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The Antecedents of Export Marketing Performance: An Australian Perspective

(6,176 words)

Abstract

This study considers a comprehensive set of potential determinants of export marketing performance and the unit of analysis is the individual product-market export venture. Data were gathered via a mail survey of firms exporting from Queensland, Australia. The firms comprising the sample came from a wide cross section of industries including agriculture, mining, light industries, metal-working, electronics, chemical and the services industries. The results support the contention that export marketing strategy, firm-specific characteristics and market characteristics were the significant determinants of export marketing performance.

Key Words: Marketing Strategy, Export Performance, Firm Characteristics, Market Characteristics, Queensland

Introduction

It is widely recognised that success in the domestic market does not guarantee success in foreign markets (Shoham, 1999) and that unique strategies are needed to succeed in export markets (Cavusgil and Zou, 1994). As a result, it is not surprising to find a growing body of research attempting to link export marketing performance to firm-specific characteristics (Diamantopoulos and Schlegelmilch, 1994), product characteristics (Cavusgil, Zou, and Naidu, 1993), export market characteristics (Dominguez and Sequeira, 1993), and export marketing strategy (Cavusgil and Zou, 1994).

Export marketing performance as been measured by a wide variety of indicators, including, sales, market growth, market share, profitability, return on investment, attainment of export goals and perceived satisfaction. With such varied approaches to performance measurement, the findings of different export studies are difficult to compare, impairing knowledge development and consensus on what are the antecedents or determinants of export marketing performance. The marketing performance measures used in previous studies often reflect the unique emphasis that different countries place on exporting. Given the importance of exporting to the Australian economy (Cooke, 1991; Julian, 1995) and the limited research that has been conducted on identifying the country-specific factors that influence the success of Australia's export firms the purpose of the present study is to examine the antecedents of export marketing performance from an Australian perspective.

This study extends the work of O'Cass and Julian (2003) since the items tapping export marketing strategy involve more than the decision to standardise or adapt the elements of the marketing mix and export marketing performance is measured via a composite measure of export marketing performance that includes economic, strategic and perceptual measures of export marketing performance. Whereas, the O'Cass and Julian (2003) study only considered senior managers perceptions of export marketing performance. The measure of export marketing performance used may explain the reason why export marketing strategy was a significant predictor of export marketing performance when a composite measure of export marketing performance was used as was the case for this study. However, it was a non-significant predictor of export marketing performance when a single item perceptual measure of export marketing performance was used to assess marketing performance (O'Cass and Julian, 2003). Leading to the conclusion that a composite measure of export marketing performance is needed to get a more accurate

indication of how the export venture is actually performing and to be able to compare study findings across countries.

