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Murat Bay

Full Length Research Paper

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¹Karamanoglu Mehmetbey University, Management Department, Karaman.Tel.: +90.534.666 11 11;
Fax.: +90.0.338.2262024; E-mail: veyselltemel@gmail.com

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Exportation performance depends on various factors for competing businesses in international area. In this study, factors that affect exportation performance were searched in literature and a firm's analysis was done which exports successfully. The analysis heaps up around four factors. These factors are rivalry, reasons for investment-export, export management-financial source and production capacity. Reached factors take part in fundamental factors in literature. Factor analysis method was used as analysis method. According to the study done on sample firm, four factors that determine exportation performance explain %70,335 of the total variance.

Key words: SME, exportation performance

INTRODUCTION

Although exportation performance is a mostly studied issue, there is no clearance on its definition. Conceptually, exportation performance is generally used for activity in exportation, sufficiency and dealing constantly with exportation. For this reason, measuring of exportation performance generally involves intensity of exportation, perceived profit, level of satisfaction and being continuous of exportation activities. Shoham (1998) stated that in the notion exportation performance those two notions, exportation and performance, should be indicated separately. Exportation, generally, is defined as marketing of goods produced in local markets to foreign markets as a process of internalization. Performance notion is defined as sales and profit of firms is strategic management literature and changes supplied in market share of these. In this respect, in many studies rise in market share, performance and firm sales are evaluated as the scale of high performance. (Danişman and Sökmen, 2007).

Christiensen et al. (1987) mention effects of exportation performance on business. They stated that successful businesses at exportation substantially exist, exportation is the work of top executives, exportation managers are trained people, quality control has a key role in exportation, successful businesses at exportation also present a product in local markets, being a major (in terms of rivalry) or minor (flexibility of movement) firm can

be advantageous.

According to Aaby and Slater (1989), factors that affect exportation performance are technology, marketing information, planning, marketing strategies, magnitude of firm, exportation manners of managers. Loutervd. (1991) trifurcated determinant of exportation performance into three factors: firm, executive and strategic factors.

Dominguez and Sequeira (1992) discoursed on exportation performance determinants of local firms in underdeveloped countries. Accordingly; exportation strategy, product compatibility, labor costs, using raw material advantages, distribution chains, exhortation to export, reasons for exportation, firm competitiveness, informal market surveys and organizational features of firm determine exportation performance.

According to Cavusgil and Zou (1994), a study done on American exporters indicates that firms, whose number of employees and annual return are higher, show better performance on exportation and firms that get export incentive export much.

According to Katsikeasvd. (1997), level of exportation development is evaluated in terms of good type, response level of export income and business volume.

According to Leonidou (1998), many studies focus on sole factor that contains organizational factors like exportation motivation, exportation problems, firm measurement and performance, staff structure of

management.

According to Gencturk (2001), activity of exportation can be measured by comparing success of businesses that trade at the same bazaar and the criterion of being active is market shares and export sales. The more organizational sources are used for exportation, the more exportation profitability raise.

According to Ling-yee and Ogunmokun (2001), exportation is seeing export exchequer and supply chain management skills as key factors for successful exportation performance.

Exportation performance approaches

As long as exportation experience rises, export sales of business rise in accordance to turnover rates. % 33.3 of the businesses', whose experience is less than a year, rate of export sales to turnover is below % 20. Most of the businesses', which have experience more than 10 years (%56), exportation rate is over %70. For instance, firms in India achieve success by associating their management techniques and their own values with shareholders' values and supplying adaptation to the new economic environment (Hutzschenreuter et al., 2011). Yet with similar approach, treatment of the firm (commitment to export and adaptation to market tactics depending market structure) in foreign market is one of the factors that affects exportation performance and competitive features (NAVARRO vd., 2010).

It is established that Canitez and Yeniçeri (2007) show more attention on post-sales services of SMEs whose exportation performance is high. An important variable is being efficient of coordination and coordination between functions of businesses whose exportation performance is high. Another result was determined that businesses, whose exportation performance is high, rejoin fast to competitive activities that occur in staple.

Exporting firms should design well to enhance their values in order to enter developing countries' markets and should raise their features of their technology and their answering features of customer features. Chinese exporters, which are innovator, indicate that exporters should have rivalry features and financial performances should be better as added value goods are sold. At the same time, they should perceive well that logistics should be well designed, prizes should be differentiated and marketing trends should be well comprehended (TAPIA vd., 2010). Firms that are responsive to exporting are run by firms that have source advantage and rivalry priority. Exporting firms are companies that mostly make use of scales, have value-oriented feature, use advanced technology and have rivalry feature (PANGAKAR and WU, 2011).

