

# Impact of proactive orientation and innovation on exports. Case Colombia

# Impacto da orientação proativa e inovação nas exportações. Caso Colômbia

DOI:10.34117/bjdv8n4-095

Recebimento dos originais: 21/02/2022 Aceitação para publicação: 31/03/2022

#### Martha Lucía Pachón Palacios

MSc

Management, Finance and Economics Faculty Instituição: EAN University Bogota, Colombia E-mail: mlpachon@universidadean.edu.co

### Omar Alonso Patiño C

Ph D

Management, Finance and Economics Faculty Instituição: EAN University Bogota, Colombia E-mail: opatino@universidadean.edu.co

### **ABSTRACT**

This research paper presents the relationship between the proactive orientation towards the market and the novelty degree of innovation in the internationalization of companies, measured with the export intensity. The data to test the hypothesis of the research were obtained from a sample of Colombian manufacturers from the Second Survey of Development and Technological Innovation, conducted by the National Administrative Department of Statistics (DANE by its abbreviation in Spanish) in Colombia. The survey seeks to establish the dynamics of technological development of the Colombian manufacturing company in terms of the intensity and trajectory of the innovation and technological development activities. From the total number of companies consulted, there were 297 in different sectors that responded to the survey and provided their information to be used in the study. The data were treated by means of a model of ordered logistic regression, whose result was the conclusion that there is a positive relationship between the proactive orientation towards the market and the export intensity, while it was not possible to demonstrate the relationship between novelty in innovation and the same export intensity.

**Keywords:** proactive orientation, business innovation, internationalization, export intensity, ordered logistic regression.

### **RESUMO**

Este trabalho de pesquisa apresenta a relação entre a orientação pró-ativa para o mercado e o grau de inovação na internacionalização das empresas, medido com a intensidade da exportação. Os dados para testar a hipótese da pesquisa foram obtidos de uma amostra de fabricantes colombianos da Segunda Pesquisa de Desenvolvimento e Inovação Tecnológica, conduzida pelo Departamento Administrativo Nacional de Estatística (DANE) na Colômbia. A pesquisa busca estabelecer a dinâmica do desenvolvimento



tecnológico da empresa industrial colombiana em termos da intensidade e trajetória das atividades de inovação e desenvolvimento tecnológico. Do total de empresas consultadas, foram 297 em diferentes setores que responderam à pesquisa e forneceram suas informações para serem utilizadas no estudo. Os dados foram tratados por meio de um modelo de regressão logística ordenada, cujo resultado foi a conclusão de que existe uma relação positiva entre a orientação pró-ativa para o mercado e a intensidade de exportação, enquanto não foi possível demonstrar a relação entre a novidade em inovação e a mesma intensidade de exportação.

Palavras-chave: orientação proativa, inovação empresarial, internacionalização, intensidade de exportação, regressão logística ordenada.

#### 1 INTRODUCTION

Innovation is the complex process of creating ideas and inventions with economic meaning; its positive effect on the economy, product of the development of competitive advantages, has motivated researchers and policy makers to allocate resources for understanding it, and postulating it as the central axis of entrepreneurship studies (Guzmán and Martínez 2008).

Depending on what you want to evaluate, innovation contemplates a diversity of factors. Guzmán and Martínez (2008) classify the results of innovation into three generic categories, in consonance with the object, the strategic purpose, and the degree of novelty.

According to the object, innovation is understood as the generation of new goods or services, or the improvement of existing ones; the adoption of new processes or adjustment of the current ones, which can be from production, management, organizational, or the improvement of those; the creation, expansion, or segmentation of the sales markets or the improvement of the supply sources of raw materials or products. That is to say, that according to the object of innovation, a new way of doing things is assumed (Schumpeter 1997).

Regarding the strategy, innovation depends on the characteristics of the market and technologies, since it answers the question of why one should innovate (Guzmán and Martínez 2008).

Finally, in relation to the degree of novelty, there are several studies on the subject, and although their standardization has changed over time, as Dahlin and Behrens (2005) described in their article, the most usual and accepted classification in the literature refers to the radical novelties, which are the novelties that unbalance the world market (Dahlin & Behrens, 2005), and incremental novelties, which correspond to the introduction of a



new product or process for the company, but that already exists for the market (Guzmán and Martínez 2008).

