



THE INFLUENCE OF FIRM CHARACTERISTICS ON EXPORT
PERFORMANCE: THE CASE OF THAI RICE EXPORTERS

By
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A Thesis submitted in partial fulfillment
of the requirement for the degree of

Master of Business Administration

Graduate School of Business
Assumption University
Bangkok, Thailand

August 2005

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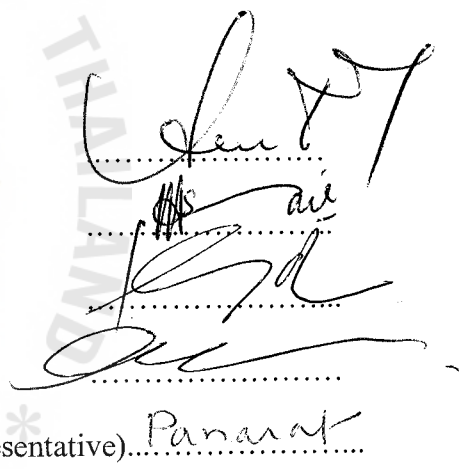
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Abstract

This research examines the effect of firm characteristics on the export performance of Thai rice exporters. In this research, firm characteristics are defined to be firm age, firm size, firm export experience, managerial characteristics and export marketing capabilities. It is expected that there is a positive relationship between the firm characteristics and export performance.

The target respondents were Thai rice exporters who are both manufacturers and traders. The marketing managers in these Thai rice export firms are the representatives for Thai rice exporters since they are capable of answering the questionnaire. The questionnaires were distributed to the Thai rice exporters by mail with attached post-paid envelopes. Thai rice exporters marketing managers mailed the answers back to the researcher. The returned questionnaires were data source for the analysis. The research applied factor analysis, ANCOVA and multiple regression analysis to the data. Through factor analysis, the variables for firm export experience, export marketing capabilities and export performance were grouped in one group which matches the referred previous studies for the variables in this research.

Furthermore, the testing results based on the research objective were achieved through multiple regression analysis and ANCOVA. The expected significant positive relationships between firm age, firm size, firm export experience and export performance are not supported, while there is a significant positive relationship between export marketing capabilities (product quality capability, pricing capability,

distribution capability) and export performance. As for managerial characteristics, Thai rice exporter marketing manager's age, education background, English knowledge and foreign experience are not related to export performance, while the marketing manager's foreign travel has a significant effect on export performance.

This research aims to test the relationship between firm characteristics and export performance. In summary, firm age and firm export experience has an insignificant positive relationship to export performance of Thai rice exporters. Firm size indicated by number of employees does not have a relationship with export performance for Thai rice exporters. Export marketing capabilities have a significant positive effect on export performance. As for managerial characteristics, only foreign travel of marketing manager will affect export performance while the remaining four (age, education, English and foreign experience) do not have an impact on export performance of Thai rice exporters.

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Chapter 1

Generalities to the Study

1.1 Introduction to the Study

Export performance has been a central construct in the study of export marketing; there are a large number of studies that have dealt with the question of what factors influence the export performance of firms. The way this question has been approached differs considerably between numerous studies. The past researchers considered the factors by different categories which could be internal and external factors. This research focuses on some internal factors which are indicated by firm characteristics. The product in the research is Thai rice which is exported from Thailand and the research attempts to test the success factors for those firms in term of export performance.

As for the rice export from Thailand, there is high potential for the Thai rice exporters to win higher market shares according to the market condition. Thailand has become the world's largest rice exporter since 1981. Its market share in 2003 was 27 percent and global rice consumption rose from 387 million tons in 1999 to 408 million tons in 2003¹. In other words, Thailand is the major rice exporter in the world market, currently exporting about 7 millions tons per year. It has a reputation for high quality, long-grain, white rice, which usually commands a substantial price advantage over lower grades. The emphasis on grain quality is the main reason for the low adoption rate of high-yielding rice varieties in Thailand².

Export performance is a widely researched area for the firms that are at the internationalization stage. According to this trend, Thailand is also increasing the

¹ : Thailand's Rice Strategies from 2004 to 2008,
http://www.boi.go.th/english/how/press_releases_detail.asp?id=30, 11-6-04

² : Panel Discussion, www.ttr.thaigov.go.th/speech/SP26MAY04.htm, 26-5-04

export volume to boost the country's economy, so that how to improve the export performance of these rice exporters to strengthen the Thai economy is a priority. It is natural that agriculture includes rice production. Rice is the most important crop of the country. It plays an important role for the whole economy, so following the increasing volume of rice trading, more and more rice exporters have appeared in the rice industry. Many firms are changing from non exporters to become exporters. There are plenty of factors that influence the export performance, such as the attractiveness of the export market, the industry characteristics, the entry barrier, the standardization and so on. Here the researcher of this thesis is just focusing only on some internal factors which influence the export performance for Thai rice exporters.

1.1.1 Thai Rice Export Overview

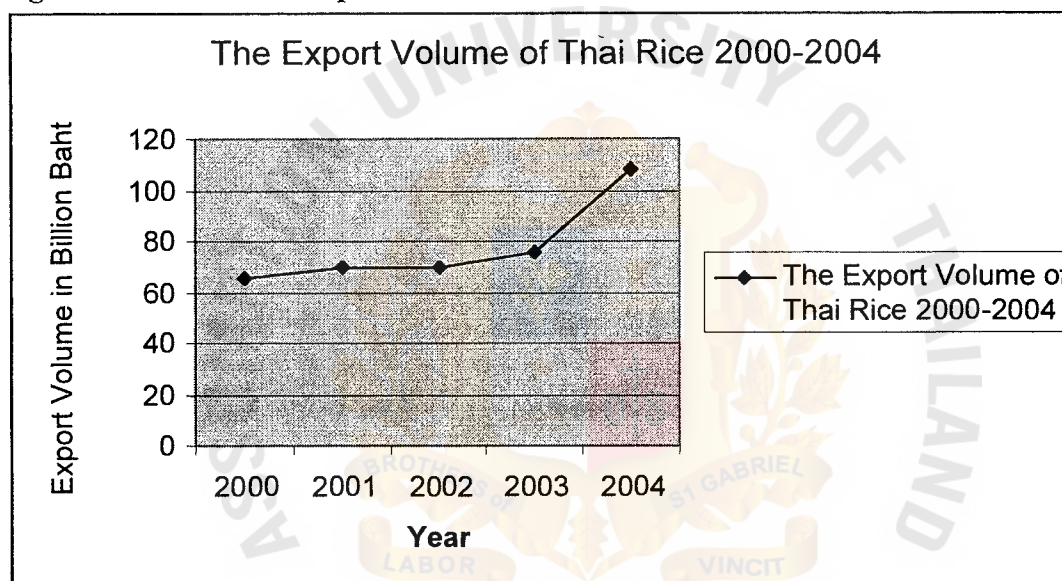
Rice plays a multi-facet role in the Thai society and economy. It is a prime commodity ranking at the top of agricultural production. Thailand is one of the world's major exporters of agriculture products and as well as agricultural processed products. Rice is one of the main exported commodities and Thailand is listed as the number one rice exporter in the world. Each year, according to the statistics in year 2004, Thailand consumes about 55% of the production while the remaining 45% are exported to the world market earning about Baht 69,000 million per year for the country³.

Among Thai export products, Thai rice is listed in the top 10 exports from the year 2000 to year 2004. The export value of Thai rice has been the stable, increasing on average in these five years. Moreover, Thai rice is listed in the top 10 exports as an agriculture product; Thai rice has a better export performance than other agriculture

³ : Panel Discussion, www.ttr.thaigov.go.th/speech/SP26MAY04.htm, 26-5-04

products. Since Thailand is an agricultural country, the Thai rice export value plays an important role for the country. Based on Thai rice's good export performance, the researcher takes it as the research focus. Figure 1.1 shows the clearer picture for Thai rice export performance. It is observed that Thai rice exports have an increasing trend after the year 2000. The value was Baht 65.6 Billion, 70.1, 70, 75.8 and 108.4 Billion respectively from year 2000 to year 2004. The rice export trend from 2000 to 2004 is shown on Figure 1.1.

Figure 1.1: Thai Rice Exports 2000-2004



Source: Department of Trade Negotiations, Ministry of Commerce.

(International trade:

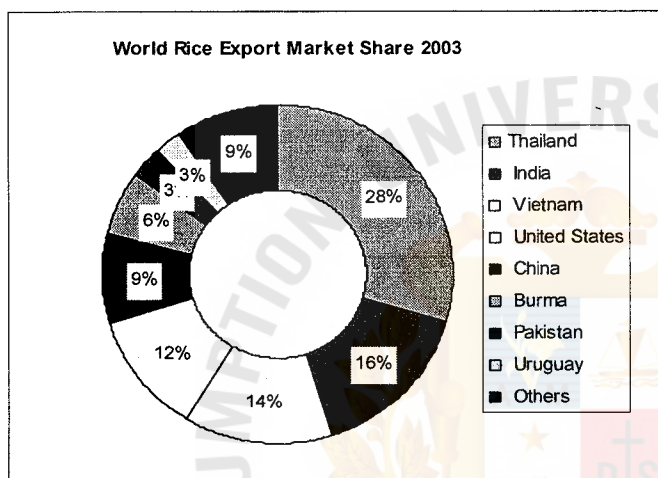
http://www.exim.go.th/eng/economic_information/inter_pdf/International_Trade.pdf, March, 2005)

Thailand's share in the world rice production is about 4%. More than 7 million tons of rice is exported annually and has placed Thailand at the top among rice exporting countries in the world. Thailand has a substantial export share of about 30% in the world market. For almost 20 years, Thailand has exported rice to all parts of the world. Thai rice is preferable in the world due to the unique quality of Thai rice⁴.

⁴ (Impact of Free Trade on International Rice Trade, <http://www.ttr.thaigov.go.th/speech.htm>, 12-5-2004)

Thailand is the number one rice exporter among the world rice export industry. The market share of main rice exporters in 2003 is shown on Figure 1.2. Thailand captured the biggest market share which is 28%. The second ranked rice exporter is India whose market share is ranked as 16% so there is a difference of 12% between the market share of India and Thailand in terms of rice exports.

Figure 1.2: World Rice Market Share of Exports 2003

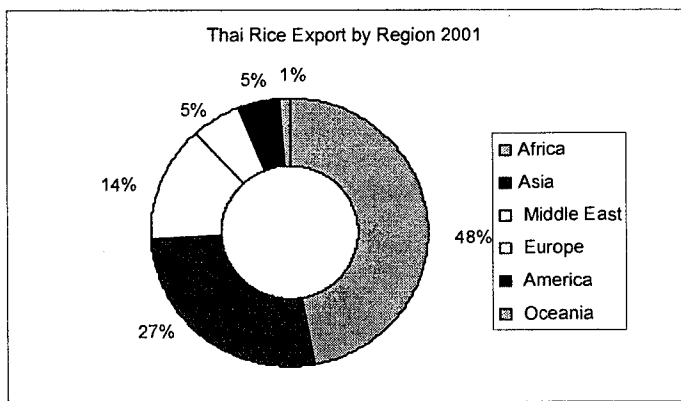


Source: United States Department of Agriculture (USDA), 2003. http://www.foodmarketexchange.com/datacenter/product/grain/rice/detail/dc_pi_gr_rice0201_01.htm 04-2-2004)

1.1.2 Thai Rice Exports by Region

Africa has remained the biggest market for Thai rice exports since 2000, followed by Asia and the Middle East importing 27% and 14% , respectively. Other important regions include Europe, America and Oceania with 5%, 5% and 1% in 2001, respectively. The comparison of the market share in these regions that is captured by Thai rice is shown in Figure 1.3.

Figure 1.3: Thai Rice Exports

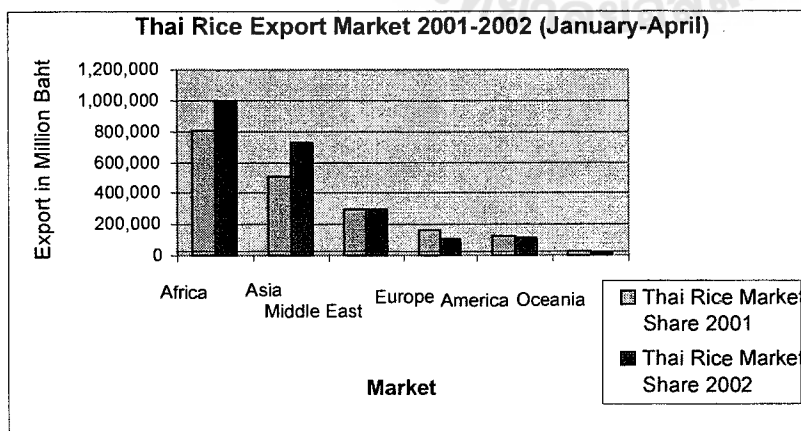


Source: Department of Foreign Trade (Grain Division), Board of Trade of Thailand.

(http://www.foodmarketexchange.com/datacenter/product/grain/rice/detail/dc_pi_gr_rice0402_03.htm, 04-2-2004)

Considering import growth in these regions, Africa is the fastest-growing market, with increasing imports since 1998, while Asia has become weaker in buying Thai rice for the past few years. The Middle East and Europe have become more important markets with steady import growth each year, whereas import trends in America and Oceania have somewhat spiraled down in recent years. The falling significance of the Asian market may be attributed to the increase in regional competition from other producers such as Vietnam and China. The comparison for 2001 and 2002 of the main Thai rice importing region is shown in Figure 1.4.

Figure 1.4: The Comparison of the Export Regions in year 2001-2002



Source: Department of Foreign Trade

<http://www.foodmarketexchange.com/datacenter/product/grain/rice.htm> , 04-2-2004

1.1.3 Thai Rice Type

Each type of rice has its own unique characteristic and texture. Some common types of rice include White Rice, Jasmine Rice, Brown Rice, Broken Rice, and Glutinous Rice. Jasmine rice, also called fragrant rice or "Hom Mali" rice, is recognized world wide as Thailand's specialty. Brown rice is similar to white rice. The only difference between these two varieties is the milling; milling removes both the husk and the bran layer of the kernel. Because of the bran layer, brown rice contains more nutrients than white rice. Glutinous rice, also called sticky rice or sweet rice, is often used in producing starch and flour⁵.

1.1.4 Competition of Thai Rice

In the world market, "competitiveness" is the key word and rice is no exception. There are many players in the rice market. It is important to note that rice exporting countries are mostly the developing countries. Thailand's main competitors are Vietnam, Pakistan, and India, China. There are also the new comers in this business such as Myanmar, which will be the one that we should give close attention to⁶.

1.2 Statement of Problems

Thai rice export value is increasing year by year. Following this trend, the number of Thai rice exporters is increasing. However, some rice exporters are exporting to the same market but they perform quite differently. For example, there are two rice exporters trading to the China market - one exporter gets a high sales volume and profit from the China market, while the other is suffering from low sales

⁵ Food market exchange, http://www.foodmarketexchange.com/datacenter/product/grain/rice/detail/dc_pi_gr_rice0203_01.htm, 04-2-2004

⁶ www.ttr.thaigov.go.th/speech.htm, 26-5-04

volume to the China market. For these two exporters, the external factors relevant to export performance are similar, such as export market characteristics, industry characteristics, entry barrier and so on. Export performance is determined by both external and internal factors. Here, what makes the different export performance is internal factors, which is indicated by firm characteristics. Hence, the influence of firm characteristics on export performance is outstanding.

The study aims to find the relationship between firm characteristics and export performance. It is designed to find out how the internal factors included in firm characteristics affect the export performance of those Thai rice exporters in Thailand. Here, firm characteristics refer to firm age, firm size, firm export experience, managerial characteristics, and export marketing capabilities respectively. Therefore, the problem in this research is: How do the firm characteristics affect the export performance of Thai rice exporters?

1.3 Research Objectives

The purpose of this study is to find the relationship between firm characteristics including firm age, firm size, firm export experience, managerial characteristics and export marketing capabilities and the export performance of Thai rice exporters. Thus the research objectives are to examine:

- 1) The relationship between firm age and export performance of Thai rice exporters;
- 2) The relationship between firm size and export performance of Thai rice exporters;
- 3) The relationship between firm export experience and export performance of Thai rice exporters;

4) The relationship between managerial characteristics and export performance of Thai rice exporters, and

5) The relationship between export marketing capabilities and export performance of Thai rice exporters.

1.4 Scope of Research

The researcher wished to conduct the study toward all the Thai rice exporters in the whole of Thailand. However, most of the Thai rice exporters are located in the Bangkok area according to the statistics of the Department of Export Promotion of Thailand. Although there are various factors affecting the export performance, the researcher focuses on one of the internal factors - firm characteristics, which include the firm age, firm size, firm export experience, managerial characteristics and export marketing capabilities in this study. Furthermore, the Thai rice exporters are represented by the marketing managers who have the experience on the related factors that may affect the export performance; above all, they have the international marketing knowledge so that they are qualified to give accurate data to represent their company for the questionnaire responses.

1.5 Limitations of the Research

In this study, there are some limitations which constrain the researcher to go further in this research.

First, the size of population is limited because the respondents are the marketing managers in the Thai rice export firms. In other words, the researcher only could achieve one questionnaire for one Thai rice exporter. Meanwhile, the respondents are the top management so that there is a relatively lower return rate of

the questionnaire. Due to the time and cost constraint, the researcher could not obtain more data than the returned questionnaires.

Second, the translation of the questionnaire from English version to Thai version was conducted by a Thai native speaker instead of the researcher, as well as the follow up phone call after mailing the questionnaire to the respondents. So some inaccurate communication might have occurred.

Third, the information of Thai rice exports is not up-to-date in the official website so that it affects the description of Thai rice in this study. Furthermore, the general and summarized information of Thai rice are easier to access, however the further information such as statistics of export volume is seldom found in limited websites.

Fourth, Thai rice exporters are quite conservative regarding the financial data so that it is preferable not to apply the objective measures of export performance are not preferred to be applied.

Fifth, there are various factors affecting export performance, such as entry barrier, government policy, and export market characteristics and so on. Due to time constraints, this research only focuses on the influence of firm characteristics on export performance.

1.6 Significance of the Study

This research explores the relationship between the firm characteristics (firm age, firm size, the firm export experience and managerial characteristics) and the export performance. It is to test the influence of these factors on the export success of the Thai rice exporters. The study has both theoretical and managerial relevance. As for theoretical relevance, it extends the current export marketing literature by adopting

the Resource Based View (RBV) as the guiding framework. Most studies have been guided by the industrial organization (IO) framework, which is based on the principle of the strategy environment co alignment (Zou, Fang & Zhao, 2003). Meanwhile, the results could be applied to the comparison with the results of previous studies to answer the question are they coincident or conflicting? This study has the potential to offer useful guidelines for the following major groups in terms of managerial relevance:

First, it could assist the public policy makers for rice production in the Thailand government, who view exporting as a way to accumulate foreign exchange reserves, increase employment levels, improve productivity, and enhance societal prosperity. It could be the reference of government for agriculture exporting, after they know what kind of rice trading firms can perform better in the trade market, then they would know where to place the emphasis for export promotion to motivate rice export firms to increase the export volume or motivate non-exporters to become rice exporters.

Second, the researched conclusion also has reference value for business managers who are working in the rice trading industry and they can see rice exporting as a tool to boost the rice firm's growth, increase capacity utilization, improve financial performance, strengthen competitive edge, and even ensure company survival in a highly globalized marketplace.

