positively to export success.

Foreign market development and export performance (H1g)

The relationship is *positive*. The findings support the claim that export performance is positively associated with exporting to more developed countries. Possible explanations include the fact that Portuguese companies selling to the more developed countries are more committed and are expected to present better results than the ones exporting to LDCs.

Last year's export performance and product standardisation (H2a)

The relationship is *positive*. The findings reveal that there is a tendency to standardise product strategy when a firm's export performance in the last year was good. This relationship, which has not been discussed in the literature, emerges as a critical determinant of product standardisation. Possible explanations are: Portuguese product managers have no power to adapt the company's products; and they tend to reduce costs and avoid investments, including those related to standardisation, particularly if export performance in the previous year was good.

Firm size and product standardisation (H2b)

The relationship is *negative*. The third unexpected relationship is that small firms tend to standardise their product strategy more than large firms. There are four main reasons for this. First, small firms are in a worse position to deal with the costs

associated with adaptation. Secondly, they are less well equipped to deal with the high investments needed to develop flexible production systems. Thirdly, they prefer to use the savings that result from not adapting their products to reduce the final prices in the foreign market. Fourthly, many small firms are driven into exporting operations in order to sell their excess capacity, selling abroad the same products that were initially developed for the domestic market.

Export commitment and product standardisation (H2c)

The relationship is *negative*. The findings suggest that the more a company is committed to exporting, the more it tends to adapt its product strategies to the main exporting market. This is because the most committed exporters have better knowledge of the foreign market and are usually willing to devote the necessary resources in order to adapt to that market.

Competition and product standardisation (H2d)

The relationship is *negative*. Competition restricts product standardisation. Since product adaptation helps a firm to gain competitive advantage over its rivals, the more intense the competition in foreign markets, the more a company tends to adapt its product strategy.

Foreign market development and product standardisation (H2e)

The relationship is *negative*. The findings suggest that foreign market development limits product standardisation in our sample. Five major factors contribute to this outcome. First, legal restrictions limit product standardisation: the more developed a country, the more strict its legal requirements. Secondly, there are different power relationships between suppliers and importers concerning the developed countries and

LDCs. Thirdly, more demanding consumers in the more developed countries encourage more adaptation to their needs. Fourthly, most developed markets are more competitive than the domestic market, and this leads to more adaptation. Fifthly, marketing standardisation is more likely to occur when similar tastes exist between the home and foreign markets, as in the case of Portugal exporting to its less developed ex-colonies.

Last year's export performance and promotion standardisation (H3a)

There is no relationship. The findings reveal that the last year's perceived export performance is not related to the degree of promotion standardisation. This is somewhat surprising and suggests that the firms involved in this study perhaps pay particular attention to some aspects of the promotional mix, while ignoring others. Thus, when all the dimensions are joined together, a non-significant relationship is found. Future studies should examine the impact of export performance on promotion standardisation with respect to the identified individual dimensions: advertising idea/theme, media channels for advertising, direct marketing/mailing, promotional objectives, emphasis on public relations, and the promotional budget. Another possibility is that most Portuguese companies are unable to develop a promotional strategy because they have very low budgets for this purpose. Rather than investing in promotional activities as a result of having a good past export performance, some companies prefer to reduce promotional expenses with the aim of providing lower and more competitive prices.

Competition and promotion standardisation (H3b)

The relationship is negative. The findings reveal that promotion standardisation is

negatively and strongly affected by existing competitive pressures. First, this finding supports the view that there is a need to adapt promotional strategy as a consequence of pressures in the export market. Secondly, both promotional practices and the promotional budget must be adapted to the various markets if firms are to operate alongside competitors.

Last year's export performance and price standardisation (H4a)

The relationship is *positive*. Firms with a better export performance tend to standardise their prices. There are two major reasons for this. First, when companies perform better, they usually prefer to standardise their prices in order to become more homogeneous across markets. Secondly, when companies achieve good results, they tend to increase prices abroad and in the domestic market or maintain their strategy instead of changing the prices abroad. This suggests that future studies should identify the direction of price standardisation.

Domestic support for exporting and price standardisation (H4b)

The relationship is *positive*. The Portuguese companies which receive domestic support for exporting are more likely to standardise their prices. Companies use such support to reduce the production costs, which in turn is reflected in similar selling prices across the various markets.

Competition and price standardisation (H4c)

The relationship is *negative*. Competition in the foreign market limits price standardisation. This shows that competition is by far the most important determinant of pricing.

Last year's export performance and distribution standardisation (H5a)

The relationship is *positive*. The data in this research confirm the positive influence of previous export performance on distribution standardisation. Both small and large companies, though at different levels, prefer to have a standard distribution strategy. Large companies prefer to use global distribution systems for their products, and smaller companies use a similar distribution strategy for both the domestic and export markets. When companies have a good export performance in the previous year, they use the additional resources to standardise their distribution strategy.

Management experience/expertise and distribution standardisation (H5b)

The relationship is *negative*. This result was expected. Greater management experience and expertise enable managers to have a better understanding of the distribution system, transportation strategy, distribution network, and the budgetary requirements of distribution, and therefore enhances managers' ability to adapt their strategy to the requirements of local markets. Many Portuguese companies do not have adequate experience in dealing with foreign agents and therefore prefer to use a standard distribution.

Foreign market development and distribution standardisation (H5c)

The relationship is *negative*. The level of foreign market development limits distribution standardisation (see H5c). There are four main factors which explain this outcome. First, the development of the foreign market, e.g. in terms of the number and variety of outlets available, and competitors' control over the distribution channels limit distribution standardisation. Exporters face much greater power from the

importers based in the more developed countries than they do from LDC importers. Secondly, the degree of distribution standardisation is associated with the level of a firm's interest in being present in a specific market: the greater the interest in a developed market, the greater the effort to adapt. Thirdly, distribution standardisation is also limited by customer mobility and consumer shopping patterns, which tend to be more sophisticated in the more developed markets. Fourthly, there are significant differences in legislative provision between the developed countries and LDCs. In the developed countries the rules are much stricter, and this increases the level of adaptation.

Last year's export performance and service standardisation (H6a)

The relationship is positive. A positive export performance in the previous year leads to compelling service standardisation. Companies operating in the international arena usually have to provide continuous technical support and a good level of service, which then tend to be implemented in both the domestic and main exporting markets. Curiously, the findings suggest that while the previous year's export performance affects service strategy, service strategy does not affect export performance. It seems that the short-term yearly strategy change, as a result of previous export performance, does not provide Portuguese managers with enough time to observe the effects of service strategy. Thus, this can lead Portuguese companies into a vicious circle which prevents them from improving their strategies. In short, the service strategy used by Portuguese companies seems to be *determined by* past export performance but has *no effect* on current export performance.

Competition and service standardisation (H6b)

The relationship is *negative*. The data analysis indicates that the degree of service standardisation (i.e. in terms of service quality/product warranties, the accomplishment of delivery deadlines, and the quality/price relationship) is restrained by the level of competition. The more competitive the market or industry, the higher the need for service differentiation, which contributes to strategy adaptation.

The last year's financial export performance and last year's perceived export performance (H7)

The relationship is *positive*. The research indicates that managers are guided by subjective evaluations of financial export performance.

8.1.1.2 New empirical findings

The major contribution of this study stems from the empirical findings, which strongly support the argument that export marketing standardisation is not only an antecedent, but also an outcome, of export performance. Four out of five hypothesised relationships that were tested (H2a, H3a, H4a, H5a, H6a) indicate that current export marketing strategy is strongly guided by past export performance. Hopefully, these empirical findings will lead academics to reflect on the importance of previous export performance for current export marketing strategy. The findings reveal that when firms perform better in the preceding year, there is a greater tendency to standardise the product, price, distribution and service quality strategy. Furthermore, in the particular case of service, while the impact of export performance on export strategy is significant (H6a), there is no impact of export strategy on export performance (H1e).

In addition to the analysis of the relationship between preceding export performance and current export marketing strategy, the structural model presented here adds significantly to previous research (Aaby and Slater, 1989; Cavusgil and Zou, 1994). The empirical model shows that a firm's export marketing strategy and its export performance are simultaneously affected by both internal and external forces.

As discussed in Chapter 2, major advances in export marketing will only be possible by using an integrated approach to conceptualise and measure the variables involved in the export phenomenon (Styles, 1998; Shoham, 1998). However, there is little consensus in the literature over the conceptual definitions and measurements of these variables (Cavusgil and Zou, 1994). This thesis has captured and measured a number of variables previously discussed in the export marketing literature. By combining new and existing scales and then testing them using exploratory factor analysis (EFA), cronbach alpha and confirmatory factor analysis (CFA), a significant contribution at the measurement level is provided. A total of 14 constructs emerged across the following topics: export performance, degree of marketing programme standardisation, and internal and external forces. (These scales are further discussed in the section on directions for further research.)

8.1.1.3 The methodological contribution

Due to the large size of the valid sample (519 exporters), it was possible to use CFA and Structural Equation Modelling (SEM) with Weighted Least Squares (WLS), a method that has not previously been used in (export-) marketing research.

WLS has the advantage of being an asymptotically distribution free (ADF) method of

estimation (Browne, 1984) that is insensible to the non-normality of the data (Hair et al., 1998). The simulations carried out by Curran et al. (1996) demonstrate that a valid sample of at least 500 is required to use WLS. Due to time constraints and the lack of resources normally dedicated to export-marketing research (Zou et al., 1997) samples larger than 500 are very difficult to obtain. This is almost certainly why WLS has not been used before in export-marketing research. Even though marketing authors (e.g. Cui and Park, 1999; Styles, 1998) are aware of the disadvantages of non-ADF methods such as Maximum Likelihood Estimation (MLE) when compared with ADF methods such as WLS, nevertheless the export-marketing literature tends to use non-ADF methods (Shoham, 1998; Styles, 1998) or at least recommend their use (Cavusgil and Zou, 1994). We should note, however, that statisticians, such as the creators of the LISREL programme (Jöreskog and Sörbom, 1993), usually argue that non-ADF methods are appropriate only for metric scales, i.e. interval and ratio scales. For non-metric ordinal scales (e.g. '5-point likert scale') (see Hair et al., 1998: 8), ADF methods (such as WLS) are more appropriate. Thus, in the present research a significant methodological contribution has been made by using WLS for the first time in marketing research to deal with ordinal scales and the non-normality of data. The use of WLS in preference to MLE has made possible a strong contribution at the levels of both causality and measurement.

8.1.2 IMPLICATIONS FOR MANAGERS

From the perspective of managers, one of the most interesting questions posed by this study is: How does export marketing strategy determines export performance? The simplest answer is that this depends on a number of factors that affect both export

marketing strategy and export performance. As Figure 6-2 shows, current export performance is affected by current export marketing strategy, which in turn is affected by preceding export performance and uncontrollable forces (internal and external factors).

During the follow-up interviews, when managers were asked which factors affected their firms' export performance, some of them justified the bad export performance of their firms *exclusively* in terms of the negative influence of uncontrollable forces. Indeed, the empirical results show that there are two key uncontrollable forces (the size and level of foreign market development) which directly influence the firm's export performance. Smaller firms and firms exporting to less developed markets are less likely to achieve a good export performance.

Managers should always be encouraged to implement the export marketing strategies exhibited in Figure 6-2 while also taking into consideration last year's export performance level and the impact of internal and external uncontrollable forces. Thus, this research supports the idea that the appropriate degree of standardisation is contingent on internal and external factors. The model presented in this thesis (Figure 6-2) helps us to understand the key forces that need to be taken into consideration when determining the appropriate degree of standardisation for the main export venture.

The research findings show that a more standardised product strategy tends to be employed by smaller firms and by firms whose managers are less committed to exporting. It is also clear that the firms that have most difficulty in standardising their product strategy are the ones exporting to the most developed and competitive

markets. The use of a more adapted promotional strategy is also recommended when competition in the commerce/industry is high.

The standardisation of a pricing strategy is particularly noted in firms which receive domestic support for exporting and operate in non-competitive environments. The model also shows that it is extremely difficult to have a standardised distribution strategy for the most developed markets. However, if management have no experience or expertise, then they are encouraged to use a distribution strategy for the main exporting market similar to that used for the domestic market. The follow-up interviews revealed that in particular situations it might be better to use a standard strategy rather than to risk implementing an unsuitable adapted strategy.

The findings also indicate that firms with higher export performance levels in the preceding year are more inclined to standardise their product, price and distribution strategies, and these tend to have a positive impact on current export performance. In one particular case (service-quality strategy) the results indicate that while last year's perceived export performance affects the current export marketing strategy, the latter does not affect export performance levels in the short term. Some managers argue that since the strategy is changed every year as a result of preceding export performance, it will not be possible to see its effects in the long run. To have effects in the long term it is necessary to have effects in the short term. So there is a danger in changing the service strategy every year (as a result of the previous year's export performance levels) without allowing sufficient time to observe the effects of marketing changes in the long term. In other words, the combination of defining a particular strategy as a result of the previous year's export performance levels and the inability of managers

to see an immediate effect in the short term leads firms into a vicious circle, which in turn prevents managers from improving their strategies in the long term.

Contrary to all the other marketing-mix constructs (product, price, distribution and service), promotion was not found to be associated with past export performance. A possible explanation is that while some promotional actions (e.g. direct marketing/mailling and advertising) are the immediate result of last year's export performance, other actions (e.g. public relations activities) just change in the long term. One possible explanation concerns the lack of financial resources devoted to promotional activities. The follow-up interviews revealed that, even when Portuguese firms present good results in the preceding year, top managers do not obtain the required resources to invest in promotional strategy. Furthermore, companies prefer not to invest in promotional activities on the basis of a good past export performance, but to reduce promotional expenses with the objective of providing more competitive lower prices and thereby improving their export performance.

In sum, managers have to be aware that the *current year's* export performance is the outcome of the *current year's* export marketing strategy, which in turn is defined based on *last year's* export performance. Both current export performance and the degree of marketing standardisation are affected by internal and external forces. Thus, in order to determine the appropriate degree of marketing-mix standardisation for each export venture, managers are required to understand all these forces. The model presented in this thesis helps to clarify and systematise this complex phenomenon.