Other existing and not less important factors when assessing innovation are those related to the characteristics of the business, such as age, size, productive sector, technological intensity, financial solvency, degree of internationalization, and business group, among others (Guzmán and Martínez 2008).

These basic criteria of innovation, their definitions, factors, and characteristics have allowed several authors, such as Wu, Wu and Zhuo (2015), Sandu and Ciocanel (2014), and Jaeger, Zacharias, and Brettel (2016), among others, to stop and investigate, and by means of their combinations establish arguments that support the importance of innovation since it increases business returns and contributes to economic and social growth.

With the great variety of factors used to measure innovation, and taking into account that the studies that analyze the exporting result from a macroeconomic perspective conclude that the international performance of a company is restricted by institutional actions and by the conditions offered by its country of origin (Porter 1987), the main objective of this research is to know if the proactive orientation towards the market and the degree of novelty of the innovation positively influence the internationalization of the companies, as these organizational and strategic factors are where the managers have control, and will allow entrepreneurs to define priorities in terms of internal policies that stimulate innovation.

The research begins by explaining the importance of the study variables, then the hypotheses and methodology are presented, to end with the analysis, discussion, and conclusions. Limitations and proposals for future research are also exposed.

## 2 MARKET ORIENTATION AND EXPORTING INTENSITY

There are a variety of mechanisms that companies can use to penetrate external markets. Internationalization is a process that is considered innovative; in different investigations, this process has been tried to be analyzed by means of the possible ways of entering a country, selecting factors such as export, cooperation, or alliances (Eusebio and Llonch 2006), own or shared resources (Dikova and Witteloostuijn 2007), greenfield<sup>1</sup>, acquisition or joint venture (Meyer et al. 2009), total or shared control (Rao

<sup>&</sup>lt;sup>1</sup> This concept refers to making a project from scratch or completely changing an existing one.



and Erramilli 1993), and proactive orientation (Narver and Slater 1990; Kohli and Jaworski 1990), among others.

The proactive orientation towards the market, associated with the international success of the companies, likewise, is considered as one of the most important sources that a company has to obtain knowledge and accelerate its internationalization processes (Uribe et el. 2013).

When a company enters foreign markets, the acquisition of knowledge reduces the risk that is associated with internationalization and, even more so, if entering is done with a proactive orientation, anticipating, and not a reactive orientation, adapting to the conditions that are offered by the competition and the market (Eusebio and Llonch 2006).

The proactive orientation towards the market facilitates for the companies to develop the organizational capacities and the generation of skills in order to satisfy the present and future needs of the clients. By giving continuity to this process, the creation of cumulative knowledge contributes to an efficient internationalization (Narver and Slater 1990), since its main efforts are reflected in a greater willingness to change and innovation.

Business activity with a proactive orientation towards the market is understood as the resource that helps companies reach sustainability positions with the development of a competitive advantage (Porter 1987) and that therefore facilitates obtaining higher yields (Narver and Slater 1990).

There are three main approaches related to market orientation: the one by Narver and Slater (1990), who define the following elements in their proposal: customer orientation, competitor orientation, and inter-functional coordination; the one by Kohli and Jaworski (1990), who characterize market orientation as the generation of market intelligence and the dissemination of this intelligence throughout the organization; and finally, the one by Cadogan and Diamantopoulos (1995), who have a perspective from the performance of exports as a result of exporting orientation, entering the dynamics of international business and international marketing.

According to Narver and Slater (1990), the organization whose market orientation is incorporated as a management philosophy develops an organizational culture, in which the objectives and values of the company have the client as the central axis of all present and future strategies, adopting marketing policies that can identify the needs of the market.



For Kohli and Jaworski (1990), the organizations must integrate a set of actions in the market aimed at offering better products and/or services than their competitors.

It is from the first two approaches, Narver and Slater (1990), and Kohli and Jaworski (1990), that the main models of market orientation are developed, focused on analyzing the consequences of this orientation, the variables that determine its presence, and the market factors that affect it. These approaches are the most accepted in the academy; while Kohli and Jaworski (1990) support the information processing activities of the market (behavioral perspective), Narver and Slater (1990) follow a cultural approach, focusing on company norms and values (Uribe et al. 2013).

