

A Relational Study on Export Market Orientation and Business Performance

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Abstract: The study is descriptive in nature based on the concept of export market orientation with small and medium enterprises in Erbil. The extensive literature review led to the research problem as Having a vast scope of export, organizations are unable to perform aptly and to get their share by showing their efficiency. The real quantitative measurement of the efficiency of export market variables and its effect on business performance is not available in this Erbil northern Iraq. Three research objectives set as to measure the importance of export market orientation variables, to generate the quantitative information about the scenario of export market orientation with small and medium business in Erbil, to justify the concept of export market orientation in the context of Erbil. The conceptual model presented above has two types of variables, one is independent variable and other is dependent variable. The independent variable set has four variables named as Intelligence Generation, Intelligence Dissemination, Responsiveness and Coordination mechanism respectively as 1st, 2nd, 3rd and 4th. The other side the variable is dependent variable named as Business Performance. These independent variables are linked with dependent variables using arrows as links and named as H1, H2, H3 and H4. 228 samples used for the study. The instrument is pretested and well justified, used for this study, with a minor modification in the items. All four dimensions of the independent variable is well established and tested by this instrument, It has all together 71 items, where The first dimension having 11 items, the second dimension has 18 items, the third dimension has 8 items and the fourth dimension has 33 items measuring the independent dimension. It is very clear in the study as per the responses of respondents all four independent variables are important for business performance. When we see the values of R is much better showing the positive relationship and the R square as well supportive in the limit. Kurdistan region needs to take the initiative for the development of export by export market orientation concept.

Keywords: Market, export, orientation, business, Erbil

INTRODUCTION

As of December 2014, the KRG is exporting almost 400,000 barrels per day, and by end of the first quarter of 2015 that figure is expected to rise to 500,000 bpd. Production for refining and domestic consumption continues at around 120,000-150,000 bpd. As KRG production continues to increase, so too will its export to the international market through the Erbil crude pipeline and the trucking arrangements through Turkey Hultman, M., Robson, M. J., & Katsikeas, C. S. [1]. The revenues from all export activity will be treated as part of Erbil's constitutionally mandated share of the federal budget and will continue to benefit the people of the Erbil Region and Iraq. In 2014, the Region's share of fuel products from the Federal Government halted due to the instability in areas of Iraq that were administered by the federal authorities. As a result, the Erbil Region was forced to become self-reliant on its own production and imports of fuel products in order to satisfy its domestic needs. These imports mostly occurred through the crude oil for products swaps arrangement the KRG has established through Turkey. The Erbil Region remains focused on its plans to

substantially increase oil production after reaching its initial target of one million barrels per day.

Market orientation can be defined as a form of organizational culture where employees throughout the organization are committed to continuously create superior customer value or as a sequence of marketing activities that lead to better performance [1]. Years of business research have concluded that market oriented companies perform better than companies that are less market oriented. They focus on adapting their products and services to the needs and expectations of their customers, as opposed to product oriented businesses that focus on developing a product or service that is then marketed and hopefully sold [2]. To achieve this customer focus, a firm with a high degree of market orientation cultivates a set of shared values and beliefs about putting the customer first in business planning, and reaps results in form of a defendable competitive advantage, decreased costs and increased profits. So, the market orientation concept is concerned with coordinated business intelligence generation, intelligence dissemination and responsiveness to market data and information for efficient and effective

marketing management decisions [3]. The concept is also concerned with other issues including organizational culture, innovation, human resource planning and organizational learning. Not surprisingly, research interest in the market orientation concept has grown substantially [4]. Most literature on market orientation is American, but at first sight the pattern of antecedents and consequences seems to be similar in Scandinavia. It may be argued that the market orientation construct is more suitable to describe crucial information processing in big centralized American companies than in Scandinavian companies that may rely more on empowered front-line units [5]. Recently, market orientation has been subject to research in the Nordic countries as well. The scholars have published articles about the relationship between the degree of market orientation and performance of Nordic service companies. Based on data from the hotel industry, their results indicate that market orientation has only modest effect on productivity, but also that it can be a useful instrument in the process of designing products and services. Zhou *et al.* [6] found that nationality matters when they compared the level of market orientation of banks in four Nordic countries. Icelandic academics have researched market orientation of Icelandic companies from different perspectives.

LITERATURE REVIEW

Marketing theorists such as Zhou *et al.* [6] have argued that market orientation traces its origins from the market concept (also labeled marketing concept) and has noteworthy consequences to overall business strategy. The market concept is concerned with customer-orientation, innovation and profit as an inducement for creating satisfied customers. Theories on market orientation have been widely accepted by scholars and academics either as the implementation of the marketing concept, as an organizational culture, or as a mix of those two. To simplify, “market concept” and “marketing concept” are used interchangeably. As per definition, a market is a physical or non-physical place where goods are offered for sale and marketing the act or process of buying and selling in a market by means of commercial functions involved in transferring goods from producer to consumer [7].

With the intensifying globalization of world economies, a good number of firms especially from developing countries have resorted to exporting as an essential activity for their future growth, profitability and survival by Slater [8]. This is mainly because exporting offers the simplest and cheapest means to expand and access foreign markets compared to other forms of international involvement such as joint ventures and overseas [9]. However, the foreign markets are associated with a lot of uncertainty which necessitates firms to acquire export market information/

intelligence concerning competitors, customers, prices, technology and government regulations disseminate this information and act upon it. This behavior has widely been conceptualized by authors such as Narver *et al.* [10] & Prescott [11] as export market orientation. Accordingly Matsuno, K., & Mentzer, J. T. [12] observe that with the adoption of market oriented behaviors, firms are able to generate information that is particularly important for their innovativeness as it helps them to come up with new and modified products, ideas, processes, and subsequently enter into new markets. Businesses aim to maximize their profit to shareholders by creating a sustainable competitive advantage over rivals on the market. But where competitive advantage was once based on structural characteristics such as market power, economies of scale, or a broad product line, the emphasis today has shifted to capabilities that enable a business to consistently deliver superior value to its customers. After all, this is the meaning of competitive advantage Thompson, J. D. [13]. Research shows that a market-oriented culture provides a solid foundation for these value-creating capabilities. Van *et al.* [14] stated that organizations that are well educated about their markets, in other words market oriented organizations, stand out in their ability to rapidly sense and act on events in volatile and fragmenting markets.