The last group who could benefit from this study is the marketing researchers who are focusing on Thailand and they could consider rice exporting a challenging but promising area for theory building in international marketing.

The research results could be applied analytically to the Thai rice firms who are currently non-exporters. And it could assist by providing sampling information for

the non-exporters who are willing to be exporters. There are plenty of rice mills in Thailand to produce and process the rice, so there is high potential for the emergence of more rice exporters. When they make the decisions to export Thai rice, they can consider basing decisions on the results of this research, which tests which factor has the closest relationship with the export performance of Thai rice exporters in Thailand.

Meanwhile, the results could also help the exporters in other industries located in Thailand; they can plan how to export successfully according to the related factors mentioned in this research. These different factors in this research could be treated in different levels of importance according to the different correlation with the export performance.

1.7 Definitions of Terms

These are literal and operational meanings of the terms used for uniformity and clarity of understanding:

Export is defined conceptually as the international, marketing related decisions and activities of internationally active firms, that is to maintain the production facilities at home and sell the product abroad (Cavusgil & Nevin, 1981).

Thai Rice Exporter in this research refers to the firm who is both rice manufacture and trader.

Export Performance is defined as the outcome of a firm's activities in export markets (Shoham, 1996).

Firm Characteristics is defined by Cavusgil and Zou (1994) as the key assets and skills of a firm. In export marketing, the relevant marketing, the relevant assets and skills of a firm include size advantage, international experience, extent of international business involvement, and resources available for export development.

Firm Age is expressed as number of years in business (Zou & Stan, 1998).

Firm Size: There are many accepted approaches for measuring firm size such as number of employees, sales volume, and total assets (Pett & Wolff, 2003).

Firm Export Experience is represented by the number of years the firm was engaged in international operations prior to the current entry and the geographic scope to this experience which is the diversity of the experience (Erramilli, 1991).

Managerial Characteristics concern the characteristics (age, education, and knowledge of foreign language) of managers (Moini, 1995), and it also includes the extent to which the manager has engaged in foreign travel, the number of languages spoken by the manager and whether the top decision maker was born abroad, lived abroad or worked abroad (Miesenbock, 1988; Reid, 1981).

Capabilities are a firm's complex bundles of skills and accumulated knowledge, exercised through organizational processes, which enable the firm to coordinate activities and make the best use of its assets (Day, 1994).

Export Marketing Capabilities refer to pricing capability, product development capability, distribution capability and communication capability based on the 4P framework (Katsikeas, 1994). It also can be indicated by pricing capability, product development capability, distribution capability, and communication capability (Zou, Fang & Zhao, 2003).

Chapter 2

Literature Review

This chapter aims to support and build up a conceptual model by reviewing all the relevant literature. The first part introduces a theoretical framework of this study. The second part focuses on a brief description of the empirical research which has relevance with this research topic, and the researcher here is referring to previous studies to indicate that there is the research value for this research.

The conceptual model shown in this chapter is the influence of firm characteristics on export performance. Export performance is a widely researched topic which aims at discovering the relevant affecting factors. In this research, the researcher studies the relationships between firm characteristics and export performance. Among firm characteristics, only firm age, firm size, firm export experience, managerial characteristics and export marketing capabilities are considered; the objective is to find whether and how these internal factors have effect on export performance respectively.

I Theoretical Underpinnings

Export performance is affected by both internal and external factors. Classifying the determinants of export performance into internal and external factors is theoretically justified as the two categories correspond to different theoretical bases; the internal determinants are justified by the resource-based view (RBV), while external determinants are supported by the industrial organization theory (IO) (Zou & Stan, 1998). Firm characteristics are the internal affecting factors for export performance so that the theory of resource-based view (RBV) is applied in this research.

2.1 Resource-Based View (RBV) of the Firm

The resource based view theory regards a firm as a unique bundle of tangible resources such as assets, capabilities, processes, managerial attributes, information and knowledge, that are controlled by a firm and that enable it to conceive and implement strategies aimed at improving its efficiency and effectiveness (Barney, 1991). The resource based view indicates that the main determinants of a firm's export performance and strategy are the internal organization resources (Collis, 1991).

As for resource, Wheelen and Hunger (2004) indicated that a resource is an asset, competency, process, skill, or knowledge controlled by the corporation. A resource could be the strength of a firm if it provides the firm with a competitive advantage. It is something that the firm has the potential to do better comparison to the abilities of existing or potential competitors. A resource is a weakness if it is something that the corporation does not have the capacity to do although its competitors have that capacity. Then it does not have the competitive advantage relative to its competitors. For a firm, it should identify and classify the firm's resources in terms of strength and weakness. The firm's strengths could be combined into specific capabilities and these capabilities are the things that a corporation can do fairly well (Wheelen & Hunger, 2004). Not all resources hold the potential of leading to competitive advantage for a firm. To create competitive advantages, a resource must have four attributes: valuable, rare, imperfectly imitable, and non-substitutable (Barney, 1991). When firm resources are valuable and able to improve the firm's efficiency and effectiveness, they can serve as a source of competitiveness. If the valuable firm resources are possessed by large numbers of competing or potentially competing firms, then they cannot have competitive advantage. It is very obvious that if a firm's valuable resources are absolutely unique among a set of competing and potentially competing firms, those

resources will generate at least a competitive advantage which could enhance the firm's abilities (Zou, Fang, & Zhao, 2003). Day (1994) pointed out broadly there were two related types of resources that are necessary for creating competitive advantages: assets and capabilities. Assets are the resource endowments a firm has accumulated, such as investments in the facilities, while capabilities are a firm's complex bundles of skills and accumulated knowledge, exercised through organizational processes that enable the firm to coordinate activities and make the best use of its assets. Capabilities are the glue that bring assets together and enable them to be deployed advantageously (Day, 1994).

Furthermore, it has been suggested that inclusion of the resource based view (RBV) in studies is a fruitful direction that would enrich the export marketing literature (Zou & Stan, 1998). RBV addresses the central issue of how superior performance relative to other firms can be attained in the same market and posits that superior performance results from acquiring and exploiting unique resources of the firm. For a firm, it could be identified as three sets of resources that encompass the resource domain of a firm, namely managerial or organizational resources, entrepreneurial resources, and technological resources. Organizational resources are indicated by the financial and physical resources in the firm, entrepreneurial resources refer to the risk and drive of the managers, who are primarily responsible for the growth and development of the firm. Technological resources include both the tangible and intangible technical assets of the firm. Typically, a high technological intensity indicated by a high research and development expenditure provides the firm with unique technological know-how that often promotes the expansion of the firm overseas (Dhanaraj & Beamish, 2003).

To summarize, RBV theory indicates firm resources could generate a better export performance when the resources are the competitive advantage for the firm. As for firm characteristics, they are some kinds of firm resources. If firm characteristics are or have the potential to be competitive advantages, they will have a positive effect on export performance. In order to test the relationship, RBV theory supports the research to find out the influence of firm characteristics (firm age, firm size, firm export experience, managerial characteristics and export marketing capabilities) on export performance.

II Literature Review

2.2 Export Performance

To export successfully, firms need to possess a competitive advantage to overcome the advantages typically enjoyed by rival firms located in the country into which they export (e.g. greater familiarity with local laws and customs). Sometimes the source of competitive advantage can arise within the firm such as through product design and quality, marketing expertise and strategy, and motivation and commitment of management for exporting. At other times, the source of this advantage can arise outside the firm. For example, some economies have developed expertise in supplying particular goods or services, thereby creating a pool of skilled labor, networks and a reputation for the firm to draw on (Gabbitas & Gretton, 2003).

As for the determinants of export performance, the competitive advantages of firms and their assessment of those advantages — which collectively may be referred to as ‘firm-specific factors’ — are likely to have a pervasive influence on their export performance. Exporting entails additional costs and risks above those incurred in supplying the domestic market. For example, exporting involves additional

transportation, distribution and marketing costs and, depending on the country, additional financial and legal risks (Gabbitas & Gretton, 2003). While some of these additional costs vary with the volume exported, many do not. That is, they are 'fixed' costs in the sense that they do not vary with the volume exported. Some fixed costs can be recovered if the firm does not succeed internationally (e.g. by selling fixed assets). However, others are 'sunk costs' in the sense that, once incurred, they cannot be recovered if exporting turns out to be unsuccessful, for example the time and money spent on international market research and advertising (Baldwin, 1988)

Before defining a good export performance, the definition of export performance should be explained. Export performance is the outcome of a firm's principal in export markets (Shoham, 1996). The conceptual definition of export performance should address each of the two parts: export and performance. Export is defined conceptually as the international, marketing related decisions and activities of internationally active firms. As for the diverse conceptual definitions of performance in the strategic management literature, there are some shared themes (Shoham, 1998). It is important to recognize the central importance of performance about strategy, including international strategy; this importance is due to performance being an outcome. Furthermore, both the conceptual and operational definitions of export performance should depend on the more general and inclusive definitions of firm and marketing performance. For example, firms that use sales growth to measure organizational performance should use export sales growth to measure export performance. In one word, any definition of international performance is context-specific. The conceptual definition of performance depends on the research context of a given study. However, the definition of export performance may be problem driven

rather than theory driven. In other words, studies of performance may differ in definitions to the extent that they address different problems (Cameron, 1986).

2.2.1 Export Performance Measures

There are two principal ways of measuring export performance: economic (financial measures such as sales, profits, and market share) and non-economic (non-financial measures relating to product, market, experience elements, etc) (Cavusgil & Zou, 1994).

There are also some other explanations for the detailed method of the export performance measure. For example, it could be explained by EXPERF scale (Zou, Taylor, & Osland, 1998). In the scale, export performance is measured in three different ways; these three means of measuring export performance are associated with different conceptualizations of the construct.

Firstly, the most common means of conceptualizing and measuring export performance focuses on the financial outcomes of exporting. The underlying belief here is that exporting is part of a firm's marketing program. Thus, it follows that the performance of an export venture should be gauged in the same way that marketing operations are gauged in financial terms. Studies adopting this view of export performance have generally measured export performance by such indicators as export sales (Cavusgil, 1994), export sales growth (Madsen, 1989), and export intensity (Export/sales ratio) (Axinn, 1988).

Secondly, another major means of conceptualizing export performance is based on capturing the strategic outcome of exporting; the main thrust here is that firms often have a set of strategic goals, as well as financial goals in exporting (Cavusgil & Zou, 1994). This view holds attainment of strategic goals, such as improved

competitiveness, increased market share, or strengthened strategic position should be considered an integral part of export performance. Studies that adopt this view often measure export performance as the attainment of strategic goals such as market share, strategic presence in the export market, or competitive position (e.g., Cavusgil & Zou, 1994; Johnston & Arunthanes, 1995).

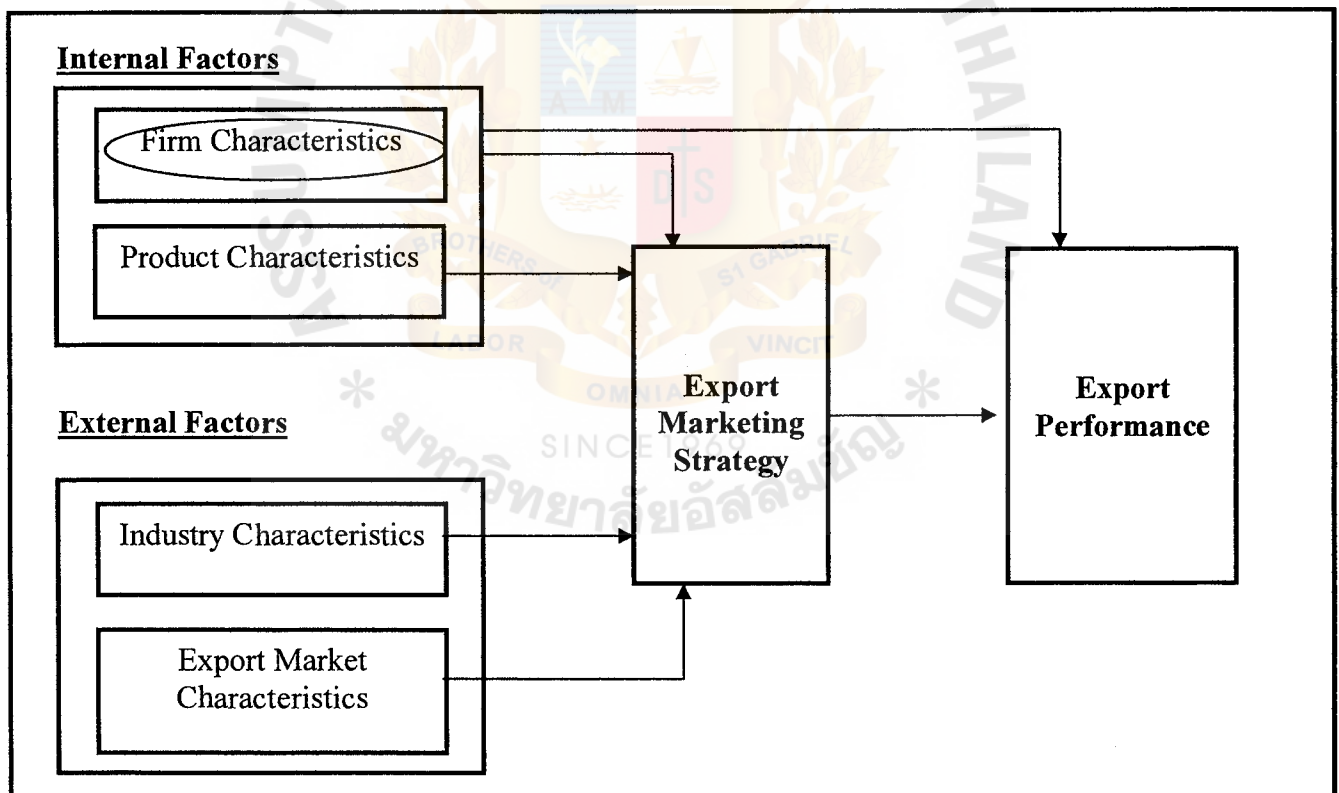
Finally, the other conceptualization of export performance advocates the use of perceptual or attitudinal measures of performance. The logic behind this conceptualization is that being positively disposed toward exporting and satisfied with exporting operations is a strong indication of success in exporting. Studies with this perspective tend to measure a firm's export performance either directly, such as perceived export success and satisfaction with the export ventures (Cavusgil & Zou, 1994) or indirectly as the firm's attitudinal changes toward exporting, such as propensity to export (Denis & Depelteau, 1985), attitude toward exporting (Johnston & Czinkota, 1982), and attitude toward overcoming barriers to exporting (Bauerschmidt, Sullivan, & Gillespie, 1985).

It is important to research on export performance and factors related to firms' export success. Export performance is defined as the extent to which a firm's objectives, both economic and strategic, with respect to exporting a product into a foreign market, are achieved through planning and execution of export marketing strategy. A firm usually has the objective for export, such as the economic (profits, sales, or costs) or strategic (market expansion, competitive response, gaining a foothold in foreign market, or increasing the awareness of the product/firm) (Cavusgil & Zou, 1994).

As for the factors affecting export performance, various studies (e.g. Axinn, 1988; Calof, 1993; & Moini, 1995) conducted overseas have identified some factors

that may influence export performance. For example, management characteristics (Reuber,1997) such as motivation to export, perceptions and personal characteristics; firm characteristics (Cavusgil and Zou, 1994) such as size, competencies, marketing mix strategy, marketing policy and planning, relationship strategy; as well as country characteristics (Craig, 2003), such as whether it is a developed or underdeveloped country (Ogunmokun & Ng, 2004). Cavusgil and Zou (1994) built up the conceptual framework as shown in Figure 2.1 which has included both the internal and external factors which influence the export performance.

Figure 2.1: A Conceptual Framework of Export Marketing Strategy and Performance



Source: Cavusgil, S.Tamer and ShaoMing Zou (1994), "Marketing Strategy-Performance Relationship: An Investigation of the Empirical Link in Export Market Ventures," *Journal of Marketing*, 58(1), 1-21.

2.3 Firm Characteristics

The firm is defined as a collection of physical and human resources (Dhanaraj & Beamish, 2003). The firm characteristics include various ingredients of the firm. Referring to past research, different researchers may define the different factors for firm characteristics based on the different research objectives and scopes. For example, Ozler, Taymaz and Yilmaz (2003) applied the firm characteristics combination of firm size, wage rate and spillovers. They consider that there was a wide range of possible plant characteristics that could affect the decision to export. In their research, the size variables are started with and it is suggested the big plants are found to be more likely to become exporters than small plants.

Another explanation of plant characteristic is included in Ozler, Taymaz and Yilmaz (2003). The wage rate is an indirect measure of the skilled labor composition of the plant's labor force. There is another factor included in the research of the firm characteristics, which are agglomeration effects and spillovers.

Furthermore, Bernard and Jensen (2004) did the research concerning the firms' export behavior. The firm characteristic is one of the affecting factors in the research. The author described the firm characteristic to be the firm size, labor force composition, product mix, and past performance. The authors referred to the research of Roberts and Tybout (1997) to measure the firm characteristics by the plant size, plant age and the structure of ownership. Another research concerning firm characteristics was conducted by Moini (1995) which pointed out that firm characteristics were firm size, export experience, and competitive advantages. Meanwhile, he stated the detailed measurement of each factor. The firm size was the number of employees, the export experience was the number of years that the firm

had done the export behavior, and the competitive advantages were referring to the quality of the product.

O'Cass and Julian (2003) have stated that the firm characteristics are in 4 groups: Product uniqueness, firm's capabilities, international experience, and resources. The characteristics of a firm's product have also been identified as having a significant influence on export marketing performance (Cavusgil & Zou, 1994). Since the product attributes are argued to affect the positional competitive advantage of a firm, it has influence on marketing performance. Among the product characteristics that may influence marketing performance are culture specificity, strength of patent, and uniqueness. A unique product provides a firm with a differentiation advantage that other firms in a competitive market may find difficult to challenge or overcome, resulting in higher performance (Douglas & Craig, 1989).

In the context of firm-specific characteristic, the firm's capabilities and constraints (strengths and weaknesses) influence their choice of marketing strategy (Aaker, 1988). The resources of a firm constitute its sources of competitive advantage and in export marketing these resources include size advantage, international experience and resources available for export development. Possession of this kind of resources enables a firm to achieve a better marketing performance (O'Cass & Julian, 2003). Among the capabilities, the export marketing capabilities must be taken into account to affect the export performance. It is associated with aspects of a firm's export marketing strategy (Zou & Stan, 1998).

As for the firm's international experience, it could be the strength of a firm. The firms tend to be more competent than those without the prior international experiences (O'Cass & Julian, 2003). Due to the experience, the firms know the differences in environmental conditions and are more likely to select the most attractive market for

adapting the marketing strategy to satisfy the specific needs of the market (Cavusgil & Zou, 1994).

In relation to the resources, the export venture's distribution is a necessary resource for successful export performance. Supporting the distributor is important to ensure that the distributor performs adequate promotion, timely delivery, and proper service (Terpstra, 1987). When managers are committed to an export venture, they carefully plan the entry and allocate sufficient managerial and financial resources to the venture (O'Cass & Julian, 2003). With formal planning and resource commitment, the reduced uncertainty and more effective marketing strategy lead to better performance (Cavusgil & Zou, 1994).