The orientation towards the market, seen from the export performance, (Cadogan et al. 1999), offers a perspective based on an integration of the two dominant visions (Narver and Slater 1990; Kohli and Jaworski, 1990), demonstrating its applicability in an exporting context. In particular, the exporting orientation is conceptualized under three behavioral components; the first one, the generation of intelligence, its diffusion, and the response capacity of the export market; the second one, the orientation towards customers and competitors; and the third one, the exogenous influences of this market (Cadogan and Diamantoupoulos, 1995).

Market orientation emerges as a new business philosophy for companies competing in an economic environment that is influenced by the knowledge society (Uribe et el.2013). In addition, it provokes a transformation of the business systems inasmuch as the use of innovation increases as a means to strengthen the international competitive environment (Slater and Narver 2000).

On the other hand, the development of innovative products is one of the most important activities within the companies that develop a strong proactive orientation towards the market, given the intention of satisfying the consumer, using their knowledge, financial, human, and technological resources (Cadogan and Diamantoupoulos, 1995). Uribe et al. (2013) examine several studies of the determinants of proactive orientation towards the market between 1995 and 2013, and based on these works they recognize that the degree of novelty of a company's innovation is a factor that facilitates the internationalization of companies, for the development of competitive advantages.

The proactive orientation to the market supposes a new business conception. Unlike the traditional concept of marketing, which is dominated by the use of techniques and activities (Shapiro, 1988), with a fully functional scheme and a specialized department in the management of the specific issues of the function (Bello et al., 1999),



this new concept is one of the objectives of the whole organization, it acquires the character of strategic and becomes the basis of organizational philosophy (Chan and Ellis, 1998).

As a fundamental principle, the proactive orientation seeks for the creation of value to be permanent, only this way business survival can be ensured in the long term, thereby generating a plus compared to the traditional market orientation, according to which interests should be specific, trying to develop actions for the positioning of a product or service, meeting the current needs of the client, without considering future needs, which has also been called Reactive Market Orientation.

This confirms that the concept of market orientation in its traditional constructions has been criticized as being limited to just listen to the voice of the consumer and hinder innovation (Christensen and Bower. More precisely, the proactive orientation to the market must definitively replace the traditional form of marketing (Lambín, 1996), especially in those companies aiming at improving their market penetration with products or services that count with a high level of innovation and value. However, other authors such as Atuahene-Gima et al. (2005), Herhausen (2016), and Tan and Liu (2014) consider that the companies should seek the existence of the two orientations in a synergistic manner, striving to generate a solid competitive advantage over time. Such a position is justified in the fact that the effects that the implementation of proactive guidance can have on the costs of the company and the inherent risks of a change in the organizational strategy are unknown. Despite this, the proactive orientation towards the market may have drawbacks as a consequence of a saturation effect, which is caused by the high risk that is assumed by the company due to the excessive investment in non-developed potential markets, where knowledge and information have a high degree of inefficiency (Atuahene-Gima, Slater and Olson, 2005); that implies an additional effort by the company to adapt and adjust its organizational structure (Boumgarden, Nickerson and Zenger, 2012), increases uncertainty, generates costs, and limits the competitive advantage (Osorio, 2016).

Taking into account that the proactive orientation towards the market (Narver and Slater 1990; Kohli and Jaworski 1990; Cadogan and Diamantoupoulos 1995), is one of the ways that allow companies to internationalize, and knowing that the greater the degree of novelty of the innovation, the more efficient the penetration of the markets (Guzmán and Martínez 2014), in this investigation it is corroborated that these two variables have a positive influence on the exporting intensity.



### 3 HYPOTHESIS

Although the selection of markets where companies wish to export sometimes does not depend on decisions planned by the management of the company, but responds to specific requests from a foreign importer (Uribe et al. 2013), the companies that plan it show greater proactivity in the development of external activities, exerting a positive influence on the exporting result (Cadogan and Diamantoupoulos 1995).

For this reason, and taking into account the desired objective, the following hypothesis were proposed:

H<sub>1</sub>: The companies that plan their external activities, that is, with a proactive orientation towards the market, are those that have a greater exporting intensity.

Given the high competitiveness in international markets, having a differentiating product that meets the needs that are required by external and avant-garde demand facilitates the competition in these markets, for which reason the hypothesis is established:H<sub>2</sub>: The degree of novelty of the innovation has a positive effect on the exporting intensity.

The development of innovative products to enter international markets is one of the main strategies of proactive orientation towards the market given the intention to satisfy the consumer and the use of the best knowledge, financial, human, and technological resources (Cadogan and Diamantoupoulos 1995), for this reason the following hypothesis is established: H<sub>3</sub>: The positive effect that the degree of novelty of innovation exerts on the exporting intensity of the company is stronger when the company has a proactive orientation towards the market.