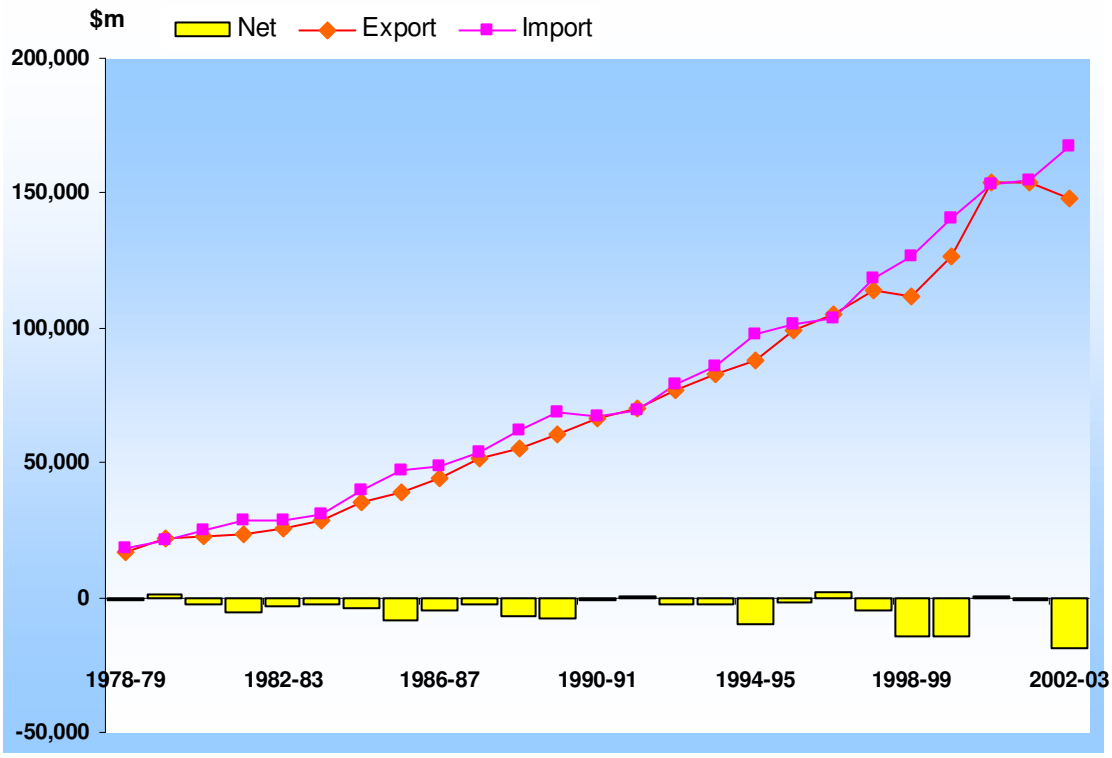
Literature Review

Increasingly, Australian firms are looking beyond their traditional domestic markets and focusing on high growth export markets to not only grow, but also to enhance their competitiveness. Some have gone as far as saying that, in many ways, export market development is becoming more a matter of survival rather than a matter of choice for many Australian firms (Cooke, 1991; Julian, 1995). For some time in Australia there has been a concerted effort by many industries and governments to improve the export focus and marketing performance of firms (Cooke, 1991; Julian, 1995).

The antecedents of export marketing performance have been the focus of much research and theory development over recent years (e.g., Cavusgil and Zou, 1994; Francis and Collins-Dodd, 2000; Sundqvist et al., 2000; Thirkell and Dou, 1998). However, beyond countries such as the United States, United Kingdom, Canada, New Zealand and various European countries with the exception of Styles (1998), O'Cass and Julian (2003) and a few others limited effort has been expended in examining export marketing performance and the country-specific factors that impact on it.

Australia's export performance over the last decade has been problematic at best with Australia being a net importer since 1978-1979, apart from four financial years ending 1980, 1992, 1997 and 2001 (Department of Foreign Affairs and Trade (DFAT), 1994; 2001; 2002; 2003; 2004; Lu, 2004) with gross imports exceeding gross exports (see Figure 1).

Figure 1. Australia's Exports, Imports and International Trade Balance (Adapted from DFAT 1994; 2001; 2002; 2003; 2004; Lu, 2004)



As such, it is important for Australia as a country to better understand the determinants of export marketing performance success in order to substantially improve its export performance. By constituting such a study we believe we can help Australian industry improve its export marketing performance and contribute to the theoretical development of the export marketing literature by examining the country-specific factors that impact the marketing performance of Australian export market ventures.

Queensland, a large Australian state, export marketing performance over the last decade has also been problematic consistent with the overall trend in Australia (Australian Bureau of Statistics, 2000). Queensland's export marketing performance over the period 1990 to 2000 is comparable to that of New South Wales and Victoria

as the three larger states in Australia, that is why we have chosen Queensland from which to draw the sample (O'Cass and Julian, 2003).

The Cavusgil and Zou (1994) scale was chosen as the scale to investigate the antecedents of export marketing performance from an Australian perspective as it has been demonstrated to have cross-cultural validity (Julian, 2003). This study's focus is on identifying a parsimonious set of factors that have a significant direct effect on export marketing performance, a key construct in export marketing research.

There is a growing body of research that has examined the antecedents of export marketing performance (Cavusgil and Zou, 1994; Diamantopoulos and Schlegelmilch, 1994; Dominguez and Sequeira, 1993; Zou, Taylor and Osland, 1998). Over time, four broad groups of determinants of export marketing performance have been identified, including: firm-specific characteristics (Diamantopoulos and Schlegelmilch, 1994), product characteristics (Cavusgil, Zou and Naidu, 1993), market characteristics (Dominguez and Sequeira, 1993), and export marketing strategy (Cavusgil and Zou, 1994).