The researcher uses the categories of firm characteristics following Cavusgil and Zou's (1994) research. As shown in Figure 2.1 which is adapted from the study of Cavusgil and Zou (1994), firm characteristic is one of the affecting factors affecting the export performance. Firm characteristics are described as size advantage, international experience, extent of international business involvement, and resources available for export development. Since the composition of firm characteristics is determined by the objective of the researcher, the researcher defines the firm characteristics as firm age, firm size, firm export experience, managerial characteristics, and export marketing capabilities. This researcher aims to test the relationship between the above internal factors and export performance respectively.

2.3.1 Firm Age

The firm age is expressed as the number of years a company has been in business (Zou & Stan, 1998). A firm's age is highly correlated to a firm's size and resource (Mohan-Neill, 1995). New firms are often faced with constraints, in terms of available human and financial resources. Marketplace information is a critical resource needed for firms to make more informed decisions. New ventures generally do not have a great deal of internal secondary data or historical experience to help fill their information needs, so in some ways new ventures may have a greater need for external marketplace information than more established ones. Lack of marketplace information is a major problem for new firms and it is also a major barrier to its creation. It also has the time and resource constraint, the new firms utilize less marketplace information when they make the decision. Using a firm's age as one measure of success, the acquisition and utilization of marketplace information enhance survival of the new firms (Mohan-Neill, 1995).

2.3.2 Firm Size

There are several indicators to measure firm size such as the number of full-time employees, sales volume, total assets, equity and deposits, and domestic market sales. The most popular measures are the number of full-time employees and sales volume. The total number of full-time employees is preferred since managers would be more willing to provide employment information in comparison with alternative size criteria such as sales volume. Furthermore, employment figures are considered to be more stable because they are not influenced by price levels (Katsikeas & Morgan, 1994). Meanwhile, the widely used measure of firm size is the number of employees that the firm currently employs because it is in keeping with the U.S. government's

classification of business size as reported by the Bureau of Census (Pett & Wolff, 2003).

The average production cost is one aspect to show the effect of firm size on export performance. If there are untapped economies of scale present, firms may lower average production costs and improve their international competitiveness by getting bigger (Gabbitas & Gretton, 2003).

As for a given technology in the firm, three conditions need to hold for export performance to be influenced by firm size (Gabbitas & Gretton, 2003). First, economies of scale need to be presented in terms of firm size. The average cost of production will decrease as output increases based on the given technologies and ways of working. This would enable larger firms to have lower average unit costs than smaller ones. Secondly, these economies of scale need to arise at the plant level. If they arise at the organization level, they are not tied to individual plants or activities and should be accessible through other means. Thirdly, current firm-level production must be less than the level at which the average cost of production stops falling, so that an increase in output would reduce average unit costs (Gabbitas & Gretton, 2003).

Economy of scope is one indicator of firm size. Economies of scope refer to the situation where it is more efficient for one firm to produce a number of different and related products or activities than it is for a number of firms to produce the products separately. There are costs incurred in the production of two or more products that cannot be directly attributed to either product in an economical way. Similarly, non-trivial joint marketing and distribution costs involved in selling into overseas markets often make it more cost effective to export a range of products or brands rather than to export them separately. Hence, restrictions on firm size that limit the achievement of economies of scope and attainment of an optimal product mix may reduce

competitiveness (Gabbitas & Gretton, 2003)

Firm size is an indicator of managerial and financial resources available in the firm; if it reaches a certain extent, the firm will look for the opportunity to expand (Penrose, 1959). Therefore, firm size is an explanatory variable for export performance. The smaller the firm is, the fewer resources it has, but they may have appropriate resources to be involved in the international activities (Dhanaraj & Beamish, 2003). Referring to the research of Pett and Wolff (2003), larger firms with greater resource flexibility may be able to respond better to the external changes compared to smaller ones. Larger firms are more likely to be export effective because they have more necessary resources (for example, managerial know-how). Meanwhile, larger firms are generally older and are likely to have greater stocks of resources over time (Mohan-Neil, 1995). Those stocks of resources may be brought to bear more successfully on the challenges that the firm faces in its internationalization effort (Pett & Wolff, 2003).

2.3.3 Firm Export Experience

Firm export experience is one kind of experiential resources, such as market and process knowledge gained from the firm's overseas market operations experience. It could enable the venture's marketing programs to match the needs of channel members and customers (Daily, Certo & Dalton, 2000). It could be summarized to be four parts: knowledge of export venture market, the length of the firm's export experience (years), the number of export ventures in which the firm has been involved and past performance (Morgan, Kaleka, & Katsikeas, 2004).

The firm's pre-entry international experience is represented by two measures: First is the number of years the firm has engaged in international operations prior to

the current entry, Second is the geographic scope of this experience. These two measures indicate the intensity of the firm's experience and the diversity of this experience (Erramilli, 1991). With increasing experience, firms acquire greater confidence in their ability to match customer needs, to estimate costs and returns, and to assess the true economic worth of foreign markets. Thus, the expansion of the firm to new markets increasingly becomes a function of economic opportunity as the firm gains experience. Firm export experience is the factor leading to export success.

Beamish, Craig and McLellan (1993) found that the past experience on the market scope could be a result of management choosing to export to a broad range of markets or it could reflect an evolutionary approach to exporting, where a firm successful in one foreign country would build on this success in others. According to the evolutionary approach, firms that experience success in exporting would expand their geographic market scope, while firms that have had a negative experience exporting would limit their expansion plans. The firm's past experience is the reference for the firms to move to the next step. Pett and Wolff (2003) conducted further research in terms of the firm's export experience. They concluded the past research themes support the proposition that knowledge and know-how are an important resource in development of an international strategy. Firms that possess certain kinds of know-how are more likely to view changes in the external environment as manageable and as opportunities of which to take advantage.

Furthermore, the firm's past export experience has an effect on the international marketing knowledge. The principles of internationalization theory intimate that knowledge obtained through experience from business activities in a specific overseas market is the primary means of reducing foreign market uncertainty. In the process of obtaining the experience, it also generates export business opportunities and is

consequently a driving force in the process of internationalization (Katsikeas & Morgan, 1994). It might then be argued that a firm's ability to cope with the problems encountered in exporting to a specific market depends on the degree of its experiential knowledge about the condition of the export market (O'Rourke, 1985). More specifically, firms with more export market experience are likely to perceive less uncertainty in their exporting activities (Madsen, 1989), have a better understanding of foreign market mechanisms, and consider exporting problems more manageable compared with those firms characterized by a relatively low level of export market experience.

2.3.4 Managerial Characteristics

The managerial factors include personal commitment, professional experience, and language proficiency of the foreign market. Here the managerial factors are all those demographic, experiential, and attitudinal, behavior, and other characteristics of the decision maker within the firm who is potentially, or actually, involved in the export marketing process (Katsikeas, Leonidou, & Morgan, 2000). The managerial characteristics are classified into four categories. The first is objective-general group including age group, educational attainment, and professional experience. The second is objective-specific group including ethnic origin, language proficiency, time spent abroad and foreign travel, the third is subjective-general group which includes risk tolerance, innovativeness, flexibility, commitment and quality and dynamism. The last is subjective-specific including risk perception, cost perception, profit perception, growth perception and complexity perception (Leonidou, Katsikeas, & Piercy, 1998).

The characteristics of managers include the manager's age, education, and knowledge of foreign language. For example, the educational background and foreign

language skills have an impact on the attitudes toward export marketing. If a manager has the language of the export target country, then he/she could understand the culture of the market. This can be the advantage for the exporters and the communication problem will not exist (Moini, 1995). Similar to this explanation, Reuber (1997) also mentioned that the international experience of the managers include the extent to which the manager had engaged in foreign travel, the number of languages spoken by the manager, and whether the top decision-maker was born abroad, lived abroad or worked abroad. Furthermore, the specific decision-maker characteristics increase the likelihood of favorable export behavior; it is particularly true of findings on decision makers' age and level of educational attainment (Ibeh, 2003).

On international orientation, the managerial characteristics are defined variously by foreign education, foreign work experience, foreign travel, foreign birth, and world-mindedness of the top management. Based on these various formations, the evidence is that decision makers of exporting firms are likely to have spent part of their lives abroad so that it leads to a higher performance. Another aspect of the manager's international experience is the previous international knowledge which is essential to the firm's internationalization (Reuber, 1997).

Das (1994) explained that a firm's export marketing activities and its success in exporting might also be related to the quality, attitudes, and characteristics of its managers. For example, export involvement and success have been found to be associated with the manager's knowledge of foreign languages and experience abroad (Bilkey & Tesar, 1975). Managerial attitudes towards exporting are seen by many researchers as a critical variable in a firm's export involvement and success (Das, 1994). Positive managerial attitudes towards exporting have been linked to increased probability of exporting, perception of fewer barriers to exporting and increased

exporters (Pavord & Bogart, 1978). In one word, “The key variable in small business internationalization is the decision maker of the firm. He or she is the decision maker of the firm. He or she is the one to decide starting, ending and increasing international activities” (Ibeh ,2003).

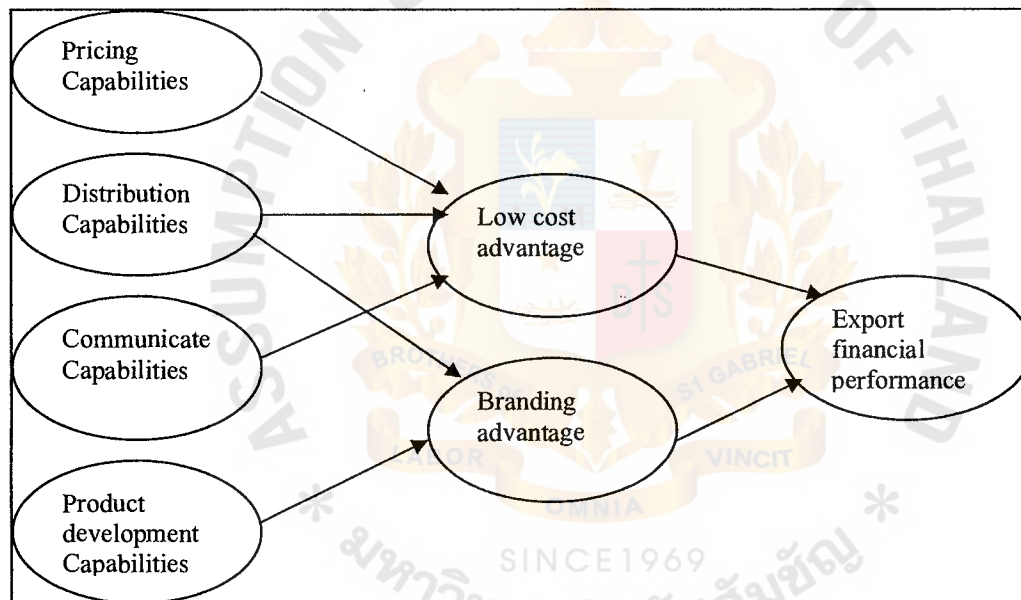
2.3.5 Export Marketing Capability

Capabilities are different to assets in that they cannot be given a monetary value and are deeply embedded in organizational routines and practices (Zou, Fang, & Zhao, 2003). Meanwhile, capabilities cannot be traded or imitated easily because they consist of knowledge that must be accumulated through long term learning (Conner & Prahalad, 1996). Functional capabilities in areas such as export marketing are rooted in the knowledge, skills, and experience of employees and others in the value chain (Day, 1994) and they can enable an exporter to outperform its competitors.

In relation to the ways to identify a firm’s export marketing capabilities, there are several different categories. Katsikeas (1994) discussed four export marketing capabilities: production capability, marketing and promotion capability, product superiority, and competitive pricing. Consistent with the 4P’s framework in traditional export marketing literature, Zou, Fang and Zhao’s (2003) research focused on four functional export marketing capabilities: pricing capability, product development capability, distribution capability, and communication capability. First, pricing capability is defined as the extent that the firm could manage the pricing strategy; it is how an export venture can effectively use and manage pricing tactics to respond to competitors’ challenges and customer changes in the export market. Second, product development capability refers to the extent to which an export venture can develop and launch new products to satisfy export customers’ needs. Third, distribution

capability is the export venture's ability to provide superior support to export distributors and to develop a close relationship with them. Fourth, communication capability refers to the extent to which an export venture can effectively use and manage marketing communications with its export customers. The framework is shown in Figure 2.2 to indicate the export marketing capabilities from Zou, Fang and Zhao's (2003) study.

Figure 2.2: A Conceptual Model of Export Marketing Capabilities and Export Performance



Source: Zou, Shaoming, Eric Fang and Shuming Zhao (2003), "The Effect of Export Marketing Capabilities on Export Performance: An Investigation of Chinese Exporters," *Journal of International Marketing*, 11(4), 32-55.

Referring to the above explanation of the concepts, the research also takes export marketing capabilities into account as factors affecting the export performance. Based on the specified product in the research which is Thai rice, which belongs to the cereal category in the agriculture section, the new product development is not decided by the rice exporters, it is up to the Agriculture Development Department in

Thailand, so the researcher changed the new product development to be substituted by the product quality capabilities. Rice is for human consumption, and the appearance of the rice is very essential for the selling price, so the product quality is taken into account (food market exchange 2003, www.foodmarketexchange.com) . The researched targets here are the pricing capability (Zou, Fang & Zhao,2003), distribution capability(Zou, Fang & Zhao, 2003) and product quality capabilities (Katsikeas,1994) which are the components of the export marketing capabilities which build up the direct relationship with the export performance.

The direct relationship between export marketing capabilities and export performance is obtained from the study that was described in Figure 2.2. Low cost and branding advantages have significant effects on an export venture's financial performance (Day, 1994). Low cost advantage enables an export venture to secure higher sales volume and higher profits than its competitors. When branding advantage is achieved, export customers appear willing to pay premium prices for the export venture's product (Porter, 1985). Meanwhile, the pricing capabilities are related positively to low cost advantage and also the same with the distribution capability. Product development capability is also found to be positively related to branding advantage. However, there is no significant relationship between communication capability and branding advantage (Zou, Fang & Zhao, 2003). So that it is demonstrated that there is a direct relationship between the pricing capabilities, product development capabilities, and distribution capability with the export performance, and these are the bases for the description of export marketing capabilities in this research. The researcher here focuses on the product quality capabilities as one of the components in the export marketing capabilities. The product quality is one of the competencies of the firms, the importance of quality as a

key determinant of success is not confined to the export sector, and quality has been a recurring theme in the management literature for the last decade at least (Thirkell & Dau, 1998).

2.4 Firm Characteristics and Export Performance

The following part concerns the related studies in the past that focused on the relationship between firm characteristics and export performance. Also, the different independent variables of the firm characteristics are described in detail to demonstrate the relationship.

2.4.1 Firm Age and Export Performance

Acar (1993) conducted the study concerning the relationship between firm age and export performance. In this research, the age of the firm is one of the five groups of variables. The data was from two separate surveys of small casting and machinery manufacturing firms located in the Ankara metropolitan area. Export performance was measured by the proportional sales revenue increase over a period of three years. In the end, the result was that the firm's age was not a significant factor to explain size or sales performance differentials.

Das (1994) included the firm age as one of the organizational characteristics which affects the export success. In the study, the author tried to examine the impact of several organizational, managerial, behavioral, and external factors on the performance of exporters from a developing country (India). Meanwhile, the export success was measured in two ways: percentage of exports to sales (export intensity) and growth in export volume during the past five years. The firm's age was applied as years in business. It was indicated that the firm age has the significant discriminate function to the export success and is one of the good discriminators of success.

2.4.2 Firm Size and Export Performance

Gabbitas and Gretton (2003) have done the research to find out the relationships between firm size and export performance of Australian exporters. The study's survey of the sample is over 1500 manufacturing firms that individually operated in Australia over the four survey years from 1994-95 to 1997-98. Here the firm size was measured by domestic sales, total sales, and employment and total assets respectively. The conclusion about the relationship is that the coefficient on domestic sales size was either not statistically significant or significant and negative after controlling for other factors; the coefficient on overall sales size is positively associated with the value of exports. However, the coefficients on the overall size measures are not statistically significant in the export intensity model after controlling for other factors. Finally the authors concluded that the analysis may also indicate that the relationship between firm specific characteristics, firm size and export performance were more complicated than what is reflected in the aggregate analysis.

Liu and Shu (2003) studied the determinants of export performance. They focused on the Chinese industry. In their research, firm size is one of the determinants measured by the ratio of the gross output value of an industry to the total number of firms in the industry. The export performance is applied to the export intensity as the ratio of export value to the gross output value of a respective industry. The authors' applied sample includes coal mining and processing, food processing, and seven sub-sectors in public utilities such as electricity, gas, and water supply. The data was taken from "The Data of the Third National Industrial Census of the People's Republic of China" which was published in 1997. Finally, the result is that the firm size is the main determinant of export performance. The larger firm size is in a leading position to export, no matter whether it is a high or low technological sector. Based on cross-

sectional analysis, this study suggests that export performance at the sectional level is significantly influenced by firm size.

Concerning the relationship between firm size and export performance, there are different indications from the researchers when they have the different measures in the variables. There is the summarized Table 2.1 that was drawn by Calof (1994) which only focuses on how the firm size affects the export performance.

Table 2.1: Review of Selected Studies on Size and Export Behavior

Study	No.	Respondents	
		Location	Size
Hester(1985)	54	USA	Small/Medium
Malzehzaden and Nahavandhi(1985)	296	California, USA	All
Cavusgil (1984)	70	Illinois, USA	All
Mugler and Miesenbock (1986)	360	Austria	Small/Medium
Bonaccorsi(1992)	8810	Italy	All
Cabusgil and Naor(1987)	310	Naine, USA	Small/Medium
Christensen,Rocha and Gertner(1987)	152	Brazil	All
Holzmuller and Kasper(1991)	103	Austria	Small/Medium

1 Exact level of significance for the variable was not provided as it was grouped with other variables.

*Significance was not tested

Mixed=results generally show that size matters only for very small firms

N.S.=Differences were not significant at .05.

Source: Calof, Jonathan L. (1994), "The Relationship between Firm Size and Export Behavior Revisited," Journal of International Business Studies, 25(2), 367-387.

However, there is no agreement on the relationship between firm size and export behavior. Calof (1994) showed it was often taken for granted that firm size is positively associated with export behavior, and the proposition's acceptance has led both academics and government to focus attention on finding ways of improving export activities of smaller firms. It is widely accepted that the internationalization requires appropriate resources such as personnel, financial and so on. Smaller firms are at a resource disadvantage when compared to larger firms and may therefore not

be able to invest in the hiring and training of international personnel. Meanwhile, smaller firms may have more risk due to a lack of information and relatively greater impact of an international mistake comparing to what it would be for larger firms (Calof, 1994). However, Moini (1995) said that there was little agreement regarding the impact that organizational size has on export success. The past research indicates there are three kinds of relationship between the two variables: positive, negative and no relationship based on the different measures of firm size and the sample frame.

2.4.3 Firm Export Experience and Export Performance

There is a positive correlation between the number of countries exported to and exporting success. The performance of firms that exported worldwide is better than that of firms concentrating on markets in neighboring countries (Craig & Beamish, 1989). In addition, there is a positive relationship between the degree of internationalization of multinational firms, as measured by the firm's foreign subsidiaries sales to its total world-wide sales, and success measured by the firm's five years' average profits-to-sales. The relationship between geographic market scope and export performance could be a result of management choosing to export to a broad range of markets or it could reflect an evolutionary approach to exporting, where a firm successful in one foreign country would build on this success in others. According to the evolutionary approach, firms that experience success in exporting would expand their geographic market scope, while firms that have had a negative experience exporting would limit their expansion plans (Beamish, Craig, & McLellan, 1993).