### 4 METHODOLOGY

The data to test the hypothesis of the research were obtained from a sample of Colombian manufacturers from the Second Survey of Development and Technological Innovation, conducted by the National Administrative Department of Statistics (DANE by its abbreviation in Spanish) in Colombia. The survey seeks to establish the dynamics of technological development of the Colombian manufacturing company in terms of the intensity and trajectory of the innovation and technological development activities. The DANE applied a census to 6,670 small, medium, and large companies, distributed in 66 sectors to 3 digits according to the Code of the Uniform International Industrial Classification (CIIU by its abbreviation in Spanish), grouped into 25 groups taking into



account the similarity of the economic activity described by this code (Losada-Otálora and Zuluaga 2012).

The data obtained were evaluated with the SPSS V18 tool. The methodology of the research is mixed, with an exploratory, descriptive, and experimental scope.

### 4.1 CHARACTERISTICS OF THE SAMPLE

From the total number of companies consulted, there were 297 from different sectors that responded to the survey and provided their information for the study. When debugging the data for statistical reasons in order to guarantee the completeness of the information, we worked with a valid sample of 75% of the companies, corresponding to 223 companies.

### 4.2 VARIABLES

Due to the type of dependent variable, an ordered logistic model was chosen, since the dependent variable is qualitative.

# 4.2.1 Dependent variable

Exporting intensity: in order to capture the information of this variable, managers indicate the increase percentage in their sales due to innovations undertaken during the last year, listing from 1 to 6 as shown in table 1.

Table 1. Increase in exports in the last year

Tuble 1: Meleuse in exports in the last year						
GROWTH PERCENTAGE INTERVAL	SCORE					
0%	1					
1-5%	2					
6-10%	3					
11-15%	4					
16-20%	5					
More than 20%	6					

Source. Prepared by the authors based on the questions of the instrument.

## 4.2.2 Independent variables

a) Degree of novelty of the innovation: the valuation of this variable seeks to answer the question of how much novelty innovation contains. The innovations were classified into radical and incremental. Radical innovations also called basic, primary, or total, refer to totally new products or processes, since they present significant differences in terms of



their purpose, benefits, characteristics, theoretical properties, raw materials, or components used in their manufacture.

Radical innovations are those that involve the introduction of a product or process into the market that unbalance the global market, that are totally new and present significant differences with existing products in terms of the purpose, characteristics, and elements. It is a product with a high technological component that generates crucial changes in the industry (Dahlin and Behrens 2005).

Incremental innovations, known as partial, progressive, or secondary, are improvements in existing products or processes and provide less novelty (Guzmán and Martínez 2014).

In order to capture the information of this variable, the identification of five criteria of the radical and incremental degree of novelty was used, as shown in figure 1. Taking into account that it is a qualitative variable, it is given the treatment of a variable dummy2, obtaining 4 variables as a result: gradonovedad1, gradonovedad2, gradonovedad3 and gradonovedad4.

Figure 1. Classification of the degree of novelty of the innovation

incremental improvement of those 1 existing in the company Incremental incremental improvement for the 2 company and the market Novelty degree radical improvement for the 3 company but not for the market radical improvement for the Radical company and for the market completely new to the world 5

Source. Prepared by the authors.

b) Proactive orientation towards the market: Innovation in the markets consists of creating, expanding, or segmenting the sales markets, and creating or improving the

<sup>&</sup>lt;sup>2</sup> they are qualitative variables, also known as indicative, binary, categorical, and dichotomous. They can only assume the values 0 and 1



sources of supply of raw materials and products. Market innovations require substantial organizational changes in companies.

The scale that was used to measure the proactive orientation towards the market consists of 8 items (table 2) that are quantified according to a Likert-type scale, which ranges from 1 to 7, considering 1 = strong disagreement, and 7 = strong agreement. Their items showed an adequate descriptive capacity. Cronbach's alpha coefficient was 0.81, which means that the instrument that was used is reliable and valid, calculated as shown below:

$$\alpha = \frac{K}{K-1} * \left| 1 - \frac{\sum V_i}{V_t} \right| \quad (1)$$

α : Cronbach's Alpha Coefficient

*K* : number of items

 $\sum V_i$ : summation of individual variances

 $V_t$ : : total variance

 $\left|1-\frac{\sum V_i}{V_i}\right|$  : absolute value of one minus the division between the sum of the

individual variances and the total variance

$$\alpha = \frac{8}{8-1} * \left| 1 - \frac{12,68}{44,6} \right| = 0.8180$$

Table 2 contains expressions that reflect the degree of orientation that the company has towards the market.