8.1.3 IMPLICATIONS FOR PUBLIC POLICY MAKERS

The research findings are useful for national and international public policy makers, particularly with regard to the determination of policies concerning domestic support. Domestic support is here taken to consist of the support provided by 1) the European Union (EU), 2) the Portuguese national government, and 3) Portuguese trade associations. Table 6-1¹⁷ shows that the domestic support for exporting given to Portuguese firms tends to be very small.

Prices in the Portuguese market tend to be lower than the prices of the same products in other EU countries. The research findings indicate that firms receiving domestic support are more likely to level their foreign-market prices with those in the domestic market and therefore achieve better export performance. The follow-up interviews revealed that firms tend to use the domestic support to reduce the final production costs, which is reflected in the final selling price to the main foreign market. In this way, domestic support allows firms to match the prices in the foreign market to those practised in the domestic market.

Thus, the model presented here indicates how firms direct the support provided by the EU, the national government, and trade associations to their exporting activity. If it is not specified where, when and how the support (e.g. funding) should be used, it is very likely that firms will use it to reduce the selling prices in the foreign market. However, if domestic support is related to particular objectives, then this situation is less likely to occur. By identifying *adequate* export marketing practices, the empirical

¹⁷ Mean scores for the 3 scales (support of European Union, national government and trade associations) are much lower than 3.0, the mid point on a 1-to-5 scale.

model presented here provides guidelines for national and international public policy makers to direct domestic support to particular targets (see the previous section).

The follow-up interviews also indicated that the EU and the Portuguese government have recently contributed to Portuguese exports at two different levels. First, intra-EU transactions in EUROS have simplified the export process and slowly favoured the stabilisation of prices across the various European markets. Secondly, the recent devaluation of the Portuguese currency (escudo), which is dependent on the EU's monetary policies, has strongly supported Portuguese exports. Furthermore, because of the devaluation, firms were able to hold the prices for the foreign market, which led to a stabilisation of prices between the domestic and foreign markets. This is in line with Bilkey's (1978) argument that government has the capacity to increase exports by devaluing the currency.

8.2 RESEARCH LIMITATIONS

The results found in this thesis should be interpreted in the light of some limitations. These limitations relate to the sample used and the level of analysis.

8.2.1 THE METHOD OF SAMPLING

The company data for this study were collected from the ICEP's database (1997). Although this was considered to be the most extensive and up-to-date database on Portuguese exporters, the survey was conducted in 1999 - just two years after the database was created. In a two-year period many changes occur: new firms appear or close down, and some firms initiate or stop their exporting activity. Thus, the first limitation is associated with the fact that the database was two years old when the

survey was conducted and did not contain the most up-to-date information on the full population of Portuguese exporters.

A second limitation is that the survey questionnaire was completed by a single manager in each exporting firm. This is a significant limitation, particularly in the analysis of the largest companies. Large firms tend to have more than one manager working with the main export venture. Nevertheless, given that the introductory letter was addressed to the manager responsible for exporting, it is very likely that the respondent managers were those most involved in, and knowledgeable about, the firm's main export venture (Styles, 1996). This problem is less of an issue for smaller companies, as they each tend to have just a single manager responsible for export operations.

This research has been conducted with firms of different (exporting) sizes and operating in diverse industries. With the aim of providing valuable new insights for the export marketing literature, the export ventures were taken from firms based in Portugal. Portugal is particularly interesting to study as it is an emergent EU economy which is strongly dependent on the exporting activity of its firms. Furthermore, the small size of the domestic market leads to a strong export orientation of Portuguese firms. Nevertheless, a sample based on export ventures from firms based in a *single* country is bound to be limited. The results cannot easily be generalised to firms of other countries. Thus, future empirical research is needed to replicate this study in different countries.

There are two additional limitations at the sample level. First, larger exporters tend to be more interested in answering surveys (as they export more and have more

human resources involved in exporting), and therefore the survey results are likely to be more typical of larger firms. However, since the final frequency is well balanced across the groups (Table 5-2), it is believed that the sample does in fact adequately represent the different sizes of firms (Shoham, 1998). Secondly, it may be argued that by using only the firm's *main* export venture as unit of analysis (Shoham, 1996, 1998) rather than more than one venture from the same firm (Madsen, 1989; Cavusgil and Zou, 1994), this may generate data reflecting primarily the more successful ventures, thereby failing to capture the wide variation of export performance. However, the mean scores associated with all export performance variables (the mean scores in Table 6-1 are close to 3.0, the mid-point on the 1-to-5 scale) show that this assumption is not correct. Furthermore, by analysing a *single* product or product line exported to a *single* foreign market, we are able to ensure a wider variance in all the other variables (Styles, 1996, 1998) and to associate the effects of export marketing strategy more precisely with marketing outcomes (Cavusgil and Kirpalani, 1993). Additionally, the exploratory research also revealed that several managers had developed an export marketing strategy for the main export venture only. Many of the "secondary" export ventures have no defined strategy or have a strategy that is simply a consequence of the strategy defined for the main export venture.

8.2.2 THE LEVEL OF ANALYSIS / MODELLING

In terms of the level of analysis, a first limitation relates to the omission of certain relevant variables. As Pedhazur and Schmelkin (1991) explain, such an omission may lead to a degree of bias in the parameter estimates associated with the independent variables. This research focus on the degree of marketing mix standardisation as an

outcome and antecedent of export performance. Although the five marketing mix variables (product, promotion, price, distribution, service-quality) are interesting and have a great potential for stimulating future theoretical development, they are not the only ones possible. Further research might look at the marketing mix from a different perspective or attempt to incorporate new variables. However, it must be stressed that the objective of this research is *not* to present an holistic approach to export performance. The focus is on the key variables previously identified by managers or in the literature as being directly associated with the export marketing strategy - export performance relationship.

In terms of causality, two initial concerns were that (1) the use of techniques like LISREL could not prove the direction of causality; and (2) due to the lack of time and financial resources, it would not be possible to develop a longitudinal research design.

In order to overcome these two limitations as much as possible, the survey instrument was especially formulated to capture the dynamics of the exporting phenomenon. More specifically, by focusing each question on specific time periods (e.g. “last year” and “the current year”), it became possible to analyse the direction of causality. For example, in the relationship between (last year’s) perceived export performance and (the current year’s) service standardisation, the direction of causality became clear. In terms of a logical progression, last year’s export performance may affect the current year’s strategy, but the opposite relationship is ruled out. Thus, with this approach it became possible to operationalise the following research question: does (last year’s) export performance influence (the current) export marketing strategy, or does (the current) export marketing strategy influence (current) export performance?

Furthermore, back-up for the relationships was provided by theoretical development (Chapters 2 and 4) and by the exploratory research (Chapter 3). The impact of preceding performance on strategy is discussed in the organisational and strategic management literature and was once again confirmed, in an exporting marketing context, during the exploratory stage of this research. Similarly, the direction of causality concerning the relationships between internal and external forces, export marketing strategy and export performance is presented in existing theory and was once again confirmed by managerial insights.

An initial concern existed at the measurement level. Due to the need to measure export performance at two different points in time, two different type of constructs emerged: delta constructs (those associated with change over time) and an absolute construct (associated with a specific period of time). As the simultaneous analysis of relationships between absolute and delta constructs should be avoided, a new absolute construct (C_PPER) was built to replace the initial delta construct (Y_PCHG). The measurement model revealed that this new construct, like the other 13 constructs, was reliable ($\rho^{c15}=0.9311$, $\rho_{vc(n)}^{c15}=0.6960$) and valid (presenting large and significant standardised loadings, as well as a RMSEA of 0.061). Therefore, C_PPER emerged as a good alternative to the initial Y_PCHG construct.

In sum, despite the study's evident limitations, it is believed that a solid survey instrument has been produced both at the causality and measurement levels. All the measures presented in this study are reliable and valid, and have resulted from a combination of new scales (based on the exploratory research) and existing scales (derived from the literature review).

8.3 DIRECTIONS FOR FURTHER RESEARCH

Some of the issues presented in this thesis may be used as a basis for further research to expand existing knowledge in the research stream of export marketing and export performance. Guidelines for such future research will now be presented.

8.3.1 THE MEASUREMENT LEVEL

At the measurement level, numerous items and factors/constructs have been advanced by this thesis. Instead of treating export performance, marketing mix standardisation, internal and external forces as uni-dimensional constructs, various measurement units were presented. Further research efforts are needed to expand and refine the proposed measurement scales.

As suggested by Churchill (1979), two techniques of analysis (EFA and coefficient alpha) were applied with the aim of producing a set of items which reflect an underlying factor. The use of these techniques has helped to identify which factors are independent from each other (Hair et al., 1998). Some uncovered and non-expected factors emerged during this process. As a consequence, some of the original factors had to be renamed. At the internal level, the factor 'firm's characteristics' was renamed 'firm's size'. With regard to the external forces, the factor 'domestic market characteristics' turned into 'domestic support for exporting'; 'industry/commerce characteristics' became 'industry/commerce competition'; and 'foreign market characteristics' was changed to 'foreign market development'. The factor 'product characteristics' was excluded from further analysis as none of its original items emerged during EFA. All the other factors retained their initial names. In this way, the

following factor structure emerged. Yearly change in export performance was loaded on one factor (f1). Preceding export performance was loaded on two factors: last year's perceived export performance (f2) and last year's financial export performance (f5). The degree of marketing strategy standardisation was loaded on five factors: product (f4), promotion (f3), price (f7), distribution (f6), and service quality (f13) standardisation. Internal factors were loaded on firm's size (f8), management experience and expertise (f11) and export commitment (f9). Similarly, external factors were loaded on three factors: foreign market development (f14), competition in the industry and commerce (f10) and domestic support for exporting (f12). After using Churchill's (1979) traditional approach to scale development, the factor solution was further tested by using CFA. CFA allowed a testing of the quality of the factor solution and the specific parameters which compose the framework (Kelloway, 1998). Since all the constructs have been shown to be reliable and valid (see Table 6-6), they are recommended for future research.

8.3.2 THE CAUSALITY LEVEL

At the causality level, as suggested by recent studies (Katsikeas et al., 1998; Zou and Stan, 1998), the analysis of the relationships among internal and external uncontrollable forces, export marketing strategy and export performance is still an under-researched area. It is hoped that the present research, by providing a complementary explanation of the export marketing strategy and export performance paradigm, will spark other investigations at two different levels.

First, this study shows that current export marketing strategy is affected by preceding export performance. Thus, we must ask: is the export marketing strategy and export

performance relationship being discussed in the literature as it exists in practice, or is a significant part of this relationship being ignored?

It is suggested that future research should address the following questions:

- 1) Under what conditions does past export performance affect current export marketing strategy?
- 2) Why do some marketing mix strategies that are influenced by past export performance not affect a firm's export performance?
- 3) Reciprocally, why do some marketing mix strategies that are not influenced by past export performance affect a firm's current export performance?

The impact of export performance on export marketing strategy is definitely an issue worthy of replication by future empirical studies. Further research is also encouraged to identify the conditions under which preceding export performance may affect other factors (e.g. the degree of management commitment).

Secondly, this study shows that current export performance is a function of the fit between the firm's internal and external contexts and the selected export marketing strategy. Instead of discussing whether a company should standardise its marketing strategies or not, a more fruitful direction for future research is to understand the forces that affect the degree of standardisation as well as export performance. Both the conceptual framework (Chapter 4) and the research instrument tested in this research (Chapter 6) are particularly useful guides for future studies on this specific approach. Again, the use of an advanced multivariate technique such as SEM is recommended to

model complex relationships, as this is not possible with any of the other multivariate techniques (Hair et al., 1998). SEM allows us to analyse simultaneously both the direct and indirect relationships among preceding export performance, internal and external forces, the degree of marketing standardisation, and current export performance. Most studies tend to concentrate exclusively on the analysis of the *direct* relationships among the elements involved in the export-marketing phenomenon. Much more empirical research is needed to focus on the analysis and understanding of the *indirect* relationships.

8.3.3 OTHER RESEARCH DIRECTIONS

Four additional directions for further research also deserve consideration. First, this study has been developed with managers from exporting firms. Future research should also investigate importers' perceptions of exporters' activities. By looking at both sides of the *dyad*, future research should seek to identify other key drivers of export performance. Furthermore, some of the factors presented here could be further explored by analysing the importer's perspective. Through such an approach some interesting guidelines for improving firms' export performance would emerge.

Secondly, as previously discussed, the results presented here may be generalised to Portuguese exporters. However, generalisations to firms based in other small European countries, emergent economies, or exporting-oriented countries must be made with caution. Thus, in order to refine the scales and further test the relationships presented here, this study should be replicated with firms based in different countries. Two interesting possibilities would be to develop a similar survey across different European countries, or to compare firms based in a developed and a less developed

country.

Thirdly, it should also be useful to test the operational model presented in this thesis (Figure 4-2) through the following comparisons: a service industry and a goods manufacturing industry; SME and large firms; start-ups and established exporters. Further investigation is also needed into the export ventures of different firms. Existing studies tend to focus on the export ventures of the same firm.

Fourthly, a further interesting possibility is to develop and create international business frameworks which examine the marketing mix as a whole, rather than concentrating on just one of the “Ps”. Due to the complexity of the export-marketing phenomenon, frameworks are important both at the conceptual and empirical levels, and wherever possible should use grounded findings.

8.4 SUMMARY

This thesis proposes a “rethinking” of the export marketing strategy - export performance relationship at two different levels. First, the findings indicate that preceding export performance indirectly affects current export performance through its influence on export marketing standardisation. Thus, this research supports the idea that current exporting marketing actions reflect export performance levels achieved in the preceding year – a relationship not discussed or tested in previous research. Secondly, this empirical study presents a structural model which shows that, as in the case of export marketing strategy, a firm’s export performance is simultaneously affected by internal and external forces. This is something overlooked in previous empirical research.

Despite some limitations of the present analysis, it is believed that a strong foundation for future research at both the causality and measurement levels is provided. Due to the size of the valid sample (519), it was possible to apply WLS, a method never used before in the export-marketing literature. Thus, 23 hypotheses were tested simultaneously while using CFA and SEM with this asymptotically distribution-free method of estimation.

