



ELSEVIER

Contents lists available at SciVerse ScienceDirect

International Business Review

journal homepage: www.elsevier.com/locate/ibusrev

Development of firm export market oriented behavior: Evidence from an emerging economy

Ting Chi ^{a,*}, Yao Sun ^b^a Department of Apparel, Merchandising, Design and Textiles, Washington State University, Pullman, WA 99164, USA^b College of Textiles, Donghua University, Shanghai, 200051, PR China

ARTICLE INFO

Article history:

Received 27 September 2011

Received in revised form 19 March 2012

Accepted 9 May 2012

Available online 28 May 2012

Keywords:

China

Empirical

Export

Market oriented behavior

ABSTRACT

Based on gathered survey data from Chinese apparel exporters, using structural equation modeling technique, a proposed firm's export market oriented (EMO) behavior model was empirically tested. A great set of antecedent factors (i.e., organizational structure, export systems, export coordination, top management factors, and export dependence) and moderating factors (i.e., environmental turbulence, export experience) were examined in the context of China, which extends the EMO literature from mainly Western business setting to non-Western business environment. This study identifies several key antecedents (i.e., export reward and training systems, top management support, and export dependence) facilitating the development of firm's EMO behavior while determining the specific moderating effects of environment and experience, and therein explains a large percentage of variance in EMO behavior (78.3%). Importantly, we uncover some instances where the theory of firm EMO behavior's antecedents does not hold for Chinese apparel exporters.

© 2012 Elsevier Ltd. All rights reserved.

1. Introduction

As a result of the escalating integration of global economy, exporting as the most common form of international business involvement (Leonidou, 1995) has been gaining significant importance, not only in terms of national prosperity, but also for individual firms (Cadogan, Diamantopoulos, & Siguaw, 2002). International marketing literature indicates that one path to export success for a firm is to be market oriented (Rose & Shoham, 2002). The concept of market orientation stems from the theoretical development of marketing concept and generally refers to a firm's ability to generate market intelligence pertaining to current and future customer needs, disseminate the intelligence across departments, and respond to the intelligence (Jaworski & Kohli, 1993).

Over the years, marketing research has shown that market orientation can impact a firm's performance. However, a review of the literature suggests that a relatively small amount of empirical work have expanded market orientation research to the international business environment (Cadogan, Cui, Morgan, & Story, 2006). In particular, the literature has not fully explored the roles of various factors as antecedents or moderators for firm's market oriented behavior in an international setting. The factors impacting a firm's market oriented behavior found in its domestic market do not lend themselves straightly to being modeled as the antecedents or moderators to a firm's export market-oriented (EMO) behavior (Cadogan, Paul, Salminen, Puumalainen, & Sundqvist, 2001). Given this situation, a few studies have made initial efforts to address this gap in the literature through contextualizing the extant measures of antecedents, moderators, and firm's market oriented behavior for non-export-specific settings into an exporting setting (e.g., Akyol & Akehurst, 2003; Cadogan et al.,

* Corresponding author at: Kruegel 51/AMDT2020, PO Box 642020, WSU, Pullman, WA 99164-2020, USA. Tel.: +1 509 335 8536; fax: +1 509 335 7299. E-mail addresses: tchi@wsu.edu, ting_chi2002@yahoo.com (T. Chi).

2006; He & Wei, 2011; Lingyee, 2004; Murray, Gao, Kotabe, & Zhou, 2007). Notwithstanding this development, the understanding of a firm's EMO behavior is still far from satisfactory (Cadogan et al., 2006). The rich complexity of international markets warrants further research.

In addition, most published empirical studies were focused on the developed nations or regions featured with Western business cultures (e.g., United States, Italy, New Zealand, etc.), while developing nations, emerging economies (e.g., China, India, etc.) in particular, have not been given enough attentions even though firms from developing nations have been actively involved in exporting business in the past several decades and been playing a crucial role in international trade. It is noted that generalizing findings on firm's EMO behavior from Western to non-Western business contexts may be misleading (Lingyee, 2004). As Ambler, Styles, and Wang (1999) indicated, there is a need for more studies into the transferability of Western exporting research to the non-Western business setting. In this respect, Cadogan et al. (2001) contend that the antecedents of firm's EMO behavior may be partially nation-specific.

