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Designing and presenting an application to improve the export performance of commercial companies (Case study of commercial companies in Ardabil province)

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Abstract

Export performance is one of the international marketing subjects which has been being notably researched. But still there is no comprehensive understanding of its context due to numerous effective indicators existence. The objective of this study is presenting a model to expand the export performance of trading enterprises in Ardabil province through 57 questionnaire items affecting export performance. Hence considering the researcher's study, citing research literature and conducting interview with 30 chamber of commerce experts, 57 questionnaire items were identified in total by exploratory factor analysis questionnaire and after performing software analysis of the questionnaire items, 12 factors were identified as effective factors. All these 12 factors functioned in export performance extension of trading enterprises and became involved in model, and LISREL software outputs of modeling indicated that factors of executives' capability in companies, competitive strategy, company communications, product strategy, human resources strategy and infrastructures respectively, play the most crucial importance part in export performance extension of trading enterprises.

Keywords: companies' performance, export performance extension, export, non-oil export

1. Introduction

Academic enthusiasm on this subject goes back many years. For instance, Tookey (1964) was one of the researchers who studied Britain export performance success. In early evaluations, Madsen (1987) and Gemünden (1998) realized the complexity of export performance structure in long term

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by different analysis. Diamantopoulos (1998) also claimed that export performance is multipurpose, therefore it is feasible to assess and manipulate it through objective and subjective indicators, so Companies should maintain their competitive advantage at this juncture and endeavor to flourish and improve their performance (Madsen & Moen, 2018).

The last decade has been distinguished from previous decades owing globalization and business competition. Consumer product market, industrial goods and services, or resource market such as capital, material and technology have been globally integrated. Simultaneously formation of various business agreements and establishing open trade policies between different countries lead to induce protectionism and eradicate business obstacles. As a result, without paying attention to the national roots, size and set of industries, most companies have faced this fact in practice and realized not to participate in global trade is not a long term choice (Haghighi et al, 1387).

Increasing Middle East countries capability in global trade, European countries integration, and political reformation in some countries using new technology are going to create new arrangement in global trade at the beginning of the twenty first century, the implication of these developments is that the old ways of doing business will fail in the future (Mir Jahan Mard et al, 1389). In the meantime, companies must realize that under these circumstances, exporting is an essential way to maintain survival and make a profit, and Companies strive to continuously improve their export performance using a variety of methods and effective factors.

Companies need to be aware that no country lives in complete separation from other countries, Even companies which decide to operate exclusively in their domestic market encounter international competition challenges and it is in this context that export is a key strategy for ensuring the growth and viability of companies that entering global and regional markets requires a revision of all aspects, topics and business strategies of trading enterprises. Hence export can be said to be a more complicated activity than domestic market, and the staff and managers who are responsible for making decisions in foreign markets play a key role in this context.

The extent of managers' commitment to export activities and the allocation of company resources and capital to realize exports and of course adopt macro export-enhancing strategies by managers, can play an important role in export performance of companies(Farrokhi and Mohammadi,1396). Appropriate understanding of this fact reveals the need for policymakers the necessity of adopting competitive enhancing policies of export companies in Ardabil Province, because the region of Azerbaijan as a way of entry of European countries into the country requires double attention. On the other hand, business in any form under normal circumstances is subject to a number of laws, including tax laws. But in some port and non-port protected areas, the rules vary in order to encourage business growth and investment and it has many benefits, Benefits such as: tax exemptions, Customs profits and duties exemption, eliminating redundant administrative and currency paperwork, simple export and import processes by attracting foreign investment and ... All these indicate that Ardabil should be considered as one of the export-oriented areas in different fields. Ardebil province, due to its common border with the Republic of Azerbaijan, Bile Savar Moghan's international customs, rich agricultural and tourism capabilities are among the potentials that encourage the province to increase exports and enhance export performance of trading enterprises.

Employment (job creation), presence of investors in the region, customs duties and business profit exemption, reduction in unemployment, increase in value-added of real estate, 21-year tax exemption are some of the benefits that can be demonstrated by developing an export model for the province, Because identifying the determinants of export performance to improve the province's export performance is the most significant factor in balancing the province's economy with that of the country and the region. However, there are still different ways to measure export performance that can include different export models for companies (Madsen & Moen, 2018). The present study seeks to determine the status of Ardebil province's industries in the country, indicates the factors that determine the export performance development and identify the necessary solutions to enhance the province's export. In this regard, the present study seeks to answer the question of what is the design of export performance development model for Ardebil province trading enterprices, what are the indices and components of export performance model and what is the optimal model for export performance development for Ardabil province?