In sum, given the importance of the issues discussed in this thesis for researchers, export managers and public policy makers, it is hoped that this investigation will stimulate future research and discussion in the export-marketing field.

APPENDIX 1

QUESTIONNAIRE: ENGLISH VERSION AND SOURCES

LUIS FILIPE LAGES
MARKETING, STRATEGIC MANAGEMENT &
INTERNATIONAL BUSINESS DEPARTMENT
WARWICK BUSINESS SCHOOL, WARWICK UNIVERSITY
COVENTRY CV4 7AL
ENGLAND
Tel: 00-44-1203-572832
Fax: 00-44-1203-524650
E-mail: L.F.C.Lages@warwick.ac.uk

TO THE PERSON RESPONSIBLE FOR EXPORTING
«COMPANY»
«ADDRESS_1»
«ADDRESS_2»
«CODE» «CITY»
PORTUGAL

8 June 1999

Dear Sir/Madam,

A project that looks at various aspects of Portuguese exporters' activities is being conducted by Warwick University (England). This project is sponsored by the **European Union** and the **Fundação para a Ciência e a Tecnologia**.

The investigation **aims** to collect data on the international strategies of Portuguese exporters.

Your company, «COMPANY», was randomly selected from a database of national exporters, along with other companies which are representative of the whole Portuguese industry.

The success of this project depends entirely upon your co-operation. Therefore, we hope that you will find 25 minutes to complete the enclosed questionnaire and return it in the pre-paid envelope that is enclosed for your convenience.

In return for your help, we will send you **a copy of the findings**. If you wish, we will also try to send you the **contacts of potential importers/clients abroad** (see last page of the questionnaire).

All replies will be treated in the strictest confidence and no reference will be made to individuals or their particular companies. Individual answers will be statistically analysed and presented in an aggregate form.

Thank you in advance for your support.

Yours sincerely,

Luís Filipe Lages

Enclosed:
Questionnaire
Pre-paid reply envelope

LUIS FILIPE LAGES
MARKETING, STRATEGIC MANAGEMENT &
INTERNATIONAL BUSINESS DEPARTMENT
WARWICK BUSINESS SCHOOL,
WARWICK UNIVERSITY
COVENTRY CV4 7AL
ENGLAND

TO THE PERSON RESPONSIBLE FOR EXPORTING
«COMPANY»
«ADDRESS_1»
«ADDRESS_2»
«CODE» «CITY»
PORTUGAL

18 June 1999

Dear Sir / Madam,

SUBJECT: A study of the factors that contribute to the performance of Portuguese exporters in the international market

Previously, I wrote to invite you to participate in a national survey on the international strategies of Portuguese exporters, developed with the support of the **European Union and Fundação para a Ciência e a Tecnologia** (ref.: FCT- PRAXIS XXI / BD/ 15627/ 98). In return for your participation, we would be pleased to send you a **summary of the findings** and, if you wish, the **contacts of potential importers/clients abroad** for your company.

To date, the response has been most encouraging, but we need every company's co-operation to improve the reliability of the study's result. Thus, your views about the exporting strategies used by «COMPANY» are vital in helping to draw an accurate picture.

I would be very grateful if you could find 25 minutes to fill in the questionnaire sent earlier, and put it in the prepaid envelope enclosed for your convenience. Please accept our apologies if you have returned the survey before receiving this letter.

Thank you in advance for your support. I look forward to hearing from you.

Yours sincerely,

Luís Filipe Lages

PS-If you haven't received the questionnaire, please order a new one by fax (00-44-1203-524650), e-mail (*L.F.C.Lages@warwick.ac.uk*) or letter (*pre-paid reply envelope enclosed*).

A STUDY OF THE FACTORS THAT CONTRIBUTE TO THE PERFORMANCE OF PORTUGUESE EXPORTERS IN THE INTERNATIONAL MARKET

A RESEARCH STUDY DEVELOPED AT THE UNIVERSITY OF WARWICK (ENGLAND)

SUPPORTED BY THE EUROPEAN UNION & FUNDAÇÃO PARA A CIÊNCIA E A TECNOLOGIA

OBJECTIVE OF THIS QUESTIONNAIRE

This questionnaire aims to collect data on the strategies currently used by Portuguese exporters in the international market place. This information will enable an in-depth study of these companies.

The key objective is to identify how the Portuguese exporters may be more successful in their exporting activity.

CONFIDENTIALITY

The information you provide will be kept strictly confidential.

- It will not be possible to identify the respondents and companies involved in this study.
- The data will be used for statistical purposes only and released in aggregated form.

YOUR CO-OPERATION IS ESSENTIAL

The success of this national investigation depends entirely on the data contributed by companies such as yours.

YOUR CASE IS VALID

This investigation aims to include investigation from ALL Portuguese exporters, without exception.

Similar questionnaires are currently being completed by companies of all sizes (small, medium, big exporters), in various industries (from exporters of needles to electricity exporters), that export one or more products to one or more markets, with varying degrees of success.

ADVANTAGES FOR YOUR COMPANY

In return for your participation,

- will send you a **report with the conclusions of this study** which will include suggestions on how Portuguese companies may improve their performance on the international market.
- based on several sources of information, we will try to provide you with a **list of contacts of potential overseas importers/clients**. These contacts might be used to create new business opportunities for your company.

Thank you for your co-operation,



Luís Filipe Lages
BA (Hons), MA in Marketing

If you require assistance in completing the questionnaire, please contact:

Luís Filipe Lages, MSM Department, Warwick Business School, Warwick University, Coventry CV4 7AL, England.
Tel:00-44-1203-572832, Fax: 00-44-1203-524650, E-mail: L.F.C.Lages@warwick.ac.uk

HOW TO FILL IN THE QUESTIONNAIRE

1. As this questionnaire is aimed at companies belonging to various sectors of the economy that develop a range of products, some questions may not be applicable to your company. In these instances, simply tick ☒ the “Not applicable” option.
2. There are no right or wrong answers to this questionnaire. What is important is your particular experience. Just tick ☒ the options that best represent your suggestion or opinion.
3. This questionnaire is structured so that its completion will be as easy and quick as possible. It will take approximately 25 minutes to complete.
4. Please send the questionnaire back as soon as possible in the pre-paid return envelope.

SECTION A - CHARACTERISTICS OF YOUR FIRM AND YOUR MAIN EXPORTING VENTURE*

Please note that the focus of this questionnaire is on the MAIN EXPORTING VENTURE* of your company. "MAIN EXPORTING VENTURE" means the main product, or group of products, exported by your company (in terms of sales value) to its main importing country. Therefore,

With regard to the MAIN EXPORTING VENTURE* of your company, please indicate for 1998 what was your company's:

- a) main export (i.e., main exported product or main group of exported products) _____
 (please indicate just one product or group of products)
- b) main importing country of your main export (i.e., of the main exporting product or group of products)¹ _____
 (please indicate just one country)

IMPORTANT: You have just defined the MAIN EXPORTING VENTURE* of your company (which this questionnaire is about).

Which of the following best describes your firm's ownership?² (Please tick ☒ ONE box only)

- Joint-stock company ☐
- Anonymous society / Limited company ☐
- Co-partnership ☐
- Company of nominal and dormant partners / Limited society ☐
- Individual trading establishment ☐
- Individual trader ☐ ³

Which of the following best describes your firm?⁴ (Please tick ☒ ONE box only)

- Single manufacturing/business firm in Portugal ☐
- One of several manufacturing/business firms in Portugal ☐
- A subsidiary of an overseas firm ☐
- Headquarters with one/more subsidiaries in Portugal ☐
- Headquarters with one/more subsidiaries abroad ☐
- Headquarters with subsidiaries in Portugal and abroad ☐
- Other (please specify): _____ ☐

In which region are the headquarters of your company located? (Please tick ☒ ONE box only)

- North ☐
- Centre ☐
- Lisbon and Vale do Tejo ☐
- Alentejo ☐
- Algarve ☐
- Madeira Island ☐
- Azores Islands ☐
- Abroad (please specify the country): _____ ☐

5. The MAIN EXPORTING VENTURE* of your company is mainly sold to: (Please tick ☒ ONE box only)

- Retail or supermarkets ☐
- Agent(s)/distributor(s) ☐
- Final consumer ☐
- Industry ☐
- Other commercial ☐
- Services ☐
- Headquarters abroad ☐
- Subsidiaries abroad ☐
- Other (please specify) _____ ☐

6. To which industry/sector does the main product (or group of products) exported by your company belong?

7. Last year (1998), how many countries imported your MAIN EXPORTING VENTURE*?⁵

1 ☐ 2-4 ☐ 5-9 ☐ 10-25 ☐ over 25 ☐ ⁶

8. In the past year (1998), to which of the following areas was your main exporting product (or group of products) sold:⁷

- a) European Union countries ☐
- b) Other European countries ☐
- c) Portuguese Speaking African countries (PALOP) ☐
- d) Other African countries ☐
- e) Brazil ☐
- f) Other South American countries ☐
- g) Central / North America ☐
- h) Australia and Oceania ☐
- i) Asia ☐

* DEFINITION OF MAIN EXPORTING VENTURE

MAIN EXPORTING PRODUCT (OR GROUP OF PRODUCTS) TO ITS MAIN IMPORTING MARKET

In your opinion, what are the main reasons for the success or failure of your MAIN EXPORTING VENTURE*? _____

For your MAIN EXPORTING VENTURE*, how did you quote your prices for 1998 and this year (1999)? ⁸

	1998	This year		1998	This year	1998	This year
a) Portuguese currency	<input type="checkbox"/>	<input type="checkbox"/>	c) EURO	<input type="checkbox"/>	<input type="checkbox"/>	e) Other	
b) Currency of importer	<input type="checkbox"/>	<input type="checkbox"/>	d) American Dollar	<input type="checkbox"/>	<input type="checkbox"/>	(please specify)	(please specify)

SECTION B- EXTERNAL FACTORS TO YOUR COMPANY

From '1' to '5', how would you classify each of the following elements concerning the past year (1998) ?

1- none

2-small

3-moderate

4-considerable

5-substantial ⁹

1 2 3 4 5 'not applicable'

A. PORTUGAL:

(with regard to your main exporting venture*)

a) Availability of national credit to finance export sales ¹⁰	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Support of trade associations ¹¹	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Support of European Union	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Support of government (excluding EU support) ¹²	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Barriers of the Portuguese legal system to the export venture	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) Degree of domestic competition	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

B. MAIN MARKET / IMPORTING COUNTRY:

(with regard to your main exporting venture)

a) Extent of legal and regulatory barriers in the main importing market ¹³	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Demand potential in the main importing market ¹⁴	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Degree of product familiarity to customers ¹⁵	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Cultural similarity of main importing market to home market ¹⁶	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Country's level of development ¹⁷	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) Level of consumer education in the importing country	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

C. INDUSTRY/ COMMERCE:

(with regard to the main exported product or group of products)

a) Extent of price competition in the industry/commerce ¹⁸	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) degree of competition in accomplishing delivery deadlines in the industry/commerce ¹⁹	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Competition in the industry/commerce ²⁰	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Number of new competitors entering the industry/commerce ²¹	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Degree of stability of the industry/commerce ²²	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) Degree of technological orientation of the industry/commerce ²³	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

* DEFINITION OF MAIN EXPORTING VENTURE

MAIN EXPORTING PRODUCT (OR GROUP OF PRODUCTS) TO ITS MAIN IMPORTING MARKET

SECTION C- INTERNAL FACTORS

What is your job title? (e.g., managing director, exporting director, marketing director)²⁴ _____

For how many years ...

- a) ...have you been responsible for your firm's exports ? ²⁵ 0-2 ☐ 3-7 ☐ 8-15 ☐ 16-30 ☐ Over 30 ☐
- b) ...has your firm been involved in international business ? ²⁶ 0-2 ☐ 3-7 ☐ 8-15 ☐ 16-30 ☐ Over 30 ☐

Does your company have a separate export department or division?²⁷ Yes ☐ No ☐

a) If yes, for how many years has this department been in operation? ²⁸ 0-2 ☐ 3-7 ☐ over 7 ☐

Thinking about the people involved in your MAIN EXPORTING VENTURE* during the past year, how would you classify their:

1- none
 2-small
 3-moderate
 4-considerable
 5-substantial ²⁹

- | | 1 | 2 | 3 | 4 | 5 | 'don't know' |
|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| a) Degree of professional exporting experience ³⁰ | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b) Degree of overseas experience (living abroad/working abroad) ³¹ | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| c) Degree of training in international business (e.g, formal courses and/or export seminars attended) ³² | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| d) Ability to follow-up on trade leads ³³ in the main importing market | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

What is your opinion concerning the following statements about your main exporting venture during the past year (1998):

1-strongly disagree
 2-disagree
 3-neither agree or disagree
 4-agree
 5-strongly agree ³⁴

- | | 1 | 2 | 3 | 4 | 5 | 'don't know' |
|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| a) There was a higher amount of financial resources for exporting than for the domestic market | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b) There was substantial planning for this export-venture ³⁵ | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| c) There was a significant amount of human resources involved in the exporting activity ³⁶ | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| d) There was a significant degree of management commitment to exporting ³⁷ | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

How would you characterise the following items in relation to last year's (1998) MAIN EXPORTING VENTURE* :

1- none
 2-small
 3-moderate
 4-considerable
 5-substantial³⁸

- | | 1 | 2 | 3 | 4 | 5 | 'not applicable' |
|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| a) Strength of patent of main exporting product ³⁹ | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b) Amount of training that the sales force needs to handle the main product ⁴⁰ | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| c) Degree of product line extension in the main overseas market ⁴¹ | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| d) Difference between the goals to be achieved for the domestic market and those for the export venture ⁴² | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| e) Degree to which the product is culture-specific ⁴³ | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| f) Product's service requirements ⁴⁴ | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| g) Extent to which the product is established within the firm (product tradition within the firm) ⁴⁵ | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