O'Cass and Julian (2003) defined the firm specific characteristics as the product's uniqueness, international experience of the firm, supportiveness, and

resource commitment to test the relationship between firm characteristics and export performance. The international experience of the firm was measured by the number of foreign markets in which the firm has operations, the international experience of the firm, and the number of years the firm has been involved in international business. The export marketing performance was obtained by asking managers to indicate their perceived success of the export venture on a ten-point scale (where 1 = unsuccessful and 10 = successful). O'Cass and Julian emphasized that firms with greater product uniqueness, expertise in exporting, provided greater support to their intermediaries and greater resource commitment, were more adaptive in their strategic approaches to exporting. Above all, the firm experience is an important determinant of export marketing performance.

Moini (1995) used data from a recent survey of 102 small Wisconsin exporters to identify characteristics that contribute to the success of a firm's export program. In the study, one of the independent variables is the firm characteristics expressed by firm size, export experience, and competitive advantages (product quality). Moini assumed that the greater the number of years of export experience, the more probable it is that the firm would be an aggressive exporter. Export success is the dependent variable which is measured by a three-stage model of export development. The model classifies each firm into one of the three categories: partially interested exporters, growing exporters, and successful exporters. Furthermore, the export performance is measured by a percentage of total sales. The test result is the opposite of what was expected, which indicates the international experience of the firm does not have a significant relationship with the export success.

2.4.4 Managerial Characteristics and Export Performance

Ibeh (2003) explored the export behavior of firms from Nigeria against the backdrop of the aggregate findings from previous empirical studies, which originate mainly from the economically advanced countries. The result shows that a number of decision maker characteristics would appear to differentiate exporting firms from their non-exporting counterparts. Decision makers in exporting firms were found to be more likely to be foreign experienced than their counterparts in non-exporting firms. In export firms, the decision makers generally have previous business experience such as prior experience from family business, or running own business. Meanwhile, they have more regular contacts with friends, relatives, or associates abroad. No significant differences were found in terms of the decision maker's age, educational attainment, or foreign language skills. This study suggests that positive export behavior is associated with such internal factors as the existence of decision makers with previous business experience and international contact network.

Meanwhile, Reuber and Fischer (1997) argued that small and young firms were not necessarily disadvantaged if they develop other mechanisms to acquire the requisite knowledge and resource. Therefore, they examined the role of the management team's international experience as a mechanism for the internationalization of Canadian software product firms. The international experience (INTEREXP) was measured using two binary indicators. The first measure relates directly to previous measures that reflect an individual's exposure to foreign market environments, such as whether the management personnel have ever worked outside Canada prior to joining or founding the firm. Another is the international experience taps which refer to the experience in selling to foreign markets. The conclusion is that internationally experienced management teams are viewed as a resource that

influences SMEs to engage in behaviors leading to a greater degree of internationalization. The internationally experienced management makes a difference to SMEs in the Canadian software products industry.

2.4.5 Export Marketing Capabilities and Export Performance

Export marketing capabilities are considered as one kind of firm's resources which have an effect on the export performance. Zou and Stan (1998) studied the determinants of export performance with regard to the marketing mix variables. This study is based on the findings of the prior studies. Several findings in Zou and Stan's research are described below.

First, product adaptation capability and product strength are frequently studied by researchers. Several studies (Song & Parry, 1997; Li & Calantone, 1998) concluded that these two factors are important determinants of export sales, profits, and growth. This could probably be explained by the fact that an adapted product can satisfy foreign consumers' needs and preference better and that a strong product allows a firm to transfer it more easily to the foreign markets. Other studies (Walters & Samiee, 1990) found insignificant effects of product adaptation and product strength, while a few studies reported negative effects. Nevertheless, the negative correlations may be explained by the cost of adaptation (Kaynak & Kuan, 1993). Hence, these factors deserve further research attention, though their overall seems to be positive.

Second, the effects of promotion adaptation on various measures of export performance appear mixed, whereas promotion intensity seems to have positive effects on export sales, export profits, and satisfaction of promotion adaptation as

opposed to the extent to which the adapted promotion met foreign consumers' preferences.

Third, while the effects of channel adaptation and channel type on export performance are mixed, channel relationship, which is also called distribution capabilities, generally expressed as distributor support, motivation, and involvement, emerges as a key determinant of export sales, profits, and export growth. This is consistent with Madsen's (1987) findings the distribution capability positively affects the export performance.

Fourth, price adaptation seems to positively influence export sales, export profits, and export growth in some studies, but is insignificant in others. The effect of price competitiveness is mostly insignificant, with the exception of three studies that reported positive effect; the price determination method was found to be an insignificant factor in five studies that looked at this factor. Given the importance of export pricing as the only marketing mix variable that generates revenue, more research needs to be done on the effect of price related factors.

The export marketing variables used in Koh's (1991) study are in terms the firm's 4 Ps: export product, promotion, price and distribution. It is expected that a firm that is willing to modify its product to meet the needs of its consumers should perform better. Personal selling policy concerning the frequency of face-to-face contact with overseas buyers is expected to impact favorably on export performance. Pricing factors to be examined include the level of export pricing quotations terms. It is also expected that a firm will perform better if it sells its product overseas at a price relatively higher than that of a similar product sold in the market, and determines an export price which is based on the realities of the foreign market. Among the marketing variables, the most important factors contributing to the firm's success in

exporting were the design and quality of the product, persistence (personal visits, before and after sales service); international outlook of top management coupled with long term planning; special prices, market knowledge or sales organization, and the effective use of overseas agents. It is found that pricing and promotion were significantly associated with the firm's export performance, but distribution (quality and compensation of dealers and adequacy of stocks and parts) was not related to success. Bilkey (1982) concluded that export prices, attention given to exporting, and dealer support correlated positively with export performance. However, the type of product, perceived product uniqueness, product patent or brand, lapse of time since the firm's last meeting with its distributor, and perceived distributor quality did not correlate with export performance.

2.5 Export Performance of Thai Firms

Julian (2003) conducted research concerning the export performance in Thailand. Thailand is a country where the interest in marketing performance research among academics is increasing. Julian explored through an empirical investigation of domestic Thai firms involved in exporting, with the export performance as the dependent variable measured by the annual export sales growth rates over a five year period. The determinants of export performance are firm-specific characteristics, export marketing strategy, competition, commitment, export market characteristics, and product characteristics. Julian's study indicates that the factors contributing significantly to the variation in the export marketing performance of Thai export ventures are competition, commitment, export market characteristics, and product characteristics. Furthermore, the findings conclude 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.

Julian's study has the significant reference value to the research since it aims to study the export performance in Thailand. The population used is small and medium-sized enterprises (SMEs) defined as firms with fewer than 500 employees. The Thai companies come from a wide cross-section of industries, including agriculture, mining, light industries, metal-working, electronic, chemical, and services industries. The data resources, the characteristics of respondents, and the results in Julian's research have a further leading value for the research than other researches conducted in other countries.



Chapter 3

Research Framework

This chapter describes the conceptual model for this study. The proposed model indicates the relationships between the firm characteristics and the export performance. The following section indicates a conceptual model and the hypotheses of this study.

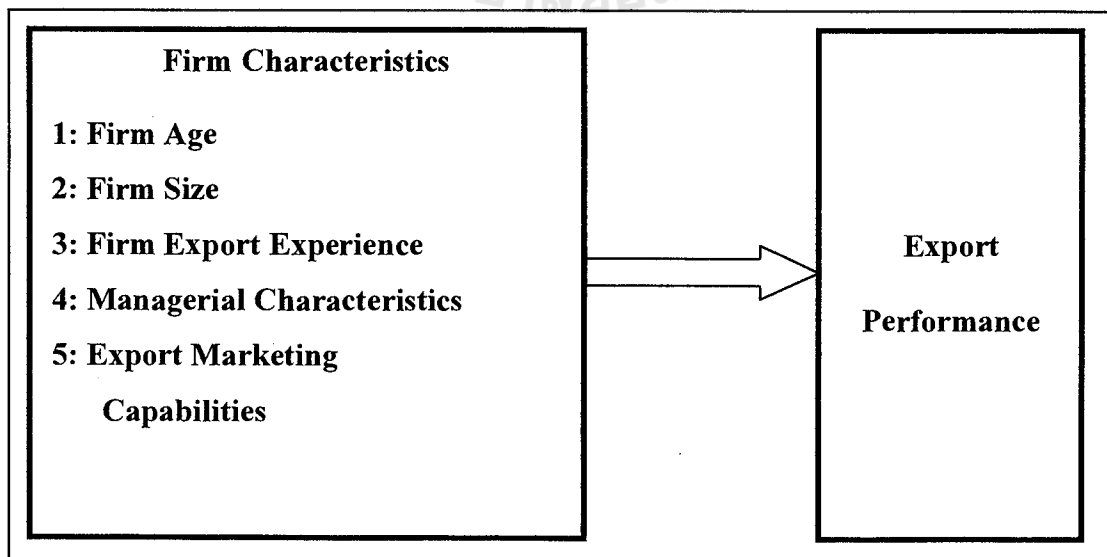
3.1 Conceptual Framework

In this research, the dependent variable is the export performance which is a widely tested variable. The independent variables combine the firm characteristics which include firm age, firm size, firm experience, managerial characteristics, and marketing capabilities. The conceptual model is based on Cavusgil and Zou (1994) and Zou, Fang and Zhao (2003) which attempt to test the relationships between the firm characteristics and export performance. Figure 3.1 illustrates the model of interest of the present study.

Figure 3.1: Conceptual Model

Independent Variables

Dependent Variable



In the conceptual model, firm age is the number of years that it has been established (Zou & Stan, 1998). In this research, firm age is the period the firm has existed. Thai rice exporters may not have done the rice business from the beginning, but the age is calculated from the day that it started to be involved in business. Firm size is the scale of the firm. There are many accepted approaches for measuring firm size, such as number of employees, sales volume, or total assets (Cavusgil & Zou, 1994). For Thai rice exporters, the number of employees is applied to indicate firm size.

Meanwhile, firm export experience is the export or pre-export involvement. It can be explained partly by the number of years the firm has engaged in international operations prior to the current entry, and the geographic scope to this experience which is the diversity of the experience (Erramilli, 1991). It must be pointed out that the years that the Thai rice exporter has been in rice export is not same as the firm age. Thai rice exporters may not have started export Thai rice when their firms were established. Managerial characteristics are explained by age, education attainment, foreign exposure, risk perception, risk tolerance and so on. Export marketing capabilities are based on the 4P frame. The most centered variable is export performance, it is a firm's outcome achieved of exporting products into international markets (Shoham, 1998).

3.2 Hypothesized Relationships

In the export process, the marketplace information is a critical ingredient needed for firms (Mohan-Neill, 1995). In increasingly competitive environments, marketplace information is invaluable for making export decisions which may impact directly on an organization's success and even survival (Timmons, 1985). It may be

even more important for new ventures, which are often lacking extensive internal data and experience in the marketing environment which affect the success (Hisrich & Peters, 1989). The older firms are more likely to reach a better export performance because of the age and the experience. The new ventures are less likely to engage in formal or structured marketing research activities and are less informed about macro-environmental conditions than older firms (Mohan-Neill, 1995).

H1o: There is no positive relationship between firm age and export performance for Thai rice exporters.

H1a: There is a positive relationship between firm age and export performance for Thai rice exporters.

Comparing international trade with domestic sales, exporting incurs extra costs, such as those for transportation and communication. It is also more risky due to uncertainties in international markets and the economic climate in trading partner countries. Meanwhile, collecting market information, launching overseas sales-promotion campaigns and adapting the new products to foreign markets can be costly for those exporting firms. This kind of problem is particularly severe for small firms. In comparison, large firms may perform better for expanding abroad as they have more resources with which to enter the foreign markets. Therefore economies of scale are an important factor influencing the export performance of sectors. The economies of scale can help offset the cost of international expansion. The reduction in production costs resulting from economies of scale enables firms to cover the extra costs involved in exporting, thus making export profitable (Liu & Shu, 2003). Hence, the positive relationship between firm size and export performance is expected.

H2o: There is no positive relationship between firm size and export performance for Thai rice exporters.

H2a: There is a positive relationship between firm size and export performance of Thai rice exporters.

It has been theorized that experiential knowledge about overseas markets and operations is a driving force in the internationalization of the firm ((Katsikeas, Piercy, & Ioannidis, 1996). The theoretical explanation for the relationship between exporting experience and export performance lies on the issue of uncertainty and the way firms cope with it (Erramilli, 1991). Less experienced exporters are likely to perceive considerable uncertainty, which in turn might affect their perceptions of potential risks and return about overseas market and operations. Nonetheless, with increasing exporting experience, firms are likely to perceive less uncertainty in their exporting activities. The increased export experience enables firms to have a better understanding of foreign market mechanisms, develop a network of personal contacts and customer relationships abroad, and consequently, design and implement effective export marketing programs (Madsen, 1989). Then it may be expected that more experienced exporters would do better in comparison with others.

The firm export experience could be the reference for the trading firms to move forward. O'Cass and Julian (2003) mentioned that in relation to the firm's international experience, the more internationally competent a firm is the more likely it is that standardization alone will not lead to optimal results. A competent firm, because of its international experience knows the differences in environmental

conditions and is more likely to select the most attractive market for the venture and adapt the marketing strategy to accommodate the specific needs of the market (Cavusgil & Zou, 1994). The more the firm is involved in the export, the more familiar is the firm to the market, such as the culture, and the matching need of the target customer.

Based on the above, the researcher expected that there is a positive relationship between the firm export experience and the export performance of these Thai rice exporters.

H3o: There is no positive relationship between firm export experience and export performance for Thai rice exporters.

H3a: There is a positive relationship between firm export experience and export performance for Thai rice exporters.

The managerial characteristics in this study are expressed as the manager's age, education level, foreign language, foreign travel and export experience. The level of formal education attained by managers is suggested as a factor affecting exports. Better educated decision makers are more likely to be open-minded, interested in foreign affairs, and willing to objectively evaluate the benefits accruing from international business. Higher level education is vital for success in overseas operations, since it enhances management knowledge and capabilities. The manager's export experience exposes him to information and contacts relating to foreign markets and enhances the likelihood of export engagement and expansion. It can also increase the firm's aggressiveness and performance in overseas markets. Managers with a good command of foreign languages are more likely to initiate export operations. It

may help to establish social and business contacts abroad, improve communication and interaction with foreign customers, assist in understanding foreign business practices, and facilitate effective planning and control in overseas markets. By traveling abroad, managers are more likely to learn about foreign business practices, meet prospective customers and identify market opportunities. The relationship between the manager's age and export performance is not strongly supported (Leonidou, Katsikeas, & Piercy, 1998). So that it is assumed that managerial characteristics have effect on the export performance of the Thai rice exporters.

H4o: There is no difference in export performance among Thai rice exporters classified by managerial characteristics.

H4a: There is difference in export performance among Thai rice exporters classified by managerial characteristics.

The overall export marketing capabilities include product quality capability, pricing capability and distribution capability in this study. The product quality enhances the firm's ability to meet customer needs and helps the firm differentiate its offering from the competitors. The pricing capability help an export venture meet the price competition in the export market and facilitates the effective financial management. When there is a close relationship between an exporter and a distributor, trust and commitment in the export channel increase and the cost of negotiation declines leading to a low cost advantage (Zou et al., 2003). Hence, a positive relationship between export marketing capabilities and export performance is expected.

H5o: There is no positive relationship between export marketing capabilities and export performance for Thai rice exporters.

H5a: There is a positive relationship between export marketing capabilities and export performance for Thai rice exporters.

3.3 Operationalization of the Variables

Table 3.1: Operational definition of the independent variables

Concept	Conceptual Definition	Operational Components	Measurement
Firm age	Number of years the firm in business	Number of years the firm has been in rice business	Ratio
Firm size	Scale of the firm	No of employees in this firm	Ratio
Firm export experience	The involvement of the firm in export activity.	Number of years the firm has been involved in rice export	Ratio
		Number of rice foreign markets in which firm has regular operations	Ratio
		Knowledge of export venture market	Interval
Managerial Characteristics	The international exposure characteristics of the top management	Marketing manager's age	Ordinal
		Marketing manager's education	Ordinal
		Marketing manager's knowledge of English language	Ordinal
		Marketing manager's visit times to rice export markets in a year	Ratio
		Marketing manager's export experience selling to foreign market before founding or joining this firm	Ordinal
Export marketing capabilities	It refers to pricing capability, product development capability, distribution capability and communication capability based on 4P framework.	Product quality capability <ul style="list-style-type: none"> Quality control Quality culture specificity Acquirement of quality certificate 	Interval
		Pricing capability <ul style="list-style-type: none"> Responding to competitors' pricing tactics Responding and communication to customers 	Interval

		Distribution capability <ul style="list-style-type: none"> • Retain distributors • Support to distributors • Relationship with distributors 	Interval
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Table 3.2: Operational definition of the dependent variables

Concept	Conceptual Definition	Operational Components	Measurement
Export performance of Thai rice exporters	It is defined as the outcome of a firm's activities in export markets	Financial export performance <ul style="list-style-type: none"> • Export profit • Export sales • Export sales growth 	Interval
		Strategic exporter performance <ul style="list-style-type: none"> • Firm's competitiveness • Strategic position • Market share 	Interval
		Satisfaction with export venture <ul style="list-style-type: none"> • Satisfactory performance • Success of venture • Performance and expectation 	Interval

Chapter 4

Research Methodology

The purpose of this research is to examine the relationships between firm characteristics which include firm size, firm age, firm export experience, managerial characteristics, and the export marketing capabilities of the firm and the export performance for Thai rice exporters. This chapter attempts to explain how the data will be collected and analyzed. There are six sections included in this chapter. The first part is the method to be used which indicates the data collection procedure. The second part is the respondents and sampling procedures which show the detail of respondents and sampling procedures that specify the classification of respondents and sample size. The third part is the research instruments which is the questionnaire to measure and test the respondents to get the results for analysis. The fourth part is the collection of data, both primary and secondary, how the research captured these data. The fifth part is the pilot study to test the design of the questionnaire. The final part is the statistical treatment of data that provides and explains the statistical technique used for hypothesis testing calculation.

4.1 Method of Research Used

In this research, the mail survey was conducted to gather the information by using the questionnaire. The research questions of this study focus on the internal environment of the trading firms which has an effect on the export performance for Thai rice exporters to foreign markets. The questions in the questionnaire are related to the firm size, firm age, firm export experience, management internal experience and the export marketing capabilities. Using the questionnaire that was set according to the studied topic, the researcher incurred low cost in conducting the research, and it

was possible to get the significant amounts of data economically and efficiently and provided a lot of flexibility. Those are the reasons that the survey method was selected.

The research intended to find out the direction of relationship between the firm characteristics and export performance of the Thai rice exporters. The multiple regression, factor analysis and ANCOVA were applied. Regression analysis was applied to establish the relationships between the variables, that is to analyze and test the hypotheses. Factor analysis was used to validate the measures and reduce data by grouping the variables into a few factors. ANCOVA was used to test the relationship between managerial characteristics and export performance since managerial characteristics could not be analyzed by multiple regression in this research.

4.2 Respondents and Sampling Procedures

Data collection is required to answer the research questions and objectives. However, all the data in the research could not be collected because of the time, budget, and other limitations. Sampling techniques therefore were used. In the sampling process, a small number of items or some parts were selected from a larger population. The researcher then used those data to make conclusions regarding the whole population (Zikmund, 1991).

