

# **Main Consequences of Prior Export Performance Results: An Exploratory Study of European Exporters\***

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## **Abstract**

With the exception of the work of Lages and colleagues, the international marketing literature has been examining performance exclusively as a dependent variable. This exploratory study builds on this emerging body of literature to discuss the main outcomes of performance, as it is expressed through the perceptions of European export managers. According to the results of a cross-national study of Portuguese and British exporting firms, this paper indicates that the main consequences of previous performance results are: a) need to seek performance improvement as a result of bad performance, b) maintain strategy as a result of good performance, c) market diversification, d) focus on competition, e) product diversification, f) quality, and more attention to g) macro and h) micro factors. Future international marketing research is encouraged to investigate performance as an independent variable.

**Keywords:** Export Marketing; Export Performance; Cross-National; Qualitative

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### **Introduction**

Exporting is today one of the fastest growing economic activities essential for both nations and firms. Despite four decades of research on export performance there is still no strong theoretical framework for investigating this phenomenon (Leonidou, Katsikeas and Samiee 2002). A possible explanation is that researchers live in a world that desires and rewards theories that look for factors to improve export performance. Consequently, they focus on the determinants of performance and tend to ignore firms' reactive behavior (March and Sutton 1997). Hence, with this exploratory research we expect to identify the main consequences of past performance results at the export venture level (i.e., a selected exported product or group of products to an importer in a single country).

Recent studies (e.g. Madsen 1998; Lages and Jap 2003) also argue that export performance research is often not aligned with managers' views. A possible reason might be the existence of a small number of qualitative studies and, in particular, the inexistence of open-ended questions that limit bias from respondents to a minimum. With this in mind, we use an open-ended question to identify the main consequences of past export performance results as perceived by exporting managers. Hence, although partially driven by the literature, this exploratory study will be mainly inductive. It is hoped that this investigation will contribute toward reducing the gap between research and practice.

Recent studies in the fields of strategy and organizational behavior found that past performance is strongly associated with a manager's strategic orientation (Lant and Hurley 1999; Lant, Milliken, and Batra 1992; Lant and Montgomery 1987). Their findings are consistent with a central assumption of the organizational behavior literature that suggests that organizations and individuals set goals and adjust their behavior in response to favorable

and unfavorable feedback (Cyert and March 1963; March and Simon 1958). Also in the real world it is not unusual to hear in the business press about firms' reactive behavior to past results. For example, after its 1999 commercial financial disaster, British Airways publicly announced a rethinking of its branding, communication, and relationship marketing strategies. Similarly, immediately following the disclosure of poor results, Marks & Spencer decided to redefine its strategy and appoint a new board-level marketing director (Marketing Week, Aug 19 1999). Many other examples may be cited to exemplify this type of short-term reactive behavior to past performance.

Despite managers' short-term orientation in reality, strategy formulation is historically viewed as an antecedent of performance. A recent review of the top journals in strategy and organizational behavior (March and Sutton 1997) indicates that performance appeared in 71% of the articles as a dependent variable only, in 12% as an independent variable only, and in 11% of the studies as both a dependent and independent variable.<sup>1</sup> Also in the field of international marketing strategy formulation, performance is traditionally viewed as a performance antecedent (Lages 2000). Researchers prefer to regard performance as causally dependent even when the variables relate to the same period of time and it is unclear which particular variables should be treated as causally dependent.

In the marketing field, there is lack of investigation examining performance as an antecedent of managers' behavior and marketing strategy definition. To our knowledge, the only exception is the work of Lages and colleagues (Lages and Jap 2003; Lages and Melewar 2000, 2001; Lages and Montgomery *forthcoming*). However, as indicated by Lages and colleagues' work, due to the characteristics of the survey instrument (closed-ended questions) certain relevant variables might have been omitted in their work. Their previous empirical work is limited to analyzing exclusively the empirical link between past performance and management commitment to exporting and/or degree of marketing strategy adaptation in the

current year. They argue that the basis for both managerial commitment to exporting and/or degree of current export marketing strategy adaptation lies in past accomplishments and any inability to achieve what was initially proposed. Another limitation to the work of Lages and colleagues is that their sample is based on firms from a single country. We follow their suggestion and develop a survey across different European countries.