It is argued that in the context of firm-specific characteristics, a firm's capabilities and constraints profoundly influence their choice of marketing strategy and ability to execute a chosen strategy (Aaker, 1988). The resources of a firm constitute its sources of sustainable competitive advantage (Day and Wensley, 1988). In export marketing these resources include size advantages and resources available for export development (Cavusgil and Zou, 1994). Possession of such resources enables an exporter to identify the idiosyncracies in export markets, develop the necessary marketing strategies and implement them effectively, thus impacting

positively on export marketing performance (Styles, 1998). As a result, the following hypothesis is offered for testing:

H1: The marketing performance of Queensland export market ventures is significantly positively influenced by firm-specific characteristics.

Specific product characteristics have also been identified as having a significant influence on the marketing performance of a specific venture in an international market (Cavusgil, Zou, and Naidu, 1993). Product attributes affect the positional competitive advantage of a firm (Day and Wensley, 1988), thereby influencing marketing performance. Product characteristics that have been argued to influence marketing performance include culture-specificity, strength of patent, age, unit value, uniqueness and service/maintenance requirements (Cavusgil and Zou, 1994). As a result, the following hypothesis is offered for testing:

H2 The marketing performance of Queensland export market ventures is significantly positively influenced by product characteristics.

Market characteristics, in the sense that foreign markets pose both threats and opportunities for exporting firms, affect marketing performance. A firm must match its strengths with market opportunities to negate market threats and to ensure marketing performance success. As such, export marketing performance tends to be conditioned by market characteristics (Cavusgil and Zou, 1994). Some of the principal market characteristics likely to influence export marketing performance include: the extent of government intervention (Beamish, 1993); the familiarity of customers to the product/service (Cavusgil and Zou, 1994); and the availability of suitable distribution and communication channels (Ganitsky, Rangan, and Watzke, 1991). As a result, the following hypothesis is offered for testing:

H3 The marketing performance of Queensland export market ventures is significantly positively influenced by market characteristics.

The degree of marketing orientation enjoyed by a firm is a proven determinant of business performance success (Ahmed and Krohn, 1994). Marketing orientation being defined as *"the degree to which individuals are aware of the needs and wants of one's customers, and how the firm might best meet those needs and wants"* (Ahmed and Krohn, 1994: 115). Focusing on immediate and long-term consumer contentment is the obvious manifestation of an organisation imbued with marketing orientation. Greater consumer satisfaction, eventual competitive advantage over competitors, and the resultant increase in profits are the likely results of an organisation whose employees have been thoroughly trained in marketing orientation (Ahmed and Krohn, 1994). As a result, the following hypothesis is offered for testing:

H4 The marketing performance of Queensland export market ventures is significantly positively influenced by the marketing orientation of senior management.

In their review article, Aaby and Slater (1989) suggest that marketing performance is directly influenced by a firm's business strategy. Using factor analysis, Cavusgil (1983) demonstrated that marketing decision variables influencing successful export marketing performance can be reduced to (1) basic company offering, (2) contractual link with foreign distributors/agents, (3) promotion, and (4) pricing. Export marketing strategy is the means by which an export firm responds to market forces to meet its objectives. Strategy involves all aspects of the marketing mix, including, product, pricing, promotion and distribution. Whilst one of the key determining factors in international marketing affecting marketing strategy is the decision to standardise or adapt to the conditions of the foreign market (Cavusgil and Zou, 1994; Douglas and

Craig, 1989) it is not the only key strategy decision affecting managers of export market ventures. Other important strategy decisions include the number of distributors and customers the export market venture requires, the degree of target market specification needed, the level of export sales goals set (Cavusgil and Zou, 1994) and the support and training to be provided to the export market venture's distributors (Julian and O'Cass, 2002). Therefore, in this study export marketing strategy incorporates these key strategy decisions as well as being evaluated along the standardisation-adaptation continuum (Cavusgil and Zou, 1994). As a result, the following hypothesis is offered for testing:

H5 The marketing performance of Queensland export market ventures is significantly positively influenced by the export marketing strategy adopted.

Prior research has enhanced our understanding of the determinants of export marketing performance, however, the knowledge is far from complete. For example, reviews by Aaby and Slater (1989) and Cavusgil and Zou (1994), identified a pattern of inconsistent and conflicting findings that still exist in the literature for all determinants of export marketing performance. A major weakness is the lack of a uniform measure of export marketing performance (Cavusgil and Zou, 1994). A further concern is that few previous studies have been conducted in Australia (see O'Cass and Julian, 2003). This is significant because of Australia's unique composition of exports with a high concentration on commodities (60 percent) versus manufactured goods (Julian, 1995). Therefore, one way to reconcile the inconsistency problem is to examine export marketing performance from an Australian perspective and develop and adopt a generalised export marketing performance measure that can be applied to multiple countries.