4.2.1 Target Population

As for the target respondents for this research, they are the marketing/sales managers who participate and are directly involved with the export activities in these manufacturing rice export companies. The list of the Thai rice export companies was obtained from the Thailand's Exporter Directory from the Department of Export Promotion (DEP), Ministry of Commerce, Royal Thai Government (2003). The DEP

is responsible for promoting and developing Thai exports, expanding markets for Thai products and services, developing and adding value to Thai export products and services, and building Thai exporters' competitive capabilities to increase volume and value of Thai exports⁷.

Marketing managers in these companies are very clear about the firm's characteristics such as the firm size, firm age, firm experience, management international experience and the export marketing capabilities so that they are qualified to provide the information for the questionnaire. Above all, as the questionnaire for this study involved specific issues regarding export marketing and exporting in general, the selection of knowledgeable respondents must be a key consideration in the data collection process. The researcher therefore felt that the most appropriate person to complete the questionnaire in the companies selected should be the marketing manager. The respondents are the marketing managers because the marketing manager is involved in the export activity directly and qualified for the knowledge required for answering the questionnaire. However, in very small firms where there are no marketing managers, the director or general manager was asked to complete the questionnaire.

4.2.2 Sampling Size

Julian (2003) studied the export marketing performance of Thai firms. In his study, the sample size chosen was 1000 firms, and 151 questionnaires were returned. The response rate (15.1%) is regarded to be acceptable since this response rate is normal for most mail surveys (Groves, 1990). Julian's study is explored through an empirical investigation of domestic Thai firms involved in exporting. These Thai

⁷ <http://www.thaitrade.com/annual2002/menu03.htm>, 12-30-2003

firms are from a wide cross-section of industries such as agriculture, mining, light industries, metal-working, electronic, chemical, and services industries. In this research, the number of the rice exporters found in Thailand's Export Directory is 285 companies, and for the accuracy of the data analysis, the researcher takes the sample size to be the whole list of 285 companies.

4.2.3 Sampling Procedure

The researcher took the probability sampling for the whole list of 285 rice export companies from the Department of Export Promotion (DEP). There are a total of 17 categories for all Thai exporters. As for the rice export companies, they are listed mainly under two categories as shown in Table 4.1. Thai rice exporters in the research are not single product firms, so they are taken as different companies listed in the categories by DEP. Here, when the researcher selected Thai rice exporters from the whole export directory, the same company listed in the different groups is treated as one company instead of different companies.

Table 4.1: Number of Thai rice export companies

Category	Group	No. of Thai rice exporters in group	No. of Thai rice exporters in category	Overall rice export companies
Agricultural Products	Cereals/Unprocessed Plant Products /Agricultural	189	219	285
	Live Animals / Live Plants / Fresh Products	7		
	Semi-Processed Foods From Plants	23		
Food Category	Canned Food/Foods In Containers	56	66	
	Chilled/Frozen Foods	1		
	Dried/Dehydrated Foods	5		
	Semi-Processed and Processed Foods	4		

4.3 Research Instruments/Questionnaires

The instrument used in this research is the questionnaire. This questionnaire refers to the past researches done on the firm characteristics and export performance. As for the questionnaire, it indicates the questions about the general information of the firms and the managers' different international experience, and also the valuation from the respondents on the export marketing capabilities and so on to evaluate how the export performance was affected by the different level of each factor.

The questionnaire tests the relationship between the firm characteristics (firm age, firm size, firm export experience, managerial characteristics, and export marketing capabilities) and the export performance.

The measures of the firm age and the firm size are asked by the open-end questions about the number of years the firm has been in business and number of employees in the firm respectively. It asked the respondents to write the detail number for the answer. It is based on the questions in the research of Cavusgil and Zou (1994).

The firm's export experiences are measured by 3 questions (Q3-Q5). The first two questions (Q3&Q4) were based on Cavusgil and Zou's (1994) open-end questions. Question No. 5 is modified from Morgan's (2004) study, It is tested by a five-point scale (1=not at all, 5=excellent) that was used by Moini (1995).

As for the managerial characteristics, there are a total of five questions (Q6-Q10) about age, education, knowledge of English, foreign travel and the manager's export experience. Questions from No. 6 to No. 9 were based on Moini's (1995) standard questionnaire. Among this, the question for foreign travel of the manager was changed to the open-end question for more accuracy since there may be differences in the travel frequency among Thai rice exporters. The manager's export experience was measured by Pett & Wolff (2003) on a five-point scale; the question has been

modified to be a clearer sentence based on the same meaning.

The measure of the export marketing capabilities was based on Zou, Fang, and Zhao's (2003) research. There are 11 questions (Q11-Q21) to measure exporting marketing capabilities which include product quality capability, pricing capability and distribution capability. Additionally, the product quality capability (Q11-Q14) was taken from Julian's (2003) study. These 11 questions are tested by the five-point Likert Scale (1=Very dissatisfied, 5=Very satisfied).

The export performance is measured by both financial and strategic performance. There are six items (Q22-Q30) included to measure export performance. These items are export profits, export sales, export sales growth, contribution of the export venture to firm's competitiveness, strategic position, market share. The questions were based on Zou, Taylor and Osland's (1998) study and they are assessed on the five-point Likert scale (1= strongly disagree, 5= strongly agree).

The questionnaire was developed in the English version, but because the respondents i.e. the marketing/sales managers in these Thai rice exporters could be either Thai nationalities or non Thai nationalities, the questionnaire was translated into Thai by a native Thai language speaker, who is skilled in English language, for more accurate understanding for some marketing managers who prefer to answer the Thai version.

4.4 Collection of Data

The questionnaires were distributed to the respondents by mail and followed up by telephone calls to stimulate their participation. The questionnaires were mailed with the postage-paid envelope to the company's address that is listed in the details of the rice companies in the Thailand's Exporter Directory and then followed by phone calls according to the company's telephone number from the list. Both the mailing and the follow up phone call were assisted by a Thai student who is studying business administration in the international university. The questionnaire was addressed to the marketing/sales manager. The researchers mailed both English and Thai version questionnaires to the companies that were sourced from Department of Export Promotion. Meanwhile, the mail questionnaire could be answered more carefully than personal or telephone questionnaires because more time can be allowed for thinking through the answers. The use of the mail can bring reasonably acceptable results; the mail questionnaire may be the best method for obtaining information from a representative group in which the investigator is interested. Mail questionnaires are more economical than personal interviews. Furthermore, the telephone can be a quick and effective device for collecting information. If only a small amount of data is needed from each respondent, telephone inquiries may be the best technique for securing information (Clover & Balsley, 1984). Hence, the researcher has applied both mail and telephone call to ensure the accuracy of the data and quick responses from the respondents. The period for collecting the data by mail questionnaire was from May 2005 to the end of June 2005. 100 copies of the questionnaire were returned which is counted as 35% return rate. It is an acceptable return rate since the normal response rate is around 15% for most mail surveys (Julian, 2003).

The primary data was collected from the questionnaire that was distributed to marketing managers of the Thai rice exporters. The researcher obtained the names of the export companies that are doing trade on the rice products from Department of Export Promotion, Ministry of Commerce, Royal Thai Government (2003). In this authorized department, the export industry has been divided into 17 categories. There are a total of 285 rice exporters. Among these rice export companies, 219 rice exporters are listed in the agriculture category and 66 rice exporters in the food category. These 285 rice export companies are both manufacturers and exporters. The questionnaires were distributed according to the list of these export firms. Then the respondents replied to the questionnaire to provide the answers for the questionnaire. These answers from the respondents formed the primary data in this research.

The secondary data in this research was collected directly from the related resources. The researcher has included the knowledge from text books for business administration studies that concern international business and some auxiliary books to assist the study of the business students. Above all, the journal articles were very essential for this research. The researcher has searched also many journals in the library, the website for the e-journal to assist the literature review to get a clear picture for this topic. Furthermore, the website for the rice trade also has high importance for the data. Since the research concerns trade, plenty of trading information was needed to describe Thai rice exporters. The websites such as the Thailand trade, Department of Foreign Trade in Thailand, Board of Investment, the agriculture export in Thailand and the food market have provided clear information for supporting the description.

4.5 Pilot Study

It must be ensured that the questions in the questionnaire so that they are not confusing and the respondents do not feel offended. Therefore, the questionnaire has to be reviewed carefully. The small pilot study was useful in determining how reliable and valid the questionnaire is. In order to detect the weakness and errors in the questionnaire, pre-testing is required before any actual testing is conducted. Pretests are considered essential to detect problems of the questionnaire when obtaining information from the respondents (Churchill, 1996).

In this research, the questionnaire refers to the past researches on the export performance, and the researcher did the pre-test on the questionnaire through 20 marketing managers in the Thai manufacture and export companies. Among these 20 respondents, the researcher interviewed 3 marketing managers and mailed 17 questionnaires to the picked rice export companies which had confirmed their availability through the marketing managers by phone calls. Later the researcher made phone calls to inquire about the respondents' comments about the design of the questionnaire.

The researcher carried out the pre-test to measure whether the design of the questionnaire was difficult to understand or ambiguous in meaning, and whether it was convenient, comfortable and easy for the respondents to answer. Finally, the researcher tested the grammar and the wording, the sequence of the independent variables, the description of the questions and the structure so that it was easy for the respondents to read and answer.

During the pre-test stage, the researcher tested the reliability for the questionnaire. There were 20 respondents at the pre-test, the data was put in SPSS

after collection and the value of alpha was calculated. The result is shown in Table 4.2 and the details of the reliability test are in Appendix B.

Table 4.2: Reliability Analysis – Scale (Alpha)

Variable	No of respondents	No of items	Alpha
Export marketing capabilities	20	11	.9116
Export Performance of Thai rice exporters	20	9	.9092

Each scale was tested by SPSS to compute the alpha value, the alphas are greater than 0.6 (Zikmund, 1997), and this indicates that there is a strong measure of reliability.

4.6 Statistical Treatment of Data

The researcher collected the data by questionnaires, and then analyzed the data by using the Statistical Package for Social Science (SPSS) program. The Factor Analysis was applied in the research to group the variables except for managerial characteristics which is not on interval scale. As for the hypothesis testing, **multiple regression analysis** and ANCOVA in SPSS were applied. There are a total of five hypotheses which indicate the relationship between firm size, firm export experience, managerial characteristics, export marketing capability and export performance respectively. According to the scale of independent variables, ANCOVA was applied for managerial characteristic which is on ordinal scale. The rest of the four independent variables (firm age, firm size, firm export experience, firm export marketing capabilities) were tested by multiple regression analysis which is indicated by the following equation:

$$Y = \beta_0 + \beta_1 x_1 + \beta_2 x_2 + \beta_3 x_3 + \beta_4 x_4 + \varepsilon$$

Where

Y = Export Performance

x_1 = Firm Age

x_2 = Firm Size

x_3 = Firm Export Experience

x_4 = Export Marketing Capabilities

ε = Error



Chapter 5

Data Analysis

This data analysis chapter shows the findings, results as well as analysis obtained from the survey in order to answer the research questions and hypotheses indicated in the previous chapters. There are three sections in this chapter. The first part is the factor analysis to group the variables. The second part is to test the hypotheses by multiple regression analysis. The conclusions and summary of the findings are included in the third part.

5.1 Variables grouping

Factor analysis is applied to summarize many variables by a few factors. In this study, the questionnaire was taken from the previous studies which have grouped the related variables into one factor. For the accuracy of data description, the researcher applied factor analysis to test the grouped variable as to whether it is accurate for the data from Thai rice exporters. There are 6 variables in the study, except for firm age and firm size which is indicated by one question, firm export experience, managerial characteristics, export marketing capabilities and export performance which are indicated by more than one question and tested respectively.

5.1.1 Firm Export Experience

Table 5.1 Factor Loadings of Items for Firm Export Experience

	Factor Loadings
Number of years the firm has been involved in rice international market	.796
Number of rice foreign markets in which firm has operations	.853
Firm's related knowledge of export markets	.861

From Table 5.2, all the factor loadings are greater than 0.6 (Nunnally & Bernstein, 1994) so that all these three items could be the indicators for firm export experience.

It indicates that these three items could be taken as one component for firm export experience.

5.1.2 Export Marketing Capabilities

As for export marketing capabilities, there are three items as shown below which are product quality capability, pricing capability and distribution capability respectively.

5.1.2.1 Product Quality Capability

Table 5.2 Factor Loadings of Items for Product Quality Capability

	Factor Loadings
The degree of quality control(QC) in your company	.839
The degree of culture specificity of your product quality in different export market	.775
The extent of the quality certificate your product enjoys for entering foreign market	.808

From Table 5.4, all the factor loadings are greater than 0.6 (Nunnally & Bernstein, 1994) so that all these three items could be the indicators for product quality capability.

It indicates that these three items could be taken as one component for product quality capability.

5.1.2.2 Pricing Capability

Table 5.3 Factor Loadings of Items for Pricing Capability

	Factor Loadings
Relative to your major competitors, responding quickly to competitors' pricing tactics	.791
Using your pricing skills to respond quickly to any customer change	.860
Communicating pricing structures and levels to customers	.803

From Table 5.5, all the factor loadings are greater than 0.6 (Nunnally & Bernstein, 1994) so that all these three items could be the indicators for pricing capability.

5.1.2.3 Distribution Capability

Table 5.4 Factor Loadings of Items for Distribution Capability

	Factor Loadings
Relative to your major competitors, attracting and retaining the best distributors in foreign market	.824
Satisfying the needs of distributors in foreign market	.820
Adding value to distributors' business	.817
Closeness in working with distributors	.807
Providing high levels of support to distributors	.805

From Table 5.6, all the factor loadings are greater than 0.6 (Nunnally & Bernstein, 1994) so that all these three items could be the indicators for distribution capability.

It indicates that these three items could be taken as one component for distribution capability.

5.1.3 Export Performance

Table 5.5 Factor Loadings of Items for Export Performance

	Factor Loadings
This export firm has been very profitable in terms of Thai rice export	.627
This export firm has generated a high volume of sales in terms of Thai rice export	.693
This export firm has achieved rapid growth in terms of Thai rice export	.656
This export firm has improved global competitiveness in terms of Thai rice export	.808
This export firm has strengthened strategic position in terms of Thai rice export	.725
This export firm has significantly increased global market share in terms of Thai rice export	.839
The performance of this export venture has been very satisfactory in terms of Thai rice export	.776
This export venture has been very successful in terms of Thai rice export	.842
This export venture has fully met expectations in terms of Thai rice export	.828

From Table 5.7, all the factor loadings are greater than 0.6 (Nunnally & Bernstein, 1994) so that all these three items could be the indicators for export performance.

It indicates that these nine items could be taken as one component for export performance.

5.2 Hypothesis Testing

Based on the factor analysis, the hypotheses are adjusted as below:

Hypothesis 1

H1o: There is no positive relationship between firm age and export performance for Thai rice exporters.

H1a: There is a positive relationship between firm age and export performance for Thai rice exporters.

Hypothesis 2

H2o: There is no positive relationship between firm size and export performance for Thai rice exporters.

H2a: There is a positive relationship between firm size and export performance of Thai rice exporters.

Hypothesis 3

H3o: There is no positive relationship between firm export experience and export performance for Thai rice exporters.

H3a: There is a positive relationship between firm export experience and export performance of Thai rice exporters.

Hypothesis 4

H4o: There is no difference in export performance among Thai rice exporters classified by managerial characteristics.

H4a: There is difference in export performance among Thai rice exporters classified by managerial characteristics.

Hypothesis 5

H5-1o: There is no positive relationship between product quality capability and export performance for Thai rice exporters.

H5-1a: There is a positive relationship between product quality capability and export performance of Thai rice exporters.

H5-2o: There is no positive relationship between pricing capability and export performance for Thai rice exporters.

H5-2a: There is a positive relationship between pricing capability and export performance of Thai rice exporters.

H5-3o: There is no positive relationship between distribution capability and export performance of Thai rice exporters.

H5-3a: There is a positive relationship between distribution capability and export performance of Thai rice exporters.

The hypothesis is to test the relationship between firm characteristics (firm age, firm size, firm export experience, managerial characteristics and export marketing capabilities) and export performance. Hypothesis testing is shown as below by ANCOVA and multiple regression analysis.

ANCOVA is applied to test the hypothesis in terms of managerial characteristics which is shown in Table 5.6.

Table 5.6 Tests of Between-Subjects Effects of Managerial Characteristics

Dependent Variable: Overall Export Performance

Source	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	610.058	47	1.278	1.706	.031
Intercept	7.366	1	7.316	9.836	.003
Mch4	3.371	1	3.371	4.501	.039
Mch1	3.644	3	1.215	1.622	.196
Mch2	.198	3	6.601E-02	.088	.966
Mch3	2.958	2	1.479	1.975	.149
Mch5	4.901	4	1.225	1.636	.179
Mch1 * Mch2	1.049	2	.525	.700	.501
Mch1 * Mch3	2.483	4	.621	.829	.513
Mch2 * Mch3	1.846E-02	2	9.228E-03	.012	.988
Mch1 * Mch2 * Mch3	.000	0			
Mch1 * Mch5	1.781	7	.254	.340	.932
Mch2 * Mch5	2.217	3	.739	.987	.406
Mch1 * Mch2 * Mch5	7.653E-02	1	7.653E-02	.102	.750
Mch3 * Mch5	1.791	5	.358	.478	.791
Mch1 * Mch3 * Mch5	1.473	2	.737	.984	.381
Mch2 * Mch3 * Mch5	.000	0			
Mch1 * Mch2 * Mch3 * Mch5	.000	0			
Error	38.942	52	.749		
Total	99.000	100			
Corrected Total	99.000	99			

Table 5.6 indicates the number of times managers visit foreign markets contributes significantly ($p < .05$) to the differences in overall performance while there is no difference in overall export performance in Thai rice exporters when they are grouped based on other managerial characteristics (i.e., age, education, English knowledge, and foreign experience).

The rest of the hypotheses are tested through multiple regression. The equation is listed as below based on the assumption that each variable has only one component:

$$Y = \beta_0 + \beta_1 x_1 + \beta_2 x_2 + \beta_3 x_3 + \beta_4 x_4 + \varepsilon$$

Where

- Y = Export Performance
- x_1 = Firm Age
- x_2 = Firm Size
- x_3 = Firm Export Experience
- x_4 = Export Marketing Capabilities
- ε = Error

However, export marketing capabilities are indicated by three sub-factors. So that the equation should be adjusted to the following one:

$$Y = \beta_0 + \beta_1 x_1 + \beta_2 x_2 + \beta_3 x_3 + \beta_{4-1} x_{4-1} + \beta_{4-2} x_{4-2} + \beta_{4-3} x_{4-3} + \varepsilon$$

Where

- Y = Export Performance
- x_1 = Firm Age
- x_2 = Firm Size
- x_3 = Firm Export Experience
- x_{4-1} = Product Quality Capability
- x_{4-2} = Pricing Capability
- x_{4-3} = Distribution Capability
- ε = Error

Table 5.7 Correlations of Firm Characteristics and Export Performance

		Export Perform- ance	Firm Age	Firm Size	Firm export experience	Product Quality Capability	Pricing Capability	Distribution Capability
Pearson Correlation	Export Performance	1.00						
	Firm Age	.218	1.00					
	Firm Size	.168	.085	1.00				
	Firm export experience	.349	.275	.335	1.00			
	Product Quality Capability	.542	.043	.185	.229	1.00		
	Pricing Capability	.586	.007	.109	.148	.483	1.00	
	Distribution Capability	.660	.105	.204	.368	.549	.569	1.00

Table 5.7 indicates that the correlation between the independent variables and export performance are listed as below respectively: firm age has .218 correlation, firm size has .168 correlation, firm export experience has .349 correlation, product quality capability has .542 correlations, pricing capability has .586 and distribution capability has .660 correlations. Meanwhile, there are also the correlations among the different factors which is indicating the firm characteristics. It is shown on the matrix in Table 5.8.