We can reason that market orientation builds on the same foundations as the market concept, as that concept is believed to have three facets that are customer focus, coordinated marketing focus and profit focus by Hult & Slater [3]. Customer focus implies that companies need to have intensive knowledge and understanding of customer needs, demands an expectations. In order to be able to fulfill those demands and expectations with goods and services those must be carefully charted. This is done with marketing planning, surveys, market intelligence dissemination and generation. Focus on integrated marketing means that all marketing efforts of the company are in sync and support each other. Profit focus is an important measurement in all strategy-making and management [15]. Even not for profit firms measure their performance, although they use other than financial bench marks. According to Gebhardt *et al.* [16] the “old” marketing concept is concerned with customer-orientation, innovation and profit as an inducement for creating satisfied customers. The “new” marketing concept is more a business culture than a philosophy. Philosophic questions cannot be answered empirically by observation or experiment, while it is possible to measure the level of culture, and then describe its characteristics. There is consensus in the literature that there are few differences among these labels [16], although “market orientation” has been taken as the most appropriate label to describe the construct by Gao

[17]. The following text gives a number of the most frequently used classifications and definitions. The marketing concept can be classified into two parts, being the “old” marketing concept and the “new” marketing concept. Market orientation can be defined as a form of organizational culture where employees throughout the organization are systematically and entirely committed to the continuous creation of superior customer value. Cadogan *et al.* [15] argued that the market orientation of an organization is one of degree rather than one of presence or absence. Batson, A [18] confirms the view that market orientation cannot be turned on or off. Being marketing orientated is more than just being customer-led. It requires the full support of the organization to be fully implemented in the long term and, in most cases, may need a complete change in an organization’s culture.

Terms such as market-oriented, market-driven and customer-focused have become synonymous with proactive business strategy in organizations all over the world. The notion that the customer needs to be at the origin of business planning processes seems a very contemporary one, as is the idea of organizing the firm’s activities around a thorough understanding of customer needs and demands. Many management theorists cite Peter Ducker’s statement from 1954 that marketing is not a specialized functional activity but rather “the whole business seen from the point of view of its final result, that is, from the customer’s point of view.” The market orientation concept builds on the marketing concept which is a relatively new academic. According to Krasnikov, A., & Jayachandran, S. [19] the three major components of market orientation - customer orientation, competitor focus, and cross-functional coordination - are long-term in vision and profit-driven. Based on extensive interviews with managers and executives, they conclude that market orientation provides a unifying focus for the efforts and projects of individuals, thereby leading to superior performance [17]. A developing stream of empirical research has found a strong relationship between market orientation and several measures of business performance, including profitability, customer retention, satisfaction, innovation, sales growth, and new product success. In order to become market oriented, all employees must participate in working towards a common goal. Employees that feel that their colleagues support and empower them are more likely to create superior customer value Kotler, P. [20]. Therefore, cross functional coordination between employees is very important for organizations that want to create a high degree of market orientation.

Research Problem

Today’s marketing concept comprises customer orientation, distinctive advantages, market

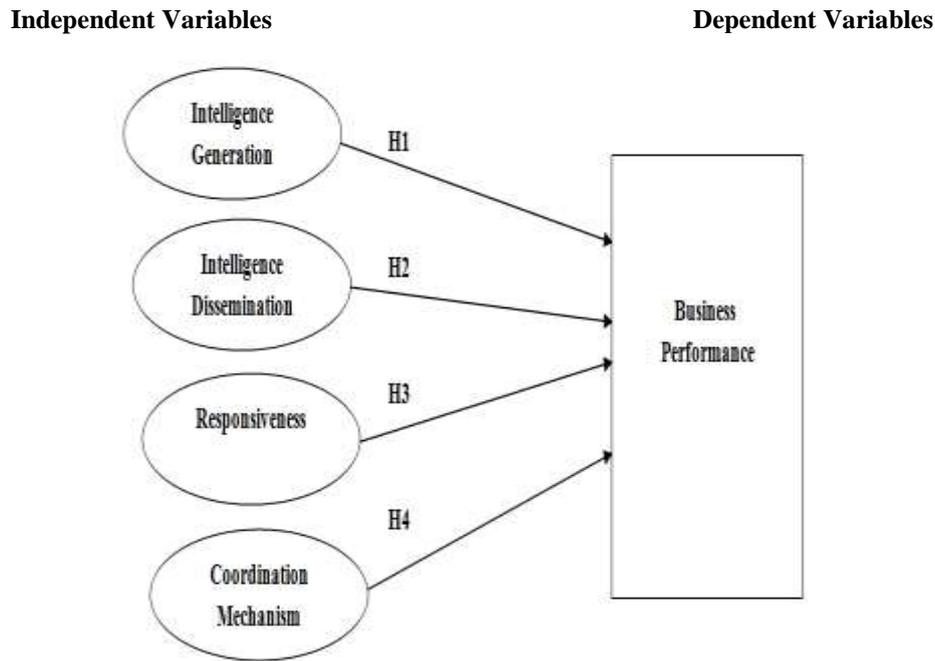
intelligence, value or quality delivery, continuous improvement in goods and services, customer-oriented business culture, and coordinated and integrated business activities in the whole organization creating a competitive advantage. In order to get this job done, organizations must gather and analyze market knowledge and empower their people with it [21]. Market orientation involves an outward looking perspective from a firm, meaning that it should not only focus on customers but also on competitors, the development of their business sector and the work environment as a whole [22]. Newbert, S. L. [23] poses that the fit of market orientation within a firm is threefold: as part the development of strategic competence as a learning organization; as part of a market knowledge management system and as a foundation for corporate strategy [24]. Since market-oriented firms can generate and disseminate market intelligence about their customers and competitor’s activities and respond promptly, market orientation enables firms to develop marketing capabilities in the export market [25]. Thus, to realistically evaluate the market orientation–performance relationship, it is imperative to include the development of marketing capabilities by investigating the internal process through which market orientation influences performance by Akyol, A., & Akehurst, G. [26]. Managers choose or adopt organizational structures, activities, processes, and strategies that reflect the specific conditions of their organizations by Zeithaml *et al.* [27]. Thus, it is not market orientation per se that affects performance, but rather using market orientation in developing marketing capabilities to improve performance [28]. Therefore, we posit that various marketing capabilities mediate the market orientation–performance relationship. Though the export market orientation is facing so many limitations and challenges, then too the study is concentrated on the problem that *“Having a vast scope of export, organizations are unable to perform aptly and to get their share by showing their efficiency. The real quantitative measurement of the efficiency of export market variables and its effect on business performance is not available in this Erbil northern Iraq”*