2. Theoretical framework

Today, export growth for governments is the key to rebuilding the economy. Almost all developing countries have placed the issue of export development at the top of government priorities and policies and there is, of course, awareness of the importance of export issues in developed countries (Griffith & Czinkota, 2012), because the complexity of international business and trade and the lack of sufficient technical knowledge can put the firm in a position of non-competitiveness. Therefore, on the one hand, knowledge and experience are critical factors for competing in foreign markets and on the other hand, there are many export problems that hinder the export sales of the firm. Consequently governments have presented a number of incentives for export - whether in export protection programs or in institutions such as export development banks. Presence of Knowledge, information, experience and export development programs are also defined to meet these needs, help learning the process in an international competitive environment, motivate the business environment towards export goals and create the necessary infrastructure to facilitate export (Khorshidi et al, 1396).

3. Business Performance Management

Function is one of the most important structures in managerial research and it is undoubtedly the most important measurement criteria of business success in trade enterprises. But generally as to what the variables and performance indicators are, there is still no consensus among experts.

Hooley et al (2005) introduced business performance including customer performance (Customer Satisfaction and Customer Loyalty), market performance (High sales volume and market share) and financial performance (Profit, Profit Margin and Return on Capital Compared to Competitors) and to measure business performance, you need to measure these three functions (Aghazade and Divandari, 1387). Harris (1996) proposes two criteria for measuring performance: objective criteria and subjective criteria. "Objective performance criteria are measures that are fully realistic based on objective data, which include return on assets, return on shareholders' equity, return on Investment and the profit per share", he noted. Subjective criteria are based on beneficiaries' judgment such as customer satisfaction, employee satisfaction, success in delivering new products, etc. (Rezaee Dolatabadi and Khaef Elahi, 1385).

4. Export Performance

Export performance is deemed to be one of the most fundamental pillars of decision-making in international trade; however, researchers do not present a decisive conceptual or operational definition of it which has led to divergent and sometimes conflicting definitions of export performance. One of the main reasons for such a problem is the lack of criteria that are agreed upon by all researchers so that researchers use different criteria in their studies and obtain conflicting results. The conceptual definition also depends on the context in which the study was conducted (Mahdikhani and Yazdani, 1397).

Cavusgil and Zou (1994) define export performance as the extent to which Recket has succeeded in achieving its economic objective (profit, sales, cost, etc.) and strategic goals (market penetration, market share expansion, etc.) in foreign markets. Export performance must satisfy management, managers' satisfaction is an important factor in formulating future strategies of the organization and directly affect export performance (Navarro et al, 2010).

In another definition, strategic export performance refers to the degree to which the organization has succeeded in achieving its strategic goals, including improving competitive advantage, increasing market share, and strengthening its competitive position (Purchase, 2011).

5. The Necessity of Developing Iranian Non-Oil Export

Generally, one of the most important predicaments in developing countries and in the Third World is their single product economy and dependence on the export of raw materials, which has a negative impact on the social, economic, political and even cultural structure. Since a large portion of these countries' foreign exchange earnings are obtained by exporting only one or more raw materials, they are utterly vulnerable to adverse external pressures and constraints (at least in the long run). Manifestly, under such circumstances, any abnormal fluctuations in the price of these commodities or the limited commodities which form main sources of income in these countries, will have a profound influence on their economic, political, social, and even cultural structures. Over the last two decades, the adoption of an outbound strategy of export development, especially in a number of Southeast Asian countries such as South Korea, Thailand, Indonesia, has revealed the significance of export as an important source of currency and economic growth engine. The miracle of Southeast Asian countries can be considered as an important approach to plan the economic growth of other countries, but the composition of export goods is another matter. As believed by economists, relying on revenues from the export of petroleum has prevented planners from fundamentally deciding to diversify foreign exchange earnings and expand the country's exports for decades (Shakeri, 1391).

Our country will require more currency due to severe population growth, declining oil reserves and gradual depletion of wells and extraction costs, uncertainty about the future of the world market and oil price changes, repairing the damage caused by the eight-year Iraq war against Iran, rebuilding the economy, increasing Iran's commitments to developing and nurturing the young population, thus there is no other way than to emphasize non-oil exports. A large part of the Iranian industry is facing the exhaustion of machinery and technology, and it needs rebuilding and replacement technologies. Furthermore, the increasing trend of domestic consumption is so high that it will continue to cast serious doubt on the future of oil export. Oil export are projected to fall to zero in the next 12 years if current domestic consumption continues to rise. The set of factors mentioned reveals that a national economic and export development strategy must be revised to achieve a non-oil economy and Iran's economic presence must be increased on a global scale (Hooshmand et al, 1391).