Table 5.8 Coefficients for Regression Model

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.202	.129		-1.567	.120
	Firm Age	.013	.006	.145	2.026	.056
	Firm Size	.000	.000	-.015	-.199	.843
	Firm Export Experience	.101	.080	.101	1.270	.207
	Product Quality Capability	.188	.085	.188	2.206	.030
	Pricing Capability	.283	.087	.283	3.265	.002
	Distribution Capability	.346	.095	.346	3.645	.000

The constant and all variables shown in Table 5.8 can be illustrated in the Multiple Regression equation as follows:

$$Y = -0.202 + 0.013 \text{ Firm age} + 0.000 \text{ Firm size} + 0.101 \text{ Firm export experience} \\ + 0.188 \text{ Product quality capability} + 0.283 \text{ Pricing capability} + 0.346 \\ \text{Distribution capability}$$

Table 5.9 ANOVA for Regression Model

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	55.521	6	9.254	19.793	.000(a)
	Residual	43.479	93	.468		
	Total	99.000	99			

From ANOVA Analysis, it can conclude that independent variables have influenced the dependent variable. According to the test of Model 1, it shows that F value is equal to 19.793 and the significance value of .000, which is less than .05. It means that the assumption of each coefficient is 0 is rejected.

Table 5.10 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.749(a)	.561	.532	.68374878

From Table 5.10, it is found that Adjusted R^2 of the Model 1 is equal to .604. This means that the multiple models explain 56.1% of the variation in outcome variable. In other words, about 56.1% of variability in the dependent variable is explained by independent variables.

5.3 Summary of Hypothesis Testing Results

According to the test, it shows that the significance value of firm age is equal to .120 which is greater than .05; it means that there is no significant positive relationship between firm age and firm export performance of Thai rice exporters. The significance value for firm size is equal to .056 which is greater than .05 so that it indicates that there is no positive relationship between firm size and firm export performance of Thai rice exporters. The relationship between firm size and firm export performance indicated by β_2 is equal to 0, hence the hypothesis between firm size and firm export performance is rejected. The significance value for firm export experience is .843 which is much greater than .05, it means there is no significant positive relationship between firm export experience and export performance for Thai rice exporters.

In export marketing capability section, the significance value of product quality capability is equal to .030 which is less than .05 so that the positive relationship between product quality capability and export performance is significant. The significance for pricing capability is .002, which means there is a significant positive relationship between pricing capability and export performance. The significance for distribution capability is equal to .000 which is less than .05. This means that the positive relationship between distribution capability and export performance is significant. As for the relationship between managerial characteristics and export performance, there is a difference in export performance of Thai rice exporters when the managerial characteristics is grouped by foreign travel, while there is no difference for export performance when they are grouped by the rest ones (age, education, English & foreign experience).

Based on the multiple regression analysis and ANCOVA, the testing results are summarized in Table 5.11 as shown below.

Table 5.11 Summary of findings

Hypothesis	Level of Significance (P-Value)	β Value	Result
H1a: There is a positive relationship between firm age and export performance for Thai rice exporters.	.056	.013	Reject Ho
H2a: There is a positive relationship between firm size and export performance of Thai rice exporters.	.843	.000	Accept Ho
H3a: There is a positive relationship between firm export experience and export performance of Thai rice exporters.	.207	.101	Reject Ho
H4-1a: There is difference in export performance among Thai rice exporters classified by managerial characteristic (foreign travel)	.039	N/A	Reject Ho
H4-2a: There is difference in export performance among Thai rice exporters classified by other managerial characteristics (age/education/English/foreign experience).	.196/.966 /.149/.179	N/A	Accept Ho
H5-1a: There is a positive relationship between product quality capability and export performance of Thai rice exporters.	.030	.188	Reject Ho
H5-2a: There is a positive relationship between pricing capability and export performance of Thai rice exporters.	.002	.283	Reject Ho
H5-3a: There is a positive relationship between distribution capability and export performance of Thai rice exporters.	.000	.346	Reject Ho

Chapter 6

Conclusions and Recommendations

The results analyzed in the descriptive and hypothesis testing by applying factor analysis and multiple regression analysis respectively are iterated and discussed further in this chapter. Based on the statistical results and the objective stated for this research, summary of findings and conclusions are drawn and recommendations are contributed for both academic and managements implication.

6.1 Summary of Findings

Based on the research objectives, multiple regression analysis was used to access the influence of firm characteristic (firm age, firm size, firm export experience, managerial characteristics and export marketing capabilities) on firm export performance for Thai rice exporters. In summary, firm age and firm export experience have an insignificant positive effect on export performance of Thai rice exporters. Firm size which is indicated by number of employees does not have a relationship with Thai rice exporters' export performance. Export marketing capabilities including product quality capability, pricing capability and distribution capability have a significant positive relationship with export performance of Thai rice exporters. In managerial characteristics, foreign travel of marketing manager could make a difference for the export performance of Thai rice exporters, while there is no difference for Thai rice exporters' export performance based on the different age, education, English and foreign experience of marketing managers. The detailed results in terms of the effect of firm age, firm size, firm export experience, managerial characteristics and export marketing capabilities on firm export performance are shown respectively as below:

Firstly, the relationship between firm age and firm export performance is indicated by the first hypothesis. According to the significance level between firm age and firm export performance, firm age does not have a significant positive effect on export performance for Thai rice exporters while firm age still affects Thai rice exporters' export performance positively. It maybe because the older firm has more resources than younger one, or the old Thai rice exporter has more years of experience in business so that they have more experience and know better how to match the customers' need to get a better export performance. As mentioned, the positive effect of firm age on export performance is not significant. The results help the Thai rice exporters to get a clearer picture that the firm age is not the important factor for export performance. The results are especially important for new established Thai rice manufacturers who intend to join the Thai rice export industry. During the planning, these new Thai rice manufacturer may worry they are young so that they maybe are not competitive to the old firms. According to the finding in this research in terms of firm age, these young Thai rice exporters can be enhanced to move forward to expand their rice business to export since firm age is not the vital affecting factor for export performance.

Secondly, the relationship between firm size and firm export performance is described by the second hypothesis. Firm size does not have a positive effect on export performance for Thai rice exporters. The results indicate there is no any relationship between number of employees and export performance for Thai rice exporters. As for Thai rice exporters, most of them belong to small firms with less than 500 employees. The export performance of Thai rice exporters is quite different at certain levels while there is not much difference for them in terms of employee number. In this research, the Thai rice exporter is defined as both manufacturer and

trader, There may be less employees involved in export while most of employees are involved in Thai rice manufacturing. Hence it is possible that a relationship between number of employees and export performance does not exist. Following, firm size does not affect Thai rice exporters' export performance. According to the general theory, the larger a firm is, the better performance it will achieve. However this general theory could not be applied to Thai rice exporters. This result could be helpful for Thai government to build a proper prompt policy. Firm size should not be the criteria to prompt Thai rice exporters.

The relationship between firm export experience and firm export performance is indicated in the third hypothesis. In this research, firm export experience includes three sub-factors: the number of years the firm has been in the international market, the firm's knowledge of export ventures and the number of export markets. From the factor analysis, the three sub-factors can be grouped together as firm export experience. The result indicates that there is no positive relationship between firm export experience and firm export performance. The reasonable explanation may be that the number of export ventures is not vital for Thai rice exporters. Some Thai rice exporters may have more knowledge of export ventures, but this does not indicate higher sales volume or profit. To the contrary, there may be more cost due to the expansion to more export markets. This result could help the current Thai rice exporters to consider the strategy for expansion. The number of export markets should not be the focus as the more the export markets do not lead to a better export performance for Thai rice exporters.

The relationship between managerial characteristics and firm export performance is shown in the fourth hypothesis. There are five factors included in managerial characteristics which are marketing manager's age, education, English

language proficiency or fluency, foreign travel and international working experience respectively. Among these five factors, only foreign travel of marketing manager could make a difference to export performance, while the rest do not have an effect on export performance of Thai rice exporters. The more times the marketing manager visits the export market every year, he/she could have a better understanding of the foreign markets, and he/she could know what kind of rice could match the foreign markets and satisfy the customers. The rice export firm could adjust the production and sales through the marketing manager's idea gotten from foreign markets in order to make more sales and profit.

Meanwhile, the marketing manager could make use of the closeness to the distributors in the foreign market and choose the better one for his rice export firm, Hence the distribution capability which is the positively affecting factor to export performance could be enhanced. In the contrary, the age of the marketing manager does not affect export performance which has the same results as previous studies such as Moini's (1995) finding in terms of managerial age and export performance. If a Thai rice exporter marketing manager has a higher education with fluent English and more foreign working experience, it may help the firm to get a better understanding of the business principles and the firm may have more opportunity to achieve new customers because of English language fluency, while the earlier three variables (age, education, foreign travel) are not important for Thai rice export performance. It could be because proceed rice quality is the most important concern for rice importers. Thai fragrant rice is a unique product with long grain and fragrance among world rice products. Above all, the importers will take foreign travel to visit the potential suppliers for their processing equipment and the final rice quality such as whiteness and smoothness. The more import concern of rice importers is the rice

instead of the marketing managers' characteristics. In short, the marketing manager's age, education background, English and foreign experience are not important factors for Thai rice exporters in terms of export performance.

Finally, the relationship between export marketing capabilities and firm export performance is shown in the fifth hypothesis. Furthermore, product quality capability, pricing capability and distribution capability are included in export marketing capabilities and these three items are discussed respectively. According to the multiple regression analysis, there is a significant positive relationship between product quality capability and export performance. Thai rice is famous in the world because of its superior quality. As the rice quality is important in the export market, the better quality it is, the better export performance the Thai rice exporter will achieve. Another export marketing capability is the pricing capability; it has a positive effect on export performance as well. The possible explanation is that there is a high production of Thai rice, and there is intense competition among Thai rice exporters. The pricing capability is essential among Thai rice exporters, the better pricing capability the Thai rice exporter has, the more competitive it will be. Correspondingly, it leads to a better export performance. As for distribution capability, it has a significant positive influence on export performance. When a strong relationship between exporter and distributor exists, the Thai rice exporter can ensure a high degree of customer awareness and a high level of before- and after-sales services. This is because a Thai rice exporter can have a strong influence on the distributors, and the distributors can provide more extensive feedback to the exporters about customers' change and competitors' moves. The better the distribution capability the Thai rice exporter has, may be the higher potential sales performance there will be. Following the higher sales volume, it may lead to a better export performance. Based

on the above implications, it is concluded that export marketing capability has a significant positive influence on the export performance of Thai rice exporters.

Besides the above mentioned findings, the researcher's results also lend evidence to the applicability of the RBV. These findings could prompt future inquiry into other types of firm characteristics and their effects on export performance, thereby enriching the export literature. The researcher's RBV-based theory is supported by data collection from Thai rice exporters and hints at the potential cross-cultural generalizability of the RBV-based theory.

6.2 Recommendations

The findings of this research have reference value for present Thai rice exporters and those purely Thai rice manufacturers who intend to join the Thai rice export industry. The results could assist Thai rice exporters to have a better understanding about how to achieve a good export performance. Thai fragrant rice is famous in the world and Thai rice consumption is increasing in the world year by year. Following this trend, the export volume of Thai rice is increasing higher and higher. As has been indicated in the past chapters, Thailand is an agricultural economy; rice also has a very important role in Thai agriculture. Thus more and more Thai rice manufacturers are expanding their businesses to export Thai rice because this industry has high profit potential. Under this trend, the competition becomes more intense because more and more Thai rice exporters enter this export industry. For Thai rice exporters, a good export performance is expected. According to the objective in this research which is indicated by how the firm characteristics affect the export performance, these findings suggest several ways that the Thai rice exporter can improve its export performance.

First, the marketing managers' foreign travel and export marketing capability in the Thai rice export industry are very important to export performance. The more times the marketing manager visits export markets, the more knowledge of the export markets will be gained, a better export performance of the Thai rice exporter will be achieved. The foreign travel expense of the marketing manager is one kind of cost for Thai rice exporters, especially as the expense could be more considerable for small firms exporting Thai rice to the world. According to the findings in this research which could be taken as the reference for Thai rice exporters, the number of visits of the marketing manager is the important affecting factor for export performance, so Thai rice exporters should increase the budget for the foreign travel of the marketing manager to have a better knowledge of the foreign markets, so that the firm could export the matching rice to the corresponding foreign markets to achieve a good export performance.

Second, Thai rice exporters should have a good quality control process, product quality capability should be seriously considered by Thai rice exporters. Thai rice is famous because its supreme quality. Hence, Thai rice quality is the concern of the rice importers which may affect Thai rice exporter's export performance directly. Whenever there is a transaction between exporter and importer, if the importer is satisfied with the rice sample shown by the Thai rice exporter, then the order will be made. What the importer is concerned with is the rice quality of the real shipment for the high quantity of the order. If the exporter's quality control system is good, then the rice quality will be good at all times, then the importer will trust the rice quality from this Thai rice exporter, so that the cooperation will last. The importer will be loyal to this exporter.

Third, the pricing capability should be improved by Thai rice exporters. There is intense competition in the world rice export industry, because of rising rice production from Vietnam, India and China. Their prices are much lower than Thai rice prices, due to the low price tactics, so that Thai rice exporters have to try to offer a lower price to win over the rice importers in this business. It is suggested that Thai rice exporters may have to control the costs in the company and innovate the technology for an effective manufacturing and processing of Thai rice.

Finally, the distribution capability is very important for the export. Thai rice exporters have to enhance the distribution capability, such as set the distribution agent in the target country for a convenient and culture-specific distribution. The sales representative should also be strengthened for a higher sales profit.

6.3 Further Research

The researcher focused on the effect of firm characteristics (firm age, firm size, firm export experience, managerial characteristics and export marketing capabilities) on export performance. Further research could include other factors to indicate firm characteristics. The external affecting factors for export performance could be conducted in terms of Thai rice exporters.

Further research could take other industries other than Thai rice exporters as respondents, and the comparison between two different export industries could be made.

Finally, Thailand is an agricultural economy, so that the Thai government has corresponding policy to promote the export products from Thailand. Thus government policy may be taken into account in future research.

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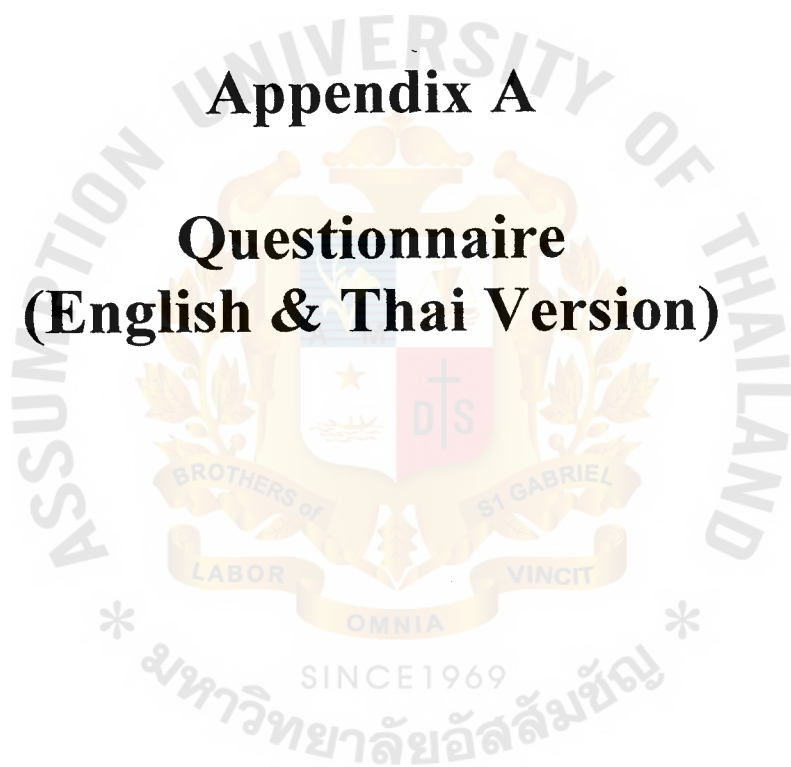
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Appendix A

Questionnaire
(English & Thai Version)



Questionnaire

Attn: Marketing Manager

Dear Sir or Madam,

This research is a part of my study at master of business administration (MBA) program of Assumption University, Bangkok, Thailand. The objective of this study is to examine the internal factors relating to the export performance of Thai rice exporters.

I am aware of you are very busy with your business, I would be grateful if you could take the time to answer this questionnaire in either the English version or Thai version. It is highly appreciated that you would mail your answer back to me by the attached envelope.

Your answers will be treated with the strict confidence and used solely for academic research project. No individual information will be forwarded to any external organization.

I would be most happy to answer any question you might have. Please write or call. The E-mail address is li_haijuan@yahoo.com and the telephone number is 06-7788571.

Thank you for your time and co-operation.