Research Objective

The research conducted here can be of broader dimension and can get expanded with deeper study. Based on the scope of the research, this study has set the following objectives to solve the research problem by answering the research questions.

- To measure the importance of export market orientation variables.
- To generate the quantitative information about the scenario of export market orientation with small and medium business in Erbil.

- To justify the concept of export market orientation in the context of Erbil.



Picture 1: Conceptual Model

The conceptual model presented above has two types of variables, one is independent variable and other is dependent variable. The independent variable set has four variables named as Intelligence Generation, Intelligence Dissemination, Responsiveness and Coordination mechanism respectively as 1st, 2nd, 3rd and 4th. The other side the variable is dependent variable named as Business Performance. These independent variables are linked with dependent variables using arrows as links and named as H1, H2, H3 and H4.

Research Hypothesis

- H1: The intelligence generation variable does not affect the business performance of small and medium enterprises in ERBIL.
- H2: The intelligence dissemination variable does not affect the business performance of small and medium enterprises in ERBIL.
- H3: The responsiveness variable does not affect the business performance of small and medium enterprises in ERBIL.
- H4: The coordination mechanism variable does not affect the business performance of small and medium enterprises in ERBIL.

RESEARCH METHODOLOGY

Quantitative research is used to quantify the problem by way of generating numerical data or data that can be transformed into useable statistics. It is used to quantify attitudes, opinions, behaviors, and other

defined variables – and generalize results from a larger sample population. Quantitative Research uses measurable data to formulate facts and uncover patterns in research. Quantitative data collection methods are much more structured than Qualitative data collection methods. Quantitative data collection methods include various forms of surveys – online surveys, mobile surveys, kiosk surveys, face-to-face interviews and systematic observations.

Generally we can collect data from two sources, primary sources and secondary sources. Data collected from primary sources are known as primary data and data collected from secondary sources are called secondary data. Primary data are also known as raw data. Data are collected from the original source in a controlled or an uncontrolled environment. Example of a controlled environment is experimental research where certain variables are being controlled by the researcher. On the other hand, data collected through observation or questionnaire survey in a natural setting are examples data obtained in an uncontrolled environment. Secondary data are data obtained from secondary sources such as reports, books, journals, documents, magazines, the web and more. In order to collect the data set needed to test the research questions, a cross-sectional study design was used. This design was most convenient as the questionnaire was only sent out once to a single population element. Cross-sectional study design fits studies that aim to analyze a

phenomenon, problem, situation, attitude or issue by considering a cross-section of a certain population at one point in time. This type of design is comfortable both for the researcher and the participants. Matter of fact, the majority of market orientation studies described in literature use this study design. The table shown below is the complete list of companies working in Erbil northern Iraq for export in different industry.

This has given the clear number of employees working in the export business. The sample selection done randomly, using simple random sampling method of probability sampling. Where firstly 350 respondents selected for the survey, out of 300, only 256 respondents returned the filled up instrument. Again after checking for the completion only 228 samples found usable. So finally 228 samples used for the study.