Export marketing performance has been measured, principally, in three different ways. First, by measuring export marketing performance using the economic indicators of performance i.e. profit, sales, market share etc. The underlying theoretical justification for using economic indicators is that exporting is part of a firm's marketing program and performance should be measured in the same way that marketing operations are measured, in economic or financial terms (Zou, Taylor and Osland, 1998).

Second, measurement of export marketing performance has also been via strategic outcomes i.e. expand strategically into foreign markets, gain a foothold in the export market or simply to increase the awareness of the product/company. The underlying theoretical justification here is that firms have a set of strategic goals as well as economic goals, in exporting (Cavusgil and Zou, 1994). This theoretical perspective suggests that the attainment of strategic goals such as improved competitiveness, increased market share, or strengthened strategic position should be considered an integral part of export marketing performance. Studies that adopt this perspective often measure export marketing performance as the attainment of strategic goals such as market share, strategic presence in the export market, or competitive position (Cavusgil and Zou, 1994; Zou, Taylor and Osland, 1998).

Finally, measurement of export marketing performance has been undertaken via perceptual or attitudinal measures. The theoretical perspective of using this approach is that being positively disposed toward exporting and/or satisfied with exporting operations is a strong indication of success in exporting. Studies adopting this perspective have measured a firm's export marketing performance either directly, such as perceived success or satisfaction with the venture (Cavusgil and Zou, 1994) or indirectly as the firm's attitude toward exporting (Johnston and Czinkota, 1982).

The variety of approaches to the measurement of export marketing performance makes it difficult to compare the findings of different studies. When conflicting findings are obtained by studies that employ different measurement schemes for export marketing performance, it makes it impossible to identify whether the findings are because of the measurement scales or the independent variables being studied. As a result of the use of different measurement schemes, it is difficult to assess which of the individual factors are the strongest predictors of export marketing performance (Zou, Taylor and Osland, 1998).

In relation to the measurement issue, there has not been sufficient effort expended in developing a scale that is reliable and valid across a number of different national settings. Most previous studies have been conducted in the United States (Cavusgil and Zou, 1994), Canada (Francis and Collins-Dodd, 2000), New Zealand (Thirkell and Dau, 1998) and various European countries (Sundqvist et al., 2000). As a result, it is still unclear whether the issues affecting export marketing success are applicable to Australia given the unique composition of its exports (Julian, 1995).

Given the growth in the literature on export marketing performance and its antecedents and the emphasis by the Australian government on developing its export markets together with Australia's performance in relation to its Balance of Trade we believe it is timely to constitute a study that examines the factors that have a significant direct effect on Australian firms export marketing performance. The export marketing performance of Australian export market ventures are an important dimension of contemporary business because it is a developed country just like the United States, Canada, New Zealand and various European countries yet the composition of its exports are different when analysing other developed countries, thereby requiring separate investigation.

The particular theoretical perspective adopted here is that export marketing performance is, firstly, measurable at the export venture level (that is, the product/market level). Secondly, it incorporates the major perspectives of export marketing performance used in previous studies. Finally, it is consistent with the existing export marketing performance measures used by studies in different countries (Cavusgil and Zou, 1994; Zou, Taylor and Osland, 1998).

The benefits of adopting this theoretical perspective are firstly, it focuses on export venture marketing performance related to one product and one market overcoming the difficulties involved in attempting to measure firm level export marketing performance. Secondly, it combines the three primary means of measuring export marketing performance that have been used in previous studies: economic indicators, strategic indicators and satisfaction with the venture's export marketing performance (Cavusgil and Zou, 1994; Zou, Taylor and Osland, 1998). As such, this theoretical perspective helps integrate the existing literature. Finally, it is also consistent with the export marketing literature generated in various countries e.g., the United States (Cavusgil and Zou, 1994), Canada (Francis and Collins-Dodd, 2000), New Zealand (Thirkell and Dau, 1998) and various European countries (Sundqvist et al., 2000). Essentially, the theoretical perspective that has been adopted is that for export marketing performance measurement scales to be reliable and valid across different national settings they need to include items that are drawn from multiple perspectives of previous studies conducted in various countries (Zou, Taylor and Osland, 1998).