In this study we argue that past export performance results would affect managers' subsequent behavior and actions in terms of the exporting operations at many different levels. If the exporting activities have not been satisfactory in the previous year, it will be extremely difficult for managers to focus on the far future, as they will be under constant pressure. Export managers will have (dis)incentives according to their results, and in some cases their own position may be at risk if they have not achieved a satisfactory performance. Hence, the main objective of this research is to develop a better understanding of export performance as an independent variable. We expect to contribute toward bridging the gap between historical and current export operations by discussing past export performance and its implications for strategy at many different levels (i.e., by studying export performance as an independent variable only).

This paper is organized as follows. First, the theoretical background supporting our research questions is discussed. Second, the results of a mail survey directed to Portuguese and British managers responsible for the exporting activity are presented, and their implications for theory are discussed. After presenting implications for export business practice and public policy making, the paper ends with a discussion of limitations of this research and suggestions for further research.

## **1. Theoretical perspectives on the effects of prior performance**

During the last four decades, quite a number of empirical studies have been developed concerning the determinants of export performance (see: Leonidou, Katsikeas and Samiee

2002; Zou and Stan 1998). Surprisingly, and despite the extensive research on this topic, only a few studies in the marketing field have analyzed the reverse relationship, i.e. the consequences of past performance results. Below we present a brief summary of the existing literature on this topic.

### ***1.1. The effects of previous positive performance***

The strategy and organizational behavior literature suggests that satisfaction with preceding performance is likely to be positively related to commitment in the next period. In an exporting context, Lages and Montgomery's (*forthcoming*) study revealed that past performance is very likely to shape the degree of commitment to exporting. This might occur because export commitment is a function of resource availability (Cavusgil and Nevin 1981). When firms' commitment to the exporting venture increases, more resources are allocated to the exporting activity, and consequently the firm will be able to improve its planning procedures and implement more adaptive strategies (Lages and Jap 2003). Moreover, when the firm performs well, internal publics (e.g. top managers, employees, union representatives) and external publics (e.g. clients/customers, suppliers, investors, and credit institutions) are more likely to react favorably (Isen and Baron 1991) to the exporting activity. This suggests that as past performance improves, commitment increases, which in turn has an impact on the definition of the marketing strategy.

Nevertheless, the strategy and organizational behavior literature suggests a conflicting rationale. If performance improves, the opportunities to increase performance may be viewed as discretionary possibilities. The firms may experience the "fat cat syndrome" (Dutton and Duncan 1987, 290) which may be regarded as the adoption of much simpler marketing strategies involving less effort and consideration of environmental and internal forces. A good performance might promote more relaxed (Cyert and March 1963) and effortless strategic decisions (Bourgeois 1981; March and Simon 1958; Litschert and Bonham 1978)

and a decline in adaptive behavior (Greve 1998). These managers will become narrowly focused and overly preoccupied with the factors that have contributed to their firms' good performance, so that they will tend to exploit the existing opportunities without searching for information and conducting an in-depth analysis of the environment (Cyert and March 1963). Hence, managers of firms performing better might lose their ability to react to the various contingent forces (Miller 1993). The consequence of this behavior is that the firm may begin to allocate its resources in a simpler way, reflecting a singular focus that does not correspond adequately to the complex environment that the firm is actually facing. In sum, based on this rationale, one might also question if past performance will lead to less sophisticated marketing strategies.

### ***1.2. The effects of previous negative performance***

The organizational and strategy literature suggests that managers of firms performing poorly are under considerable pressure (Fredrickson 1985). Poor performance puts pressure on managers to take comprehensive, accurate and discriminating decisions (Cyert and March 1963) being much more likely that they search widely for information and conduct an in-depth analysis of the surrounding environments (Audia, Locke and Smith 2000). They are expected to do a better job, which naturally encourages them to develop more comprehensive and rational strategic decisions than managers with a better performance (Mintzberg, Raisinghani and Theoret 1976). However, when a firm is performing badly, the reputations of the exporting operations and export managers are worsened and, consequently, they will likely have fewer resources available. The perceived lack of success by the different entities interacting with the company, enhanced by the firm's internal instability, might lead managers to become less motivated with regard to the exporting operations. Nevertheless, one should also note some exceptions. For example, in certain situations firms might be

prepared to accept consistent losses in order to learn and establish market share, and during this phase commitment might increase.