Table-1: List of Companies

| Sl. No. | Company Name | Establishment | Sector | No. of Employers |
|---------|----------------------------|---------------|---|------------------|
| 1 | Salahaddin Holding | 1991 | Construction Materials, Printing, Pharmaceuticals, Food & Beverage, Oil. | 12,000 |
| 2 | Kar Company | 1999 | Dairy Products, Brick, Pharmaceutical, Beverage Bottling And Distribution. | 14,000 |
| 3 | Nokan Group & Companies | 1993 | Internal And External Trading, Large And Small Industry, Oil. | 17,000 |
| 4 | Faruk Group & Companies | 2008 | Telecommunication & IT, Cement, Construction, Industry, Energy, Oil. | 13,000 |
| 5 | Zagros Group, Companies | 2005 | Zagros General Contracting, Zagros Energy Group, Oil. | 14,000 |
| 6 | Ster Group & Companies | 2006 | Construction, Consultancy Environmental Engineering, | 13,000 |
| 7 | UB Holding | 2001 | Iron & Steel Projects | 20,000 |
| 8 | Mass Group | 2008 | Produces Electrical Energy, Cement, Steel, | 7,000 |
| 9 | Darin Group | 1998 | Erbil Steel Factory, Flour Factor, Food Industry. | 8,000 |
| 10 | Alban Dairy Product | 2004 | Production Of Cheese, Milk, Eggs, Yogurt. | 1,800 |
| 11 | Bakoor General Trading | 2004 | Quality Mineral Water, Cup Procedure. | 400 |
| 12 | Zer Group | 2007 | Sunflower Oil, Corn Oil And Olive Oil, Vegetable Ghee, | 7,000 |
| 13 | SWDCG | 2005 | Crude Oil, Oil Products, Natural Gas. | 1,900 |
| 14 | SHAGOOL GLASWARE | 1990 | Beverages, Confectionery, Sanitary Articles, Cosmetics And Household Chemicals. | 4,000 |
| 15 | ROJMAN COMPANY | 1998 | Company For Electric Cables, Wire. | 2,500 |
| 16 | ALPHA ACOUSTIKI LTD | 1991 | Ant Vibration Products, Vibration Control. | 2,000 |
| 17 | Azad Rice Company | 2002 | All Kind Of Rice. | 1,000 |
| 18 | Cover Cartoon Box | 2005 | Cover Carton, Manufacturer And Supplier. | 350 |
| 19 | ECKHARDT STEEL & ALLOYS | 2008 | Exporters & Suppliers Of Stainless Steel. | 1,400 |
| 20 | AL-SHIMAL GROUP | 2011 | Manufacturing Of Animal Feeds. | 1,500 |
| 22 | BCC Logestic Erbil | 2003 | Logistics Support And Services Ranging. | 1,900 |
| 23 | Awamedica Company | 2004 | Awamedica Develops. Pharmaceutical | 1,000 |
| 24 | Empire World | 2007 | Iraq Oil and Trading. | 7,000 |
| 26 | Abor Oil & Gas | 2010 | General Trading, Oil. | 2,000 |
| 27 | DNO International Company. | 2009 | DNO Explores For Oil And Natural Gas. | 2,000 |

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|----|---|------|---|-------|
| 28 | Black Lake Company - Proactive Not Reactive | 2011 | Mineral Water, Constricting | 2,000 |
| 29 | Awra Company | 2007 | Shell Mineral Oils Serve To The People Of Iraq. | 1,000 |
| 30 | Marathon Oil Service | 2009 | Living Our Values | 4,000 |
| 31 | KRG Asian Food B.V. | 2005 | Foods, Such As Rice, Flour, Drink. | 4,000 |
| 32 | Active Food | 2004 | Elit Chocolate, Polen Food, Tea, Tago Baked Cookies. | 1,000 |
| 33 | Ronesans_Insaat | 1993 | Multifunctional Complexes, High-Rise Buildings. | 1,400 |
| 34 | Zheela Food And Dairy | 1999 | Construction Of Buildings And The Restored. Road Construction. | 2,000 |
| 35 | Dlba Company For Food Trading | 2005 | Egg , Ayran , Yogurt , Milk , Ice Cream , Cheese. | 1,000 |
| 36 | Meer Group | 2006 | Planting, Harvesting, Cleaning And Distributing General Trades. | 1,200 |
| 37 | Al Safi Danoon Dairy | 2001 | Cheese, Egg, Yogurt..Etc | 1,500 |
| 38 | Ranj Company | 1999 | Construction, Investment And Development | 1,200 |
| 39 | Orkila Group | 2003 | Pharmaceuticals, Food, Animal Nutrition | 1,000 |
| 40 | Gavleen Company | 2004 | Oil And Service Companies. | 1,200 |

The instrument is pretested and well justified, used for this study, with a minor modification in the items. All four dimensions of the independent variable is well established and tested by this instrument, It has all together 71 items, where The first dimension having 11 items, the second dimension has 18 items, the third

dimension has 8 items and the fourth dimension has 33 items measuring the independent dimension. Other side the dependent variable gets constructed on the basis of concept by the researcher. The instrument further gets tested for its reliability and gets used in the study.

Table-2: Instrument Dimension

| Sl. No. | Items | Dimension |
|---------|--|--------------------------------|
| 1 | Periodically review the likely effect of changes in our export environment (e.g., technology, regulation). | Intelligence Generation |
| 2 | Individuals from the manufacturing department interact directly with export customers to learn how to serve them better. | |
| 3 | Are slow to detect changes in our overseas customers' product preferences. | |
| 4 | We poll end users once a year to assess the quality of our products and services. | |
| 5 | We are slow to detect fundamental shifts in our export environment (e.g., technology, regulatory, economy). | |
| 6 | In this company, we generate a lot of information concerning trends (e.g., regulation, technological developments, politics, and economy) in our export markets. | |
| 7 | We generate a lot of information in order to understand the forces which influence our overseas customers' needs and preferences. | |
| 8 | We do not generate enough reliable/relevant information concerning our competitors' activities in our export markets. | |
| 9 | We constantly monitor our level of commitment and orientation to serving export customer needs. | |
| 10 | Our top managers from every function regularly visit our current and prospective export customers. | |
| 11 | We measure export customer satisfaction systematically and regularly. | |
| 12 | We have 'inter functional' meetings at least once a quarter to discuss trends and developments (e.g., regulatory, technology) in our export markets. | |