Table 2. Proactive orientation towards the market

### **QUALIFIED AFFIRMATIONS**

- We continually intend to discover the additional needs of our clients, even those that they are not aware of.
- 2 In our new products and services, we incorporate solutions to the needs of our clients that they were not expecting.
- 3 We look for new ways in which our customers use our products and services.
- 4 We innovate even at the risk of making our own products obsolete.
- 5 We look for opportunities in areas where our clients find it difficult to express their needs.
- We work closely with our leading users, who try to recognize the needs of buyers months or even years before most competitors.
- We extrapolate key trends in order to gain insight into what current markets will need in the future.
- 8 We help our clients anticipate trends in their markets.

Source. Prepared by the authors based on the questions of the instrument.



### 4.2.3 Control variables

The characteristics that were chosen as control variables have been selected from different investigations in order to establish patterns of innovation. The most common typologies are age, size, productive sector, technological intensity, financial solvency, degree of internationalization, business group, family property, and inter-company and institutional cooperation in R & D.

It is essential to have some control variables as a differentiating component to establish if the exporting intensity depends on them. The characteristics that were chosen are the size of the company and its experience measured in the time that it has been constituted (age).

- a) Size of the company: The size of the company influences the resources that are available for innovation (Uribe, Rialp, & Lonch, 2013). Eusebio and Llonch (2006) examine several studies about the determinants of exporting intensity published between 1994 and 2002, and based on these works they conclude that there is a certain linearity between the size of the company and its growing exporting activity. This allows to include the size of the organization as a control variable.
- b) Age: Seniority is related to accumulated experience and knowledge (Eusebio and Llonch. 2006). As companies internationalize and develop proactive strategies, they accumulate experience, therefore, to check if the accumulation of knowledge facilitates export, the age control variable is included in the model.

Due to the fact that the database does not include the variable of the number of years that the company has been exporting, which provides the years of experience that the company has in internationalization activities, age (the number of years that the company has been constituted) is used as a control variable (Uribe el al. 2013).

## 4.3 EXPLANATORY MODEL OF EXPORTING INTENSITY

The research starts from the theories of proactive orientation towards the market to explain the internationalization of companies through exporting intensity. Similarly, it is exposed how the degree of novelty in innovation, by means of radical and incremental innovations, can contribute to the penetration in foreign markets, this with the purpose of analyzing if the database meets the assumptions found in the theory through the verification and explanation of hypotheses.



Two of the hypotheses seek to measure the relationships between the proactive orientation towards the market and the degree of novelty of innovation with the exporting intensity, respectively. The third hypothesis aims at explaining the moderating effect of the proactive orientation toward the market on the degree of novelty of innovation in order to evaluate the positive effect on exporting intensity (Figure 2). In addition, two variables of control of the characteristics of the companies are used; age, seen as the years that the company has been established, which allows the company to accumulate experience and knowledge, and size, measured with the number of employees in the organization.

Figure 2. Explanatory model of exporting intensity Proactive orientation towards the market  $H_2$  $H_3$ Degree of novelty of **Exporting intensity** innovation  $H_1$ 

Source. Prepared by the authors.

### 4.4 STATISTICAL TREATMENT OF THE DATA

Due to the fact that the dependent variable, export intensity, is qualitative and ordered for the statistical treatment of the data, ordered logistic regression was used.

The logistic regression analysis is a statistical analysis method that allows describing the relationship between a set of independent variables and a qualitative dependent variable, which describes a non-quantitative characteristic of an individual, company, city, among other actors (Wooldridge 2009). In this case, the dependent variable is measured from 1 to 5 as a percentage growth interval for exports in the last year (Table 1).

The ordered logit analysis describes the association between the degree of novelty of innovation and the proactive orientation towards the market, in relation to the growth in exporting intensity.

As the main objective is to know the relationship between the model variables, the proactive orientation towards the market, and the degree of novelty of the innovation in



the exporting intensity, and to know if there is enough evidence to support the formulated hypothesis, the model is built incorporating the direct effects of the independent variables.