Sincerely,

HaiJuan Li

1. Number of years the firm has been in business: _____ years

2. No. of employees in the firm: _____

3. Number of years the firm has been involved in rice international market:
_____ years

4. Number of rice foreign markets in which firm has operations: _____

5. Firm's related knowledge of export markets:

_____ 1. Not at all _____ 2. Poor _____ 3. Fair

_____ 4. Good _____ 5. Excellent

6. Your Age

_____ 1. 18-24 _____ 2. 25-34 _____ 3. 35-44

_____ 4. 45-54 _____ 5. 55-65 _____ 6. Over 65

7. Your Education

_____ 1. Less than high school _____ 2. High school _____ 3. Diploma

_____ 4. Bachelor _____ 5. Master _____ 6. Doctor or higher

8. Your Knowledge of English Language

_____ 1. Not at all _____ 2. Poor _____ 3. Fair

_____ 4. Good _____ 5. Excellent

9. Your average visit times to your rice overseas markets each year:

About _____ times per year

10: Years you have been involved in international business:

_____ 1. Less than a year _____ 2. 1-3 years _____ 3. 4-6 years

_____ 4. 7-9 years _____ 5. 10 years or greater

Please state how much do you satisfy/dissatisfy in terms of following capabilities in rice export:

Product Quality Capability

		Very Dis-satisfied	Dis-satisfied	Neutral	Satisfied	Very Satisfied
11	The degree of quality control(QC) in your company	1	2	3	4	5
12	The degree of culture specificity of your product quality in different export market	1	2	3	4	5
13	The extent of the quality certificate of your product enjoys for entering foreign market	1	2	3	4	5

Pricing Capability

		Very Dis-satisfied	Dis-satisfied	Neutral	Satisfied	Very Satisfied
14	Relative to your major competitors, responding quickly to competitors' pricing tactics	1	2	3	4	5
15	Using your pricing skills to respond quickly to any customer change	1	2	3	4	5
16	Communicating pricing structures and levels to customers	1	2	3	4	5

Distribution Capability

		Very Dis-satisfied	Dis-satisfied	Neutral	Satisfied	Very Satisfied
17	Relative to your major competitors, attracting and retaining the best distributors in foreign market	1	2	3	4	5
18	Satisfying the needs of distributors in foreign market	1	2	3	4	5
19	Adding value to distributors' business	1	2	3	4	5
20	Closeness in working with distributors	1	2	3	4	5
21	Providing high levels of support to distributors	1	2	3	4	5

Please specify how much do you agree/disagree in terms of following statements of your firm in the past 5 years (2000-2004):

Financial Export Performance

		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
22	This export firm has been very profitable in terms of Thai rice export	1	2	3	4	5
23	This export firm has generated a high volume of sales in terms of Thai rice export	1	2	3	4	5
24	This export firm has achieved rapid growth in terms of Thai rice export	1	2	3	4	5

Strategic Export Performance

		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
25	This export firm has improved global competitiveness in terms of Thai rice export	1	2	3	4	5
26	This export firm has strengthened strategic position in terms of Thai rice export	1	2	3	4	5
27	This export firm has significantly increased global market share in terms of Thai rice export	1	2	3	4	5

Satisfaction with Export Venture

		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
28	The performance of this export venture has been very satisfactory in terms of Thai rice export	1	2	3	4	5
29	This export venture has been very successful in terms of Thai rice export	1	2	3	4	5
30	This export venture has fully met expectations in terms of Thai rice export	1	2	3	4	5

แบบสอบถามความคิดเห็น

เรียน ผู้จัดการฝ่ายการตลาด

งานวิจัยนี้เป็นส่วนหนึ่งของการศึกษาปริญญาโทภาคบริหารธุรกิจมหาวิทยาลัยอัสสัมชัญ วัดประสิทธิภาพของการศึกษาเพื่อ

ตรวจสอบถึงปัจจัยภายในที่เกี่ยวข้องกับการส่งออกของผู้ส่งออกข้าวไทย

ดิฉันขอขอบพระคุณในความกรุณาของท่านอย่างยิ่งในการร่วมแสดงความคิดเห็นผ่านแบบสอบถามนี้และส่งกลับมาทาง

ซองจดหมายที่แนบมา

ความเห็นของท่านจะถูกเก็บเป็นความลับและนำมาใช้เพื่อการวิจัยเท่านั้น ข้อมูลส่วนตัวของท่านจะไม่ถูกนำมาเปิดเผย

หรือส่งต่อไปยังบุคคลภายนอก

หากท่านมีปัญหาหรือข้อสงสัยประการใด กรุณาติดต่อโดยตรงที่ li_haijuan@yahoo.com หรือ ทางโทร

ศัพทหมายเลข06-7788571

ขอขอบพระคุณในความร่วมมือ

ด้วยความนับถือ,

HaiJuan Li

1. จำนวนปีที่ท่านประกอบธุรกิจนี้: _____ ปี

2. จำนวนพนักงาน: _____ คน

3. จำนวนปีที่ท่านประกอบธุรกิจส่งข้าวออกต่างประเทศ: _____ ปี

4. จำนวนตลาดที่บริษัททำการค้าด้วย: _____

5. ความรู้ของบริษัทเกี่ยวกับตลาดต่างประเทศ:

_____ 1. ไม่มีเลย _____ 2. เล็กน้อย _____ 3. ปานกลาง

_____ 4. ดี _____ 5. ขอดีเยี่ยม

6. อายุของท่าน

_____ 1. 18-24 _____ 2. 25-34 _____ 3. 35-44

_____ 4. 45-54 _____ 5. 55-65 _____ 6. มากกว่า 65

7. การศึกษา

_____ 1. ต่ำกว่ามัธยม _____ 2. มัธยม _____ 3. อนุปริญญา

_____ 4. ปริญญาตรี _____ 5. ปริญญาโท _____ 6. ปริญญาเอก

8. ความรู้ด้านภาษาอังกฤษ

_____ 1. ไม่มีเลย _____ 2. เล็กน้อย _____ 3. ปานกลาง

_____ 4. ดี _____ 5. ขอดีเยี่ยม

9. โดยเฉลี่ยแล้วคุณไปตลาดต่างประเทศปีละ : _____ ครั้ง

10: จำนวนปีที่ท่านเกี่ยวข้องกับธุรกิจต่างประเทศ:

_____ 1. น้อยกว่า 1 ปี _____ 2. 1-3 ปี _____ 3. 4-6 ปี

_____ 4. 7-9 ปี _____ 5. 10 ปี หรือมากกว่า

โปรดระบุระดับความพึงพอใจของท่านต่อความสามารถในการส่งออกข้าว:

ด้านคุณภาพของสินค้า

		ไม่พอใจ อย่างยิ่ง	ไม่พอใจ	เฉยๆ	พอใจ	พอใจอย่าง ยิ่ง
11	การควบคุมมาตรฐานด้านคุณภาพของบริษัท	1	2	3	4	5
12	ระดับความแตกต่างในด้านวัฒนธรรมที่มีผลต่อ คุณภาพของสินค้าในแต่ละตลาดส่งออก	1	2	3	4	5
13	ระดับการรับรองสินค้าของคุณในการเข้าสู่ตลาดพิเศษ เฉพาะ	1	2	3	4	5

ด้านราคา

		ไม่พอใจ อย่างยิ่ง	ไม่พอใจ	เฉยๆ	พอใจ	พอใจอย่าง ยิ่ง
14	การตอบสนองด้านกลยุทธ์ด้านราคาของคู่แข่งเมื่อ เปรียบเทียบกับคู่แข่งหลักของท่าน	1	2	3	4	5
15	การใช้กลยุทธ์ด้านราคาเพื่อตอบสนองต่อความ เปลี่ยนแปลงอันรวดเร็วของลูกค้า	1	2	3	4	5
16	การสื่อสารด้าน โครงสร้างราคาและระดับของลูกค้า	1	2	3	4	5

ด้านการกระจายสินค้า

		ไม่พอใจ อย่างยิ่ง	ไม่พอใจ	เฉยๆ	พอใจ	พอใจอย่าง ยิ่ง
17	การรักษาผู้กระจายสินค้าที่ดีในตลาดต่างประเทศเมื่อ เปรียบเทียบกับคู่แข่งหลักของท่าน	1	2	3	4	5
18	ความพึงพอใจต่อความต้องการของผู้กระจายสินค้าใน ตลาดต่างประเทศ	1	2	3	4	5
19	การเพิ่มมูลค่าให้แก่ธุรกิจของผู้กระจายสินค้า	1	2	3	4	5
20	ความใกล้ชิดในการร่วมงานกับผู้กระจายสินค้า	1	2	3	4	5
21	การให้ความสนับสนุนต่อผู้กระจายสินค้า	1	2	3	4	5

โปรดระบุความคิดเห็นของท่านต่อบริษัท ในหัวข้อต่อไปนี้:

ผลประกอบการด้านการเงิน

		ไม่เห็นด้วยอย่างยิ่ง	ไม่เห็นด้วย	เฉยๆ	เห็นด้วย	เห็นด้วยอย่างยิ่ง
22	การดำเนินธุรกิจการส่งออกข้าวได้รับผลกำไรตอบแทนสูงอย่างยิ่ง	1	2	3	4	5
23	การดำเนินธุรกิจการส่งออกข้าวมีขอดีการจำหน่ายสูง	1	2	3	4	5
24	การดำเนินธุรกิจการส่งออกข้าวมีการเติบโตอย่างรวดเร็ว	1	2	3	4	5

การดำเนินกลยุทธ์การส่งออก

		ไม่เห็นด้วยอย่างยิ่ง	ไม่เห็นด้วย	เฉยๆ	เห็นด้วย	เห็นด้วยอย่างยิ่ง
25	การดำเนินธุรกิจการส่งออกข้าวได้มีการพัฒนาความสามารถด้านการแข่งขันระดับโลก	1	2	3	4	5
26	การดำเนินธุรกิจการส่งออกข้าวมีจุดแข็งในด้านกลยุทธ์การวางตลาด	1	2	3	4	5
27	การดำเนินธุรกิจการส่งออกข้าวมีการเพิ่มในส่วนแบ่งทางการตลาดระดับโลก	1	2	3	4	5

ความพึงพอใจในธุรกิจการส่งออก

		ไม่เห็นด้วยอย่างยิ่ง	ไม่เห็นด้วย	เฉยๆ	เห็นด้วย	เห็นด้วยอย่างยิ่ง
28	ผลการประกอบการธุรกิจส่งออกข้าวเป็นที่น่าพึงพอใจอย่างยิ่ง	1	2	3	4	5
29	การดำเนินธุรกิจการส่งออกข้าวนี้ประสบความสำเร็จอย่างยิ่ง	1	2	3	4	5
30	การดำเนินธุรกิจการส่งออกข้าว นี้เป็นไปตามที่คาดหวัง	1	2	3	4	5

The background of the page features a large, light gray watermark of the Assumption University of Thailand logo. The logo is circular, with the text "ASSUMPTION UNIVERSITY OF THAILAND" around the top and "มหาวิทยาลัยอัสสัมชัญ" around the bottom. In the center is a shield with a cross and the letters "DS", flanked by two figures. Below the shield is a banner with the text "BROTHERS of LABOR OMNIA VINCIT".

Appendix B

Reliability Analysis

Appendix B

Reliability Analysis – Scale (Alpha)

Export Marketing Capabilities

Product Quality Capability:

- The quality control standard in your company (PQ1)
- The degree of culture specificity of your product quality in different export market (PQ2)
- The extent of the certificate of your product enjoys for entering the specific market (PQ3)

Pricing Capability:

- Relative to your major competitors, responding quickly to competitors' pricing tactics (PR1)
- Using your pricing skills to respond quickly to any customer change (PR2)
- Communicating pricing structures and levels to customers (PR3)

Distribution Capability:

- Relative to your major competitors, attracting and retaining the best distributors in foreign market (DIS1)
- Satisfying the needs of distributors in foreign market (DIS2)
- Adding value to distributors' business (DIS3)
- Closeness in working with distributors (DIS4)
- Providing high levels of support to distributors (DIS5)

Item-total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item- Total Correlation	Alpha if Item Deleted
PQ1	36.9500	41.8395	.7742	.8982
PQ2	37.1000	44.6211	.6275	.9060
PQ3	36.7000	46.7474	.2937	.9208
PR1	36.8500	41.9237	.6166	.9064
PR2	36.5500	41.5237	.7417	.8994
PR3	36.7500	42.1974	.6098	.9066
DIS1	37.0000	38.8421	.8783	.8908
DIS2	36.9500	41.9447	.7013	.9015
DIS3	36.6500	43.8184	.5865	.9073
DIS4	36.6000	41.3053	.7995	.8966
DIS5	36.9000	41.0421	.6872	.9024

Reliability Coefficients

N of Cases = 20.0

N of Items = 11

Alpha = .9116

RELIABILITY ANALYSIS - SCALE (ALPHA)

Export Performance

Financial Export Performance:

- This export venture has been very profitable in terms of Thai rice export (EPFIN1)
- This export venture has generated a high volume of sales in terms of Thai rice export (EPFIN2)
- This export venture has achieved rapid growth in terms of Thai rice export (EPFIN3)

Strategic Export Performance:

- This export venture has improved global competitiveness in terms of Thai rice export (EPSTR1)
- This export venture has strengthened strategic position in terms of Thai rice export (EPSTR2)
- This export venture has significantly increased global market share in terms of Thai rice export (EPSTR3)

Satisfaction Export Performance:

- The performance of this export venture has been very satisfactory in terms of Thai rice export (EPSAT1)
- This export venture has been very successful in terms of Thai rice export (EPSAT2)
- This export venture has fully met expectations in terms of Thai rice export (EPSAT3)

Item-total Statistics

Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item- Total Correlation	Alpha if Item Deleted
-------------------------------------	---	--	-----------------------------

EPFIN1	28.5000	35.8421	.4015	.9155
EPFIN2	28.4500	32.8921	.7334	.8979
EPFIN3	28.4000	33.5158	.5410	.9087
EPSTR1	28.6500	28.4500	.7909	.8918
EPSTR2	28.8000	32.6947	.5443	.9094
EPSTR3	29.0000	28.7368	.7997	.8906
EPSAT1	28.4000	29.9368	.8250	.8887
EPSAT2	28.5000	29.8421	.8660	.8859
EPSAT3	28.9000	31.6737	.7205	.8969

Reliability Coefficients

N of Cases = 20.0

N of Items = 9

Alpha = .9092



Appendix C

Thai Rice Exporter Directory



Appendix C

Rice Exporter Directory from Department of Export Promotion (DEP)

No	Company Name
	Agriculture Products
1	ABC AGRO BUSINESS CO., LTD.
2	ACTIVE AGRI COMPANY LIMITED
3	ADVANCE RICE TRADING CO., LTD
4	AKESAHAKIJ INDUSTRY CO., LTD
5	AMERITECH RICE CO., LTD.
6	ANAND VISHAL INTERNATIONAL (THAILAND) CO., LTD.
7	APINAN RICE TRADING CO., LTD.
8	ARPA AGRICULTURE CO., LTD
9	ASIA GOLDEN RICE CO., LTD.
10	ASIA RICE MILL INDUSTRY CO., LTD.
11	AURORA EXPORT & IMPORT CO.,LTD
13	B.K.K. AGRORICE CO., LTD.
14	BANGKOK METROPOLITAN CO., LTD.
15	BANGKOK PREMIER FOODS CO., LTD.
16	BANGKOK RICE CO., LTD
17	BANGKOK SYNDICATE CO., LTD
18	BANGSUE CHIA MENG RICE MILL CO., LTD.
19	BETTER GRAIN CO.,LTD
20	BIOMAC FOODS CO., LTD.
21	BLESSING INTERNATIONAL IMPEX CO., LTD.
22	BOONSONG SIAM LAND CO., LTD.
23	BRIGHT TIME INTERTRADE LTD., PART
25	C&C INTERFOOD, LTD.
27	C.P. GROUP CO., LTD.
30	CAL INTERTRDE CO., LTD.
31	CAPITAL RICE CO., LTD
32	CENTURY INDUSTRIES CO., LTD.
33	CHAI PRASIT PRODUCT CO., LTD.
35	CHAIYAPORN INTERNATIONAL CO., LTD.
36	CHAIYAPORN RICE CO., LTD.
37	CHAROEN RICE TRADING CO., LTD.
38	CHAROEN THAI CO., LTD.
39	CHEER (THAILAND) CO., LTD.
40	CHIN JOO HENG CO., LTD
41	CHO HENG RICE CO., LTD.
42	CJ PRODUCTS INTERTRADE LTD., PART.
43	CONTINENTAL PACIFIC (1979) CORP. LTD.
44	COSMA CO., LTD.
45	DAN D FOODS (THAILAND) CO., LTD.
46	DOMINION CHEMMET CO., LTD.

47	DUSIT PRODUCE CO., LTD.
48	EASTIMPEX (THAILAND) CO., LTD.
49	ELAND INTERNATIONAL (THAILAND) CO., LTD
51	EXCELLENT UNITED INTERNATIONAL CO., LTD
52	EXOTIC FOOD CO., LTD
53	EXTRA RICE MILL CO., LTD.
54	F&B INTERNATIONAL MARKETING CO., LTD
55	FIGURE INTERTRADE CO., LTD.
57	FREELAND FOODS CORP., LTD.
58	FRIENDSHIP AGRO-INDUSTRIES AND TRADING CO., LTD.
59	G. PREMJEET LTD.
60	GENESIS MATERIALS CO., LTD.
61	GLOBAL ALLIANCE MARKETING CO., LTD.
62	GN RICE TRADING CO., LTD.
63	GOLDEN GRAIN ENTERPRISE CO., LTD
64	GOLDEN HARVEST RICE-MILL CO., LTD
65	GOLDEN SUCCESS LIMITED
66	GOLDEN TOUCH CO., LTD.
67	GRAND ASIA INCORPORATION LTD
68	GREAT FOOD (DEHYDRATION) CO., LTD.
69	GREAT OCEAN RICE CO., LTD.
70	HENRY GORDON LTD., PART.
71	HOCKEY INTERNATIONAL CO., LTD.
72	HONG YIAH SENG CO., LTD
73	INTERNATIONAL FOREIGN TRADE CORP., LTD.
74	KAMOLKIJ CO., LTD.
75	KASET PHISAL RICE CO., LTD.
76	KENG SENG NAKORNKUANG CO.,LTD
77	KENG SENG NAKORNLUANG CO., LTD.
78	KIAT UDOM FOOD CO., LTD.
79	KIJ PAI BOON RICE LTD., PART
80	KITTIWATANA RICE MILL CO., LTD
81	KNOWHOW CO., LTD.
82	KWONG SANG CO.,LTD
83	L.H. ASSOCIATES CO., LTD.
84	LAEMTHONG RICE CO., LTD.
85	M-PATHY INTERTRADE CO., LTD
86	MAJESTIC INTERNATIONAL CO., LTD
87	MARKETING ORGANIZATION FOR FARMERS
88	MAS CHOICES CORPORATON LTD.
89	MEMON EXPORT IMPORT LTD., PART.
90	MITTAPHARP FRAGRANT RICE CORP. LTD.
91	MONTY & TOTCO CO., LTD
92	MR. MARKETING 2000 S/L CO., LTD.
93	MUIHUADSENG (BANGKOK) CO., LTD. (BRANCHES
94	N. EXCEL PRODUCTS LTD., PART

95	NAM SIANG CO.,LTD.
96	NANA MARKETING CO., LTD
97	NANAPAN ENTERPRISE CO., LTD
98	NATRAWEE TECHNOLOGY CO., LTD.
99	NICHIMEN (THAILAND) CO., LTD
100	NR. INSTANT PRODUCE CO., LTD.
101	ORIENTAL RICE QUEEN CO., LTD.
102	P.S.S. ORGANIC THAILAND CO., LTD
103	PATTAMAVAN CO., LTD
104	PATTANA ALOE CO., LTD.
105	PATUM RICE MILL AND GRANARY PUBLIC CO., LTD
106	PECHSIAM TECHNOTRADE LTD., PART
107	PONGLARP CO., LTD.
108	PRESIDENT AGRI TRADING CO., LTD
109	PROMART MERCHANDISING LIMITED
110	PUBLIC WAREHOUSE ORGANIZATION
111	PUEY HENG LONG CO., LTD.
112	R.S. FOODS TECH [THAILAND] CO., LTD
113	RASEE RICEMILL & COMMERCE CO.,LTD.
114	RICELAND FOODS CO., LTD
115	RICELAND INTERNATIONAL CO., LTD
116	RMA TRADING CO.,LTD.
117	ROYAL GRAIN CO., LTD.
118	RUAM PATTANA IMPORT - EXPORT LTD., PART
119	S.T. GRAIN CO., LTD.
120	SAHA CHAROEN ENTERPRISE CO., LTD
121	SAHACHAI ENTERPRISE CO., LTD.
122	SAMKASET MILL CO., LTD.
123	SCT CO., LTD.
124	SENG THONG RICE (1968) CO., LTD
125	SENIOR SALES CO., LTD
126	SETTAKIJ LTD
127	SIAM FIRST RICE CO., LTD
128	SIAM GLOBAL MART CO., LTD.
129	SIAM GRAINS CO., LTD.
130	SIAM INTER GRAIN CO., LTD.
131	SIAM KA KAO CO., LTD.
132	SIAM RICE CO., LTD
133	SIAM RICE TRADING CO., LTD
134	SIAM WORLD GROUP CO., LTD
135	SIMAP CO., LTD
136	SINUDOM SURIN (1990) CO., LTD.
137	SIRAPAT FOOTWEAR CO., LTD
138	SIRIAN INTER CO., LTD.
139	SK GOLDEN RICE CO., LTD
140	SOON HUA SENG GROUP CO., LTD

141	SOON HUA SENG INTERNATIONAL CO., LTD
142	SOON HUA SENG RICE CO., LTD.
143	SOON SENG HUAT CO., LTD
144	SRC FOODS CO., LTD
145	SRIPOONSUP TRADING CO., LTD
146	SUPHAN RICE CO., LTD.
147	SUPRA AGROTHAI (2002) CO., LTD.
148	SURIN TIP CO., LTD
149	SURIN TIP RICE MILL CO., LTD.
150	SURIYA PRODUCE CO., LTD.
151	SYNTHANA INTERTRADE CO., LTD.
152	T. K. RICEMILL AND ASH CO., LTD
153	T.S.D. INTERTRADE CO.,LTD.
154	TAI LEA RICE CO., LTD.
155	TANYAPAN INTERNATIONAL TRADING CO., LTD
156	TEP PHANICH CO., LTD.
157	TEPTIP CO., LTD.
158	THAI ASIA RICE PRODUCT CO., LTD
159	THAI CAPITAL CROPS CO., LTD
160	THAI DAMLONG PATTANA CO., LTD
161	THAI EXPORT CENTRE CO., LTD.
162	THAI HA CO., LTD.
164	THAI LEE AGRICULTURE CO., LTD
165	THAI MAPARN TRADING CO., LTD.
166	THAI STANDARD RICE CO.,LTD
167	THAI-AUST INTER CORP CO., LTD
168	THAIGROCER INTERBEST (THAILAND) CO., LTD
169	THANYA MITR RICE CO., LTD.
171	THE AGRICULTURAL CO-OPERATIVE FEDERATION OF THAILAND LTD.
172	TOMEN ENTERPRISE (BANGKOK) CO., LTD
173	TONG HUA RICE CO., LTD
174	TOUMI CO., LTD
175	TSF INTERTRADE CO., LTD.
176	TUNYARUNGREUNGCHAI EXPORT CO., LTD.
177	UNIGRAIN CO., LTD.
178	UNION RATCHABURI (1992) CO., LTD
179	UNITED RICE MILL CO., LTD
180	UNIVERSAL RICE CO., LTD
181	UTHAI PRODUCE CO., LTD.
182	V. N. CENTER TRADING CO.,LTD
183	VALCOM CO., LTD
184	VUDHICHAI PRODUCE CO., LTD
185	WANG LEE CO., LTD
186	WING ON RICE TRADING CO., LTD
187	WINGON INTERTRADE CO., LTD
188	WINNER BROTHERS CO., LTD.