6. Export development and its strategies

Every country needs vast amounts of currency to make its trade and diversify imports. There is no other way to export foreign currency than to export goods or services and for this reason, in any long-term development strategy, it is imperative to pay attention to expanding export (Motevaseli, 1380). Export promotion is always about the development of export of non-traditional and mainly factory products, so that export can act as the engine of growth and the driving force of industrial development. Thus, in the context of economic development, the export substitution policy is primarily concerned with the development of exports of manufactured goods (factory products) or secondary products. Nowadays, we refer to export development as a definite business strategy that will lead the country to achieve industrial and economic development goals promptly. Currency policies (devaluation), trade liberalization, methods of export financing, foreign investment, comparative advantage in production and trade, market orientation, exchange rate management and balanced economic growth are some of the major strategic tools for export development. In addition to well-known suggested strategies or related documentation and research, the use of systematic approaches is also important in strategy determination (Hosseini Hanzaee and Elahyari, 1397).

7. Literature review

7.1. Interior literature

7.1.1. Reproducing Resource Development Strategies from Iran to Central Asia

Hosseini Hanzaee and Elahyari (1397) argue that Iran's strategic position with respect to Central Asian countries provides a good opportunity to achieve its export development goals and programs from the eastern borders. The results of the studies indicate that the most appropriate approach in formulating export development strategies to Central Asian countries is the aggressive approach and the results of formulating and prioritizing strategies, improving banking and insurance services for exporting commodities and export incentive services, as well as improving export infrastructure, including transport infrastructure, are among the highest strategic export priorities of export to this area. The results of this study can guide planners of the country's export control tools - strategy codification team- in formulating policies and implementing them in the region, especially in Central Asia.

7.1.2. Factors Affecting Pegah Export, Investigating the Role of Export Commitment on Export Performance of Pegah Zanjan

Farrokhi and Mohammadi (1396) argue that export is a more complex activity than domestic business, and that staff and executives who have a responsibility to make decisions in foreign markets play a key role in this area. The extent of managers' commitment to export activities and the allocation of company resources and capital to realize export and adopt macro export-enhancing strategies by managers can play a crucial role in export performance of companies. Pearson correlation test was used to test the hypotheses, which indicated that all the research hypotheses except the third hypothesis were confirmed. This research began in Day 1394 and ended in Shahrivar 1395.

7.1.3. Identifying the factors affecting the promotion of business performance in international trade

Najafii and Mosadeghian (1396) explicate that the process of globalization of markets is underlying the importance of understanding the behavior and performance of enterprises in export markets. The results demonstrate that internal factors have a significant impact on the promotion of SMEs in Tehran province; also, fluctuations in export promotion policies and promotion of SMEs in Tehran province have a significant impact; the fluctuations in export development policies do not have a significant effect on the promotion of (export) performance of SMEs in Tehran province.

7.1.4. Investigating the Impact of Managerial Participation on Social Media about export of companies

Karmen et al (2018) assert that the growth of social media in the field of international trade has its risks and challenges. Marketers are becoming acquainted with the loss of control over marketing messages as a threat, and are seeking to perceive the potential power of social media as an essential marketing tool for their businesses. Based on the beliefs of export managers on the use of social media outputs such as the attitudes derived from it, intentions to use it and proper use of its web software, three groups of Spanish exporters have been designated according to managers' intervention with social media tools Including social media potential, social media innovation principles and social media expert. Taking into account different types of sectors and characteristics of companies, these three clusters of exporting enterprises possess the intended conditions and their relationship to the performance of these enterprises has been determined.

7.1.5. Managerial evaluation of export performance

Madsen & Moen (2018) state that export performance is often measured by managers' subjective evaluations, but the perception of such evaluations reflect on the performance of the organization is less likely to occur. This article examines the gap between these two issues in theoretical literature by analyzing the relationship between subjective and objective measures of export performance and states what aspects of management should be applied when conducting subjective analysis to evaluate export performance. They also acknowledge that managers have a predictive role to play in subjective evaluation, which will in turn influence export development in the future. The study was conducted in small and medium-sized firms in Norway, and illustrates that management's subjective evaluations of corporate export development are directly derived from the amount of sales of the company's products exported to the target markets.

