

Should Export Marketing be Cross-functional? An Investigation of the Interface between Export and Non-export Organizational Functions

Abstract

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Research paper - **Abstract**

Purpose

Cross-functional interaction and influence of the marketing functions have been subjected to increasing academic and practitioners' attention. Scholars have underlined a "dispersion" of the marketing function and activities, and examined their performance implications.

However, studies have analyzed the general marketing function and remained silent on *export* marketing's cross-functional dispersion and its impact on firms' export operations and performance. This lacuna is unfortunate given that exporting is crucial to many firms in today's globalizing world with rapid changes. This paper thus examines the dispersion of the export function phenomenon and its consequences within exporting firms.

Design/methodology/approach

The study extends previous models to the international context and examines linear and non-linear relationships between export dispersion and export performance. Export dispersion is conceptualized as cross-functional dispersion of influence on *export* marketing activities, i.e., the distribution of power of different organizational functions over export decisions. Cross-functional decisions may have positive and negative consequences (Krohmer et al. 2002). We examined circumstances of maximal and minimal dispersion, and contingencies in which firm's internal and external factors moderate and thus benefit or detriment the dispersion-performance link. We used a confirmatory factor analysis (CFA) to validate the measures and structural equation modeling (SEM) to test the hypothesized relationships.

Findings

Non-export functions have an influence on certain export marketing activities. Importantly, active participation of non-export functions in export decisions affects export performance;

however, the performance consequences are non-linear and are tied to several contingencies. First, the inter-functional dispersion of export activities has practically no relationship with performance when markets are low in dynamism (static), but when markets are dynamic, the firms with highest performance levels are those with the lowest dispersion levels, while those with moderate-high levels of dispersion perform worst. Second, when controlling for the environment, under low interdepartmental export coordination levels, export dispersion is negatively related to performance. Yet when such coordination levels are high, export dispersion relates positively to performance.

Research limitations/implications

Cross-functional dispersion of influence and its performance implications is a complex organizational phenomenon. Its positive or negative performance outcomes in exporting context may not come from the process itself but rather from moderators that change the direct dispersion-performance effect. This study suggests a number of potentially avenues for future research such as considering the link between marketing's dispersion and influence.

Practical implications

The implementation of optimal export dispersion levels may be perceived as difficult since achieving it will require top, export and non-export managers to recognize and realize an actionable assessment of the circumstances, strategies and tools that can be applied for best managing the export dispersion behavior.

Originality/value

Our study is the first to recognize and empirically test the export dispersion phenomenon and to account for internal and external contingencies of the export dispersion-performance link.

Only a few studies considered several interfaces between functions at once.

The literature, findings and implications will be presented in detail at the conference.

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