* DEFINITION OF MAIN EXPORTING VENTURE

MAIN EXPORTING PRODUCT (OR GROUP OF PRODUCTS) TO ITS MAIN IMPORTING MARKET

SECTION D- STRATEGY FOR YOUR MAIN EXPORTING VENTURE*

Is last year's (1998) export venture's performance affecting the definition of your MAIN EXPORTING VENTURE's* strategy for the current year (1999)? Why? _____

When considering the MAIN EXPORTING VENTURE* over the past year (1998), how different were the strategies used for the domestic market when compared with those used for the main importing market:

1- no adaptation at all	2- little adaptation	3- moderate adaptation	4- considerable adaptation	5- extensive adaptation ⁴⁶
			1 2 3 4 5	'not applicable'

A. DISTRIBUTION

- | | | | | | | |
|--|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| a) Criteria in selecting the distribution system ⁴⁷ | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b) Transportation strategy ⁴⁸ | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| c) Budget for distribution ⁴⁹ | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| d) Distribution network ⁵⁰ | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| e) Accomplishment of delivery deadlines | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

B. PRICE

- | | | | | | | |
|--|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| a) Determination of pricing strategy ⁵¹ | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b) Concession of credit ⁵² | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| c) Price discount policy ⁵³ | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| d) Margins | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| e) Quality/price relationship | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

C. PRODUCT

- | | | | | | | |
|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| a) Brand name of product ⁵⁴ | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b) Product design ⁵⁵ | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| c) Product labelling ⁵⁶ | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| d) Product quality ⁵⁷ | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| e) Range of variety within your main exporting product line ⁵⁸ | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| f) Service quality ⁵⁹ / Product warranties ⁶⁰ | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

D. PROMOTION

- | | | | | | | |
|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| a) Advertising idea/theme ⁶¹ | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b) Media channels for advertising ⁶² | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| c) Direct marketing ⁶³ / mailing | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| d) Promotion objectives ⁶⁴ | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| e) Emphasis on public relations ⁶⁵ | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| f) Budget for promotion ⁶⁶ | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

* DEFINITION OF MAIN EXPORTING VENTURE
MAIN EXPORTING PRODUCT (OR GROUP OF PRODUCTS) TO ITS MAIN IMPORTING MARKET

For your MAIN EXPORTING VENTURE*, to what extent the same factors were changed from 1998 to 1999 when comparing the domestic market with the main importing market ?

1- this year (1999) is **much more similar** between the two markets than it was in 1998

2- this year (1999) is **more similar** between the two markets than it was in 1998

3- this year (1999), **there was no modifications** to the 1998 strategy

4- this year (1999) is **more differentiated** between the two markets than it was in 1998

5- this year (1999) is **much more differentiated** between the two markets than it was in 1998

1 2 3 4 5 'not applicable'

A. DISTRIBUTION

- a) Criteria to select the distribution system⁶⁷
- b) Transportation strategy⁶⁸
- c) Budget for distribution⁶⁹
- d) Distribution network⁷⁰
- e) Accomplishment of delivery deadlines

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

B. PRICE

- a) Determination of pricing strategy⁷¹
- b) Concession of credit⁷²
- c) Price discount policy⁷³
- d) Margins
- e) Quality/price relationship

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

C. PRODUCT

- a) Brand name of product⁷⁴
- b) Product design⁷⁵
- c) Product labelling⁷⁶
- d) Product quality⁷⁷
- e) Range of variety within your main exporting product line⁷⁸
- f) Service quality⁷⁹/ Product warranties⁸⁰

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

D. PROMOTION

- a) Advertising idea/theme⁸¹
- b) Media channels for advertising⁸²
- c) Direct marketing⁸³/mailing
- d) Promotion objectives⁸⁴
- e) Emphasis on public relations⁸⁵
- f) Budget for promotion⁸⁶

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

With regard to prices in your MAIN EXPORTING VENTURE*, would you say that:

1- much lower

2- lower

3- about the same

4- higher

5- much higher

1 2 3 4 5 'don't know'

- a) When comparing the price in the Portuguese market with the price in your main overseas market, your prices in Portugal are:⁸⁷

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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- b) In relation to competitors in your main overseas market, your company's prices are:⁸⁸

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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* DEFINITION OF MAIN EXPORTING VENTURE

MAIN EXPORTING PRODUCT (OR GROUP OF PRODUCTS) TO ITS MAIN IMPORTING MARKET

SECTION E- PERFORMANCE OF YOUR COMPANY'S MAIN EXPORTING VENTURE*

Please answer all of the questions, including those that use different measures from those of your company.⁹⁰

How well did your company achieve the following objectives for the MAIN EXPORTING VENTURE* over the last few years? ⁹⁰

1- very badly
2- badly
3- moderately
4- well
5- very well ⁹¹

1- much worse than in 1997
2- worse than 1997
3- equal to 1997
4- better than in 1997
5- much better than in 1997

	Two years ago (1997)					From 1997 to 1998				
	1	2	3	4	5	1	2	3	4	5
a) export sales <u>volume</u> of main exporting venture*	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) export sales <u>value</u> of main exporting venture*	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) export profitability of main exporting venture*	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) market share in the main importing market of the main exporting venture*	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) overall export performance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

How satisfied are you with the results of your MAIN EXPORTING VENTURE* for the last few years: ⁹²

1- not satisfied at all
2- a little satisfied
3- relatively satisfied
4- very satisfied
5- extremely satisfied ⁹³

1- much less satisfied than in 1997
2- less satisfied than in 1997
3- equally satisfied
4- more satisfied than in 1997
5- much more satisfied than in 1997

	Two years ago (1997)					From 1997 to 1998				
	1	2	3	4	5	1	2	3	4	5
a) export sales <u>volume</u> of main exporting venture*	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) export sales <u>value</u> of main exporting venture*	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) export profitability of main exporting venture*	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) market share in the main importing market of the main exporting venture*	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) overall export performance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Two years ago (1997), what was the contribution of your MAIN EXPORTING VENTURE* to your:

	0-9%	10-29 %	30-59 %	60-84 %	85-100 %	'don't know'
a) total sales <u>volume</u> ^{94 95}	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) total sales <u>value</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) total <u>profit</u> ^{96 97}	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

With regard to your MAIN EXPORTING VENTURE*, to what extent did the following increase between 1997 and 1998?

1-large decrease from 1997 to 1998	2- decreased a little from 1997 to 1998	3- no alteration from 1997 to 1998	4-increased a little from 1997 to 1998	5- large increase from 1997 to 1998 ⁹⁸
---------------------------------------	--	---------------------------------------	---	--

	1	2	3	4	5
a) <u>percentage</u> of main exporting venture* to total sales <u>volume</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) <u>percentage</u> of main exporting venture* to total sales <u>value</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) <u>percentage</u> of main exporting venture* to total <u>profitability</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

* DEFINITION OF MAIN EXPORTING VENTURE

MAIN EXPORTING PRODUCT (OR GROUP OF PRODUCTS) TO ITS MAIN IMPORTING MARKET

During last year (1998), how many people in your firm are employed full-time in the commercial activity of your MAIN EXPORTING VENTURE* ? ^{99 100}

- 0 ☐
- 1-2 ☐
- 3-10 ☐
- 11-49 ☐
- 50-100 ☐
- more than 100 ☐

How many employees worked full-time in your firm¹⁰¹ last year ?

- 1-9 ☐
- 10-19 ☐
- 20-49 ☐
- 50-99 ☐
- 100-499 ☐
- more than 500 ☐ ¹⁰²

What was the SALES VALUE OF YOUR MAIN EXPORTING VENTURE last year (1998)?

- up to 5,000 thousand ptes ☐
- 5,001-20,000 thousand ptes ☐
- 20,001-80,000 thousand ptes ☐
- 80,001-150,000 thousand ptes ☐
- 150,001-300,000 thousand ptes ☐
- 300,001-1,000,000 thousand ptes ☐
- 1,000,001- 8,000,000 thousand ptes ☐
- more than 8,000,000 thousand ptes ☐ ¹⁰³

8.

What was your EXPORT SALES VALUE last year (1998) ?

- up to 20,000 thousand ptes ☐
- 20,001-70,000 thousand ptes ☐
- 70,001-300,000 thousand ptes ☐
- 300,001-700,000 thousand ptes ☐
- 700,001-1,000,000 thousand ptes ☐
- 1,000,001-7,000,000 thousand ptes ☐
- 7,000,001- 29,000,000 thousand ptes ☐
- over 29,000,000 thousand ptes ☐ ¹⁰⁴

9.

What was the TOTAL SALES VALUE OF YOUR COMPANY last year (1998)?

- up to 20,000 thousand ptes ☐
- 20,001-70,000 thousand ptes ☐
- 70,001-300,000 thousand ptes ☐
- 300,001-700,000 thousand ptes ☐
- 700,001-1,000,000 thousand ptes ☐
- 1,000,001-7,000,000 thousand ptes ☐
- 7,000,001- 29,000,000 thousand ptes ☐
- more than 29,000,000 thousand ptes ☐ ¹⁰⁵

What do you anticipate the results of your MAIN EXPORTING VENTURE* will be this year (1999) ?

1-worsen significantly

2- worsen

3- remain the same

4-improve

5-improve significantly

- a) export sales volume of main exporting venture*
- b) export sales value of main exporting venture*
- c) export profitability of main exporting venture*
- d) achievement of the objectives for the main export venture*
- e) satisfaction with main exporting venture*

1	2	3	4	5
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Did last year's (1998) performance affect the export strategy that is being developed this year (1999) ? If yes, how ? _____

SECTION F- OTHER

What is your opinion on the following statements:

	1-strongly disagree	2-disagree	3-neither agree nor disagree	4-agree	5-strongly agree ¹⁰⁶
a) Everyone in our company uses the same criteria/measures to assess performance ¹⁰⁷	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Our financial reports clearly differentiate between domestic performance and export performance ¹⁰⁸	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) We make decisions based on our own perception of performance ¹⁰⁹	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Our export actions are guided by the way we perceive the external environment (i.e., external factors to the company) ¹¹⁰	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Our export actions are guided by the way we perceive organisational environment (i.e., internal factors to the company) ¹¹¹	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) Our export actions are guided by objective values (e.g., financial and numeric indicators) ¹¹²	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g) Our export actions are guided by subjective measures (e.g., goals achieved, performance satisfaction) ¹¹³	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

What was the impact of the appearance of the EURO on your company? _____

Did your company receive the "Portuguese certificate for quality" (APCER)? Yes ☐ No ☐ Don't know ☐

What are the factors that most influence the choice of the strategy for your MAIN EXPORTING VENTURE*? _____

How would you evaluate the behaviour of Portuguese exporters over the last decade in terms of their:

	1-large decrease	2-decrease	3-about the same	4-increase	5-large increase ¹¹⁴
a) willingness to look for new export markets	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) willingness to put more effort into the overseas markets where the companies are already operating	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) willingness to put more effort into the domestic market	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) competitiveness of exports	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

* DEFINITION OF MAIN EXPORTING VENTURE

MAIN EXPORTING PRODUCT (OR GROUP OF PRODUCTS) TO ITS MAIN IMPORTING MARKET

OBSERVATIONS

Please use this space if you wish to make any observations: _____

Please indicate ☒ your interest in receiving:

- a) ☐ a report of the results of this investigation.
- b) ☐ a list of contacts of potential importers abroad for your main product(s).

If you are interested in receiving a) or b), please attach your contact details to the completed questionnaire (e.g., business card or an alternative contact) and send both in the enclosed pre-paid envelope.

Thank you very much for your collaboration !

REFERENCES USED TO ELABORATE THE QUESTIONNAIRE

- ¹ original questionnaire: Axinn and Thach, 1990
- ² original questionnaire: Axinn and Thach, 1990; Das (1994) (classification: "0=privately-owned, 1=public limited"); exploratory research
- ³ Oliveira et al., 1992
- ⁴ original questionnaire: Axinn and Thach, 1990
- ⁵ Axinn et al., 1996; Beamish et al., 1993; Mugler and Miesenbock, 1989; Sriram and Manu, 1995
- ⁶ Axinn et al., 1996 (few markets: 1-4; many markets: >4)
- ⁷ options provided by ICEP- original questionnaire: Axinn and Thach, 1990; see also Donthu and Kim (1993): it is presented a list of 14 countries/regions
- ⁸ original questionnaire: Axinn and Thach, 1990
- ⁹ Cavusgil and Zou, 1994
- ¹⁰ Donthu and Kim, 1993
- ¹¹ exploratory research
- ¹² exploratory research
- ¹³ Cavusgil and Zou, 1994; exploratory research
- ¹⁴ Cavusgil and Zou, 1994
- ¹⁵ Cavusgil and Zou, 1994
- ¹⁶ Ohmer, 1986; exploratory research
- ¹⁷ Austin, 1990; Beamish et al., 1993; Cooper and Kleinschmidt, 1985; Das, 1994; Geringer et al., 1981; Martin, 1983; Sriram and Manu, 1995
- ¹⁸ Cavusgil and Zou, 1994
- ¹⁹ exploratory research
- ²⁰ Porter, 1980; exploratory research
- ²¹ Das, 1994; Porter, 1980; exploratory research
- ²² Das, 1994
- ²³ Cavusgil and Zou, 1994
- ²⁴ original questionnaire: Beamish et al., 1993
- ²⁵ Shoham, 1996; original questionnaire: Beamish et al., 1993
- ²⁶ Cavusgil and Zou, 1994; see also Seifert and Ford (1989)
- ²⁷ original questionnaire: Beamish et al., 1993; Shoham, 1996
- ²⁸ original questionnaire: Beamish et al., 1993
- ²⁹ Cavusgil and Zou, 1994
- ³⁰ Cavusgil and Zou, 1994; Seifert and Ford, 1994
- ³¹ Das, 1994
- ³² De Luz, 1993; Koh, 1991; original questionnaire: Beamish et al., 1993
- ³³ Donthu and Kim, 1993
- ³⁴ Zou et al., 1997
- ³⁵ Cavusgil and Zou, 1994
- ³⁶ Beamish et al., 1993; Cavusgil and Zou, 1994
- ³⁷ Cavusgil and Zou, 1994
- ³⁸ Cavusgil and Zou, 1994
- ³⁹ Cavusgil and Zou, 1994
- ⁴⁰ Cavusgil and Zou, 1994
- ⁴¹ Beamish et al., 1993; Christensen et al., 1987; Kirpalani and MacIntosh, 1980
- ⁴² Ohmer, 1986
- ⁴³ Cavusgil and Zou, 1994
- ⁴⁴ Cavusgil and Zou, 1994
- ⁴⁵ Cavusgil and Zou, 1994
- ⁴⁶ Namiki, 1994
- ⁴⁷ Beamish et al., 1993; Shoham, 1996