Consequently, the purpose of this study is to shed new light on the antecedent and moderating factors to firm's EMO behavior on three fronts. First, the geographic coverage of EMO study is extended from a focus of developed nations or regions to the largest emerging economy China. The generalizability of previous findings on the development of firm's EMO behavior in the Chinese business setting is examined. The second contribution is to extend the previous firm's EMO behavior models by integrating antecedent and moderating factors validated in the previous studies. Using the primary data gathered by an industrial survey of Chinese apparel exporters, the reliability and validity of the proposed firm's EMO behavior model are examined and the developed hypotheses are tested. As a result, this study adds richness to the understanding of how a firm's EMO behavior can be facilitated and managed. Finally, through analyzing the export success of Chinese apparel manufacturers from a marketing management perspective (i.e., market orientation) this study brings an extended insight into the international business area.

2. Literature review and hypothesis development

As globalization and the rapid growth of international trade have made it imperative for firms, especially for those from emerging economies, to seek business expansion opportunities, the application of market orientation in the export context has increasingly played a pivotal role in firms' survival and success in international markets (Murray, Gao, & Kotabe, 2011). In a firm's export operations, under turbulent environment, there is a greater likelihood that the synchronization between the firm's offerings and the customers' needs in the export markets may be lost unless an emphasis is placed on EMO activities as a means of offsetting environmental turbulence (Matandaa & Freeman, 2009). Previous studies have revealed that there is a positive relationship between EMO and firm's export performance (e.g., Akyol & Akehurst, 2003; Cadogan et al., 2002; Cavusgil & Zou, 1994; Murray et al., 2007). Consequently, EMO has become an emerging construct useful for integrating market orientation, internationalization, and export behavior literature into a coherent whole (Cadogan et al., 2006). Hurley and Hult (1998) indicate EMO has been increasingly important as a major research stream in international business.

2.1. Concept and measure of EMO

Although it has been generally embraced that firms with EMO tend to perform better than firms without it (e.g., Akyol & Akehurst, 2003), debates continue to focus on what exactly constitute the construct of EMO. Initially, Cadogan and Diamantopoulos (1995) conceptualize EMO to comprise three behavioral components namely export intelligence generation, export intelligence dissemination, and export intelligence responsiveness. Cadogan and Diamantopoulos (1995)'s EMO construct tracks closely with widely applied Jaworski and Kohli (1993)'s formulation of market orientation with a special consideration of export setting. They describe these three behavioral components as being oriented toward export customers, competitors, and market environment. They contend that the activities of these orientations reflected in a coordinating mechanism lead to superior performance for a firm in its export markets. As an intangible property of a firm, EMO enables it to more effectively gather and manage export market information and deliver value to its customers (Hunt & Lambe, 2000). In this regard, EMO behaviors facilitate organizational learning and enhance market knowledge.

The measures of EMO behavior are initially developed and tested by Cadogan et al. in a series of empirical studies (2001, 2002, 2006) and are further applied by other scholars (e.g., Akyol & Akehurst, 2003; Murray et al., 2011). These measures have been mainly validated in the context of developed nations or regions. Export intelligence generation refers to those activities that relate to the creation of export market intelligence. Export intelligence dissemination refers to the extent to which a firm shares information about export markets among its export staffs and other units/departments. Export intelligence responsiveness refers to the degree to which a firm responds to its customers, competitors, or environment as a result of gaining export market intelligence (Cadogan et al., 2006, 2001).

2.2. Antecedents of EMO

Previous studies on antecedents of EMO draw heavily on variables and ideas arising in the organizational theory such as organizational structure, leadership, and coordination (e.g., Cherrington, Bischoff, Dyer, Stephan, & Stewart, 2001; Deshpandé & Farley, 2004; Jaworski & Kohli, 1993) and business contingency theory such as environmental condition (e.g., Chi, Kilduff, & Gargeya, 2009; Murray et al., 2007). Cadogan et al. (2001) find empirical support for the relationships between

متن کامل مقاله

دریافت فوری ←

ISIArticles

مرجع مقالات تخصصی ایران

- ✓ امکان دانلود نسخه تمام متن مقالات انگلیسی
- ✓ امکان دانلود نسخه ترجمه شده مقالات
- ✓ پذیرش سفارش ترجمه تخصصی
- ✓ امکان جستجو در آرشیو جامعی از صدها موضوع و هزاران مقاله
- ✓ امکان دانلود رایگان ۲ صفحه اول هر مقاله
- ✓ امکان پرداخت اینترنتی با کلیه کارت های عضو شتاب
- ✓ دانلود فوری مقاله پس از پرداخت آنلاین
- ✓ پشتیبانی کامل خرید با بهره مندی از سیستم هوشمند رهگیری سفارشات