7.1.6. The impact of export marketing capabilities on export performance with the mediating role of inefficient competition

Boso et al (2017) conducted mentioned study with the aim of examining the multiple information and data available to 162 export companies in Africa to help to understand whether export marketing capabilities can be developed or derived from export performance. The results of the study showed that market responsiveness derives from export performance, while export performance and organizations responsiveness develop concurrently. The effect of both corporate capabilities on export performance in competitive environments is undermined by high levels of inefficient competition. The research findings prove that strong capability to meet export market needs and greater competition for new products in African markets does not always benefit companies owing to output of export performance which relies on inefficient competition.

8. Research findings

 Table 1: Variable Extraction Factors for Export Performance Development of Business Companies (Source: Researcher Studies)

row	Factors and Questionnaire items
1	The relevant market share of the company in the domestic market
2	Increase the company's market share related to the domestic market
3	Growth in return on equity compared to previous years
4	Growth of sales margin compared to previous years
5	The overall position of companies' competition in the domestic market
6	Export tariffs on company products
7	Integrating market information in line with company activities
8	The existence of added value for the company's manufactured goods
9	Development of private sector activities in line with companies' activity

row	Factors and Questionnaire items
10	The existence of relative advantage for company goods in the market
11	Extension of transport network for corporate goods
12	Corporate Human Resources Development
13	Company sales network growth
14	High management perception of market competition and capacity
15	Corporate management perception of export knowledge
16	Company participation in domestic and foreign exhibitions
17	Providing target market analysis by companies to investors
18	The high variety of export products of the company
19	Co-management of the company with other departments of the company in the
	decision making process
20	Company flexibility in responding to customers
21	Company satisfaction with export quantity and quality
22	Regular Companies' attendance at exhibitions
23	Active participation in business and marketing and investment teams within the
	country
24	Active participation in business and marketing and investment teams abroad
25	Specialized training and services for company staff
26	Diversity of company products
27	Properly furtherance of corporate export financing plans
28	Influence on the export market in line with the company's export development
29	The existence of a suitable social environment to enhance the company's export
30	The existence of a suitable social environment to enhance the company's export
31	The existence of organized environmental programs to promote technology in the
	company
32	Provision of timely and appropriate facilities and credits to exporter
33	The existence of environmental programs that make the export of goods and
	services competitive
34	Export prices reduction
35	The existence of revision and reformation of export incentives to facilitate and
	increase effectiveness of companies
36	The existence of number of plans to develop and upgrade the public and special-
	ized infrastructure which is Suitable to export
37	The existence of promotion packages for export companies
38	The existence of facilitated packages for export companies
39	The existence of supportive packages for export companies
40	The existence of an appropriate system for export quality management
41	The existence of suitable banking infrastructure for export companies
42	The existence of appropriate financial infrastructure for export
43	The existence of trade unions and associations related to the activities of com-
	panies to empower them
44	Trade policies codification with other countries to promote cross-border trade
45	Presence of the province representative in international export organizations and
	assemblies
46	Expanding trade with Islamic countries and friendly countries with export diplo-
	macy
	assemblies Expanding trade with Islamic countries and friendly countries with export diple

row	Factors and Questionnaire items
47	The existence of Organized programs to reduce or eliminate customs tariffs
48	The number of plans existence to adjust the import of raw materials needed for
	export production
49	The company's top manager belief in the value of earning more at high financial
	risk
50	The company CEO encouragement to come up with new export marketing strate-
	gies
51	Taking control of competing in the relevant industry by the company
52	The existence of competitive promotion opportunities in the industry
53	Corporate management plan to reduce product cost
54	The company satisfaction with the growth of its exports
55	Suitable export market share
56	Customer satisfaction of the company

A total of 57 questionnaire items were identified based on research studies and citing research literature and interviewing with 30 experts in the Chamber of Commerce. In the interview, the export performance of the companies is considered. In order to determine the validity of the questionnaire, 30 experts from the Chamber of Commerce completed the questionnaire and were asked to express their impressions of the proportion (validity) of each factor on a five-degree scale. In addition to the expert validation of the tool by experts, to provide a conceptual model for definitive validation, the comprehensive quantitative variance table method was also used, which presents various dimensions of the export performance model in terms of the components whose number is determined.