-
- ⁴⁸ Zou et al., 1996
- ⁴⁹ Zou et al., 1996
- ⁵⁰ exploratory research
- ⁵¹ Koh, 1991
- ⁵² Shoham, 1996
- ⁵³ Zou et al., 1997; exploratory research
- ⁵⁴ Seifert and Ford, 1989; Zou et al., 1997; exploratory research
- ⁵⁵ Donthu and Kim, 1993; Shoham, 1996
- ⁵⁶ Cavusgil and Zou, 1994
- ⁵⁷ Shoham, 1996; Seifert and Ford, 1989; exploratory research
- ⁵⁸ Seifert and Ford, 1989; Shoham, 1996; Zou et al., 1997; exploratory research
- ⁵⁹ Seifert and Ford, 1989; Shoham, 1996
- ⁶⁰ Zou et al., 1997
- ⁶¹ Zou et al., 1997
- ⁶² Zou et al., 1997
- ⁶³ exploratory research
- ⁶⁴ exploratory research
- ⁶⁵ Zou et al., 1997; exploratory research
- ⁶⁶ Seifert and Ford, 1989; Shoham, 1996; Sriram and Manu, 1995
- ⁶⁷ Beamish et al., 1993; Shoham, 1996
- ⁶⁸ Zou et al., 1996
- ⁶⁹ Zou et al., 1996
- ⁷⁰ exploratory research
- ⁷¹ Koh, 1991
- ⁷² Shoham, 1996
- ⁷³ Zou et al., 1997; exploratory research
- ⁷⁴ Seifert and Ford, 1989; Zou et al., 1997; exploratory research
- ⁷⁵ Donthu and Kim, 1993; Shoham, 1996
- ⁷⁶ Cavusgil and Zou, 1994
- ⁷⁷ Shoham, 1996; Seifert and Ford, 1989; exploratory research
- ⁷⁸ Seifert and Ford, 1989; Shoham, 1996; Zou et al., 1997; exploratory research
- ⁷⁹ Seifert and Ford, 1989; Shoham, 1996
- ⁸⁰ Zou et al., 1997
- ⁸¹ Zou et al., 1997
- ⁸² Zou et al., 1997
- ⁸³ exploratory research
- ⁸⁴ exploratory research
- ⁸⁵ Zou et al., 1997; exploratory research
- ⁸⁶ Seifert and Ford, 1989; Shoham, 1996; Sriram and Manu, 1995
- ⁸⁷ original questionnaire: Axinn and Thach, 1990
- ⁸⁸ Axinn and Thach, 1990; Bilkey, 1987; Das, 1994; Koh, 1991; Seifert and Ford, 1989
- ⁸⁹ original questionnaire: Shoham, 1996
- ⁹⁰ Katsikeas et al., 1996
- ⁹¹ Katsikeas et al., 1996
- ⁹² Evangelista, 1994; Seifert and Ford, 1989
- ⁹³ Shoham, 1996
- ⁹⁴ Evangelista, 1994; Seifert and Ford, 1989
- ⁹⁵ Sriram and Manu (1995). Sriram and Manu (1995) used a four point scale (<10%, 10%-25%, 26%-50%, 50%-100%). However the preliminary interviews indicate that there are some companies that depend exclusively on exporting. Thus, it was decided to split the 4th group (50%-100%) into two groups (50%-75% and 76%-100%) in order to become possible to differentiate the companies that are mainly dependent from exporting (76%-100%) from those to which exporting plays a very important role (50%-75%)
- ⁹⁶ Evangelista, 1994; Seifert and Ford, 1989
- ⁹⁷ Sriram and Manu (1995). Sriram and Manu (1995) used a four point scale (<10%, 10%-25%, 26%-50%, 50%-100%). However the preliminary interviews indicate that there are some companies that depend exclusively on exporting.

Thus, it was decided to split the 4th group (50%-100%) into two groups (50%-75% and 76%-100%) in order to become possible to differentiate the companies that are mainly dependent from exporting (76%-100%) from those to which exporting plays a less important role (50%-75%)

⁹⁸ Shoham, 1996

⁹⁹ original questionnaire: Beamish et al., 1993

¹⁰⁰ Shoham, 1996

¹⁰¹ Cavusgil and Zou, 1994

¹⁰² Classification used by Portuguese government (see ICEP database, 1997); exploratory research concerning size issues

¹⁰³ Classification used by Portuguese government (see ICEP database, 1997); exploratory research concerning size issues

¹⁰⁴ Classification used by Portuguese government (see ICEP database, 1997); exploratory research concerning size issues

¹⁰⁵ Classification used by Portuguese government (see ICEP database, 1997); exploratory research concerning size issues

¹⁰⁶ Zou et al., 1997

¹⁰⁷ exploratory research

¹⁰⁸ exploratory research; Katsikeas et al., 1996; Yang et al., 1992

¹⁰⁹ Bourgeois 1980; Child 1972; exploratory research

¹¹⁰ Bourgeois 1980; Child 1972; exploratory research

¹¹¹ Bourgeois 1980; Child 1972; exploratory research

¹¹² Bourgeois 1980; Child 1972; exploratory research

¹¹³ Madsen, 1989; exploratory research

APPENDIX 2

QUESTIONNAIRE: PORTUGUESE VERSION

Dr. LUIS FILIPE LAGES
MARKETING, STRATEGIC MANAGEMENT &
INTERNATIONAL BUSINESS DEPARTMENT
WARWICK BUSINESS SCHOOL, WARWICK UNIVERSITY
COVENTRY CV4 7AL
INGLATERRA

Tel: 00-44-1203-572832

Fax: 00-44-1203-524650

E-mail: L.F.C.Lages@warwick.ac.uk

AO CUIDADO DO(A)
RESPONSÁVEL PELA EXPORTAÇÃO
«EMP_COMP»
«MOR_1»
«MOR_2»
«CD_POST» «CIDADE»
PORTUGAL

8 Junho 1999

Exm^{o(a)} Senhor(a),

Um projecto sobre a actividade de exportação das empresas portuguesas está a ser conduzido pela Universidade de Warwick (Inglaterra). Este estudo tem o apoio da **União Europeia** e da **Fundação para a Ciência e a Tecnologia**.

O questionário que lhe enviamos em anexo tem como principal **objectivo** recolher informação sobre as estratégias utilizadas pelos exportadores portugueses a nível internacional. A empresa «**emp_comp**» foi seleccionada aleatoriamente de uma base de dados de exportadores nacionais, conjuntamente com outras empresas representativas da indústria portuguesa.

Dado que o sucesso deste projecto depende inteiramente da sua cooperação, vimos solicitar-lhe 25 minutos do seu tempo para preencher o questionário e enviá-lo no envelope com porte-pago que incluímos para sua conveniência.

Como forma de agradecimento pela sua participação ser-lhe-ão enviados os **resultados** desta investigação. Procuraremos ainda enviar-lhe uma **lista de contactos de potenciais importadores/clientes** no estrangeiro, caso o solicite (ver última página do questionário).

Todas as respostas serão tratadas **confidencialmente** e nenhuma referência será feita aos respondentes ou suas empresas. As respostas serão analisadas estatisticamente e apresentadas sob forma agregada.

Apresentamos desde já os nossos sinceros agradecimentos pela sua cooperação.

Com os melhores cumprimentos,


Dr. Luís Filipe Lages

Em anexo:

Questionário

Envelope com porte-pago

Dr. LUIS FILIPE LAGES
MARKETING, STRATEGIC MANAGEMENT &
INTERNATIONAL BUSINESS DEPARTMENT
WARWICK BUSINESS SCHOOL, WARWICK UNIVERSITY
COVENTRY CV4 7AL
INGLATERRA

AO CUIDADO DO(A)
RESPONSÁVEL PELA EXPORTAÇÃO
«EMP_COMP»
«MOR_1»
«MOR_2»
«CD_POST» «CIDADE»
PORTUGAL

18 Junho 1999

ASSUNTO: Estudo dos factores que contribuem para o desempenho dos exportadores portugueses no mercado internacional

Exm^{o(a)} Senhor(a),

Anteriormente convidámo-lo a participar num estudo nacional sobre as estratégias dos exportadores portugueses para o mercado internacional, desenvolvido com o apoio da **União Europeia** e da **Fundação para a Ciência e a Tecnologia** (*ref: FCT- PRAXIS XXI / BD/ 15627/ 98*).

Como forma de agradecimento pela sua colaboração, teremos o maior prazer em enviar-lhe os **resultados deste estudo** e, caso deseje, uma lista de **contactos de potenciais importadores/clientes** no estrangeiro para a sua empresa.

Até à presente data o retorno tem sido encorajador. No entanto dependemos da colaboração de um grande número de empresas para que os resultados deste estudo sejam significativos. Sendo assim, a sua opinião sobre as estratégias de exportação utilizadas pela empresa «EMP_COMP» continua a ser vital para se desenhar um quadro global.

Agradecemos o favor de nos disponibilizar aproximadamente 25 minutos para preencher o questionário anteriormente enviado e remetê-lo no envelope de porte-pago em anexo. Caso já o tenha feito por favor aceite as nossas desculpas por esta carta.

Agradecendo desde já toda a sua atenção, apresentamos os nossos melhores cumprimentos.

O coordenador do projecto,


Dr. Luís Filipe Lages

P.S.- Caso não tenha recebido o questionário anteriormente enviado, agradecemos o favor de nos solicitar um novo por fax (00-44-1203-524650), e-mail (L.F.C.Lages@warwick.ac.uk) ou por carta (*envelope de porte-pago em anexo*).

ESTUDO DOS FACTORES QUE CONTRIBUEM PARA O DESEMPENHO DOS EXPORTADORES PORTUGUESES NO MERCADO INTERNACIONAL

PROJECTO DESENVOLVIDO PELA UNIVERSIDADE DE WARWICK (INGLATERRA)

APOIOS: UNIÃO EUROPEIA & FUNDAÇÃO PARA A CIÊNCIA E A TECNOLOGIA

OBJECTIVO DESTES QUESTIONÁRIO

Este questionário visa recolher informação sobre as estratégias actualmente utilizadas pelos exportadores portugueses para o mercado internacional. Tal informação permitirá o estudo aprofundado da realidade das empresas segundo o seu próprio testemunho.

O objectivo último é identificar como podem os exportadores portugueses obter maior sucesso na sua actividade de exportação.

CONFIDENCIALIDADE

Toda a informação fornecida pelo respondente é estritamente confidencial.

- Não será possível fazer a identificação individual das pessoas e empresas envolvidas no estudo.
- Os dados recolhidos serão utilizados unicamente para fins estatísticos e apresentados de forma agregada.

A SUA COOPERAÇÃO É VITAL

O sucesso deste projecto nacional depende da quantidade de dados representativos que forem disponibilizados por empresas como a sua.

O SEU CASO É VÁLIDO

Este inquérito nacional visa a participação de **TODOS** os exportadores portugueses, sem excepção.

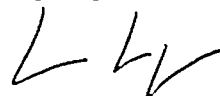
Questionários idênticos a este estão a ser preenchidos em empresas das mais variadas dimensões (pequenos, médios e grandes exportadores); pertencentes a diferentes indústrias (desde exportadores de alfinetes a exportadores de electricidade); que exportam um ou mais produtos para um ou mais mercados; com mais ou menos sucesso.

UTILIDADE PARA A SUA EMPRESA

Como forma de agradecimento pela sua participação, a nossa equipa de investigação:

1. enviar-lhe-à um **relatório com as conclusões deste estudo**, que incluirá sugestões sobre como melhorar a performance das empresas portuguesas no mercado internacional.
2. procurará ainda providenciar-lhe uma **lista com contactos de potenciais importadores/clientes no estrangeiro**, através da consulta de várias fontes de informação. Estes contactos poderão ser utilizados pela sua empresa para criar novas oportunidades de negócio.

Muito obrigado pela sua cooperação,



Dr. Luís Filipe Lages
(Licenciado, Mestrado em Marketing)

Se tiver alguma dúvida ao completar este questionário por favor contacte:

Luís Filipe Lages, MSM Department, Warwick Business School, Warwick University, Coventry CV4 7AL, England
Tel: 00-44-1203-572832. Fax: 00-44-1203-524650. E-mail: L.F.C.Lages@warwick.ac.uk

COMO PREENCHER O QUESTIONÁRIO

- 1) Este questionário dirige-se a uma grande diversidade de empresas pertencentes a diferentes sectores económicos, que produzem uma grande variedade de produtos. Sendo assim, algumas questões poderão não ser relevantes no caso da sua empresa. Quando isto acontecer, seleccione ☒ simplesmente a opção “Não Aplicável”.
- 2) Neste questionário não há respostas certas ou erradas. O importante é a sua experiência particular. Seleccione ☒ a opção que melhor represente a sua opinião ou situação.
- 3) Este questionário foi concebido de forma a ser preenchido o mais simples e brevemente possível. É completado em 25 minutos aproximadamente.
- 4) Quando terminar o questionário por favor utilize o envelope com porte-pago que incluimos para o efeito.

SECÇÃO A - CARACTERIZAÇÃO DA SUA EMPRESA E EXPORTAÇÃO-BASE*

Este questionário concentra-se na EXPORTAÇÃO-BASE* da sua empresa. "EXPORTAÇÃO-BASE" significa a principal exportação da sua empresa (i.e. o principal produto ou grupo de produtos em termos de valor de vendas), para o principal país estrangeiro a que essa exportação se destina. Sendo assim,

No que se refere à EXPORTAÇÃO-BASE* da sua empresa, por favor indique para 1998 qual foi:

- a) a principal exportação (i.e., o principal produto ou grupo de produtos exportado) _____
(p. f. indique apenas um produto ou grupo de produtos)
- b) o principal país estrangeiro da principal exportação (i.e., do principal produto ou grupo de produtos exportado) _____
(p. f. indique apenas um país)

IMPORTANTE: Acabou de definir a EXPORTAÇÃO-BASE* da sua empresa sobre a qual incide este questionário.