Firms in internalization process struggle with reaching sources and this cause firms to get late. Especially two critical factors are needed in internalization process which are; foreign market knowledge (FMK) gained by doing export and financial sources (LINDSTRAND vd.,

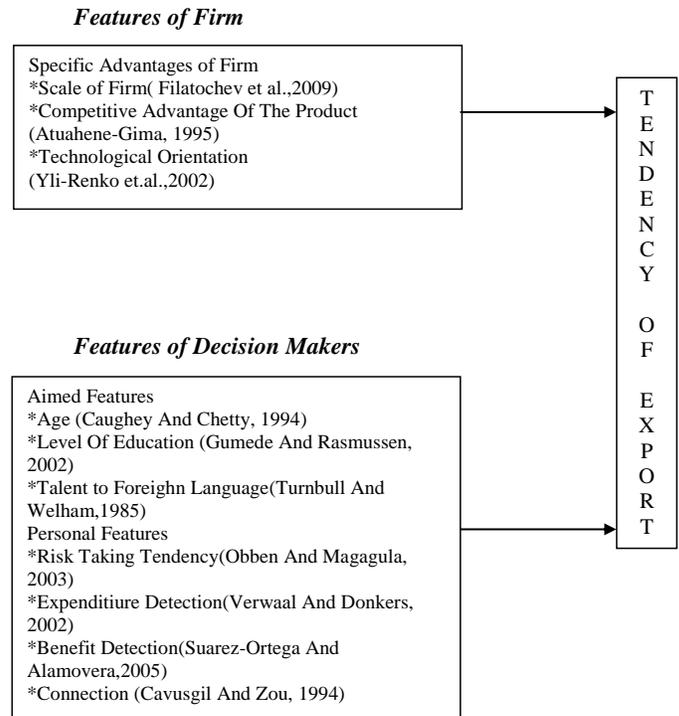


Figure 1: Main Exportation Tendency Model (Serra vd., 2011; 15)

2011). International success is evaluated by comparing international marketing strategies and motivation factors (searching market, searching source and searching activity and strategic value.

A common definition for SME was developed related to SME definitions in European Union. Accordingly, small scale enterprises have less than 50 employees and annual sales revenue does not exceed 10 million Euro and middle scale enterprises have less than 250 employees and annual sales revenue does not exceed 50 million Euro (ODABAŞI vd., 2010).

Firms that export have important place for many countries that export. As a process of internalization process, what is needed that SMEs should guess economic developments of trade countries and market and demand expectations. Firms that have been trading long time are in regular connection with distributors however; new firms are inhibited to connect with distributors. Besides, features of firm and features of decision makers (MUSTEEN vd., 2010) are main elements of exportation performance as shown in figure 1 (Serra vd., 2011).

Research procedure and gathering data

Inquiry method was used to test research hypothesis. The aim of the inquiry is to ask questions directed to determine feature of firm and exportation performance. The inquiry consists of three parts expect illustrator information of the firm. The firm is a spinning factory that exports in Osmaniye province. Internal and external

Table 1: Illustrator Statistics Belong to Firm

	Fr	%		Fr	%
Gender			Position in Firm		
Female	7	23,3	General Manager	3	10
Male	23	76,7	Manager	6	20
Age			Supervisor	6	20
20-25	3	10	Administrative Personnel	15	50
26-30	8	26,7	Level of Income		
31-35	4	13,3	750-1000	11	36,7
36-40	10	33,3	1001-1250	10	33,3
41+	5	16,7	1251-1500	4	13,3
			1501-1750	3	10
			1751+	2	6,7

Table 2: Frequency, Mean and standard deviation of questions related to rivalry, investment-exporting reasons, exporting management-financial source and production capacity.

