Export Intention of Small and Medium Tunisian Enterprises

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Abstract

Due to globalization, export is considered as an essential asset for the continuity and profitability of businesses.
Nevertheless, export is a complex process. To initiate and to develop this strategy, a business must clear away the internal and external constraints and take
advantage of the stimulating factors. The latters show up at each stage of the process. These stimuli are especially decisive during pre-export behavior or the intention
stage. So the export intention is explained by some variables: the differential advantages, the organizational predisposition and the perception of the risk.
Our conceptual model has been applied on a sample of small and medium Tunisian enterprises (SME). Inspiring by churchill’s methodology, our principal conclusion is
that export is the strategy implying less capital and risk than the other modes of entry. However this decision may turn up like suicidal if the firm having the intention to export
doesn't proceed by an assessment of its export.
Keywords: Export intention, competitive advantages, organizational predisposition and risk.
1. Introduction

With this wave of globalization and liberalization of exchanges that characterizes today's
world, enterprises are bound to take into account the global market. In this perspective, the Tunisian enterprises which are mostly SME needed to adopt strategies of
internationalisation through the exports since such a strategy involves less capital and commercial and financial risk than other modes of entry. But, such a necessity
can appear like a hazardous or suicidal decision if the enterprise having the intention to export does not start by assessing its potential of export.
In this field several researchers raised the problem of the behavior hardback pre-export to the intention to export like Wiedershein - Paul and
Welch (1978). The latter is defined by Reid (1981) as being the motivation, the behavior, beliefs and waiting opposite the contribution of
the export to the growth of the business.

Our issue resides in the explanation of the intention to
export through three factors, the differential advantages, the organizational predisposition of the business and the risk discerned all while doing its empiric
analysis in the case of the Tunisian SME.

The objectives of our article are the following:
• To develop a model in order to explain the intention to export for the Tunisian SME;
• To determine empirically what makes the difference empirically between those who have the intention to export and those do not.
A review of the literature followed by the description of the model, the adopted methodology and the main results will are presented:
2. The literature Review

2.1. Schools of thoughts

Studies on the behavior of export increased to generate
two big schools of research. The first focuses on the explanatory factors of success in exports while the second is interested in the export
process, Eugene and Pasternack (1994).

2.1.1. The explanatory factors of success: The explanatory factors of the export success
are tributary to the organizational features of the business and the strategy of export marketing:
For the organizational features of the business, researchers mentioned the size of the business, Louter (1991), Dicht and al (1986), Ogram
(1982); Resources of the business that represent a determinant decision of the export behaviour, Weinrauch and Rao (1974), Cavusgil (1984) ...etc, managerial
expectations where the action of top management on export decisions is an obvious success. So managers tend to base their expectations on the
profitability, risk, the cost of the export from the experience of their businesses and of the other and their perceptions of the potential impact of the
perceptual environment change, Cavusgil (1984).

- For the strategy of export marketing, it implies several measurements
namely the expansion and the commercial competitiveness. Besides the scheduling and the manner, whose function marketing is
organized, reflect this strategy, Louter (1991).

2.1.2 The process of export
We can consider in this setting two groups of researchers Johnson and Czinkotas (1982):
The first has been interested in motives that push and attract managers to opt for the internationalisation through the export. These
motives are of double nature. Proactive motives indicating an aggressive export behaviour such as the differential advantages, the growth
through the expansion of the market and the opportunity of the profit Eugene and Pasternack (1994), Leonidas (1995) ...etc., on the other hand,
the reactive motives refer to the passive engagement in the export as answers to environmentally pressures such as
overproduction and the reduction of local sales Eugene and Pasternack (1994).
The second shows that decisions to export take place in a set of stages where each represents a raised degree of engagement of the
business in the export. Among these stages, it mentions the effect of the experience (the effect of training) and success in the reach of the
objectives, Barker (1992) and Jouy (1993) ...etc.
3. The description of the explanatory model

3.1. The export intention

Ajsen and Fishbein (1980) based themselves on the
measure of the intention to operate a given action in order to foresee the future behavior. According to these authors the intention of the individual to fulfill a given act
depends essentially on his attitude towards his governing norms, on his behavior and motivation to conform himself to these norms.
Let's move to the case of the firm, Reid (1981) defined the export intention as being the motivation, the behavior, beliefs and expectations towards the contribution of
the export to the growth of the business. Cavusgil (1984) affirms that there is a relation between the intention to export and the organizational features associated to the
export. Louter (1991) sees that the most important factor to explain the intention to export is the managerial attitude towards the export. Yang and Alden (1992) found
a relation between the intention to export, the capacity of the expansion of the market, gates to the export, the differential advantages, the organizational
predisposition and the perception of the relative risk to the export. In the light of what has been advanced, we notice that most researchers mention the
following variables to explain the intention to export.