Qual das seguintes designações melhor define a sua empresa? (seleccione ☒ uma opção apenas)

- Sociedade por quotas (LDA) ☐
- Sociedade anónima (SA) ☐
- Sociedade em nome colectivo (C.^a, F.^{os}, Ir.^{as}) ☐
- Sociedade em comandita (Ct.) ☐
- Estabelecimento individual de responsabilidade limitada (EIRL) ☐
- Comerciante em nome individual (nome) ☐

Qual das seguintes opções melhor descreve a sua empresa? (seleccione ☒ uma opção apenas)

- Única unidade de produção e/ou comercialização em Portugal ☐
- Uma de várias unidades de produção e/ou comercialização em Portugal ☐
- Filial de uma empresa estrangeira ☐
- Sede com uma ou mais filiais em Portugal ☐
- Sede com uma ou mais filiais no estrangeiro ☐
- Sede com filiais em Portugal e no estrangeiro ☐
- Outra (p.f. especifique): _____ ☐

Em que região se situa a sede da sua empresa? (seleccione ☒ uma opção apenas)

- Norte ☐
- Centro ☐
- Lisboa e Vale do Tejo ☐
- Alentejo ☐
- Algarve ☐
- Região Autónoma da Madeira ☐
- Região Autónoma dos Açores ☐
- No estrangeiro (p.f. especifique o país) _____ ☐

5. A EXPORTAÇÃO-BASE* da sua empresa destina-se principalmente a: (seleccione ☒ uma opção apenas)

- Retalho/hipermercado ☐
- Agente/distribuidor ☐
- Consumidor final ☐
- Indústria ☐
- Comércio ☐
- Serviços ☐
- Casa-mãe no estrangeiro ☐
- Filial no estrangeiro ☐
- Outro (p.f. especifique) _____ ☐

6. A que sector/indústria pertence o principal produto (ou grupo de produtos) exportado pela sua empresa?

7. No ano passado (1998), para quantos países se destinou a principal exportação da sua empresa?

1 ☐ 2-4 ☐ 5-9 ☐ 10-25 ☐ mais do que 25 ☐

8. No ano passado (1998), a sua principal exportação destinou-se a algum dos seguintes mercados?

	Sim	Não
a) Países da União Europeia	<input type="checkbox"/>	<input type="checkbox"/>
b) Outros países europeus	<input type="checkbox"/>	<input type="checkbox"/>
c) Países africanos de língua oficial portuguesa (PALOP)	<input type="checkbox"/>	<input type="checkbox"/>
d) Outros países africanos	<input type="checkbox"/>	<input type="checkbox"/>
e) Brasil	<input type="checkbox"/>	<input type="checkbox"/>
f) Outros países na América do Sul	<input type="checkbox"/>	<input type="checkbox"/>
g) América do Norte/Central	<input type="checkbox"/>	<input type="checkbox"/>
h) Austrália e Oceania	<input type="checkbox"/>	<input type="checkbox"/>
i) Ásia	<input type="checkbox"/>	<input type="checkbox"/>

* DEFINIÇÃO DE EXPORTAÇÃO-BASE:

PRINCIPAL EXPORTAÇÃO (PRODUTO OU GRUPO DE PRODUTOS) PARA O PRINCIPAL PAÍS-DESTINO DESSA EXPORTAÇÃO

Na sua opinião, o que contribuiu mais para o sucesso ou insucesso da EXPORTAÇÃO-BASE*? _____

Em que moeda foram apresentados os preços da EXPORTAÇÃO-BASE* em 1998 e neste ano (1999)?

	1998	Este ano		1998	Este ano		1998	Este ano
a) Escudo	<input type="checkbox"/>	<input type="checkbox"/>	c) EURO	<input type="checkbox"/>	<input type="checkbox"/>	e) Outro		
b) Moeda do importador	<input type="checkbox"/>	<input type="checkbox"/>	d) Dólar americano	<input type="checkbox"/>	<input type="checkbox"/>		(p.f. especifique)	(p.f. especifique)

SECÇÃO B- FACTORES EXTERNOS À SUA EMPRESA

Em relação ao ano passado (1998), como classifica de '1' a '5' cada um dos elementos apresentados?

1- nenhum(a)

2- pouco(a)

3- moderado(a)

4- muito(a)

5- substancial

A. PORTUGAL:

(referente a exportação-base*)

- a) Possibilidade de utilização de crédito nacional para financiar exportações
- b) Apoio de associações do sector
- c) Apoio de fundos comunitários
- d) Apoio do governo português (excluindo fundos comunitários)
- e) Barreira legal imposta à exportação-base* pela legislação portuguesa
- f) Nível de competição em Portugal

1	2	3	4	5	'não aplicável'
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

B. PRINCIPAL MERCADO / PAÍS DE IMPORTAÇÃO:

(referente à exportação-base*)

- a) Influência das barreiras legais e regulamentos no principal país de importação
- b) Potencial de procura no mercado de importação
- c) Grau de familiaridade dos clientes com o produto
- d) Semelhança cultural entre o mercado de importação e o mercado doméstico
- e) Nível de desenvolvimento do país de importação
- f) Nível de educação do consumidor no país de importação

1	2	3	4	5	'não aplicável'
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

C. INDÚSTRIA / COMÉRCIO:

(referente ao principal produto ou grupo de produtos exportado)

- a) Intensidade de competição no preço na indústria/comércio
- b) Intensidade de competição no cumprimento dos prazos de entrega na indústria/comércio
- c) Competição na indústria/comércio
- d) Número de novos concorrentes a entrar na indústria/comércio
- e) Grau de estabilidade da indústria/comércio
- f) Grau de orientação tecnológica da indústria/comércio

1	2	3	4	5	'não aplicável'
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

* DEFINIÇÃO DE EXPORTAÇÃO-BASE:

PRINCIPAL EXPORTAÇÃO (PRODUTO OU GRUPO DE PRODUTOS) PARA O PRINCIPAL PAÍS-DESTINO DESSA EXPORTAÇÃO

SECÇÃO C- FACTORES INTERNOS

Qual é a sua função profissional? (ex: director geral, responsável por exportação) _____

Há quantos anos ...

- a) ...é responsável pela actividade de exportação da sua empresa ? 0-2 ☐ 3-7 ☐ 8-15 ☐ 16-30 ☐ Mais de 30 ☐
- b) ...está a sua empresa envolvida em comércio internacional ? 0-2 ☐ 3-7 ☐ 8-15 ☐ 16-30 ☐ Mais de 30 ☐

Existe na sua empresa um departamento de exportação independente? Sim ☐ Não ☐

a) Se Sim, há quantos anos opera esse departamento ? 0-2 ☐ 3-7 ☐ Mais de 7 ☐

Considerando a(s) pessoa(s) da sua empresa envolvida(s) na EXPORTAÇÃO-BASE* no ano passado, como classifica:

1- nenhum(a)

2- pouco(a)

3- moderado(a)

4- muito(a)

5- substancial

- | | 1 | 2 | 3 | 4 | 5 | 'não sei' |
|--|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| a) O grau de experiência profissional em termos de exportação | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b) O grau de experiência internacional (viver/trabalhar no estrangeiro) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| c) O grau de formação em comércio internacional (ex: seminários, cursos) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| d) A capacidade para acompanhar adequadamente as tendências no principal mercado de importação | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Qual sua opinião sobre as seguintes afirmações acerca da EXPORTAÇÃO-BASE* no ano passado (1998) ?

1- discordo totalmente

2- discordo

3- não concordo nem discordo

4- concordo

5- concordo totalmente

- | | 1 | 2 | 3 | 4 | 5 | 'não sei' |
|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| a) Grande quantidade de recursos foi direccionada para a exportação-base*, quando comparada aos recursos direccionados para o mercado doméstico | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b) Houve um planeamento substancial da exportação-base* | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| c) Houve um número significativo de funcionários envolvidos na exportação-base* | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| d) Houve um grande empenhamento dos quadros directivos nas actividades da exportação-base* | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Como classifica as seguintes opções sobre a EXPORTAÇÃO-BASE* da sua empresa no ano passado (1998) ?

1- nenhum(a)

2- pouco(a)

3- moderado(a)

4- muito(a)

5- substancial

- | | 1 | 2 | 3 | 4 | 5 | 'não aplicável' |
|--|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| a) Poder da patente do principal produto exportado | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b) Treino que a força de vendas necessita para lidar com o principal produto exportado | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| c) Extensão da linha de produto no principal mercado de importação | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| d) Diferença entre os objectivos estabelecidos para a exportação-base* e para o mercado doméstico | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| e) Grau em que o produto é culturalmente específico | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| f) Grau de requisição de serviço pós-venda para o produto | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| g) Grau em que a exportação-base* se encontra estabelecida na empresa (i.e. tradição desta na empresa) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

* DEFINIÇÃO DE EXPORTAÇÃO-BASE:

PRINCIPAL EXPORTAÇÃO (PRODUTO OU GRUPO DE PRODUTOS) PARA O PRINCIPAL PAÍS-DESTINO DESSA EXPORTAÇÃO

SECÇÃO D- ESTRATÉGIA PARA A EXPORTAÇÃO-BASE* DA SUA EMPRESA

A performance obtida pela EXPORTAÇÃO-BASE* no ano passado (1998), está a afectar a definição da estratégia da EXPORTAÇÃO-BASE* para este ano (1999)? Porquê? _____

Tendo em consideração a EXPORTAÇÃO-BASE* durante 1998, até que ponto os seguintes factores foram diferentes quando comparando o mercado doméstico com o principal mercado de importação?

1- sem qualquer diferença	2- pouco diferente	3- moderadamente diferente	4- muito diferente	5- completamente diferente	
------------------------------	-----------------------	-------------------------------	-----------------------	-------------------------------	--

A. DISTRIBUIÇÃO

	1	2	3	4	5	'não aplicável'
a) Critério para seleccionar o sistema de distribuição	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Estratégia de transporte	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Orçamento para distribuição	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Rede / canais de distribuição	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Respeito pelo cumprimento de prazos de entrega	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

B. PREÇO

	1	2	3	4	5	'não aplicável'
a) Determinação da estratégia de preço	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Concessão de crédito	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Política de desconto	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Margem negocial	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Relação preço/qualidade	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

C. PRODUTO

	1	2	3	4	5	'não aplicável'
a) Marca comercial do produto	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Design do produto	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Etiquetagem no produto	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Qualidade do produto	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Extensão da linha de produtos	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) Assistência pós-venda / Garantia do produto	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

D. PROMOÇÃO

	1	2	3	4	5	'não aplicável'
a) Ideia / temática publicitária	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Media (meios de comunicação) para publicidade	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Marketing directo/ mailing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Objectivo promocional	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Ênfase nas relações públicas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) Orçamento para promoção	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

* DEFINIÇÃO DE EXPORTAÇÃO-BASE:

PRINCIPAL EXPORTAÇÃO (PRODUTO OU GRUPO DE PRODUTOS) PARA O PRINCIPAL PAÍS-DESTINO DESSA EXPORTAÇÃO

Considerando a EXPORTAÇÃO-BASE*, até que ponto os mesmos factores foram alterados de 1998 para 1999 quando comparando o mercado doméstico com o principal mercado de importação?

1- este ano (1999) é muito mais semelhante entre os dois mercados do que era em 1998

2- este ano (1999) é um pouco mais semelhante entre os dois mercados do que era em 1998

3- este ano (1999) não houve alteração em relação a 1998

4- este ano (1999) é um pouco mais diferenciado(a) entre os dois mercados do que era em 1998

5- este ano (1999) é muito mais diferenciado(a) entre os dois mercados do que era em 1998

A. DISTRIBUIÇÃO

	1	2	3	4	5	'não aplicável'
a) Critério para seleccionar o sistema de distribuição	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Estratégia de transporte	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Orçamento para distribuição	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Rede / canais de distribuição	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Respeito pelo cumprimento de prazos de entrega	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

B. PREÇO

	1	2	3	4	5	'não aplicável'
a) Determinação da estratégia de preço	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Concessão de crédito	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Política de desconto	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Margem negocial	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Relação preço/qualidade	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

C. PRODUTO

	1	2	3	4	5	'não aplicável'
a) Marca comercial do produto	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Design do produto	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Etiquetagem no produto	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Qualidade do produto	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Extensão da linha de produtos	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) Assistência pós-venda / Garantia do produto	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

D. PROMOÇÃO

	1	2	3	4	5	'não aplicável'
a) Ideia / temática publicitária	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Media (meios de comunicação) para publicidade	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Marketing directo/mailling	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Objectivo promocional	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Ênfase nas relações públicas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) Orçamento para promoção	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Relativamente ao preço da EXPORTAÇÃO-BASE* da sua empresa:

1- muito menor

2- um pouco menor

3- igual

4- um pouco maior

5- muito maior

	1	2	3	4	5	'não sei'
a) Quando comparando o preço no mercado nacional com o preço no principal mercado de importação, o preço praticado pela sua empresa em Portugal é:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Comparativamente aos <u>concorrentes</u> no principal mercado de importação, o preço apresentado pela sua empresa é:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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SECÇÃO E- PERFORMANCE DA EXPORTAÇÃO-BASE*

Por favor responda a todas as questões, inclusivé às que apresentam medidas diferentes das usadas pela sua empresa.

Como avalia a obtenção dos seguintes objectivos para a EXPORTAÇÃO-BASE* nos últimos anos?

	1- muito mal 2- mal 3- moderadamente 4- bem 5- muito bem	1- muito pior do que em 1997 2- pior do que em 1997 3- igual a 1997 4- melhor do que em 1997 5- muito melhor do que em 1997
	Há dois anos (1997)	De 1997 para 1998
	1 2 3 4 5	1 2 3 4 5
a) <u>volume</u> de vendas da exportação-base*	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
b) <u>valor</u> de vendas da exportação-base*	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
c) <u>lucro</u> da exportação-base*	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
d) <u>quota de mercado</u> no principal mercado de importação da exportação-base*	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
e) <u>resultado global</u> em termos de exportação	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>

Qual o seu grau de satisfação perante os mesmos resultados da EXPORTAÇÃO-BASE* nos últimos anos?