 $Var(X) = E[(X - \mu)^2]$ (Equation 1. variance) cov(X, Y) = E[(X - E(X))(Y - E(Y))] (Equation 2. covariance)

where $\mu = E(X)$ is the average value.

9. xploratory Factor Analysis for Export Performance Development Questionnaire of trade enterprises

To implement factor analysis, we first need to make sure that the data available for analysis can be applied. In other words, are the numbers of data (sample size and relationship between variables) appropriate for factor analysis or not? To this purpose, the KMO and the Bartlett test are employed.

KMO Measure: a measure of sampling adequacy that examines the small partial correlation between variables and thereby determines whether the variance of the research variables is affected by the common variance of some underlying hidden factors or not. This index is in the range of 0 and 1. If the index value is close to 1, the intended data (sample size) is suitable for factor analysis and less than 0.6 is usually not a suitable factor analysis result (Momeni and Ghayoomi, 1391, p171). In this study, according to the table (11_4), the KMO is 0.62, therefore sample size is suitable for factor analysis.

Bartlett test: This test examines when the correlation matrix is mathematically known to be a unit matrix and is therefore inappropriate for identifying the structure (factor model). In the present study, according to Table 2, the value of SIG is 0.000, therefore factor analysis is appropriate for identifying the structure.

Table 2: The KMO and the Bartlett test						
The KMO measure and the Bartlett test						
kaiser-Meyer-Oll	kaiser-Meyer-Olkin Measure of Sampling Adequacy.(KMO) 0624					
	An approximation of the chi-square statistic	2838.385				
The Bartlett test	Degrees of freedom(DF)	1381				
	Significance level(SIG)	.000				

	Table 2:	The	KMO	and	the	Bar	tlett	test	
-				-	-	_	-		

Table 3: Amounts of Extraction communalities

Questionn-	Extraction	Questionn-	Extraction	Questionn-	Extraction	Questionn-	Extraction
aire items	commu-						
	nalities		nalities		nalities		nalities
X1	.905	X16	.910	X31	.824	X46	.755
X2	.791	X17	.921	X32	.877	X47	.751
X3	.764	X18	.852	X33	.853	X48	.805
X4	.807	X19	.834	X34	.899	X49	.827
X5	.852	X20	.807	X35	.873	X50	.801
X6	.795	X21	.370	X36	.908	X51	.798
X7	.866	X22	.901	X37	.909	X52	.916
X8	.441	X23	.796	X38	.725	X53	.389
X9	.462	X24	.898	X39	.816	X54	.837
X10	.855	X25	.937	X40	.792	X55	.487
X11	.806	X26	.937	X41	.884	X56	.402
X12	.751	X27	.798	X42	.889	X57	.831
X13	.897	X28	.843	X43	.865		
X14	.870	X29	.810	X44	.922		
X15	.910	X30	.877	X45	.768		

The table above shows the initial communality and the extract communality respectively. The communality of one variable is equal to multiple correlations (R^2) for the related variables using factors (as predictors). Because the initial communality column lists the communalities before extracting the factors. All initial communalities are equal to 1. The larger the extraction communalities values, the extracted factors better represent the variables. So according to the table, items 56, 53, 21, 9,8 and 55 are removed from the question list and factor analysis because they have values lower than 0.5.

Rotation Matrix		abic 4.					nen	ts				
of Components	1	2	3	4	5	6	7	8	9	10	11	12
X20	7.74											
X57	8.44											
X14		.825										
X15		.865										
X19		.806										
X46		.876										
X49		.813										

Table 4. Rotation Matrix

Rotation Matrix						Com	ponent	S				
of Components	1	2	3	4	5	6	7	8	9	10	11	12
X50		.758										
X54		.844										
X5			.835									
X10			.742									
X33			.871									
X51			.750									
X52			.854									
X6				.758								
X44				.889								
X47				.805								
X48				.795								
X11					.898							
X13					.878							
X16					.868							
X22					.779							
X23					.892							
X24					.874							
X28					.782							
X45					.811							
X18						.874						
X26						.877						
X34						.834						
X40						.726						
X12							.803					
X25							.808					
X43							.720					
X2								.821				
X1								.907				
X3								.841				
X4								.805				
X27								.873				
X31									.803			
X36									.871			
X41									.718			
X42									.779			
X32										.855		
X35										.860	<u> </u>	<u> </u>
X37										.810		
X39										.855		
X29										_	.891	<u> </u>
X30											.868	
X7												.892
X17												.911

Table 1 shows the rotation matrix of the components, which includes the factor loadings of each variable on the residual factors after rotation. The greater the absolute value of these coefficients, the more relevant the factor plays in the total variance. According to the results of the research data, the specific amount of rotating extraction factors for the variables related to the export performance development of commercial companies remain in the 12 factors in the analysis. These 12 factors can explain approximately 77 percentage of the variance. Based on the factor analysis on the 51 variables, 12 factors were identified as the main factors, which were named as following table according to the literature review.

