An Investigation of the Government Export Promotion Services on Enterprise Export Performance

(Case study Guilan Exchange Member Firms)

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Abstract: Internationalization is more important at today’s markets. Firms seek to the expert these days, because local market is saturated for them. Foreign tread are one of the important debate for economic development. The aim of this research in an investigation of the government export promotion services on enterprise export performance. In this project, export promotion is dividing to 4 parts: financial aims, strategic aims, organizational learning aims, and relationship to customer. Statistical operation is at Guilan exchanges. Questioners are completed by top, financial and exporter managers. Analysis is done by Person correlation and finally all hypotheses are accepted.

Keywords: Export Promotion, Financial Aims, Organizational Learning Aims, Strategic Aims, Communication with Shareholders

I. INTRODUCTION

Foreign trade is one of the most important issues in economic development. This section is supply source of foreign exchange earnings for investment and absorption of new technology in order to increase economic productivity in each country (12). Classical believe that trade is a means to expand the domestic market, division of labor, increase performance, improve productivity, and economic development and it acts as growth engine and economic development (3). On the other variation in exports is very important for countries such as Iran that has export of single product (Oil). Non-oil exports be causes increase foreign exchange earnings and increasing the proportion in the world trade in international markets (7). As a result, increasing trends in the global economy and companies’ affiliated to resources, goods and services is following the trends of individual and organizational for enhance performance. (10)

II. PROBLEM STATEMENT

The aims of export companies for supply of goods to foreign markets is profit, income continued and increase competitiveness during the time (14). Export performance be divided into two categories, internal and external. Industry characteristics, characteristics of the external market, and characteristics of the internal market is are external factors and also export marketing strategies, perceptions and trends of management, managerial features and capabilities of the company are internal factors. In this study, dimensions of exports performance be divided to four general categories:
1. Achieve financial goals
2. Achieve the purpose of communication with shareholders
3. Achieve strategic goals
4. Achieve organizational learning goals

Export promotions are tools and services that help companies improve their export performance. It is a scale and factor supporting export activity of companies. Tools and promotions for export are divided into two parts:

1. Providing mental knowledge
2. Providing practical knowledge

III. PREVIOUS RESEARCH

1. REVIEWS OF EXPORT PERFORMANCE: CASE STUDY SPANISH COMPANIES
   STOIAN ET AL. 2011
   The results showed that managerial factors like having skills in speaking to foreign languages and also knowledge about international business are most important in export performance. Also export commitment is an effective variable on the export performance of SMEs in Spain (13).

2. STUDIES RESOURCES AND CAPABILITIES AND ITS IMPACT ON THE EXPORT PERFORMANCE
   KALEKA 2012
   The results showed that the role of information and knowledge factors in development of export performance is important. Also communication with customers and product development have direct impact on the export performance. (6)

3. IDENTIFY DETERMINANT FACTORS OF EXPORT PERFORMANCE IN THE FOOD INDUSTRY
   HAGHIGHI ET AL. 2008
   In this study, ten factors including firm size, export experience, export problems, export stimuli, competitive advantage, export commitment, product adaptation strategy, price adaptation strategies, channels prices of direct export, and foreign advertising costs have been studied. The results showed that there are significant relationships between ten factors and export performance in this companies. (5)
IV. MODELS OF RESEARCH

![Conceptual Model of Research](image)

**FIG 1: Conceptual Model of Research**

V. THE RESEARCH HYPOTHESES

**The First Hypothesis:** Export tools and promotions have significant relationship with achieve financial goals in exporter companies.

**The Second Hypothesis:** Export tools and promotions have significant relationship with achieve the purpose of communication with shareholders in exporter companies.

**The Third Hypothesis:** Export tools and promotions have significant relationship with achieve strategic goals in exporter companies.

**The Fourth Hypothesis:** Export tools and promotions have significant relationship with achieve organizational learning goals in exporter companies.
VI. THEORETICAL RESEARCH

FINANCIAL AIMS: Financial aims are as satisfaction of the overall performance, return on investment, export market share, and achieve export growth from a financial perspective. (2)

ORGANIZATIONAL LEARNING AIMS: Organizational learning is process of activities improvement. (4)

STRATEGIC AIMS: Strategic aims are gain export markets, improve in competence of the company. (9)

COMMUNICATION WITH SHAREHOLDERS: Corporate sponsors are most important type of shareholders. Improve communication with them be causes gain a competitive advantage, services based on company, physical quality and good price. (11)

VII. RESEARCH METHODOLOGY

The present study in term of purpose is applied and it is type of descriptive - correlational. Sampling in this research is Cochrane method that is estimated 19. Data collection method in this research is questionaire. For validity of the questionaire is used Cronbach alpha and its results are as follows:

<table>
<thead>
<tr>
<th>VARIABLES</th>
<th>ALPHA</th>
</tr>
</thead>
<tbody>
<tr>
<td>FINANCIAL GOALS</td>
<td>0.850</td>
</tr>
<tr>
<td>COMMUNICATION WITH SHAREHOLDERS</td>
<td>0.812</td>
</tr>
<tr>
<td>STRATEGIC GOALS</td>
<td>0.891</td>
</tr>
<tr>
<td>LEARNING GOALS</td>
<td>0.880</td>
</tr>
<tr>
<td>PROVIDE SUBJECTIVE AND PRACTICAL KNOWLEDGE</td>
<td>0.911</td>
</tr>
</tbody>
</table>

VIII. HYPOTHESIS TEST RESULTS

THE FIRST HYPOTHESIS TEST: Export tools and promotions have significant relationship with achieve financial goals in exporter companies.