	1- nada satisfeito 2- pouco satisfeito 3- relativamente satisfeito 4- muito satisfeito 5- extremamente satisfeito	1- muito menos satisfeito do que em 1997 2- menos satisfeito do que em 1997 3- igualmente satisfeito 4- mais satisfeito do que em 1997 5- muito mais satisfeito do que em 1997
	Há dois anos (1997)	De 1997 para 1998
	1 2 3 4 5	1 2 3 4 5
a) <u>volume</u> de vendas da exportação-base*	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
b) <u>valor</u> de vendas da exportação-base*	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
c) <u>lucro</u> da exportação-base*	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
d) <u>quota de mercado</u> no principal mercado de importação da exportação-base*	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
e) <u>resultado global</u> em termos de exportação	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>

Há dois anos (1997), qual foi a contribuição da EXPORTAÇÃO-BASE* para os seguintes resultados?

	0-9%	10-29 %	30-59 %	60-84 %	85-100 %	'não sei'
a) <u>volume</u> total de vendas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) <u>valor</u> total de vendas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) <u>lucro</u> total	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Como evoluiu a contribuição da EXPORTAÇÃO-BASE* de 1997 para 1998?

	1- diminuiu muito de 1997 para 1998	2- diminuiu pouco de 1997 para 1998	3- manteve-se de 1997 para 1998	4- aumentou pouco de 1997 para 1998	5- aumentou muito de 1997 para 1998
a) <u>Percentagem</u> da exportação-base* no <u>volume</u> total de vendas	1	2	3	4	5
b) <u>Percentagem</u> da exportação-base* no <u>valor</u> total de vendas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) <u>Percentagem</u> da exportação-base* no <u>lucro</u> total	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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No ano passado (1998), quantos funcionários trabalharam (a tempo integral) na actividade comercial da EXPORTAÇÃO-BASE* ?

- 0 ☐
- 1 - 2 ☐
- 3 - 10 ☐
- 11 - 30 ☐
- 31 - 50 ☐
- mais de 50 ☐

No total, quantos funcionários trabalharam (a tempo integral) na sua empresa no ano passado (1998) ?

- 1 - 9 ☐
- 10 - 19 ☐
- 20 - 49 ☐
- 50 - 99 ☐
- 100 - 499 ☐
- mais de 500 ☐

Qual foi o VALOR DE VENDAS DA EXPORTAÇÃO-BASE* no ano passado (1998)?

- até 5.000 contos ☐
- 5.001 - 20.000 contos ☐
- 20.001 - 80.000 contos ☐
- 80.001 - 150.000 contos ☐
- 150.001 - 300.000 contos ☐
- 300.001 - 1.000.000 contos ☐
- 1.000.001 - 8.000.000 contos ☐
- mais de 8.000.000 contos ☐

8.

Qual foi o VALOR DE VENDAS EXPORTADO no ano passado (1998) ?

- até 20.000 contos ☐
- 20.001 - 70.000 contos ☐
- 70.001 - 300.000 contos ☐
- 300.001 - 700.000 contos ☐
- 700.001 - 1.000.000 contos ☐
- 1.000.001 - 7.000.000 contos ☐
- 7.000.001 - 29.000.000 contos ☐
- mais de 29.000.000 contos ☐

9.

Qual foi o VALOR TOTAL DE VENDAS DA SUA EMPRESA no ano passado (1998) ?

- até 20.000 contos ☐
- 20.001 - 70.000 contos ☐
- 70.001 - 300.000 contos ☐
- 300.001 - 700.000 contos ☐
- 700.001 - 1.000.000 contos ☐
- 1.000.001 - 7.000.000 contos ☐
- 7.000.001 - 29.000.000 contos ☐
- mais de 29.000.000 contos ☐

Como antecipa os seguintes resultados da EXPORTAÇÃO-BASE* para o ano corrente (1999)?

1- diminua muito

2- diminua um pouco

3- continue igual

4- aumente um pouco

5- aumente muito

- a) volume de vendas decorrentes da exportação-base* ☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5
- b) valor de vendas decorrentes da exportação-base* ☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5
- c) lucro da exportação-base* ☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5
- d) alcance dos objectivos para a exportação-base* ☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5
- e) satisfação com a exportação-base* ☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5

A performance da sua empresa no ano passado (1998) influenciou a estratégia de exportação que está a desenvolver para este ano (1999)? Se sim, em que medida? _____

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SECÇÃO F- OUTROS

Qual a sua opinião face às seguintes afirmações:

	1- discordo totalmente	2- discordo	3- não concordo nem discordo	4- concordo	5- concordo totalmente	
	1	2	3	4	5	'não sei'
a) Na nossa empresa todas as pessoas usam os mesmos critérios/medidas para avaliar performance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Os nossos relatórios financeiros distinguem claramente entre performance no mercado doméstico e performance em termos de exportação	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) É com base na nossa própria percepção de performance que tomamos decisões	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) As nossas acções de exportação são influenciadas pela forma como interpretamos a envolvente externa (i.e., factores externos à empresa)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) As nossas acções de exportação são influenciadas pela forma como interpretamos a envolvente organizacional (i.e., factores internos à empresa)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) As nossas acções de exportação são tomadas com base em valores objectivos (ex. indicadores financeiros e numéricos)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g) As nossas acções são guiadas por medidas subjectivas (ex. objectivos alcançados, satisfação com performance)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Qual foi o impacto do aparecimento do EURO para a actividade de exportação da sua empresa? _____

A sua empresa possui o “Certificado do Sistema Português de Qualidade”(da APCER) ? Sim ☐ Não ☐ Não sei ☐

Quais os factores que mais influenciam a escolha da estratégia para a EXPORTAÇÃO-BASE* da sua empresa? _____

Na sua opinião, como evoluíram os seguintes aspectos de exportação em Portugal nos últimos dez anos?

	1- grande diminuição	2- diminuição moderada	3- manteve-se	4- aumento moderado	5- grande aumento	
	1	2	3	4	5	'não sei'
a) Procura de novos mercados estrangeiros por empresas portuguesas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Vontade de investir mais esforço nos mercados estrangeiros onde as empresas já operam	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Vontade de investir mais esforço no mercado doméstico	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Competitividade da exportação Portuguesa	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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COMENTÁRIOS ADICIONAIS

Por favor utilize este espaço se desejar fazer alguma observação: _____

Por favor assinale ☒ o seu interesse em receber:

A) ☐ um relatório com os resultados desta investigação

B) ☐ uma listagem com o contacto de potenciais importadores no estrangeiro para o(s) seu(s) produto(s)

Se assinalou A) e/ou B) junte ao questionário preenchido o seu contacto (ex: cartão profissional ou contacto alternativo) e envie-nos ambos no envelope com porte-pago que incluímos para sua conveniência.

Muito obrigado pela sua participação !

APPENDIX 3

QUESTIONNAIRE: BACK-TRANSLATION

STUDY OF THE CONTRIBUTING FACTORS TO THE PORTUGUESE EXPORTERS' PERFORMANCE IN THE INTERNATIONAL MARKET

RESEARCH DEVELOPED AT THE UNIVERSITY OF WARWICK (ENGLAND)

SUPPORT FROM: EUROPEAN UNION & FUNDAÇÃO PARA A CIÊNCIA E A TECNOLOGIA

OBJECTIVE OF THIS QUESTIONNAIRE

This questionnaire aims to collect information on the strategies currently used by Portuguese exporters in the international market. This information will allow the detailed study of these companies.

The ultimate objective is to identify how the Portuguese exporters can obtain greater success in their exporting activity.

CONFIDENTIALITY

All the information provided by the respondent will be kept strictly confidential.

- It will not be possible to identify the individuals or companies involved in the study.
- The collected data will be used only for statistical purposes and presented in aggregated form.

YOUR COOPERATION IS VITAL

The success of this national project depends on the data made available by companies like yours.

YOUR CASE IS VALID

This investigation aims the participation of ALL Portuguese exporters, without exception.

Questionnaires like this one are being filled by many exporting companies of several dimensions (small, medium and large exporters); belonging to different industries (since needles exporters to electricity exporters); that export one or more products to one or more markets; with more or less success.

UTILITY FOR YOUR COMPANY

In recognition of your participation:

1. will send you a report with the conclusions of this study which will include suggestions on how Portuguese companies may improve their performance on the international market.
2. will aim at sending you a list of potential importers/clients abroad, which might be used by your company to create new business opportunities.

Thank you for your co-operation,

-SIGNATURE-

Luís Filipe Lages
BA (Hons), MA in Marketing

If you need any assistance in completing this questionnaire, please contact:

Luís Filipe Lages, Marketing & Strategic Management Department, Warwick Business School, Warwick University, Coventry CV4 7AL, England.
Tel: 00-44-1203-572832. Fax: 00-44-1203-524650. E-mail: L.F.C.Lages@warwick.ac.uk

HOW TO FILL IN THE QUESTIONNAIRE

1. This questionnaire is aimed at a great variety of companies from different economic sectors, which produce a great diversity of products. Thus, some questions may not apply to your company. In these instances, simply tick ☒ the “**Not applicable**” option.
2. There are **no right or wrong answers** to this questionnaire. What matters is your particular experience. Please tick ☒ the options that best represents your opinion or situation.
3. This questionnaire was structured so that its completion will be as easy and quick as possible. It takes approximately 25 minutes to complete.
4. When you finish you questionnaire, please use the free-post envelope enclosed.

SECTION A - CHARACTERISTICS OF YOUR FIRM AND YOUR MAIN EXPORTING VENTURE

Please note that the focus of this questionnaire is on the "main exporting venture" of your company. "Main exporting venture" stands for the main product, or group of products, exported by your company (in terms of sales value) to its main importing market. Therefore,

Please indicate which was, in 1998, your company's:

a) main exporting venture (i.e., main exporting product or group of products)_____

(please indicate one product or one group of products only)

b) main importing country of your main exporting product (or group of products)_____

(please indicate one country only)

IMPORTANT: You have just defined the main exporting venture of your company, on which this questionnaire focus.

Which of the following best describes the ownership of your firm? (Please tick ☒ ONE box only)

- Joint-stock company ☐
- Anonymous society / Limited company ☐
- Co-partnership ☐
- Company of nominal and dormant partners / Limited society ☐
- Individual trading establishment ☐
- Individual trader ☐

Which of the following best describes your firm? (Please tick ☒ ONE box only)

- Single manufacturing/ business plant in Portugal ☐
- One of several manufacturing/ commercialisation unit in Portugal ☐
- A branch of an overseas firm ☐
- Headquarters with one or more branches in Portugal ☐
- Headquarters with one or more branches abroad ☐
- Headquarters with branches in Portugal and abroad ☐
- Other (please specify): _____ ☐

In which region is your company's headquarters based? (Please tick ☒ ONE box only)

- North ☐
- Centre ☐
- Lisbon and Vale do Tejo ☐
- Alentejo ☐
- Algarve ☐
- Madeira Island ☐
- Azores Islands ☐
- Overseas (please specify) ☐

5. Your main exporting venture is sold mainly to: (Please tick ☒ ONE box only)

- Retail/ hypermarket ☐
- Agent(s)/distributor(s) ☐
- Final consumer ☐
- Industry ☐
- Commerce ☐
- Services ☐
- Headquarters abroad ☐
- Branch abroad ☐
- Other (please specify) _____ ☐

6. To which industry/sector does your company's main exporting product (or group of products) belongs ?

7. Last year (1998), how many countries imported your main exporting product ?

1 ☐ 2-4 ☐ 5-9 ☐ 10-25 ☐ over 25 ☐

8. In the past year (1998), was your main exporting venture sold to any of the following areas?

- | | Yes | No |
|--|--------------------------|--------------------------|
| a) European Union's countries | <input type="checkbox"/> | <input type="checkbox"/> |
| b) Other European countries | <input type="checkbox"/> | <input type="checkbox"/> |
| c) African Portuguese Speaking countries (PALOP) | <input type="checkbox"/> | <input type="checkbox"/> |
| d) Other African countries | <input type="checkbox"/> | <input type="checkbox"/> |
| e) Brazil | <input type="checkbox"/> | <input type="checkbox"/> |
| f) Other countries in South America | <input type="checkbox"/> | <input type="checkbox"/> |
| g) North/Central America | <input type="checkbox"/> | <input type="checkbox"/> |
| h) Australia and Oceania | <input type="checkbox"/> | <input type="checkbox"/> |
| i) Asia | <input type="checkbox"/> | <input type="checkbox"/> |

* DEFINITION OF MAIN EXPORTING VENTURE

MAIN EXPORTING PRODUCT (OR GROUP OF PRODUCTS) TO ITS MAIN IMPORTING MARKET

In your opinion, what contributed mostly to the successful or unsuccessful results of your MAIN-EXPORT VENTURE?

In which currency did you quote your prices for your main exporting venture in 1998 and this year (1999)?

	1998	This year		1998	This year	1998	This year
a) Portuguese currency	<input type="checkbox"/>	<input type="checkbox"/>	c) EURO	<input type="checkbox"/>	<input type="checkbox"/>	e) Other	
b) Importer's currency	<input type="checkbox"/>	<input type="checkbox"/>	d) American Dollar	<input type="checkbox"/>	<input type="checkbox"/>	(please specify)	(please specify)

SECTION B- FACTORS EXTERNAL TO YOUR COMPANY

With reference to last year (1998), how would you assess from '1' to '5' each of the following elements?