| | | | |
|----|--|-----------------------------------|-----------------------|
| 13 | Marketing personnel in our company spend time discussing export customers' future needs with other functional areas. | Intelligence Dissemination | |
| 14 | Our company periodically circulates documents (e.g., reports, newsletters) that provide information on export customers. | | |
| 15 | There is minimal communication between the export and manufacturing departments concerning foreign market developments (e.g., regulations, technology). | | |
| 16 | When one department finds out something important about foreign market competitors, it is slow to alert other departments. | | |
| 17 | Important information about our export competitors is often 'lost in the system' | | |
| 18 | In this company, export personnel rarely pass on information on customer preferences to other functions/units | | |
| 19 | Information about our export competitors activities often reaches relevant personnel too late to be of any use | | |
| 20 | Important information concerning export market trends (regulatory, technology) is often discarded as it makes its way along the communication chain. | | |
| 21 | Important information concerning our major export customers is disseminated right down to the shop floor. | | |
| 22 | Personnel directly involved in export operations frequently discuss export competitors' activities with non-export personnel. | | |
| 23 | Export sales personnel rarely share their experiences of dealing with customers with others. | | |
| 24 | Too much information concerning our export competitors is discarded before it reaches decision makers. | | |
| 25 | All information concerning our export competition is shared within this company. | | |
| 26 | Information which can influence the way we serve our export customers takes forever to reach export personnel. | | |
| 27 | Export personnel regularly share information within our business concerning export competitors' strategies. | | |
| 28 | We freely communicate information about our successful and unsuccessful export customer experiences across all business functions. | | |
| 29 | Top management regularly discusses export competitors' strengths and strategies. | | |
| 30 | It takes us forever to decide how to respond to our export market competitors' price changes. | | Responsiveness |
| 31 | For one reason or another we tend to ignore changes in our foreign customers' product or service needs. | | |
| 32 | We periodically review our product development efforts to ensure that they are in line with what foreign customers want. | | |
| 33 | Our strategy for standardizing or adapting our export product offerings is based on detailed customer research. | | |
| 34 | Several 'departments' get together periodically to plan a response to changes taking place in our foreign business environment (e.g., regulation, technology, etc.). | | |
| 35 | The product lines we sell to foreign markets depend more on internal politics than real market needs. | | |
| 36 | If a major competitor were to launch an intensive campaign targeted at our foreign customers, we would implement a response immediately. | | |
| 37 | Foreign customer complaints fall on deaf ears in this company. | | |
| 38 | We are quick to respond to significant changes in our competitors' price structures in foreign markets. | | |
| 39 | When we find out that export customers are unhappy with the quality of our service, we take corrective action immediately. | | |
| 40 | We are quick to respond to important changes in our export business environ | | |

| | | |
|----|--|--|
| | changes in our export business environment (e.g., regulatory, technology, economy). | |
| 41 | All 'departments' in our firm are involved in implementing our export market strategies. | |
| 42 | Our export business strategies are driven by our beliefs about how we can create greater value for export customers. | |
| 43 | We give close attention to after sales service in our export markets. | |
| 44 | Our export business objectives are driven primarily by customer satisfaction. | |
| 45 | We rapidly respond to competitive actions that threaten us in our export markets. | |
| 46 | Our export strategy for competitive advantage is based on our understanding of export customer needs. | |
| 47 | Departments in our company work together as a team in relation to our export business. | |
| 48 | The activities of our business functions (e.g., marketing/sales, manufacturing, R&D, finance/accounting, etc.) are integrated in pursuing a common goal. | |
| 49 | In our firm there is 'interdepartmental' conflict. | |
| 50 | In our company, departments/individuals compete with each other to achieve their own goals rather than working together to achieve common objectives. | |
| 51 | Key players from other functional areas (e.g., production, finance) hinder the export related activities of this firm. | |
| 52 | In our company, the objectives pursued by export personnel do not match those pursued by members of the manufacturing or R&D department. | |
| 53 | Key players from other functional areas (e.g., production, finance) are supportive of those involved in the firm's export operations. | |
| 54 | Export personnel build strong working relationships with other people in our company. | |
| 55 | Salespeople coordinate very closely with other company employees to handle post-sales problems and services in our export markets. | |
| 56 | In this firm, when conflicts between functional areas occur (e.g., between export personnel and manufacturing), we reach mutually satisfying agreements. | |
| 57 | Employees within the export unit and those in other functional areas (e.g., engineering) help each other out. | |
| 58 | Those employees involved in our firm's export operations look out for each other as well as for themselves. | |
| 59 | Other than export personnel, it could be stated that few people in this organization contribute to the success of the firm's export activities. | |
| 60 | Certain key players in our firm attach little importance to our export activities. | |
| 61 | The export activities of this company are disrupted by the behavior of managers from other departments. | |
| 62 | In this company, there is a sense of teamwork going right down to the shop floor. | |
| 63 | There is a strong collaborative working relationship between export personnel and production. | |
| 64 | Functional areas in this firm pull together in the same direction. | |
| 65 | We resolve issues and conflicts through communication and group problem-solving. | |
| 66 | In our company, it is considered that the less interaction export personnel have with other functional areas the better. | |
| 67 | People from different functional areas in our firm discuss their problems openly and constructively. | |
| 68 | There are tensions among functional areas (e.g., export personnel and manufacturing) that interfere with the company's export activities. | |
| 69 | In this firm, our business functions (e.g., export, manufacturing) are integrated in serving the needs of our export markets. | |
| 70 | Our managers understand how everyone in our business can contribute to | |

Coordinating Mechanism

| | | |
|----|---|-----------------------------|
| | creating value for export customers. | Business performance |
| 71 | In this company, export staff share programs and resources with other business functions. | |
| 72 | We have big domestic market share (percent). | |
| 73 | We are growing with profit share (percent per year). | |
| 74 | Our premium on business is increasing (percent premiums). | |

Data Analysis

The data analyzed here using many statistical tools and techniques. For the purpose of data analysis, SPSS 20 has been used. The data categorized in nominal and scale for the purpose of better justification. All samples collected through survey questionnaire entered to SPSS data file and the variables explained in

the variable view window. For the sake of checking the genuinity of the data, reliability testing is performed. Based on the character of data many statistical tests performed. The T-test and Anova tests performed to check the acceptability of each item in this study. For the testing of hypothesis of the concept, regression analysis performed.