In sum, based on the previous hints from the literature some interesting research questions may be raised: When the export operations are performing well, are managers more likely to use simpler or complex strategies? And when firms perform poorly? Overall, which elements (e.g. in terms of strategy) are associated with past performance results? Since this is a research topic in a very early stage, it is not our objective to test the positive/negative impact of past performance on strategy or other issues. It is our objective to gather *only* preliminary managerial insights on this topic. Nevertheless, future empirical research is encouraged to build on our exploratory results to develop much more complex empirical models, which test the positive and negative impact of past performance results on the different variables presented in here.

## **2. Method and data**

### ***2.1. The research setting***

Our research setting is in two developed countries, member countries of the EU (Portugal and the U.K.). Research within this arena is particularly pertinent as the EU is the world's largest exporter of goods, maintaining a stable share of approximately one fifth of total world exports (intra-EU trade excluded) since 1990 (European Commission 2000). The main similarities between both countries, is that the majority of trade is with other EU countries and both Portuguese and British economic growth depends heavily on the exporting success of national firms. The main differences across both countries are the language, cultural roots and values.



## ***2.2. The research question and unit of analysis***

The unit of analysis is a single *export venture*, as this approach of a single product or product line exported to a single foreign market will allow future researchers using our findings to associate export performance more precisely with its consequences. Export venture means the export of a single product or product line to a single foreign market. This unit of analysis is chosen because if a firm's overall performance is analyzed as a whole, it is extremely difficult to isolate the effects of specific actions (Cavusgil and Kirpalani 1993). If more than one export venture from the same firm were used, it would increase the likelihood of bias. By using this unit of analysis, this research follows a large number of previous empirical studies (e.g. Bilkey 1982; Madsen 1989; Cavusgil and Kirpalani 1993; Cavusgil and Zou 1994).

In order to classify the selected export venture, both Portuguese and British managers are initially asked to indicate an exported product, or group of exported products, as well as an importer in a foreign market for that(those) product(s). These questions were then followed by the following open-ended question: "Is last year's exporting venture's performance affecting the definition of the exporting venture's strategy for the current year? Why?"<sup>ii</sup>

The main objective of this open-ended question is to gather cross-national exploratory data about the exporting phenomenon. This open-ended approach is more appropriate when the investigator intends to answer 'what/which' and 'why' questions (Yin, 1994). It is a similar approach to that used in grounded theory methodology, in which, through a set of procedures, it is possible to develop grounded theory about what is observed in the field (Glaser and Strauss, 1967; Strauss and Corbin, 1990).

Just very recently, both the Marketing Science Institute and Journal of Marketing Research (MSI/JMR 2003) declared that there is an increasing concern about the divergence between the research conducted by marketing academics and managers' reality. With this open-ended approach we also expect to contribute toward bridging the gap between academics and

practitioners. It is expected to reflect and be derived from business practice in order to influence future export marketing research. By using export managers of two different countries we expect to identify which *top* consequences are *common* across two different research settings.

### **2.3. Data Collection Procedure**

#### **2.3.1. Portugal**

A sample of 2,500 firms was randomly generated from a government agency database of ICEP-Portugal (1997). This database of 4,765 Portuguese exporters was the most comprehensive and up-to-date database available in the Portuguese market at the time of data collection (1999). The pretest results indicated a strong need for an incentive to motivate the respondents to participate. In the cover letter it was stated that in return for a completed survey respondents would be provided with a report of the final results as well as a list of contacts for potential overseas importers or clients.<sup>iii</sup> Additionally, confidentiality was assured.

In the first mailing, a cover letter, 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. This missive was followed by a second mailing that included a reminder letter and a reply envelope. Of the sample of 2,500 Portuguese managers, 29 stated that they no longer exported and 119 questionnaires were returned by the postal service. These firms had either closed down or moved without leaving a forwarding address. Thus, the sample size was reduced to 2,352. Of the 593 returned questionnaires, 38% (225) of the managers have answered the open-ended question which is the focus of this paper.

### ***2.3.2. United Kingdom***

A sample of 1,564 British enterprises was randomly generated from a database of the British Chamber of Commerce denominated “British Exports 2000”. An incentive was stated in the cover letter: in return for a completed questionnaire, the findings would be available after the completion of the study. Confidentiality was also assured. The data were collected in 2002.

As with the Portuguese survey, a cover letter, a questionnaire and a postage-paid business reply envelope were sent to the person responsible for exporting in each of the British firms under study. Unfortunately, in contrast to the Portuguese survey, it was not possible to obtain governmental funding to conduct the research. Consequently, due to lack of financial resources, it was not possible to send a reminder mailing.