1- none 2-low 3-moderate 4-high 5-substantial

1 2 3 4 5 'not applicable'

A. PORTUGAL:

(concerning the main exporting venture)

a) Availability of national credit to finance export sales	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Support of trade associations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Support of EU funds	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Support of Portuguese government (excluding EU support)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Barriers of Portuguese legal system to the export venture	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) Degree of domestic competition	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

B. MAIN MARKET/EXPORTING COUNTRY:

(concerning the main exporting venture)

a) Influence of legal and regulatory barriers in the main export market	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Potential of demand in the overseas market	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Degree of customers' product familiarity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Cultural similarity between the export market and the home market	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Development degree of country that is importing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) Level of customer education in the country that is importing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

C. INDUSTRY/ COMMERCE:

(concerning the main exporting product or group of products)

a) Degree of price competition in the industry/ commerce	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Degree of competition in accomplishing delivery deadlines	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Degree of price competition in the industry/ commerce	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Industry/ commerce's competition	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Number of new competitors entering the industry/ commerce	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) Degree of industry/ commerce's stability	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g) Degree of industry/ commerce's technological orientation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

* DEFINITION OF MAIN EXPORTING VENTURE

MAIN EXPORTING PRODUCT (OR GROUP OF PRODUCTS) TO ITS MAIN IMPORTING MARKET

SECTION C- INTERNAL FACTORS

What is your job title? (e.g., managing director, responsible for exporting) _____

For how many years ...

- a) ...are you responsible for your company's exports? 0-2 ☐ 3-7 ☐ 8-15 ☐ 16-30 ☐ Over 30 ☐
- b) ...has your company been involved in international business? 0-2 ☐ 3-7 ☐ 8-15 ☐ 16-30 ☐ Over 30 ☐

Does your company have a separate export department or division ? Yes ☐ No ☐

a) If yes, for how many years does this department operate? 0-2 ☐ 3-7 ☐ over 7 ☐

Thinking about the people involved in your main exporting venture during the past year, how do you classify their:

- | <i>1- none</i> | <i>2-low</i> | <i>3-moderate</i> | <i>4-high</i> | <i>5-substantial</i> | |
|---|--------------|-------------------|---------------|----------------------|---|
| | | | | | 1 2 3 4 5 'don't know' |
| a) Degree of professional exporting experience | | | | | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> |
| b) Degree of international experience (live/work abroad) | | | | | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> |
| c) Degree of training in international business (e.g., amount of formal courses, seminars attended) | | | | | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> |
| d) Ability to adequately follow trade leads in the main exporting market | | | | | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> |

What is your opinion concerning the following statements about your main exporting venture during the past year (1998)?

- | <i>1-strongly disagree</i> | <i>2-disagree</i> | <i>3-neither agree or disagree</i> | <i>4-agree</i> | <i>5-strongly agree</i> | |
|---|-------------------|------------------------------------|----------------|-------------------------|---|
| | | | | | 1 2 3 4 5 'don't know' |
| a) There was a high amount of financial resources allocated to exporting, when compared to the resources devoted to the domestic market | | | | | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> |
| b) There was substantial planning of the export-venture | | | | | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> |
| c) There was a significant amount of human resources involved in the exporting activity | | | | | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> |
| d) The main responsible executive for exporting spent a lot of time on export related matters | | | | | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> |
| e) There was a significant amount of management commitment to exporting | | | | | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> |

How do you classify the following options about your main exporting venture during the last year (1998):

- | <i>1- none</i> | <i>2-low</i> | <i>3-moderate</i> | <i>4-high</i> | <i>5-substantial</i> | |
|---|--------------|-------------------|---------------|----------------------|---|
| | | | | | 1 2 3 4 5 'not applicable' |
| a) Strength of main exporting product's patent | | | | | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> |
| b) Amount of sales force training needed to handle the main product | | | | | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> |
| c) Degree of product line extension in the main overseas market | | | | | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> |
| d) Difference between the goals to be achieved for the export venture and those for the domestic market | | | | | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> |
| e) Degree to which the product is culture-specific | | | | | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> |
| f) Degree of product's service requirements | | | | | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> |
| g) Extent to which the product is established in the firm (product's tradition within the firm) | | | | | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> |

* DEFINITION OF MAIN EXPORTING VENTURE

MAIN EXPORTING PRODUCT (OR GROUP OF PRODUCTS) TO ITS MAIN IMPORTING MARKET

SECTION D- STRATEGY FOR YOUR MAIN EXPORTING VENTURE

Is last year's (1998) export venture's performance affecting the definition of the main exporting venture's strategy for the current year (1999)? Why? _____

Considering the main exporting venture* over the past year (1998), to what extent the following factors were different when comparing the domestic market with the main exporting market?

	1- no adaptation at all	2- little adaptation	3- moderate adaptation	4- considerable adaptation				5- extensive adaptation	
				1	2	3	4	5	'not applicable'
A. DISTRIBUTION									
a) Criteria to select the distribution system				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Transportation strategy for the main exporting venture				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Budget for distribution				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Distribution network				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Accomplishment of delivery deadlines				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
B. PRICE									
a) Determination of pricing strategy				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Credit concession				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Price discount policy				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Margins				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Quality/ price relationship				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
C. PRODUCT									
a) Product's brand name				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Product design				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Product labelling				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Product quality				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Range of variety within your main exporting product line				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) Service quality / Product warranties				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
D. PROMOTION									
a) Advertising idea/theme				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Media channels for advertising				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Direct marketing/ mailing				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Promotion objectives				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Public relations emphasis				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) Budget for promotion				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

* DEFINITION OF MAIN EXPORTING VENTURE

MAIN EXPORTING PRODUCT (OR GROUP OF PRODUCTS) TO ITS MAIN IMPORTING MARKET

Regarding your main exporting venture, to what extent the same factors were changed from 1998 to 1999 when comparing the domestic market with the main importing market?

1- this year (1999) is much more similar between the two markets than it was in 1998

2- this year (1999) is more similar between the two markets than it was in 1998

3- this year (1999) there was no modifications to the 1998 strategy

4- this year (1999) is more differentiated between the two markets than it was in 1998

5- this year (1999) is much more differentiated between the two markets than it was in 1998

1 2 3 4 5 'not applicable'

A. DISTRIBUTION

- a) Criteria to select the distribution system
- b) Transportation strategy for the main exporting venture
- c) Budget for distribution
- d) Distribution network
- e) Accomplishment of delivery deadlines

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

B. PRICE

- a) Determination of pricing strategy
- b) Concession of credit
- c) Price discount policy
- d) Margins
- e) Quality/price relationship

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

C. PRODUCT

- a) Product's brand name
- b) Product design
- c) Product labelling
- d) Product quality
- e) Variety within your main exporting product line
- f) Service quality / Product warranties

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

D. PROMOTION

- a) Advertising idea/theme
- b) Media channels for advertising
- c) Direct marketing/mailling
- d) Promotion objectives
- e) Public relations emphasis
- f) Budget for promotion

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Concerning your main exporting venture price:

1- much lower

2- lower

3- about the same

4- higher

5- much higher

1 2 3 4 5 'don't know'

- a) When comparing the price in the domestic market with the price in your main overseas market, your prices in Portugal are:
- b) In relation to competitors in your main overseas market, your prices are:

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

* DEFINITION OF MAIN EXPORTING VENTURE

MAIN EXPORTING PRODUCT (OR GROUP OF PRODUCTS) TO ITS MAIN IMPORTING MARKET

SECTION E- PERFORMANCE THE MAIN EXPORTING VENTURE OF YOUR COMPANY

Please answer to all the questions, including those that use different measures from those of your company.

How do you evaluate the achievement of the following objectives for the main exporting venture in the last years?

	<i>1-very badly</i> <i>2-badly</i> <i>3- moderately</i> <i>4-well</i> <i>5-very well</i>					<i>1-much worse than in 1997</i> <i>2-worse than 1997</i> <i>3-equally to 1997</i> <i>4-better than in 1997</i> <i>5-much better than in 1997</i>				
Objectives:	Two years ago (1997)					From 1997 to 1998				
	1	2	3	4	5	1	2	3	4	5
a) export sales volume of main exporting venture	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) export sales value of main exporting venture	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) export profitability of main exporting venture	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) market share in the main exporting market	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) overall export performance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

How satisfied are you with the results of your main exporting venture for the last few years:

	<i>1-not at all satisfied</i> <i>2-a little satisfied</i> <i>3-relatively satisfied</i> <i>4-very satisfied</i> <i>5-extremely satisfied</i>					<i>1-much less satisfied than in 1997</i> <i>2- less satisfied than in 1997</i> <i>3- equally satisfied</i> <i>4- more satisfied than in 1997</i> <i>5- much more satisfied than in 1997</i>				
	Two years ago (1997)					From 1997 to 1998				
	1	2	3	4	5	1	2	3	4	5
a) export sales volume of main exporting venture	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) export sales value of main exporting venture	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) export profitability of main exporting venture	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) market share in the main exporting market	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) overall export performance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Two years ago (1997), what was the contribution of your main exporting venture to:

	0-9%	10-29 %	30-59 %	60-85 %	86-100 %	'don't know'
a) total sales volume	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) total sales value	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) total profit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

With regard to your main exporting venture, to what extent did the following increase from 1997 to 1998?

	<i>1- large decrease</i> <i>from 1997 to 1998</i>	<i>2- decreased a little</i> <i>from 1997 to 1998</i>	<i>3- no alteration</i> <i>from 1997 to 1998</i>	<i>4-increased a little</i> <i>from 1997 to 1998</i>	<i>5- large increase</i> <i>from 1997 to 1998</i>
	1	2	3	4	5
a) percentage of main exporting venture to total sales volume	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) percentage of main exporting venture to total sales value	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) percentage of main exporting venture to total profitability	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

* DEFINITION OF MAIN EXPORTING VENTURE

MAIN EXPORTING PRODUCT (OR GROUP OF PRODUCTS) TO ITS MAIN IMPORTING MARKET

In 1998, how many full-time employees worked in the commercial activity of your main exporting venture?

- 0 ☐
- 1-2 ☐
- 3-10 ☐
- 11-30 ☐
- 31-50 ☐
- more than 50 ☐

What was the total number of full-time employees working in your firm last year (1998)?

- 1-9 ☐
- 10-19 ☐
- 20-49 ☐
- 50-99 ☐
- 100-499 ☐
- more than 500 ☐

What was the sales value for your main exporting venture for last year (1998)?

- up to 5.000 thousand Ptes ☐
- 5.001-20.000 thousand ptes ☐
- 20.001-80.000 thousand ptes ☐
- 80.001-150.000 thousand ptes ☐
- 150.001-300.000 thousand ptes ☐
- 300.001-1.000.000 thousand ptes ☐
- 1.000.001- 8.000.000 thousand ptes ☐
- more than 8.000.000 thousand ptes ☐

8.

What was last year's (1998) company export sales value?

- up to 20.000 thousand ptes ☐
- 20.001-70.000 thousand ptes ☐
- 70.001-300.000 thousand ptes ☐
- 300.001-700.000 thousand ptes ☐
- 700.001-1.000.000 thousand ptes ☐
- 1.000.001-7.000.000 thousand ptes ☐
- 7.000.001- 29.000.000 thousand ptes ☐
- over 29.000.000 thousand ptes ☐

9.

What was last year's (1998) company total sales value?

- up to 20.000 thousand ptes ☐
- 20.001-70.000 thousand ptes ☐
- 70.001-300.000 thousand ptes ☐
- 300.001-700.000 thousand ptes ☐
- 700.001-1.000.000 thousand ptes ☐
- 1.000.001-7.000.000 thousand ptes ☐
- 7.000.001- 29.000.000 thousand ptes ☐
- more than 29.000.000 thousand ptes ☐

How do you expect the results for your main exporting venture to be for the current year (1999)?

1- worsen
significantly

2- worsen

3- remain the
same

4-improve

5- improve a lot

- | | 1 | 2 | 3 | 4 | 5 |
|--|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| a) export sales volume of main exporting venture | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b) export sales value of main exporting venture | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| c) export profitability of main exporting venture | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| d) objectives achieved for the main export venture | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| e) satisfaction with main exporting venture | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Did last year's (1998) performance influence the export strategy you are developing for the current year (1999)?

Yes, in what way? _____

*** DEFINITION OF MAIN EXPORTING VENTURE**

MAIN EXPORTING PRODUCT (OR GROUP OF PRODUCTS) TO ITS MAIN IMPORTING MARKET

SECTION F- OTHER

What is your opinion on the following statements:

	<i>1-strongly disagree</i>	<i>2-disagree</i>	<i>3-neither agree nor disagree</i>	<i>4-agree</i>	<i>5-strongly agree</i>	
	1	2	3	4	5	'not applicable' or 'don't know'
a) Everyone in our company uses the same criteria/measures to assess performance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Our financial reports clearly differentiate between domestic performance and export performance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) We make decisions based in our own perception of performance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Our export actions are guided by the way we perceive the external environment (i.e., external factors to the company)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Our export actions are guided by the way we perceive organisational environment (i.e., internal factors to the company)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) Our export actions are guided by objective values (e.g., financial and numeric indicators)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g) Our export actions are guided by subjective measures (e.g., goals achieved, performance satisfaction)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

What was EURO's impact on your company's exporting activity? _____

Does your company have the "Portuguese Certificate of Quality" (APCER)? Yes ☐ No ☐ Don't know ☐

Which are the factors that influence the most the strategy choice for the main exporting venture?

In your opinion, how did the following evolved during the past 10 years?

	<i>1-large decrease</i>	<i>2-decrease</i>	<i>3-about the same</i>	<i>4-increase</i>	<i>5-large increase</i>	
				5	4	3
a) The willingness to look for new export markets				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) The willingness to put more efforts in the overseas markets where the companies are already operating				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) The willingness to put more efforts in the domestic market				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Portuguese export competitiveness				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

* DEFINITION OF MAIN EXPORTING VENTURE

MAIN EXPORTING PRODUCT (OR GROUP OF PRODUCTS) TO ITS MAIN IMPORTING MARKET

OBSERVATIONS

Please use this space if you would like to make any additional comments: _____

Please indicate ☒ whether you are interested in receiving:

- a) ☐ a report of the results of this investigation.
- b) ☐ a list of the contacts of potential importers abroad for your product(s).

If you are interested in receiving a) and/or b) please attach your contact (e.g. business card or other contact) to the completed questionnaire and use the pre-paid envelope enclosed for your convenience.

Thank you very much for your co-operation!

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