Table-3:Reliability Statistics

| | |
|------------------|------------|
| Cronbach's Alpha | N of Items |
| .917 | 74 |

Table-4: Demographical Data Analysis

| Parameter | Types | Frequency | Percentage |
|-----------------------|---------------------|-----------|------------|
| Gender | Male | 127 | 55.7 |
| | Female | 101 | 44.3 |
| Age | 16 Years - 25 Years | 28 | 12.3 |
| | 26 Years - 35 Years | 52 | 22.8 |
| | 36 Years - 45 Years | 75 | 32.9 |
| | 46 Years - 55 Years | 35 | 15.4 |
| | 56 Years and More | 38 | 16.7 |
| Marital Status | Single | 72 | 31.6 |
| | Married | 156 | 68.4 |
| Education | Secondary | 21 | 9.2 |
| | intermediate | 2 | .9 |
| | Graduate | 139 | 61.0 |
| | Postgraduate | 48 | 21.1 |
| | PhD | 18 | 7.9 |
| Family Income | Up to-\$1500 | 23 | 10.1 |
| | \$1501-\$2000 | 48 | 21.1 |
| | \$2001-3000 | 54 | 23.7 |
| | \$3001-\$4000 | 55 | 24.1 |
| | \$4001 and more | 48 | 21.1 |
| Profession | Student | 2 | .9 |
| | PrivateEmployee | 96 | 42.1 |
| | Govt-Employee | 23 | 10.1 |
| | Business | 80 | 35.1 |
| | SelfEmployeed | 27 | 11.8 |
| Total | | 228 | 100 |

Table-5: One Sample T-Test

| Parameters | Test Value = 3 | | | |
|--|----------------|-----|-----------------|-----------------|
| | t | df | Sig. (2-tailed) | Mean Difference |
| Periodically review the likely effect of changes in our export environment (e.g., technology, regulation). | 6.059 | 227 | .000 | .465 |
| Individuals from the manufacturing department interact directly with export customers to learn how to serve them better. | -1.907 | 227 | .058 | -.171 |

| | | | | |
|--|---------|-----|------|--------|
| Are slow to detect changes in our overseas customers' product preferences. | -.181- | 227 | .857 | -.013- |
| We poll end users once a year to assess the quality of our products and services. | 2.213 | 227 | .028 | .193 |
| We are slow to detect fundamental shifts in our export environment (e.g., technology, regulatory, economy). | 2.806 | 227 | .005 | .197 |
| In this company, we generate a lot of information concerning trends (e.g., regulation, technological developments, politics, and economy) in our export markets. | 2.551 | 227 | .011 | .189 |
| We generate a lot of information in order to understand the forces which influence our overseas customers' needs and preferences. | -.790- | 227 | .430 | -.044- |
| We do not generate enough reliable/relevant information concerning our competitors' activities in our export markets. | -.795- | 227 | .427 | -.057- |
| We constantly monitor our level of commitment and orientation to serving export customer needs. | 3.757 | 227 | .000 | .272 |
| Our top managers from every function regularly visit our current and prospective export customers. | .730 | 227 | .466 | .053 |
| We measure export customer satisfaction systematically and regularly. | .752 | 227 | .453 | .053 |
| We have 'inter functional' meetings at least once a quarter to discuss trends and developments (e.g., regulatory, technology) in our export markets. | .295 | 227 | .769 | .022 |
| Marketing personnel in our company spend time discussing export customers' future needs with other functional areas. | 2.239 | 227 | .026 | .184 |
| Our company periodically circulates documents (e.g., reports, newsletters) that provide information on export customers. | 2.583 | 227 | .010 | .197 |
| There is minimal communication between the export and manufacturing departments concerning foreign market developments (e.g., regulations, technology). | -3.664- | 227 | .000 | -.272- |
| When one department finds out something important about foreign market competitors, it is slow to alert other departments. | -.591- | 227 | .555 | -.039- |
| Important information about our export competitors is often 'lost in the system' | .864 | 227 | .388 | .061 |
| In this company, export personnel rarely pass on information on customer preferences to other functions/units | 1.240 | 227 | .216 | .101 |
| Information about our export competitors activities often reaches relevant personnel too late to be of any use | 3.225 | 227 | .001 | .237 |
| Important information concerning export market trends (regulatory, technology) is often discarded as it makes its way along the communication chain. | 4.362 | 227 | .000 | .316 |
| Important information concerning our major export customers is disseminated right down to the shop floor. | 5.984 | 227 | .000 | .390 |
| Personnel directly involved in export operations frequently discuss export competitors' activities with non-export personnel. | 2.421 | 227 | .016 | .180 |
| Export sales personnel rarely share their experiences of dealing with customers with others. | .878 | 227 | .381 | .070 |
| Too much information concerning our export competitors is discarded before it reaches decision makers. | 1.974 | 227 | .050 | .140 |
| All information concerning our export competition is shared within this company. | -1.370- | 227 | .172 | -.101- |
| Information which can influence the way we serve our export customers takes forever to reach export personnel. | 2.853 | 227 | .005 | .211 |
| Export personnel regularly share information within our business concerning export competitors' strategies. | -.836- | 227 | .404 | -.048- |