Similarly to Menon et al.’s (1999) method, we contacted 100 randomly chosen respondents to determine undeliverable and noncompliance rates. We determined that 34% of the mailings were undeliverable because of incorrect address; an additional 40% did not reach the person responsible for the export operations in the firm; and 4% of the respondents reported a corporate policy of not responding to academic surveys. Thus, the sample size was reduced to 344. Of the 111 returned questionnaires, 56% (62) of the managers have answered the open-ended question which is the focus of this paper.

### **3. Data Analysis**

In this paper we separate the analysis of Portuguese and British data because: 1) data collection occurred in two different years, and 2) there is a high possibility that managerial perceptions of performance and its consequences might be different in the two countries. The open-ended question being analyzed was exactly the same for both English and Portuguese questionnaires. Two researchers analyzed each answer.

### ***3.1. Coding Procedure***

First, all answers to this open-ended question received were entered “*ipsis verbis*” into a Word Processor. When more than one word or expression was proposed as an explanation, all were considered as having equal weights, as no preference ranking could be inferred.

Second, all answers were coded independently by two researchers (one marketing professor and one research assistant) and verified by one independent judge (marketing professor). Overall, no significant differences of meaning were identified; and when disagreements arose, the independent expert judge, together with the two researchers, determined the final coding. Ultimately, the best way to protect against interpretive bias is to be constantly aware that the respondent’s perspective should guide interpretation.

Third, an interactive process of open coding of data with constant comparative analysis was used. Analysis of the open-ended answers relied on the process of meaning-based abstraction and conceptual labelling. With the reading of each new answer, the analytic strategy shifted gradually from open coding of data to comparison of new data elements with previously coded incidents that shared similar conceptual properties. Coding of subsequent data was based on themes and patterns that emerged across answers. Qualitative researchers describe this interactive process as back-and-forth analysis in which new data are compared to concepts in use and new concepts are compared to previously coded data as a constant comparative analysis.

Fourth, this interactive process led to a list of keywords. We define *keywords* as manifest indicators with a critical meaning. Finally, using the two researchers many of these keywords were eventually collapsed, renamed, and reorganized under the research question, evolving into the format laid out in a final list (see Table 1). It was determined that saturation had been achieved when each relevant data bit had been successfully grouped into one thematic

categories, and when the leftover data bits were determined to be irrelevant to the research questions at hand.

### ***3.2. Data Profile***

From the 225 valid Portuguese answers 250 keywords emerged, i.e. explanations for the impact of previous exporting ventures' performance (an average of 1.1 keywords per respondent) on current strategy definition. From the 62 usable British questionnaires 75 keywords emerged (an average of 1.2 keywords per respondent).

The samples represent a wide range of firm size. Both Portuguese and British exporting industries are primarily composed of SMEs. Of the exporting firms represented in the sample, 6% of Portuguese firms and 5 % of British companies have more than 500 employees. With regard to the Portuguese sample, the average annual export sales of these firms ranged from USD \$1.5 - \$3.5M. With regard to the British sample, the average annual export sales of these firms ranged from USD \$470,000 - \$1.6 M.

Both surveys were directed to individuals who were primarily responsible for exporting operations and activities. The job title of these individuals included president, marketing director, managing director, and exporting director. Respondents in both countries were asked to indicate their degree of experience in exporting on a scale where 1=none and 5=substantial. The mean response for Portugal was 3.74 (sd=.82, range 1 to 5) and for the U.K. was 3.95 (sd=.88, range 1 to 5). Collectively, this indicates that although the title of the respondents' positions may be wide-ranging, the individuals are experienced with exporting in general and appear to have considerable knowledge in the specific exporting activities of the firm.

#### 4. Discussion of main findings

The aim is to look into main outcomes of firms' export market ventures' performance. A summary of the most important findings for Portuguese and British exporters is presented below (see Table 1).

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Insert Table 1 about here

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Exporters' perceptions of the "need to seek performance improvement as a result of bad performance of the exporting venture" (i.e. the selected exported product or groups of products to an importer in a single country) was considered to be the top reason for strategy change at the export venture level. Indeed, this was considered to be the #1 reason for both Portuguese and British samples. In this line of thought, another main issue which emerged from exporters' answers in both samples was the "maintenance of strategy as a result of good performance of the exporting venture" (#2 for the British and #6 for both Portuguese samples).