When running the regression, no significant variables are evident (Table 3), for this reason, a debugging process is carried out, which means a stepped elimination of each of the general variables along with their related variables, according to their level of significance.

In the procedure by phases, the least significant variable is chosen step by step in order to exclude it, running again the regression until finding the significant variables that fully explain the relationship between the independent variables and the export intensity, independent variable.

In the first phase, the least significant variable is excluded from table 3, which corresponds to the variable *gradonovedad3* together with its related variables. The model is run and it can be seen that the remaining variables are still not significant. By continuing with the process by phases, the direct and related variables of gradonovedad4, gradodenovedad1, and gradodenovedad2 are excluded step by step and in order, finally leaving the variables that really influence the exporting intensity, as shown in table 4.

It is concluded that, indeed, for the selected sample of companies, there is a relationship between the proactive orientation towards the market and the exporting intensity, that is to say that there is evidence to affirm that the H<sub>1</sub> is true.



Table 3. Model 1

Table 5. Wodel 1								
Parameter estimates								
							Confidence interval 95%	
		Estimate	Error típ.	Wald	gl	Sig.	Lower limit	Upper limit
Threshold	(intenexport=1)	-,945	4,615	,042	1	,838	-9,989	8,099
	(intenexport=2)	,721	4,572	,025	1	,875	-8,240	9,682
	(intenexport=3)	2,848	4,571	,388	1	,533	-6,111	11,808
	(intenexport=4)	5,422	4,586	1,398	1	,237	-3,566	14,410
Location	Age	,009	,007	1,696	1	,193	-,005	,023
	Size	,001	,000	3,016	1	,082	-7,044E-5	,001
	Orienproact	,196	,298	,432	1	,511	-,388	,780
	Gradonovedad1XOrienproac	,100	,452	,049	1	,825	-,785	,986
	t Gradonovedad2XOrienproac	,317	,453	,489	1	,485	-,571	1,205
	Gradonovedad3XOrienproac	-,270	,434	,388	1	,534	-1,121	,581
	Gradonovedad4XOrienproac t	0ª			0			
	(Gradonovedad1=,00)	,959	2,517	,145	1	,793	-3,974	5,892
	(Gradonovedad1=1,00)	0ª			0			
	(Gradonovedad2=,00)	2,231	2,472	,815	1	,367	-2,614	7,076
	(Gradonovedad2=1,00)	0ª			0			
	(Gradonovedad3=,00)	-,291	2,403	,015	1	,904	-5,002	4,419
	(Gradonovedad3=1,00)	0ª			0			
	(Gradonovedad4=,00)	0ª			0			
	(Gradonovedad4=1,00)	0ª			0			

Link function: Logit

Source. Prepared by the authors using the Software Statistical Package for the Social Sciences (SPSS).

As shown in table 4, the size of the company and the proactive orientation towards the market are significant.

a. This parameter is set to zero because it is redundant



Table 4. Final model **Parameter estimates** 

							Confidence interval 95%	
		Estimate	Error típ.	Wald	gl	Sig.	Lower limit	Upper limit
Threshold	(intenexport=1)	-2,677	1,049	6,518	1	,011	-4,733	-,622
	(intenexport=2)	-,931	,833	1,248	1	,264	-2,563	,702
	(intenexport=3)	1,233	,802	2,327	1	,127	-,348	2,794
	(intenexport=4)	3,459	,832	17,309	1	,000	1,830	5,089
Location	Age	,005	,006	,710	1	,399	-,007	,018
	Size	,001	,000	6,237	1	,013	,000	,001
	Orienproact	,335	,142	5,557	1	,018	,056	,613

Link function: Logit

Source. Prepared by the authors using the SPSS

The global test of the model is significant, which expresses that at least one of the variables explains the model (Table 5).

Table 5. Global test of the model - Information on the adjustment of the models

Model	-2 log of verisimilitude	Chi-square	gl	Sig.
Only intersection	589,793	_		
Final	571,374	18,419	3	,000

Link function: Logit

Source. Prepared by the authors using the SPSS.

### **5 ANALYSIS AND RESULTS**

When analyzing the database, it can be seen that, although the tool that was used to capture the data of the dependent variable, exporting intensity, has six interval ranges of percentage growth of exports (table 1), there is no company in which the increase in its exports was higher than 20% during the last year, which means that there is no data in range number six of this variable.