| | | | | |
|---|---------|-----|-------|--------|
| We freely communicate information about our successful and unsuccessful export customer experiences across all business functions. | -.052- | 227 | .959 | -.004- |
| Top management regularly discusses export competitors' strengths and strategies. | .000 | 227 | 1.000 | .000 |
| It takes us forever to decide how to respond to our export market competitors' price changes. | -1.974- | 227 | .050 | -.145- |
| For one reason or another we tend to ignore changes in our foreign customers' product or service needs. | .534 | 227 | .594 | .035 |
| We periodically review our product development efforts to ensure that they are in line with what foreign customers want. | .661 | 227 | .509 | .044 |
| Our strategy for standardizing or adapting our export product offerings is based on detailed customer research. | -1.471- | 227 | .143 | -.114- |
| Several departments' get together periodically to plan a response to changes taking place in our foreign business environment (e.g., regulation, technology, etc.). | 3.016 | 227 | .003 | .237 |
| The product lines we sell to foreign markets depend more on internal politics than real market needs. | .326 | 227 | .745 | .026 |
| If a major competitor were to launch an intensive campaign targeted at our foreign customers, we would implement a response immediately. | .216 | 227 | .829 | .018 |
| Foreign customer complaints fall on deaf ears in this company. | 2.757 | 227 | .006 | .211 |
| We are quick to respond to significant changes in our competitors' price structures in foreign markets. | 5.805 | 227 | .000 | .333 |
| When we find out that export customers are unhappy with the quality of our service, we take corrective action immediately. | -1.689- | 227 | .093 | -.140- |
| We are quick to respond to important changes in our export business environ changes in our export business environment (e.g., regulatory, technology, economy). | 1.339 | 227 | .182 | .092 |
| All 'departments' in our firm are involved in implementing our export market strategies. | 3.245 | 227 | .001 | .211 |
| Our export business strategies are driven by our beliefs about how we can create greater value for export customers. | 1.856 | 227 | .065 | .123 |
| We give close attention to after sales service in our export markets. | -.156- | 227 | .876 | -.009- |
| Our export business objectives are driven primarily by customer satisfaction. | .436 | 227 | .663 | .031 |
| We rapidly respond to competitive actions that threaten us in our export markets. | 2.145 | 227 | .033 | .158 |
| Our export strategy for competitive advantage is based on our understanding of export customer needs. | 5.852 | 227 | .000 | .390 |
| Departments in our company work together as a team in relation to our export business. | -1.912- | 227 | .057 | -.154- |
| The activities of our business functions (e.g., marketing/sales, manufacturing, R&D, finance/accounting, etc.)are integrated in pursuing a common goal. | -2.403- | 227 | .017 | -.189- |
| In our firm there is 'interdepartmental' conflict. | -.878- | 227 | .381 | -.070- |
| In our company, departments/individuals compete with each other to achieve their own goals rather than working together to achieve common objectives | -2.793- | 227 | .006 | -.219- |
| Key players from other functional areas (e.g., production, finance) hinder the export related activities of this firm. | 4.162 | 227 | .000 | .298 |
| In our company, the objectives pursued by export personnel do not match those pursued by members of the manufacturing or R&D department. | 1.859 | 227 | .064 | .136 |

| | | | | |
|--|--------|-----|------|-------|
| Key players from other functional areas (e.g., production, finance) are supportive of those involved in the firm's export operations. | -0.071 | 227 | .944 | -.004 |
| Export personnel build strong working relationships with other people in our company. | 1.406 | 227 | .161 | .096 |
| Salespeople coordinate very closely with other company employees to handle post-sales problems and services in our export markets. | 2.459 | 227 | .015 | .154 |
| In this firm, when conflicts between functional areas occur (e.g., between export personnel and manufacturing), we reach mutually satisfying agreements. | 3.269 | 227 | .001 | .250 |
| Employees within the export unit and those in other functional areas (e.g., engineering) help each other out. | .201 | 227 | .841 | .018 |
| Those employees involved in our firm's export operations look out for each other as well as for themselves. | 3.216 | 227 | .001 | .250 |
| Other than export personnel, it could be stated that few people in this organization contribute to the success of the firm's export activities. | -.973 | 227 | .331 | -.079 |
| Certain key players in our firm attach little importance to our export activities. | 1.690 | 227 | .092 | .127 |
| The export activities of this company are disrupted by the behavior of managers from other departments. | 2.446 | 227 | .015 | .180 |
| In this company, there is a sense of teamwork going right down to the shop floor. | 4.457 | 227 | .000 | .298 |
| There is a strong collaborative working relationship between export personnel and production. | 4.419 | 227 | .000 | .298 |
| Functional areas in this firm pull together in the same direction. | -2.005 | 227 | .046 | -.162 |
| We resolve issues and conflicts through communication and group problem-solving. | -.330 | 227 | .742 | -.022 |
| In our company, it is considered that the less interaction export personnel have with other functional areas the better. | -3.888 | 227 | .000 | -.272 |
| People from different functional areas in our firm discuss their problems openly and constructively. | 2.596 | 227 | .010 | .202 |
| There are tensions among functional areas (e.g., export personnel and manufacturing) that interfere with the company's export activities. | 4.461 | 227 | .000 | .325 |
| In this firm, our business functions (e.g., export, manufacturing) are integrated in serving the needs of our export markets. | 2.486 | 227 | .014 | .197 |
| Our managers understand how everyone in our business can contribute to creating value for export customers. | -2.107 | 227 | .036 | -.145 |
| In this company, export staff share programs and resources with other business functions. | -1.864 | 227 | .064 | -.123 |
| We have big domestic market share (percent). | 12.000 | 227 | .000 | .675 |
| We are growing with profit share (percent per year). | 1.106 | 227 | .270 | .092 |
| Our premium on business is increasing (percent premiums). | 4.156 | 227 | .000 | .355 |