When analyzing the relationship between past and current performance we might find two streams of strategy and organizational behavior literatures. One stream of the literature suggests that a preceding year's export performance is likely to be related to export performance improvement in the next period, as performance levels tend to reinforce one another from period to period. This strengthening is justified by the fact that when the firm performs well, internal publics and external publics are more likely to react favorably to the firm, thus facilitating continued performance improvement (Isen and Baron 1991). On the contrary, poor export performance may negatively influence performance in the next period, as the reputation of both the firm and top management is spoiled by poor performance (Sutton and Callahan 1987). The perception of failure by the different entities interacting

with the company, enhanced by the firm's internal instability, will lead the organization into vicious cycles of “unsuccess” (Masuch 1985). This explains why it is extremely difficult to change the direction of a “downward spiral,” or consecutive decreases in performance (Hackman 1990).

The second stream of research suggests that past performance is strongly associated with a manager’s strategic orientation. For example, the findings of Lant and colleagues (Lant and Hurley 1999; Lant, Milliken, and Batra 1992; Lant and Montgomery 1987) suggest that organizations and individuals set goals and adjust their behavior in response to favorable and unfavorable feedback (cf. Cyert and March 1963; March and Simon 1958). Greve (1998) reveals that if performance increases, adaptive behavior declines. This decline occurs because organizations exhibit political resistance to change, and managers face uncertainty regarding the opportunities that exist in the environment (Hannan and Freeman 1977). Furthermore, when the firm performs well, it may experience “fat cat syndrome” (Dutton and Duncan 1987, 290), the firm becomes complacent and tends to implement simpler strategies. In well-performing firms, the opportunities to increase performance may be viewed as discretionary rather than vital possibilities (Cyert and March 1963). Miller (1993) argues that successful organizations tend to become narrow focused and overly preoccupied with the specific factors that contributed to its success, instead of looking to other internal and external forces that may make a contribution. Thus, the firm reduces its tendency to identify and react to various contingent forces.

In contrast, when a firm is not performing well, managers do not have the privilege of choosing to do nothing. In these circumstances, strategic decision processes will tend to be more comprehensive than in firms that are performing well (Fredrickson 1985). The firm is motivated to implement precise and discriminating decisions and to expand the effort to make proper choices. It is more willing to explore different opportunities and to adapt to the

environment. Hence, in an exporting context, we expect that the firm will rely less on standardized strategies and instead begin to adapt more to the specifics of the foreign market hoping that performance will improve. In a similar way, the firm may be more likely to adapt a standardized approach to its marketing strategy in an export context when its past export performance has been particularly strong and managers are satisfied with it. A standardized approach is simpler, involving less effort and consideration of environmental and management forces. This last research stream of literature provides a possible explanation of why both Portuguese and British exporters “need to seek performance improvement as a result of bad performance of the exporting venture” and aim for the “maintenance of strategy as a result of good performance of the exporting venture”. Furthermore, it supports the view that past performance levels are also associated with the degree of marketing strategy adaptation to the foreign market (reason #2 for Portuguese exporters).

Nevertheless, this research presents some limitations. The first limitation is that, as is the case with other studies in international business, our findings may be biased as a result of using self-report and perceptual data (Skarmeas, Katsikeas and Schlegelmilch 2002), particularly if we consider that aspirations and goals may be conflicting inside the firm, and data were collected in two different years with different types of incentives administered in the two countries. Consequently, these results should be regarded as suggestive rather than conclusive.

## **5. Conclusion and research implications**

Surprisingly, and despite the qualitative exploratory nature of this study, findings reveal that the great majority of keywords (i.e. 8 out of 10) are identical across both samples. Our validation across the Portuguese and British samples indicates that the common export performance consequences across both samples are: a) need to seek performance improvement as a result of bad performance, b) maintain strategy as a result of good



performance, c) market diversification, d) more worry with macro factors, e) focus on competition, f) product diversification, g) more worry with micro factors, and h) quality.