Methodology

The study was based on an empirical investigation of firms involved in exporting to foreign countries from Queensland, a large Australian state. The sample of firms

came from a wide cross section of industries including, agriculture, mining, light industries, metal-working, electronic, chemical and services industries. The list of firms comprising the sample was provided by a Queensland state government department. In order to obtain valid and reliable measures of the variables, previously validated scales were used for all of the constructs in this study. All items were measured via five-point bipolar scales with scale poles ranging from strongly disagree (1) to strongly agree (5) (Cavusgil and Zou,1994).

The questionnaire was developed and pre-tested using a small sample of exporters with the final instrument mailed to the sample. The pre-test of the questionnaire was used to assess both individual questions and their sequencing. The marketing managers of 10 firms involved in exporting were interviewed to see if the respondent was able to access the information requested, to see if any of the questions asked seemed confusing or irrelevant and to see if any of the questions produced respondent resistance or hesitancy for one reason or another e.g., confidentiality of financial details requested. The pre-test revealed some questions in which the wording needed to be improved and in which the sequence of the words needed to be changed. However, the changes were only minor.

The instrument contained items tapping specific firm characteristics (Cavusgil and Zou, 1994), product characteristics (Cavusgil, Zou and Naidu, 1993), market characteristics (Cavusgil and Zou, 1994), marketing orientation (Matsuno, Mentzer and Rentz, 2000) and export marketing strategy (Cavusgil and Zou 1994). Firm-specific characteristics were measured via items tapping the firm's relative position in the industry, the amount of resources the firm had for export development, the extent of careful planning carried out by the firm and the extent of resource and management commitment of the firm to the export market venture (Cavusgil and Zou, 1994).

Product characteristics were measured via items that tapped the extent of patent protection for the product, the amount of training a sales force required to handle the product, the degree of uniqueness of the product, the degree of culture-specificity of the product and the service/maintenance requirements of the product. These items were adapted from Cavusgil, Zou and Naidu (1993).

Market characteristics were measured via items tapping the accessibility to suitable distribution channels, extent of government intervention, demand potential of the product in the export market, sophistication of the marketing infrastructure, degree of exposure and familiarity of customers to the product in the export market (Cavusgil and Zou, 1994). Export marketing strategy was measured via items tapping the number of distributors and customers the export market venture had, the degree of target market specification used, the level of export sales goals set, the degree of product adaptation required, the extent to which the product label was in the local language, the degree of adaptation of the product's packaging, positioning strategy and promotional strategy in the export market and the support and training provided to the export market venture's distributors (see Cavusgil and Zou, 1994).

Finally, marketing orientation was measured via items tapping external marketing orientation, that is, the firm's relationship with its external environment that included its competitors, customers, suppliers and legal/regulatory environments. Marketing orientation was also measured via items tapping internal marketing orientation, that is, the firm's interdepartmental relations and senior management's relationship with its employees. The items used in this measure of marketing orientation were adapted from Matsuno, Mentzer and Rentz (2000).

Export marketing performance has been measured via the use of economic indicators, strategic indicators and overall satisfaction with performance. As a result,

we used a composite measure of export marketing performance that incorporated all three measures of export marketing performance. The theoretical perspective behind this conceptualisation is that it incorporates the major perspectives of export marketing performance used in previous studies by combining the three primary means of measuring export marketing performance into a composite scale (Cavusgil and Zou, 1994; Zou, Taylor and Osland, 1998). As such, this conceptualisation helps integrate the existing literature. It is also consistent with the export marketing literature generated in various countries where firms in different countries may tend to emphasise different types of performance measures for cultural, economic or sectoral reasons (Zou, Taylor and Osland, 1998).

From the pre-test seven strategic objectives were preset in the research instrument. Respondents were asked to indicate their level of agreement with statements identifying the reasons for entering the export market on a five-point bipolar scale with scale poles ranging from strongly disagree (1) to strongly agree (5) (Cavusgil and Zou, 1994). Satisfaction with the achievement of those objectives was then computed. Respondents then indicated their perceived success of the export venture on a 10-point bipolar scale (1=unsuccessful, 10=successful). Finally, they were asked to indicate how profitable the export market venture was on a 10-point bipolar scale (1=fairly profitable, 10=extremely profitable). These three indicators were then summed into a composite scale for measuring export marketing performance (Cavusgil and Zou, 1994).