Table 5: Amounts of Extraction communalities after rotation					
Questionnaire Items	Extraction communalities				
Customer Orientation	77456				
Corporate Managers Ability	85358				
Competitive Strategy	78025				
Terms and Conditions	90754				
Companies' Communications	81512				
Product Strategy	79552				
Human Resources Strategy	83148				
Market Profit and Share Strategy	80756				
Infrastructure	77321				
Incentives	75115				
Environmental Factors	72152				
Knowledge	76782				

Table 6: Extraction factors and their questionnaire items

Components	Questionnaire Items
Customer Orienta-	Company flexibility in responding to customer
tion	
	Customer satisfaction of the company
Corporate Man- agers Ability	High management perception of market competition and market capacity
	Corporate management perception of export knowledge
	Co-management of the company with other departments of the company in the
	decision making process
	Expanding trade with Islamic and friendly countries implementing export diplo-
	macy
	The company's top manager belief in the value of earning more at high financial
	risk
	The company CEO encouragement to come up with new export marketing strate-
	gies
	Corporate management plan to reduce product cost

Competitive Strat- egy	The overall position of companies' competition in the domestic market
	The existence of relative advantage for company goods in the market
	The existence of environmental programs that make the export of goods and services competitive
	Taking control of competing in the relevant industry by the company
	The existence of competitive promotion opportunities in the industry
Terms and Condi- tions	Export tariffs on company products
00015	Trade policies codification with other countries to promote cross-border trade
	The existence of Organized programs to reduce or eliminate customs tariffs
	The number of plans existence to adjust the import of raw materials needed for export production
Companies' Com- munications	Extension of transport network for corporate goods
	Company sales network growth
	Company participation in domestic and foreign exhibitions
	Regular Companies' attendance at exhibitions
	Active participation in business and marketing and investment teams within the country
	Active participation in business and marketing and investment teams abroad
	Influence on the export market in line with the company's export development
	Presence of the province representative in international export organizations and assemblies
Product Strategy	The high variety of export products of the company
05	Diversity of company products
	Export prices reduction
	The existence of an appropriate system for export quality management
Human Resources Strategy	Corporate Human Resources Development
	Specialized training and services for company staff
	The existence of trade unions and associations related to the activities of com-
	panies to empower them
Market Profit and Share Strategy	the company's market share related to the domestic market
	The relevant market share of the company in the domestic market Increase
	Growth in return on equity compared to previous years
	Growth of sales margin compared to previous years
	Properly furtherance of corporate export financing plans
Infrastructure	The existence of organized environmental programs to promote technology in the
	company The evictories of number of plane to develop and upgrade the public and epocial
	The existence of number of plans to develop and upgrade the public and special- ized infrastructure which is Suitable to support
	ized infrastructure which is Suitable to export
	The existence of suitable banking infrastructure for export companies
	The existence of appropriate financial infrastructure for export companies

	· · · · · · · · · · · · · · · · · · ·						
Incentives	Provision of timely and appropriate facilities and credits to exporter						
	The existence of revision and reformation of export incentives to facilitate an						
	increase effectiveness of companies						
	The existence of promotion packages for export companies						
	The existence of facilitated packages for export companies						
	The existence of supportive packages for export companies						
Environmental Fac-	The existence of a suitable social environment to enhance the company's export						
tors							
	The existence of a suitable social environment to enhance the company's export						
Knowledge	Integrating market information in line with company activities						
	Providing target market analysis by companies to investors						

10. What model can be offered to enhance the export performance of trade enterprises?

Confirmatory factor analysis model was used to determine the appropriate pattern for the identified dimensions. The following diagram depicts the path fitted to the data. The chi-square and RMSEA indices indicate that the modified model provides better fitting to the data. Therefore, a number of goodness-of-fit indices have been used to determine the fit of the model, which is presented in the table7. Since the RMSEA index is smaller than 0.1, the model has a good fitting. Other goodness-of-fit indices are also accepted in the interval.