- The differential advantages,
• The organizational predisposition,

• The perception of the risk.
We analyze in what follows every variable.

3.2. The differential advantages
These differential advantages are considered at two levels, the country and the business. Porter (1990) found that the competitive advantage of a
country influences the competitive capacity of business on the international market through the natural resources, the development of the country, the maturity of
infrastructure and telecommunications, the quality of research and the development, the bases of knowledge and the requirement of the local
demand in terms of innovation.

At the level of the firm, an important number of researchers underlined the
importance of certain features of the business at this level; good combination product/market, skills and resources, competitive prices, technological advancement,
flexibility in relation to changes..., Yang and Alden (1992)...etc.

We can already propose the following hypothesis 1:
H1: The differential advantages are positively bound to the export intention.

3.3. The organizational predisposition
This concept involves several senses; knowledge, attitudes and intentions, motivations, perceptions, knowledge, faculties and managerial
expectation towards the export, the organizational culture favourable or unfavourable. Eugene and Pasternack (1994), Louter (1991), Kaufmann and...
Schmidt (1994), the training in the export or the unsuitability of the export experience, the degree of responsibility and managerial engagement, Constantines and

When, the second hypothesis is stipulated:
H2: The organizational predisposition can be bound positively or negatively to the export intention.
3.4. The discerned risk

The perception of the export risk affects managerial strategies extensively. For this reason businesses must
consider the total international risk in the conception of any internationalisation strategy. This risk includes the uncertainty of the
environment (political risk, natural risk...etc.), the uncertainty of the industry (change of tastes and preferences, the apparition of substitutable products,
competition, change of the technology...etc.) and, in short, appearance the operational, financial or behavioral uncertainties,...etc. Muller (1992), Johnson and
Czinkota (1982) identified a set of factors of risk affecting negatively the attitude towards export among others, the lack of information, the lack of adequacy of the staff,
of the financial and commercial resources, the physical distance and cross culture...etc.
We can express the third hypothesis:

H3: The discerned risk is associated negatively to the export intention.
Thus, the conceptual model is as follows:

**Fig1. The conceptual model**
Differential advantages

The organizational predisposition

The discerned risk

Export intention
Moderator Variable is the experience or the training in the export

This model will be empirically tested on the
Tunisian SME while following our methodology of inspired research of Churchill's works (1979).
4. Research methodology

We refer to Churchill's paradigm (1979), whose stages are:
• To specify the domain of constructs (stage already established theoretically)
• To generate a sample of items,
• To purify measures (tests of unidimensionality and reliability)
• To ascertain the new measures’ reliability,
• To test of the validity of constructs,
• To develop norms.
4.1. Genesis of an item sample

This stage is achieved in four phases:
- Proposition of measures for each construct: The dependent variable, the export intention (IE), is measured by a scale of Likert of 5 points going from "very
strong intention" to" no intention ", Eugene and Pasternack (1994). We suppose that those having the strong intention will be invited to answer the other
questions (see Appendix 1). The first independent variable "differential Advantages" (AD), has been measured by 36 measured items on a scale of Likert of 5 points going
from "quite okay" to "Not at all okay" according to Eugene and Pasternack (1994), (see Appendix 2). The second independent variable "organizational
Predisposition” (PO), has been measured by 22 items on a scale of Likert of 5 points, Eugene and Pasternack (1994), (see Appendix 3). Finally, for the third
independent variable “discerned risk” (R), we propose only one question, measured on a scale of Likert of 5 points going from " the
The choice of the scale of Likert is justified, since methodological efficiency
is satisfactory. Its operational efficiency is good for its simplicity (comprehensible). This scale is much recommended in domains

• An investigation test has been led by 9 SME, three
belonging to the Textile sector and Clothing, three to the sector of leather and shoes and the last three to the food sector. These SME chosen by
judgment are based in the region of Sfax. This investigation test was very useful to test the vocabulary employee, the
length of the progress of the questions...etc.

The choice of a final sample: the latter involves 88 chosen enterprises according to
suitability whose features are summed up in Table 1
(Table 1: Characteristics of the sample view in full pdf)
4.2 Purification of measures (tests of unidimensionality and reliability)

Three tests of unidimensionality have been
applied on the three constructed (IE), (AD) and (PO) namely the factorial exploratory analysis, the test of interrelationship item/total score, Vernette (1991)
and the test of adequacy of the sample of MSA measures or KMO that must pass a doorstep of 0.5 (given by SPSS).
A test of reliability $\alpha$ of Cromback whose requirement is located between 0.8 and 0.9 for an applied survey, Nunally (1967) and Perien, Chérom and Zins (1984).
Details of results of (IE), (AD) and (PO) will be presented in Tables 2, 3 and 4. These tests generated some elimination item and the appearance of
derived constructs for (AD) and (PO) following the factorisation so tests of reliability for derived constructs are presenting as follows:
For (AD), the emergence of three coins constructs, "The competitiveness of suppliers and the technological and
commercial advantages of the product" reflected by F1, "The state of the competition" reflected by F2 and "The state of the demand" underlined by
F3. It is compliant to results of Porter (1990).