After the pilot test the questionnaire was mailed to a purposeful sample of 1,132 firms who were ápriori identified as being involved in direct exporting, yielding 293 useable questionnaires being returned accounting for an effective response rate of 25.8 percent and considered to be adequate (Groves, 1990). It should also be acknowledged that this response rate is normal for most mail surveys (Groves, 1990;

McDougall, Covin, Robinson, and Herron, 1994) and similar response rates had been achieved in the international marketing literature (Li and Ogunmokun, 2000).

Data Analysis

Prior to analysing the data the issue of non-response bias is discussed. An 'extrapolation procedure' technique was used to assess non-response bias. This assumes that the groupings of actual respondents by an identified criterion are similar to the 'theoretical' non-respondents (Armstrong and Overton, 1977). Frequencies and independent *t*-tests were used to determine whether significant differences existed between the sample of 293 Queensland export market ventures and the target population of 1,132 based on their industry classification. No significant differences were identified between the sample and the target population for this classification variable. Therefore, as the results suggest that there are no significant differences between respondents and non-respondents then the sample can be considered sufficient to draw conclusions about Queensland export market ventures for the issues under study.

The data were initially analysed using principal components analysis to assess the psychometric properties of the instrument assessing firm-specific characteristics, product characteristics, market characteristics, export marketing strategy and marketing orientation following similar procedures to Cavusgil and Zou (1994). Along similar lines to Cavusgil and Zou (1994) our primary concern was interpretability of the factors. All items loaded appropriately and no cross-loadings above .2 were identified with only factor loadings of above .5 being accepted. Each scale was reviewed using factor analysis to establish that they were unidimensional. The final reliabilities for all scales were greater than .70 with a few over .80. The initial analysis

indicated similar psychometric properties to Cavusgil and Zou (1994) and the measure was judged adequate to examine the hypothesised relationships.

To test the hypotheses a multiple regression analysis was undertaken to examine the effect of "firm-specific characteristics", "product characteristics", "market characteristics", "export marketing strategy" and "marketing orientation" on the export marketing performance of Queensland export market ventures. Table 1 indicates that the five factors "firm-specific characteristics", "product characteristics", "market characteristics", "export marketing strategy" and "marketing orientation" together explained 24.9 percent of the variation in the export marketing performance of Queensland export market ventures when measured by a composite measure of export marketing performance that included satisfaction with performance, profitability and the achievement of strategic objectives as explanatory variables, with an F statistic of 16.736 which is significant at $p<.001$ indicating that the independent variables do help explain the variation in export marketing performance. The results also show only three factors – firm-specific characteristics (t-value 3.73, $p< .001$), market characteristics (t-value 2.29, $p< .05$) and export marketing strategy (t-value 2.17, $p< .05$) had a significant effect on the export marketing performance of Queensland export market ventures.

Table I – Multiple Regression Analysis

Variable	Coefficient	T-Statistic	Sig T
Firm Characteristics	.272	3.73	.001
Product Characteristics	-.026	-0.40	ns
Market Characteristics	.160	2.29	.05
Marketing Orientation	-.018	-0.29	ns
Export Marketing Strategy	.177	2.17	.05

R^2 = 0.249
F = 16.736, sig < .001

Overall the results indicate that H1, H3 and H5 were supported, where we found that, the export marketing performance of Queensland export market ventures was significantly positively influenced by firm-specific characteristics, market characteristics and the export marketing strategy adopted.

Discussion and Implications

The three factors contributing significantly to the variation in the export marketing performance of Queensland export ventures were firm-specific characteristics, market characteristics and the export marketing strategy adopted. The three variables together accounted for 24.9 percent of the variation in export marketing performance. Product characteristics and marketing orientation were found to have no effect on export marketing performance.