In the data of the independent variable proactive orientation towards the market, something similar happens. This variable is made up of 8 items with a Likert scale, however, it can be seen that there are no values in the database in the last item, meaning that no company helps its clients to anticipate trends in their markets.

On the other hand, when analyzing the age and size variables, we can appreciate the great variety of companies that the database contains. The company that has the shortest constituted time is 2 years, while the company that has been on the market the longest is 127 years old. In the same way, it happens with size, there are small, medium,



and large companies. The company with the smallest number of employees is 3 and the largest number is 7,000.

After using the SPSS<sup>3</sup> tool for the analysis of data through the construction of an ordered logistic model, it is concluded that there is indeed a relationship between the proactive orientation towards the market and the export intensity, that is to say that there is evidence to claim that  $H_1$  is true. On the other hand, the degree of novelty of the innovation is not related to the exporting intensity, which means that it can not be sustained that  $H_2$  and  $H_3$  are true.

This presents a scenario that allows us to determine that the proactive orientation towards the market is a determining force when a company seeks to find the strategies that allow it to venture with greater possibilities of success in the exporting activities. The above does not mean that this is the only decision to boost exports, it can only be determined that it does influence, unlike innovation, which is not defined as one of the determinants of exporting intensity.

### 6 CONCLUSIONS

The main motivation of this research was to empirically prove, by means of the application of an ordered logistic model to 297 companies, that what is found in the literature on the support that the proactive orientation towards the market offers to the companies in order to have an efficient internationalization through exporting growth, is applied in all cases. In the same way, to confirm if an even greater effect was obtained together with the degree of novelty of innovation.

The evidences found in the study allow to conclude that indeed there is a relationship between the proactive orientation towards the market, and that there is no relation with the degree of novelty of the innovation.

In order to continue with the studies on the internationalization of companies, taking into account the proactive orientation towards the market as one of the main determinants, it is important to carry out the empirical analysis in homogeneous companies, that is to say that they must have similar characteristics in terms of size, age, type of innovation, among other factors, preferably in specific sectors of the industry.

On the other hand, subsequent studies may inquire about other institutional conditions that contribute to the development of the capacities of an organization to create

<sup>&</sup>lt;sup>3</sup> SPSS ® statistical software developed by IBM. Abbreviation from Statistical Package for the Social Sciences



the conditions that favor exporting, in such a way that, in a synergistic manner, companies can undertake effective strategies that allow them to be included in international markets.

### **7 LIMITATIONS**

One of the limitations of the study was the impossibility of having data from homogeneous companies in terms of size, the geographical location where they are located, and the type of innovation.

In most of the studies where we want to make inferences about the behavior of companies, organizations are reclassified into micro, small, medium, and large companies, with the aim of reaching explanations or predictions, depending on the case, not only for the specific sample but of the population, facilitating the execution of the same exercises in other regions, countries, or industries.

It is important to know the type of innovation since it is not the same to make a technological innovation, necessary to make innovation in products or processes, or an innovation of the non-technological type, such as organizational or administrative changes within a company. In addition, innovation can also be in scientific, financial, or commercial activities, among others, or a combination of some or both.



#### REFERENCES

Atuahene, K., An Exploratory Analysis of the Impact of Market Orientation on New Product Performance: A Contingency Approach, Journal of Product Innovation Management, Vol. 12, pp 275-293, 1995.

Atuahene, K., Slater, S. and Olson, E., The contingent value of responsive and proactive market orientations for new product program performance, Journal of Product Innovation Management, vol. 22, no. 6, pp 464–482, 2005.

Bello, A., Polo, R. and Vásquez, C., Recientes aportaciones del marketing a la cultura corporativa y a la obtención de ventajas competitivas, Papeles de Economía Española, nº 78-79, pp.190-211, 1999.

Boumgarden, P., Nickerson, J. and Zenger, T. Sailing into the wind: exploring the relationships among ambidexterity, vacillation, and organizational performance. Strategic Management Journal, vol. 33, no. 6, pp. 587-610, 2012.