Table 7: Goodness of fit of structural model							
Goodness of fit index	SRMR	RMSEA	GFI	AGFI	NFI	NNFI	IFI
Acceptable values	< 0.1	< 0.1	> 0.9	> 0.9	> 0.9	> 0.9	0_1
Calculated values	0.022	0.075	0.78	0.76	0.79	0.94	0.93

$$SRMR = \sqrt{\frac{2}{p(p+1)} \sum_{i \le j} \left[(s_{ij} - cov_{ij}(\hat{\theta})) / (s_{ii}s_{jj}) \right]^2} \quad (3)$$

$$GFI = 1 - \frac{tr \left[\left\{ \sum(\hat{\theta})^{-1} (S - \sum(\hat{\theta})) \right\}^2 \right]}{tr \left[\left\{ \sum(\hat{\theta})^{-1} S \right\}^2 \right]} \quad (4)$$

$$AGFI = 1 - \frac{p(p+1)(1 - GFI)}{p(p+1) - 2q_2} \quad (5)$$

$$NFI = 1 - \frac{T_M}{T_I} \quad (6)$$

$$NNFI = 1 - \frac{(T_M/d_M) - 1}{(T_I/d_I) - 1} \quad (7)$$

$$RMSEA = \sqrt{max \{ (T_M - df_M) / (n.df_M), 0 \}} \quad (8)$$

$$IFI = 1 - \frac{\sqrt{(1 - d_1)^2 + \dots + (1 - d_n)^2}}{\sqrt{n}} \quad (9)$$

Residual Variance and Covariance (RMR): It is acceptable because it is equal to 0.05 and close to 0.

Estimation of relative amount of variance and covariance index (GFI): It is acceptable because it is equal to 0.78 and close to 1.

Mean squares index instead of sums of squares in the model (AGFI): It is acceptable because it is equal to 0.76 and close to 1.

Sum of mean squares index (RMSEA): It is acceptable because it is equal to 0.075 and close to 0.

Comparison index intended of the model with the model without its relations (NFI): It is acceptable because it is equal to 0.79 and close to 1.

Comparison index intended of the model with the model without its relations (CFI): It is acceptable because it is equal to 0.84 and close to 1.

As can be seen, the fit indices of the model are in suitable condition. It should be noted, however, that based on studies in the literature, each of the identified dimensions included the components which constitute the indices of each dimension. All parameter values for dimensions, components, and indices, along with factor loads and path coefficients, are the most important outputs of the LISREL program. The significant part of the model coefficients is estimated and, as is evident, all the obtained coefficients are meaningful. Therefore, all 12 factors are involved in the development of export performance of business enterprises and are incorporated into the model, respectively, the capabilities of corporate managers, competitive strategy, corporate communication, product strategy, human resources strategy and infrastructure play the most essential role in developing export performance of business.

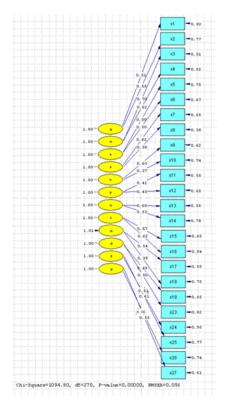


Figure 1:

11. Conclusion and Research Proposals

It is worth noting that among the 12 factors identified, factors of the ability of corporate executives, competitive strategy, corporate communication, product strategy, human resources strategy and infrastructure play the most important role in enhancing export performance of business enterprises. In this section, the results of this study in both qualitative and quantitative stages are compared with the results of other studies conducted in Iran and other countries. Indeed, the point we are seeking in this section is to correspond the findings of this study with those of other studies in other to compare them. That is, the main factors in this study may be in line with those of other studies, and the variables were compared at two different levels due to the lack of literature on sub-level comparisons.

The results of this study are consistent with Hasanaki et al. (1396), Azizi et al. (1394) and Boso et al. (2017) studies. Farrokhi and Mohammad (1396) argue that export is a more sophisticated activity than domestic business, and that staff and executives who are responsible for making decisions in foreign markets play a key role in this area. Najafgholi and Mosadeghian (1396) claim that internal factors of (export) performance enhancement have a significant effect on trade fluctuations. Tabarsa et al. (1392) emphasize providing a model for enhancing export performance by analyzing information related to market and believe that paying attention to the factors influencing export performance will lead to export performance improvement. Khademi et al (1391) aimed to design an export performance pattern indicating that both internal and external environmental factors have a significant impact on export performance. Also Karman et al. (2018) in their studies emphasize the role of management capability on export performance. As & Moen (2018) argue, export performance is often measured by managers' subjective evaluations.