- For (PO), the emergence of three derived constructs supported by
the theory, “proactive motives and the manager's knowledge” reflected by F3, "The reactive motives” reflected by F2 and " The
experience in the export "underlined by F1.

Table 2: Purification tests of (INT) (view in full pdf)
Table 3: Purification tests of (AD) (view in full pdf)

Table 4: Purification tests of (PO) (view in full pdf)
4.3. Validity of constructs

"Only the reliable instruments can be validated", Churchill, (1979).
Although various classifications are available, we identify three types of validity, validity of the content, discriminative validity and convergent validity.
validity and nomologic validity:

• The validity of the content: is to note that there is not an indication to assure
the validity of the content. It is about more of a gait: to insure that in terms of content, instruments developed in research are representative of what one
tries to measure...Perien and Zins (1984).

- The convergent validity and discriminative validity: The convergent
validity is demonstrated for measures of the two constructed (AD) and (PO), knowing that the \( pvc \) indications are superior to 0.5, Fornells and Larker's
(1981). The discriminative validity is also demonstrated since constructs are so distinct from one another that the extracted average variance of every construct is
superior to the covariance between that construct and another one, Fornell and Larker's (1981).
Nomologic validity: permits to test the theoretical validity of constructs as well as its conformity with what is
conceived by the theory, Vernette (1994).
5. Results and discussions

The method chosen according to the objective of research and the nature of variables is
the multiple linear regression permitting to identify the degree of explanation of the variation of a dependent variable by the independent variable variation. This
method is only applied after a verification of the four conditions of application of a regression, Wheelwright and Makridakis (1983).
Two linear regressions have been applied on two groups of the sample, enterprises having an experience in the export and those that never exported. The model for the
first group is statistically meaningful to \( p=0.02 \), with a \( R^2=0.418 \) and a test of Fisher of \( 2.772>2 \). For the second group the model is as meaningful to \( p=0.0001 \) with
a $R^2=0.645$ and a Fisher of 11.683 $>2$. 
5.1. The differential advantages

For the experienced businesses the state of suppliers and advantages of
products seem to be a necessity to enliven the intention of reexport, the state of the demand is bound negatively to the intention to export. It is generally owing to
a stage of mind influenced by logic of production and not of need. In short the state of competitors and especially through their innovations stimulates these businesses to
improve their competitiveness to attempt the export. This result is nearly compliant to the one of Eugene and Pasternack (1994). As for businesses that
never exported, the differential advantages represent brakes for the intention to export. Thus there is a partial acceptance of the H1 hypothesis since the
differential advantages can be bound positively or negatively to the intention to export. We can find explanations while examining the reality of the Tunisian SME. Indeed, if for
the SME already exporters, only the competitiveness of suppliers, the product and the competition and not the pressure of the demand stimulate the intention to
export. It is because, in the case of SME, the position of power is occupied mostly by firms rather than by consumers (Only the big firms have a marketing service)
5.2. The organizational predisposition

Results of (PO), show that for the first group, reactive motives, proactive motives
and knowledge are bound negatively to the export intention. This indicates that for this group, the export is only occasional and non inherent to the offensive or
defensive strategies. And managerial knowledge on the foreign markets is very limited. Whereas the past experience, represents a motive to renew the export
and indicating a certain satisfaction. As for the second group, proactive motives and knowledge are bound positively to the export intention. It implies that the
managers of this group can achieve the expansion of their enterprises only through export, therefore, an organizational change and knowledge on the other
markets has proved to be necessary. In the light of these results, the H2 hypothesis is confirmed.

5.3 The discerned risk
The perception of the risk of the foreign business, compared to the one on the local market, influences the intention to export, depending
on the degree of the exporters satisfaction with their past experience, since those who have never experienced this activity fear this risk of internationalisation. Thus, H3
hypothesis is confirmed. These results coincide with those of Eugene and Pasternack (1994).
Conclusion

In a globalized word, the Tunisian SME are invited to build true strategies of internationalisation. Even
though export is the fashion generating the least financial and commercial risk, it must be studied in a strategic way and should not result from luck and opportunities. Our
SME must find the good remedies to detain the differential advantages and a good organizational predisposition to pull a place in an intensive competitive
universe. In this article, we tried to reflect the reality of the Tunisian SME in an international context, It cannot delete the theoretical and empiric limits of this
study that we will try to complete in an ulterior research work.
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Appendixes 1, 2, 3, and 4 view in full pdf