It is important for the management of any company to be aware of these factors when contemplating an export venture of any magnitude. As far as firm-specific characteristics were concerned, this study clearly indicated that it is important for managers of export firms to be aware of the firm-specific characteristics that can influence the firm's marketing performance. The dimensions of firm-specific characteristics identified here confirms that competence in international operations enables firms to select better export markets, formulate suitable marketing strategy, and effectively implement the chosen strategy (Douglas and Craig, 1989). When firms are committed to an export market, they carefully plan the entry and allocate sufficient managerial and financial resources to the venture. With formal planning and resource commitment, uncertainty is reduced and marketing strategy can be implemented effectively leading to better performance (Cavusgil and Zou, 1994).

With regard to market characteristics, this study clearly indicated that it is important for managers of export firms to be aware of the market characteristics of a foreign market that can influence a firm's marketing performance. The level of sophistication in the markets marketing infrastructure, accessibility to suitable distribution channels, extent of government intervention, demand potential of the product in the export market, the degree of exposure and familiarity of customers to the export market venture's products are very important for successful export marketing performance. Firms intending to be involved in an export market venture need to be aware of the importance of these issues for export marketing performance success.

This study has also shown that it is important for managers of export firms to be aware of the dimensions of export marketing strategy that can influence marketing performance. The dimensions of export marketing strategy identified here confirm the importance of a large number of distributors and customers in the export market for export marketing success. The degree of target market specification needed to be clear and the level of export sales goals set for the export venture needed to be high for export marketing success. Additionally, the product needed to be adapted to accommodate the specific requirements of the local market, the product label needed to be in the local language and the product's packaging and positioning strategy had to be adapted to meet the needs of the local market for export marketing success. Finally, supporting a distributor/subsidiary in the export market can lead to a cooperative partnership between the manufacturer and the distributor/subsidiary. Cooperation in the export channel will lead to effective implementation of marketing strategy and performance (Johanson and Vahlne, 1990). Similarly, the present study's results confirm previous findings generally that promotion adaptation can better match the firm's offering to export customers' expectations and should lead to better performance (Douglas and Craig, 1989).

Product characteristics and marketing orientation were found to have no significant effect on export marketing performance. In relation to product characteristics such findings could possibly be explained by the nature of the data collected, in that it was cross-sectional in nature with the industries represented including agriculture, mining, light, metal-working, electronic, chemical and the services industries. It is possible that in some industries such as the electronics industries and the metal-working industries product characteristics had a significant effect on export marketing performance. Whereas in other industries that were involved in the export of commodities, that were more generic in nature, such as agriculture and mining the characteristics of the product had no differentiation advantage and no significant effect on the export marketing performance of firms operating in those industries. Thus, we conclude that product characteristics could be less important for commodities such as Queensland sugar cane but maybe more important for high technology exports such as electronics. By examining all industry sectors together and not separately the findings for product characteristics could have, in effect, cancelled each other out. Hence, a direction for further research would be to conduct another study that examines industry-specific predictors of export marketing performance for Australian firms.

As far as marketing orientation is concerned, explanation for non-significant findings for the construct of marketing orientation could be similar to that of product characteristics. Some previous findings suggest that marketing orientation may not be beneficial for all exporting firms (Cadogan et al., 2002). Specifically, for some firms, it may be the case that the often considerable investment required to develop and maintain high marketing orientation levels could be better employed elsewhere. For example, a firm that exports commodities (e.g., in the agriculture and mining industries) that are used in the manufacturing process of other products would have little to gain by making substantial investments in the marketing orientation of senior

management. Furthermore, there is a growing body of research which confirms that a marketing orientation is not always beneficial for all businesses and may even have negative performance outcomes under certain circumstances (e.g., Kumar et al., 1998).

As such, this study has extended the literature on export marketing performance in several areas. First, the construct of export marketing strategy has been further confirmed as a significant predictor of export marketing performance providing support for the Cavusgil and Zou (1994) findings in a different country context and providing further support for their measure of export marketing performance as a valid and reliable measure of export marketing performance. The strategy variables identified here were similar as for the Cavusgil and Zou (1994) study. Second, the constructs developed here can serve as a foundation for further research into export marketing. Third, the study has contributed to a more comprehensive understanding of the success factors in export marketing. Firm-specific characteristics, market characteristics and export marketing strategy have emerged as the key success factors in export marketing. Finally, the study extended the Cavusgil and Zou (1994) study by examining the direct effect of marketing orientation on export marketing performance and the effect of marketing orientation on export marketing performance in this study was determined to be non significant providing support for Cadogan et. al's (2002) and Kumar et. al's (1998) findings.

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