Lages et al. (2009) also point out the direct relationship between quality capabilities and product quality with export performance in their studies. Therefore, high quality products lead to a competitive advantage for the company, stimulating end-user demand, raising revenue and profit margin and improving export performance.

Hooley et al. (2005) describe business performance as customer performance (customer satisfaction and customer loyalty), market performance (sales volume and high market share), and financial performance (profit, profit margin and return on equity compared to competitors) and to measure business performance, measure these three functions (customer performance, market performance and financial performance) have to be measured (Aghazade and Divandari, 1387).

It should be noted that the complexity of export success justifies the use of a set of measures. Multiple measures are more preferred because they provide a more complete picture of performance and show different aspects of performance, each of which may be influenced by specific characteristics of the business. Therefore, this study uses composite measures of export performance in the form of subjective words to assess the level of achievement of export goals as perceived by managers.

The growing capability of Middle Eastern countries in global markets, the integration of European countries, and political reform in some countries are moving along with new technologies to create a new order in global markets at the beginning of the 21st century, the implication of these developments is that the traditional ways of doing business will be lost their efficiency in the future (Mir Jahanmard et al, 1389). Concurrently, companies must realize that under these circumstances, exporting is an essential way to maintain survival and profitability and companies strive to continuously improve their export performance using a variety of methods and effective factors.

The extent of managers' commitment to export activities and the allocation of company resources and capital to realize export and adopt macro export-enhancing strategies by managers can play an crucial role in export performance of companies (Farrokhi and Mohammadi,1396). An appropriate understanding of this fact makes it clear that policymakers need to adopt policies that promote the competitiveness of Ardabil's export companies, as the region of Azerbaijan needs a lot of attention as a way of entry of European countries to the country. On the other hand, business in any form under normal circumstances is subject to a number of laws, including tax laws. But in some port and non-port protected areas, the rules vary in order to encourage business growth and investment and it has many benefits, Benefits such as: tax exemptions, Customs profits and duties exemption, eliminating redundant administrative and currency paperwork, simple export and import processes by attracting foreign investment and

12. Recommendations based on research findings

Based on the findings of the study, the following suggestions are suggested:

- 1. Businesses must adhere to customer orientation to enhance export performance. For instance, have the flexibility to respond to customers and prioritize customer satisfaction.
- 2. Businesses need to pay heed to the ability of corporate executives to develop export performance. Management must have a high comprehension of the competitiveness and capacity of the market and export knowledge, Operate more profitably at higher financial risk and strive for new export marketing strategies.
- 3. Businesses need to formulate a competitive strategy to develop export performance. They should enjoy comparative advantage for marketed corporate goods and environmental programs that help make companies' export products and services more competitive.
- 4. Businesses need to consider laws and regulations to develop export performance. Organized programs to diminish or eliminate customs tariffs, as well as plans to modify the import of raw materials needed for export production are some of the ways in which they can help to improve the export performance business enterprises.
- 5. Businesses need to develop corporate communications to enhance export performance. Attendance at domestic and foreign exhibitions and active participation in business and marketing meetings and investment inside the country can greatly contribute to export performance development.
- 6. Businesses need to consider product strategy to develop export performance. High product diversification, reduced cost of export, and the existence of an appropriate export quality management system are some of the product strategy examples.
- 7. Businesses need to consider the Human Resources strategy to develop export performance. Specialized training and services for company employees, empowering unions related to corporate activity and human resource development are some of Human Resource strategy examples.
- 8. Businesses need to analyze profit and market share strategy to develop export performance. Growth in sales margins, the promotion of corporate export financing programs, and market share growth are some of profit and market share strategy examples.
- 9. Businesses need to expand their infrastructure to develop export performance. Proper banking infrastructure, proper financial infrastructure, upgrading of public and specialized infrastructure for export and the existence of organized environmental programs to enhance the technology in the company can help develop the infrastructure of business enterprises.

- 10. Businesses need to use incentives to develop export performance. Promotion packages for export companies, facilitation packages for export companies and support packages for export companies are some of the incentives examples.
- 11. Businesses need to place great importance on environmental factors to develop export performance. Providing a suitable social and cultural environment to enhance the company's export can help companies to develop export performance.
- 12. Businesses need to broaden their knowledge of export performance to enhance export performance. In this regard, it is necessary to integrate market information in line with the activities of the company and to assist investors by analyzing the target markets of the companies.

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