<table>
<thead>
<tr>
<th>VARIABLES</th>
<th>VARIABLES</th>
<th>EXPORT TOOLS AND PROMOTIONS</th>
<th>FINANCIAL GOALS</th>
</tr>
</thead>
<tbody>
<tr>
<td>EXPORT TOOLS AND PROMOTIONS</td>
<td>PEARSON CORRELATION</td>
<td>1</td>
<td>.374*</td>
</tr>
<tr>
<td></td>
<td>SIG. (2-tailed)</td>
<td>.013</td>
<td></td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>43</td>
<td>43</td>
</tr>
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</tr>
<tr>
<td></td>
<td>N</td>
<td>43</td>
<td>43</td>
</tr>
</tbody>
</table>

According to the results can be seen that amount of Sig. is .013 and it is less than 0.05. For this reason, this relationship is significant with %95 confidence. Also according to this table it can be said severity of correlation between the two variables of export tools and promotions and financial goals is +37.4%, namely there is direct relationship between variables in exporting firms.
THE SECOND HYPOTHESIS TEST: Export tools and promotions have significant relationship with achieve the purpose of communication with shareholders in exporter companies.

**Table 3: The correlation coefficient export tools and promotions and communication with shareholders**

<table>
<thead>
<tr>
<th></th>
<th>Export Tools and Promotions</th>
<th>Communication with Shareholders</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Pearson Correlation</strong></td>
<td>1</td>
<td>.503**</td>
</tr>
<tr>
<td><strong>Sig. (2-tailed)</strong></td>
<td>.011</td>
<td></td>
</tr>
<tr>
<td><strong>N</strong></td>
<td>43</td>
<td>43</td>
</tr>
</tbody>
</table>

According to the results can be seen that amount of Sig. is 0.001 and it is less than 0.05. For this reason, this relationship is significant with %95 confidence. Also according to this table it can be said severity of correlation between the two variables of export tools and promotions and communication with shareholders is +50.3%, namely there is direct relationship between variables in exporting firms.

THE THIRD HYPOTHESIS TEST: Export tools and promotions have significant relationship with achieve strategic goals in exporter companies.

**Table 4: The correlation coefficient export tools and promotions and strategic goals**

<table>
<thead>
<tr>
<th></th>
<th>Export Tools and Promotions</th>
<th>Strategic Goals</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Pearson Correlation</strong></td>
<td>1</td>
<td>.390**</td>
</tr>
<tr>
<td><strong>Sig. (2-tailed)</strong></td>
<td>.010</td>
<td></td>
</tr>
<tr>
<td><strong>N</strong></td>
<td>43</td>
<td>43</td>
</tr>
</tbody>
</table>

According to the results can be seen that amount of Sig. is 0.010 and it is less than 0.05. For this reason, this relationship is significant with %95 confidence. Also according to this table it can be said severity of correlation between the two variables of export tools and promotions and strategic goals is +39%, namely there is direct relationship between variables in exporting firms.

THE FOURTH HYPOTHESIS TEST: Export tools and promotions have significant relationship with achieve organizational learning goals in exporter companies.
TABLE 5: THE CORRELATION COEFFICIENT EXPORT TOOLS AND PROMOTIONS AND LEARNING GOALS

<table>
<thead>
<tr>
<th></th>
<th>EXPORT TOOLS AND PROMOTIONS</th>
<th>LEARNING GOALS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>PEARSON CORRELATION</strong></td>
<td>1</td>
<td>.498**</td>
</tr>
<tr>
<td><strong>SIG. (2-TAILED)</strong></td>
<td>.001</td>
<td>1</td>
</tr>
<tr>
<td><strong>N</strong></td>
<td>43</td>
<td>43</td>
</tr>
</tbody>
</table>

According to the results, it can be seen that the amount of SIG. is 0.001 and it is less than 0.05. For this reason, the relationship is significant with 95% confidence. Also, according to this table, it can be said that the severity of correlation between the two variables of export tools and promotions and learning goals is 49.8%, namely there is a direct relationship between variables in exporting firms.

IX. CONCLUSIONS

The amount of t-statistics for the relationship between export tools and promotions and financial goals is equal to 0.274. So with 95% confidence, it can be expressed that the first hypothesis has been confirmed. The amount of t-statistics for the hypothesis of the second to fourth is respectively 0.503, 0.390, 0.498. In other words, all the present study hypotheses have been confirmed and also were identified direct and significant relationship between variables.

X. SUGGESTIONS OF RESEARCH

1. It is suggested according to the position of Gilan’s frontier and neighborhoods with several countries by providing specialized exhibition be causes more learn of foreign customers with Gilan and Iranian markets.
2. It is suggested companies perform more invest for identification of destination countries customers and develop research and development in this context.
3. It is suggested according to existing sanctions and reduced access corporate to technology of global, government provide public facility for achieve companies to new technology that in this way, achieve to their strategic goals.
4. It is suggested government with export support and promotions be causes accelerating of goods exports and companies will be able more confidently send their goods to destination countries.

XI. SUGGESTIONS FOR FUTURE RESEARCH

1. It is suggested in future research impact of export tools and promotions be measured on the overall performance of the company.
2. It is suggested the research model at different time sequences be measured company performance and effectiveness of export promotions be determined at different times as comparative.
3. It is suggested conceptual model of research be examine in various industries as breakdown.
XII. LIMITATIONS OF RESEARCH

1. This research has been time limitation and should be completed at the set time.
2. Existence small number of exporting enterprises in Gilan stock exchange is another limitation of the study.

REFERENCES