Cadogan, J., and Diamantoupoulos, A., Narver and Slater, Kohli and Jaworski, and the market orientation construct: Integration and internationalization, Journal of Strategic Marketing, vol 3, no. 1, pp 41-60, 1995

Cadogan, J., Diamantopoulos, A., and De Mortanges, C.,1999). A Measure of Export Market Orientation: Scale Development and Cross-cultural Validation. Journal of International Business Studies, vol 30, no. 4, pp 689-707, 1999

Dahlin, k. and Behrens, D., When is an inventor really radical? Defining and measuring technological radicalness. Research Policy., vol. 34, no. 5, 717-737, 2005.

Chan H. and Ellis, P., Market orientation and business performance: Some evidence from Hong Kong, International Marketing Review, vol. 15, no. 2, pp 119-139, 1998. Christensen, M and Bower, J., Customer power, strategic investment, and the failure of leading firms, Strategic Management Journal, vol. 17, no. 3, pp 197-218, 1996.

Dikova, D. and Witteloostuijn, A., Foreing direct investment mode choice: entry and establishment modes in transition economies. Journal International Business Studies, vol. 38, no. 6, pp 1013-1033, 2007.

Eusebio, R. and Llonch, J., Los determinantes de la intensidad exportadora: un análisis comparativo entre empresas españolas e italianas del sector textil-confección, Cuadernos de Economía y Dirección de la Empresa, no. 26, 95-122, 2006.

Guzmán, J. and Martínez, J., Tipología de la innovación y perfiles empresariales. Una aplicación empírica, Economía Industrial, no. 398, pp 59-77, 2014.

Herrhausen, D., Unfolding the ambidextrous effects of proactive and responsive market orientation, Journal of Business Research, vol. 69, no. 7, pp 2585-2593, 2016.



Jaeger, N., Zacharias, N. and Brettel, M., Nonlinear and dynamic effects of responsive and proactive market orientation; A longitudinal investigation. International Journal of Research in Marketing, vol. 33, no. 4, pp 767-779, 2016.

Kohli, A. and Jaworski, B., Market orientation: The construct, research propossitions, and managerial implications. Journal of Marketing., vol 54, pp 1-18, 1990

Lambin, J., Ideas erróneas acerca del Marketing, Factores de Competitividad en el Comercio Minorista, Colección Estudis Comercials. Generalitat Valenciana, pp 15-38, 1995.

Losada-Otálora, M. and Zuluaga, J., Derramamientos sectoriales de conocimiento e innovación en la industria manufacturera colombiana: un análisis multinivel, Revista Innovar, vol. 23, no. 47, pp 19-32, 2013.

Meyer, K., Estrin, S., Braumik, S. and Peng, M., Institutions, resources, and entry strategies in emerging economies. Strategic Management Journal, vol. 30, no. 1, pp 61-80, 2009.

Narver, J. and Slater, S., The effects of a market orientation on business profitability. Journal of Marketing, vol. 54, no. 4, pp 20-35, 1990.

Osorio, F., Antecedentes y resultados de la orientación al mercado reactiva y proactiva, y el papel moderador del entorno y el aprendizaje (tesis de doctorado). Universidad del Valle, Cali, Colombia, 2016.

Porter, M. (1987). Ventaja competitiva: creación y sostenimiento de un desempeño superior, 1° edición, The Fre Press, México, 1987.

Rao, C. and Erramilli, M., (1993). Service firms' international entry-mode choice: A modified transaction-cost analysis approach. Journal of Marketing, vol. 57, no. 3, pp 19-38, 1993.

Sandu, S. and Ciocanel B., Impact of R&D and innovation on high - tech export. Procedia Economics and Finance, vol. 15, pp 80-90, 2014.

Schumpeter, J., Teoría del desenvolvimiento económico, 2° edition, Fondo de Cultura Económica, México, 1997.

Shapiro, B., What the Hell is Market-Oriented?, Harvard Business Review, vol. 66, pp 119-125, 1988.

Slater, S., and Narver J., Intelligence generation and superior customer value, Journal of the Academy of marketing Science, vol. 28, no. 1, pp 120-127, 2000.

Uribe, F., Rialp, J. and Lonch, J., El uso de la redes sociales digitales como herramienta de marketing en el desempeño empresarial, Cuadernos de Administración., vol. 25, no. 47, pp 205-231, 2013.

Wooldridge, J., Introducción a la econometría. Un enfoque moderno. South-Western Cengage Learning, México, 2009.



Wu, J. W., The effects of institutional quality and diversity of foreing markets on exporting firms' innovation. International Business Review, vol. 24, no. 6, 1095-1106, 2015.