Hypothesis Testing

Hypothesis1: Independent Variable Intelligence Generation & Dependent Variable

| Performance | | | | |
|--|-----------------------------|---------------------------|-------------------|----------------------------|
| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
| 1 | .370 ^a | .137 | .133 | .88465 |
| a. Predictors: (Constant), Intelligence_Generation | | | | |
| Model | Unstandardized Coefficients | Standardized Coefficients | t | Sig. |

| | | B | Std. Error | Beta | | |
|---|-------------------------|-------|------------|------|-------|------|
| 1 | (Constant) | 1.576 | .306 | | 5.152 | .000 |
| | Intelligence_Generation | .579 | .097 | .370 | 5.990 | .000 |

a. Dependent Variable: Performance

The first hypothesis got tested using regression analysis where the value of R is 0.370 and the value of R squared is 0.133 having the significant result. It

shows that the hypothesis is getting rejected and the concept is getting accepted as drawn in the model.

Hypothesis2: Independent Variable Intelligence Dissemination & Dependent Variable

| Performance | | | | | | |
|---|----------------------------|-----------------------------|-------------------|----------------------------|-------|------|
| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | | |
| 1 | .513 ^a | .263 | .259 | .81767 | | |
| a. Predictors: (Constant), Intelligence_Dissemination | | | | | | |
| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | .568 | .317 | | 1.792 | .075 |
| | Intelligence_Dissemination | .908 | .101 | .513 | 8.975 | .000 |

a. Dependent Variable: Performance

The second hypothesis got tested using regression analysis where the value of R is 0.513 and the value of R squared is 0.259 having the significant

result. It shows that the hypothesis is getting rejected and the concept is getting accepted as drawn in the model.

Hypothesis3: Independent Variable Responsiveness & Dependent Variable

| Performance | | | | | | |
|---|-------------------|-----------------------------|-------------------|----------------------------|-------|------|
| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | | |
| 1 | .468 ^a | .219 | .215 | .84182 | | |
| a. Predictors: (Constant), Responsiveness | | | | | | |
| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | 1.202 | .279 | | 4.313 | .000 |
| | Responsiveness | .715 | .090 | .468 | 7.951 | .000 |

a. Dependent Variable: Performance

The third hypothesis got tested using regression analysis where the value of R is 0.465 and the value of R squared is 0.215 having the significant result. It

shows that the hypothesis is getting rejected and the concept is getting accepted as drawn in the model.

Hypothesis4: Independent Variable Coordinating mechanism & Dependent Variable

| Performance | | | | | |
|---|-------------------|----------|-------------------|----------------------------|--|
| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | |
| 1 | .589 ^a | .347 | .344 | .76940 | |
| a. Predictors: (Constant), Coordinating_Mechanism | | | | | |

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|-------|------------------------|-----------------------------|------------|---------------------------|--------|------|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | -.637 | .369 | | -1.725 | .086 |
| | Coordinating_Mechanism | 1.266 | .115 | .589 | 10.964 | .000 |

a. Dependent Variable: Performance

The fourth hypothesis got tested using regression analysis where the value of R is 0.589 and the value of R squared is 0.344 having the significant result. It shows that the hypothesis is getting rejected and the concept is getting accepted as drawn in the model.

Findings

The research is targeting to find the solution for the research problem, where the study needs to answer as findings of the study: The first question is what is export market orientation? The answer well explained using the concept and the conceptual model, where all dimensions are represented clearly. Second question is about Kurdistan region readiness for export market orientation? Answer of this question is explained using T-test in the analysis part of the thesis. Third question, what are different variables of export market orientation? The four variables of export market orientation get justified using regression analysis based on the data collected through the structured questionnaire in Kurdistan. Fourth question is what is the importance of export market orientation variables? It is analyzed and interpreted in data analysis that the export market orientation variables are very important as per this study for business development. Fifth question is how export market orientation variables affect the business performance? This is well explained and presented in the regression analysis. The sixth is the, what is the performance of export market orientation variables in Kurdistan? The answer is explained and interpreted as the Anova analysis, where it is justified that the performance of export market orientation variables are having good performance then too needs to get improved. Seventh question how export market orientation variables can affect the business performance? The narration of this question is done using the regression analysis where the cause effect relationship is performed to measure the importance and presented as R and R square. The last question is eighth as what is relationship in between export market orientation variables and business performance in Kurdistan? The answer of this question is available in the analysis chapter with the regression analysis where the cause effect relationship is the representative of relationship.

Managerial Implication and Conclusion

Export market orientation is the concept of widely getting used all around the world. Dimensions

discussed in this study are major dimensions and needs to get cared in all aspect. The study conducted here is justifying all objectives with finding the solution of research problem all research question. The research is re justifying the concept with supported data. Kurdistan region is natural rich region and can get the huge export potential. The outcome of this study is the contribution to the academic learning. The practical usage can get implemented by companies involved in export. Many multinational companies can also get enrich with information about the existing resources and support in Kurdistan. They can prepare for needful for export market orientation. Economically, for the purpose of social and economic development as well this research can be guide map.

The study is getting concluded here with its outcome and results based on data analysis and interpretation. The vast study on the export market orientation in Kurdistan region conducted taking four independent dimension and one dependent dimension namely Intelligence Generation, Intelligence Dissemination, Responsiveness, Coordination Mechanism and Business Performance respectively. It is very clear in the study as per the responses of respondents all four independent variables are important for business performance. When we see the values of R is much better showing the positive relationship and the R square as well supportive in the limit. Kurdistan region needs to take the initiative for the development of export by export market orientation concept.

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