189	WORLD GRAIN CO., LTD
190	AMORNCHAI CO., LTD.
191	COAGSTRACT CO., LTD.
192	NAM SIANG CO.,LTD
193	PATUM RICE MILL AND GRANARY PUBLIC CO., LTD.
194	SUPRA AGROTHAI (2002) CO., LTD
195	THAI EDIBLE OIL CO., LTD.
196	THAI EDIBLE OIL CO.,LTD.
197	APEX PRODUCTS CO., LTD
198	BANGKOK INTER FOOD CO., LTD.
199	BIOMAC FOODS CO., LTD.
200	CHO HENG RICE VERMICELLI FACTORY CO., LTD.
201	CHOMNARD EXPORT CO., LTD.
202	ERAWAN MARKETING CO., LTD
203	ERAWAN PREMIER CO., LTD
204	F.A.I.T. CORPORATION CO., LTD
205	GENERAL FOOD PRODUCTS CO., LTD
206	IDEAL WORLD LTD., PART.
207	JEAM SUTTHAPAKTI FLOUR MILL LTD., PART.
208	LHIAN THAI RICE VERMICELLI CO., LTD
209	NANA MARKETING CO., LTD
210	PONGVILAI CO., LTD
211	PORNCHAI INDUSTRY CHONBURI LTD.,PART.
212	SINUDOM BAE SAE LTD.,PART.
213	THAI BETTER FOODS CO., LTD.
214	THAI FLOUR INDUSTRY CO., LTD.
215	THAI INTERNATIONAL RICE FLOUR CO., LTD
216	THAI WAH PUBLIC CO., LTD.
217	THAIBEETTER FOODS CO.,LTD
218	VARAVOOT INDUSTRY LTD., PART
219	VIEWPOINT CO., LTD.

Food Category

1	ALBATROSS CO., LTD.
2	B.B. GROUP TRAVEL CO., LTD.
3	BIOMAC FOODS CO., LTD
4	BRIGHT TIME INTERTRADE LTD., PART.
5	C.N. EXPORT AND SHIPPING CO.,LTD
6	CHEF'S CHOICE FOODS MANUFACTURER CO., LTD.
7	CHO HENG RICE CO., LTD.
8	CHO HENG RICE VERMICELLI FACTORY CO., LTD
9	DOLLASU INTERTRADE CO., LTD.
10	ERAWAN MARKETING CO., LTD.
11	EXOTIC FOOD CO., LTD.
12	F.A.I.T. CORPORATION CO., LTD
13	FOOD POINTS CO., LTD.
14	FOOD SPECIALIZE CO., LTD

15	FOODEX CO., LTD.
16	FRIENDSHIP CO., LTD
17	HERITAGE CASHEW & FOOD CO., LTD
18	HESCO FOOD INDUSTRY CO., LTD
19	KANOM SAKOL CO.,LTD.
20	KITTIWATANA RICE MILL CO., LTD.
21	LHIAN THAI RICE VERMICELLI CO., LTD.
22	LIENG TONG RICE VERMICELLI CO.,LTD
23	LILY INDUSTRY CO., LTD.
24	MARINE FINE FOODS CO., LTD.
25	MARUT AND KANUMSIRIPHAN LTD., PART.
26	NANA MARKETING CO., LTD.
27	NATURAL FOOD INTERTRADE CO., LTD
28	NATURE BEST FOOD CO., LTD.
29	P & E DEVELOPMENT CO., LTD.
30	P F N INTERNATIONAL CO.,LTD
31	PIRIYA THAI FOOD CO., LTD
32	R.S. FOODS TECH [THAILAND] CO., LTD.
33	S. KHONKAEN FOOD INDUSTRY PUBLIC CO., LTD.
34	S.P.A. INTERNATIONAL FOOD GROUP CO., LTD.
35	SIAM LUCKY CO., LTD
36	SIMAP CO., LTD.
37	SMTC CO., LTD.
38	SPRUCE TRADING CO., LTD.
39	SUN YANG FOOD CO.,LTD.
40	SURIN TIP RICE MILL CO., LTD.
41	T.S. FOOD CO., LTD.
42	T.S.D. INTERTRADE CO.,LTD.
43	TEO TAK SENG FISH SAUCE FACTORY CO., LTD.
44	THAI BETTER FOODS CO., LTD.
45	THAI PRESERVED FOOD FACTORY CO., LTD.
46	THAI WAH FOOD PRODUCTS PUBLIC CO., LTD.
47	THAI WAH PUBLIC CO., LTD
48	THAI YOO LTD., PART.
49	THAIBETTER FOODS CO.,LTD
50	TIA NGEE HIANG (CHAO SUA) CO., LTD.
51	TING HENG FOOD PRODUCT CO., LTD.
52	TIPA THAI FOOD CO., LTD.
53	UINTERTRADE LTD., PART.
54	UNION RATCHABURI (1992) CO., LTD.
55	UNIVERSAL PRODUCTS (THAILAND) CO., LTD.
56	WORLD PEOPLE FOODSTUFFS CO., LTD.
57	S.KHONKAEN FOOD INDUSTRY PUBLIC CO.,LTD.
58	BELL FOODS CO., LTD.
59	FRUITNET CO., LTD.
60	KRISPY SNACKS CO., LTD.

61	NAMCHOW (THAILAND) CO., LTD
62	THAI BETTER FOODS CO., LTD.
63	AGRIPURE HOLDINGS PCL.
64	CAPITAL RICE CO., LTD.
65	FAR EAST HOME MADE CO., LTD.
66	TOP ORGANIC PRODUCTS AND SUPPLIES CO., LTD.



Appendix D

Factor Analysis



Appendix D

Factor Analysis

Firm Export Experience

Communalities

	Initial	Extraction
Number of years the firm has been involved in rice international market	1.000	.633
Number of rice foreign markets in which firm has operations	1.000	.728
Firm's related knowledge of export markets	1.000	.742

Extraction Method: Principal Component Analysis.

Component Matrix(a)

	Component
	1
Number of years the firm has been involved in rice international market	.796
Number of rice foreign markets in which firm has operations	.853
Firm's related knowledge of export markets	.861

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.103	70.102	70.102	2.103	70.102	70.102
2	.526	17.520	87.622			
3	.371	12.378	100.000			

Extraction Method: Principal Component Analysis.

Export Marketing Capabilities

1. Product Quality Capability

Communalities

	Initial	Extraction
The degree of quality control(QC) in your company	1.000	.704
The degree of culture specificity of your product quality in different export market	1.000	.601
The extent of the quality certificate of your product enjoys for entering foreign market	1.000	.653

Extraction Method: Principal Component Analysis.

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	1.959	65.302	65.302	1.959	65.302	65.302
2	.586	19.537	84.838			
3	.455	15.162	100.000			

Extraction Method: Principal Component Analysis.

Component Matrix(a)

	Component
	1
The degree of quality control(QC) in your company	.839
The degree of culture specificity of your product quality in different export market	.775
The extent of the quality certificate of your product enjoys for entering foreign market	.808

Extraction Method: Principal Component Analysis.

a 1 components extracted.

2. Pricing Quality

Communalities

	Initial	Extraction
Relative to your major competitors, responding quickly to competitors' pricing tactics	1.000	.626
Using your pricing skills to respond quickly to any customer change	1.000	.740
Communicating pricing structures and levels to customers	1.000	.644

Extraction Method: Principal Component Analysis.

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.010	67.007	67.007	2.010	67.007	67.007
2	.578	19.277	86.283			
3	.412	13.717	100.000			

Extraction Method: Principal Component Analysis.

Component Matrix(a)

	Component
	1
Relative to your major competitors, responding quickly to competitors' pricing tactics	.791
Using your pricing skills to respond quickly to any customer change	.860
Communicating pricing structures and levels to customers	.803

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

3. Distribution Capability

Communalities

	Initial	Extraction
Relative to your major competitors, attracting and retaining the best distributors in foreign market	1.000	.680
Satisfying the needs of distributors in foreign market	1.000	.672
Adding value to distributors' business	1.000	.667
Closeness in working with distributors	1.000	.651
Providing high levels of support to distributors	1.000	.649

Extraction Method: Principal Component Analysis.

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.319	66.371	66.371	3.319	66.371	66.371
2	.549	10.982	77.353			
3	.515	10.301	87.654			
4	.369	7.375	95.028			
5	.249	4.972	100.000			

Extraction Method: Principal Component Analysis.

Component Matrix(a)

	Component
	1
Relative to your major competitors, attracting and retaining the best distributors in foreign market	.824
Satisfying the needs of distributors in foreign market	.820
Adding value to distributors' business	.817
Closeness in working with distributors	.807
Providing high levels of support to distributors	.805

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

Overall Export Performance**Communalities**

	Initial	Extraction
This export firm has been very profitable in terms of Thai rice export	1.000	.611
This export firm has generated a high volume of sales in terms of Thai rice export	1.000	.601
This export firm has achieved rapid growth in terms of Thai rice export	1.000	.746
This export firm has improved global competitiveness in terms of Thai rice export	1.000	.828
This export firm has strengthened strategic position in terms of Thai rice export	1.000	.624
This export firm has significantly increased global market share in terms of Thai rice export	1.000	.789
The performance of this export venture has been very satisfactory in terms of Thai rice export	1.000	.619
This export venture has been very successful in terms of Thai rice export	1.000	.760
This export venture has fully met expectations in terms of Thai rice export	1.000	.686

Extraction Method: Principal Component Analysis.

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	5.184	57.597	57.597	5.184	57.597	57.597
2	1.081	12.008	69.605	1.081	12.008	69.605
3	.658	7.311	76.916			
4	.538	5.978	82.893			
5	.498	5.537	88.431			
6	.381	4.232	92.663			
7	.264	2.938	95.601			
8	.254	2.828	98.428			
9	.141	1.572	100.000			

Extraction Method: Principal Component Analysis.

Component Matrix(a)

	Component	
	1	2
This export firm has been very profitable in terms of Thai rice export	.627	.467
This export firm has generated a high volume of sales in terms of Thai rice export	.693	.348
This export firm has achieved rapid growth in terms of Thai rice export	.656	.562
This export firm has improved global competitiveness in terms of Thai rice export	.808	-.417
This export firm has strengthened strategic position in terms of Thai rice export	.725	-.313
This export firm has significantly increased global market share in terms of Thai rice export	.839	-.293
The performance of this export venture has been very satisfactory in terms of Thai rice export	.776	.131
This export venture has been very successful in terms of Thai rice export	.842	-.225
This export venture has fully met expectations in terms of Thai rice export	.828	-.005

Extraction Method: Principal Component Analysis.

a 2 components extracted.

Appendix E

**Multiple Regression Analysis
and ANCOVA**



Appendix E

Multiple Regression Analysis and ANCOVA

Descriptive Statistics

	Mean	Std. Deviation	N
Overall Export Performance	.0000000	1.0000000	100
Number of years the firm has been in business	15.90	11.016	100
No. of employees in the firm	179.59	372.920	100
Firm export experience	.0000000	1.0000000	100
Product Quality Capability	.0000000	1.0000000	100
Pricing Capability	.0000000	1.0000000	100
Distribution Capability	.0000000	1.0000000	100

Correlations

		Overall Export Performance	Number of years the firm has been in business	No. of employees in the firm	Firm export experience	Product Quality Capability	Pricing Capability	Distribution Capability
Pearson Correlation	Overall Export Performance	1.000	.218	.168	.349	.542	.586	.660
	Number of years the firm has been in business	.218	1.000	.085	.275	.043	.007	.105
	No. of employees in the firm	.168	.085	1.000	.335	.185	.109	.204
	Firm export experience	.349	.275	.335	1.000	.229	.148	.368
	Product Quality Capability	.542	.043	.185	.229	1.000	.483	.549
	Pricing Capability	.586	.007	.109	.148	.483	1.000	.569
	Distribution Capability	.660	.105	.204	.368	.549	.569	1.000
Sig. (1-tailed)	Overall Export Performance	.	.015	.047	.000	.000	.000	.000
	Number of years the firm has been in business	.015	.	.200	.003	.336	.472	.150
	No. of employees in the firm	.047	.200	.	.000	.033	.140	.021
	Firm export experience	.000	.003	.000	.	.011	.070	.000
	Product Quality Capability	.000	.336	.033	.011	.	.000	.000
	Pricing Capability	.000	.472	.140	.070	.000	.	.000
	Distribution Capability	.000	.150	.021	.000	.000	.000	.
N	Overall Export Performance	100	100	100	100	100	100	100
	Number of years the firm has been in business	100	100	100	100	100	100	100
	No. of employees in the firm	100	100	100	100	100	100	100
	Firm export experience	100	100	100	100	100	100	100
	Product Quality Capability	100	100	100	100	100	100	100
	Pricing Capability	100	100	100	100	100	100	100
	Distribution Capability	100	100	100	100	100	100	100

Variables Entered/Removed^b

Model	Variables Entered	Variables Removed	Method
1	Distribution Capability, Number of years the firm has been in business, No. of employees in the firm, Firm export experience, Product Quality Capability, Pricing Capability ^a		Enter

a. All requested variables entered.

b. Dependent Variable: Overall Export Performance

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.749 ^a	.561	.532	.68374878

a. Predictors: (Constant), Distribution Capability, Number of years the firm has been in business, No. of employees in the firm, Firm export experience, Product Quality Capability, Pricing Capability

ANOVA^b

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	55.521	6	9.254	19.793	.000 ^a
	Residual	43.479	93	.468		
	Total	99.000	99			

a. Predictors: (Constant), Distribution Capability, Number of years the firm has been in business, No. of employees in the firm, Firm export experience, Product Quality Capability, Pricing Capability

b. Dependent Variable: Overall Export Performance

Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	-.202	.129		-1.567	.120	-.458	.054
	Number of years the firm has been in business	.013	.006	.145	2.026	.046	.000	.026
	No. of employees in the firm	.000	.000	-.015	-.199	.843	.000	.000
	Firm export experience	.101	.080	.101	1.270	.207	-.057	.260
	Product Quality Capability	.188	.085	.188	2.206	.030	.019	.358
	Pricing Capability	.283	.087	.283	3.265	.002	.111	.455
	Distribution Capability	.346	.095	.346	3.645	.000	.158	.535

a. Dependent Variable: Overall Export Performance

Coefficient Correlations

Model		Distribution Capability	Number of years the firm has been in business	No. of employees in the firm	Firm export experience	Product Quality Capability	Pricing Capability
1	Correlations						
	Distribution Capability	1.000	-.033	-.037	-.267	-.339	-.422
	Number of years the firm has been in business	-.033	1.000	.006	-.245	.016	.040
	No. of employees in the firm	-.037	.006	1.000	-.275	-.082	.007
	Firm export experience	-.267	-.245	-.275	1.000	-.035	.073
	Product Quality Capability	-.339	.016	-.082	-.035	1.000	-.252
	Pricing Capability	-.422	.040	.007	.073	-.252	1.000
	Covariance						
	Distribution Capability	.009	.000	.000	-.002	-.003	-.003
	Number of years the firm has been in business	.000	.000	.000	.000	.000	.000
	No. of employees in the firm	.000	.000	.000	.000	.000	.000
	Firm export experience	-.002	.000	.000	.006	.000	.001
	Product Quality Capability	-.003	.000	.000	.000	.007	-.002
	Pricing Capability	-.003	.000	.000	.001	-.002	.008

a. Dependent Variable: Overall Export Performance

ANCOVA

Tests of Between-Subjects Effects

Dependent Variable: Overall Export Performance

Source	Type III Sum of Squares	df	Mean Square	F	Sig.	Partial Eta Squared
Corrected Model	60.058 ^a	47	1.278	1.706	.031	.607
Intercept	7.366	1	7.366	9.836	.003	.159
MCH4	3.371	1	3.371	4.501	.039	.080
MCH1	3.644	3	1.215	1.622	.196	.086
MCH2	.198	3	6.601E-02	.088	.966	.005
MCH3	2.958	2	1.479	1.975	.149	.071
MCH5	4.901	4	1.225	1.636	.179	.112
MCH1 * MCH2	1.049	2	.525	.700	.501	.026
MCH1 * MCH3	2.483	4	.621	.829	.513	.060
MCH2 * MCH3	1.846E-02	2	9.228E-03	.012	.988	.000
MCH1 * MCH2 * MCH3	.000	0	.	.	.	.000
MCH1 * MCH5	1.781	7	.254	.340	.932	.044
MCH2 * MCH5	2.217	3	.739	.987	.406	.054
MCH1 * MCH2 * MCH5	7.653E-02	1	7.653E-02	.102	.750	.002
MCH3 * MCH5	1.791	5	.358	.478	.791	.044
MCH1 * MCH3 * MCH5	1.473	2	.737	.984	.381	.036
MCH2 * MCH3 * MCH5	.000	0	.	.	.	.000
MCH1 * MCH2 * MCH3 * MCH5	.000	0	.	.	.	.000
Error	38.942	52	.749			
Total	99.000	100				
Corrected Total	99.000	99				

a. R Squared = .607 (Adjusted R Squared = .251)