	Fr	%	Mean	Ss
Do you employ professional managers in your business?			1,1	0,54
Yes	29	96,7		
No	1	3,3		
What is the reason for leaving the management to professional managers? <i>Seeing events objectively</i>	20	66,7	2,23	0,62
What can be the inconyeniency of taking into professional managers?			3,13	0,68
High costs to business	19	63,3		
What is the way of employing a professional?			1,4	0,56
Traditional Method	19	63,3		
Which is the domestic market problem below?			2,3	0,65
Rivalry concentration	18	60,0		
What is the most common rivalry way?			2,8	1,4
Alteration in quality	17	56,7		
What is the leading factor in determining product prizes?			1,1	0,4
Costs	28	93,3		
Clarify the aims related to exportation activities of your firm			1,4	0,62
Foreign expansion politics (Exhortation, Benefiting from text refunds)	18	60,0		
What is your method on realizing exportation?			1,6	1,24
Directly exportation	23	76,7		
What is the issue arising from product that related to exportation and marketing?			2,8	0,7
Production capacity	23	76,7		
How did you supply foundation fund?			1,4	0,57
With equity	17	56,7		
Which factors take part in choosing financial source?			3,43	1,47
Existing financial structure of the business	16	53,3		
How was your reaction to rise in domestic interest rates?			2,5	1,35
Postpone investment projects	12	40,0		
How does your business put money to good use?			2,8	1,3
New investments	16	53,3		
Does your business utilize from exhortation?			1	0
Yes	30	100		
Which problem do you face in exhortations?			3,40	1,06
Cost increase and not getting exhortations on time	22	73,3		
What is the financial failure of your business?			3,83	0,69
Peripateias in exchange rates	26	86,7		
Which institution do you prefer to solve problems you face?			2,33	0,47
Ministry of Industry	20	66,7		
What is the primary effective element in your business development?			2,23	0,43
Economic recession in international market	23	76,7		

factors were evaluated together as the method *In the first part questions that measure management factor that the firm have, questions that oriented to determine export and manufacture factors and then questions that determine financial structure were evaluated.* The inquiry was applied to 30 people who are at management stage of the firm. The

research was analyzed by SPSS 16 program.

Research Findings

Illustrative statistics gathered in the study were given in table 1. Also, questions related to determining management, exporting and financial structure were shown in table 2

Table 3: KMO and Bartlett's Test R results

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		,505
Bartlett's Test of Sphericity	Approx. Chi-Square	96,556
	df	55
	Sig.	,000

Table 4: Factor Analysis Results

Rivalry		Investment, Exportation Reasons		Exportation Management, Financial Source		Production Capacity	
S.21	0,821	S.12	0,451	S.13	0,843	S.14	0,933
S.10	0,350	S.9	0,745	S.16	0,545		
		S.18	0,560				
Explained Variance	21,958		18,807		18,196		11,374
	21,958		40,765		58,961		70,335

Explained Variance: 70,335

Deductive Method: Principal Components Analysis

Rotation Method: Varimax Rotation

together with frequency, mean and standard deviation. Besides, at the result of factor analysis (shown in tables 3 and 4) research was gather under four factor headings and these are; rivalry, investment-exporting reasons, exporting management-financial source and production capacity.

As seen in table 1, most of the participants are male and the average of age is over 25. Half of the participants are senior managers and half of them are low level managers.

When KMO and Bartlett's Test results examined in table 3, results are meaningful ($,000 < ,05$).

In table 4, four factors and factor loads of them are shown. Rivalry factors explains %21,958, investment and exporting reasons explain the %18,807, exportation management and financial source explain %18,196, production capacity explains %11,374 and it totally explains %70,335 of variance.

CONCLUSION

When rates are estimated it can be said that the business has features of doing international exportation and their manager deploy is high order with 29 people. Professional managers are preferred as they look objectively to events. The inconveniency to have professional managers is high costs. Traditional method of getting personal way rate is found % 63. Rivalry is the main domestic market problem with % 60 rate. The most common rivalry way is alteration in quality with %56,7 rate. The first role in determining product prices is costs with %93,3 rate.

Foreign expansion politics (exhortation, benefiting from text refunds), one of the aims related to exportation activities of the business, is with %60 rate. Directly exportation as realizing exportation is with %76,7 rate. Production capacity problem that originated from product as exportation and marketing of the sector is with %76,5 rate. Foundation capital is equity with %56,7 rate.

Existing financial structure of the business that takes role in choosing financing source is with %53,3 rate. Uppermost reaction to domestic rate of interest is postponing investment projects with %40 rate and the second reaction to this problem is decreasing bank barrowing with %36,7 rate. The business put money to good use by new investments with %53,3 rate.

The business benefits %100 from exhortations. Problems faced in getting exhortations are cost increase and not getting exhortations on time with %73,3 rate. The financial fail of the business is peripateias in exchange rateswith %86,7 rate. The business prefer ministry of industry for solving faced problems with %66,7 rate. The primary effective element in business development is economic recession in international market with %76,7 rate.

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