Although it is not our aim to explain the impact of the different characteristics of the two research settings on the different results across the two samples (we are mostly concerned with the identification of export performance consequences that are *common* across different settings), we also found some dissimilarities: a) marketing strategy adaptation, b) technology investment, and c) reanalysis of marketing objectives present in the Portuguese sample, and a) promotion/creation of awareness, b) distribution changes, and c) need for expertise in the British sample. The first reason for these dissimilarities might derive from the fact that data were collected in two different years, and different types of incentives were administered in the two countries, which might have influenced respondents' willingness to answer the questionnaire. The second explanation might be associated with the possibility of answer inequivalence between Portuguese and British managers due to language differences. Nevertheless, this situation was minimized by the relative straightforward nature of the question (Styles 1998). Another possible justification is associated with the interpretation of the contextual variables (Douglas and Craig 1983; Craig and Douglas 2000). Naturally, as a consequence of different personal and country realities, when Portuguese and British respondents were evaluating the determinants of the selected export venture, they might have used different contextual backgrounds as a basis. Styles (1998) also suggests that different levels of familiarity and experience with export operations might be another problem. However, this does not seem to be a concern in this study. As previously discussed, when managers rated their degree of experience in exporting, the mean response for Portugal (mean=3.74; sd=.82, range 1 to 5) and for the U.K. (mean=3.95; sd=.88, range 1 to 5) were very similar.

Despite some evident limitations associated with the fact of different countries presenting different characteristics (in terms of culture, values, language, educational levels, etc), it is believed that the use of cross-national exploratory findings is useful in identifying which performance consequences are stable across different research settings (even when these settings present major differences). Nevertheless, due to the high exploratory and qualitative nature of our findings, we recommend that our results should be regarded as suggestive rather than conclusive. Future research should provide particular attention to the 8 performance consequences that were identified as being common across both samples.

To conclude, it is our goal with this cross-national study to contribute toward stimulating future interaction between export marketing practitioners and academics in ways that result in new insights into the export marketing literature and practice. Organizations and individuals constantly set goals and adjust their behavior in response to favorable and unfavorable feedback (Cyert and March 1963; March and Simon 1958). Researchers are strongly encouraged to simultaneously consider how past strategy impacts performance, as well as how past performance impacts on strategy, as strategic decisions are motivated by a combination of proactive and reactive behaviors (March and Sutton 1997). By better understanding the relationship between past performance and current decision making, researchers might help managers to avoid being caught in a vicious cycle of successive unsatisfactory results.

**Table 1 – TOP 10 Consequences of Past Performance Results**

<i>Portuguese Exporters</i>			<i>British Exporters</i>		
<i>Top</i>	<i>Consequences</i>	<i>% (# of mentions out of 225)</i>	<i>Top</i>	<i>Consequences</i>	<i>% (# of mentions out of 62)</i>
1.	<b>Need to seek performance improvement as a result of bad performance</b>	26.6% (60)	1.	<b>Need to seek performance improvement as a result of bad performance</b>	27.4% (17)
2.	Marketing strategy adaptation	16.8% (38)	2.	<b>Maintain strategy as a result of good performance</b>	19.4% (12)
3.	<b>Market diversification</b>	13.3% (30)	3.	<b>More worry with micro factors</b>	17.7% (11)
4.	<b>More worry with macro factors</b>	12.0% (27)	4.	<b>Focus on competition</b>	8.1% (5)
5.	<b>Focus on competition</b>	11.5% (26)	5.	<b>Product diversification</b>	6.5% (4)
6.	<b>Maintain strategy as a result of good performance</b>	9.3% (21)		Promotion/ creation of awareness	6.5% (4)
7.	<b>Product diversification</b>	6.6% (15)		Distribution changes	6.5% (4)
8.	<b>More worry with micro factors</b>	5.3% (12)	8.	<b>More worry with macro factors</b>	4.8% (3)
9.	<b>Quality</b>	4.0% (9)	9.	<b>Quality</b>	3.2% (2)
10.	Technology investment	2.6% (6)		Need for expertise	3.2% (2)
	Reanalysis of marketing objectives	2.6% (6)		<b>Market diversification</b>	3.2% (2)

Notes:

- a) Top determinants in bold are common to both samples.
- b) Although our objective is not to obtain statistical generalization, it is believed that presenting percentages values facilitates cross-national comparison.

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## ENDNOTES

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<sup>i</sup> Percentages do not add up to 100% because in 6% of the reviewed studies, performance appears in some other capacity.

<sup>ii</sup> In the Portuguese study, questions had to be initially developed in English and then translated into Portuguese. In order to avoid translation errors, the questions were *back-translated* into English by a different researcher.

<sup>iii</sup> This list is generated using on-line information, mainly information available on websites of several Chambers of Commerce, where a list of importers is normally listed by sector.