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EVALUATION OF THE IMPACT OF EXPORT RELATIONSHIP QUALITY AND EXPECTATION OF CONTINUING RELATIONSHIP WITH THE MEDIATING ROLE OF FINANCIAL PERFORMANCE, STRATEGIC PERFORMANCE, AND EXPORTER SATISFACTION

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ABSTRACT

Export plays a key role for companies in gaining competitive advantage in today's turbulent market. The quality of the relationship reflects the level of willingness to share information, establish long-term relationship, and the satisfaction of establishing a relationship between the exporter and its external customers. The main objective of the present study is to evaluate the effect of export relationship quality on the expectation of continuing the relationship with the mediating role of financial performance, strategic performance, and exporter satisfaction (Case Study: Jam Petrochemical Industries). The research method is survey and the randomized sampling method was used in this study. The sample included 255 employees of the Jam Chemical Petrochemical Company. The tools used in the research included standard questionnaires. This research analyzed the obtained data using descriptive and inferential statistics and SPSS software. At the descriptive statistics level, tables and frequency graphs were used, and in inferential statistics level, Pearson correlation coefficient and regression were used to examine the hypotheses. The results showed a direct relationship between quality of relationship, financial performance of exports, strategic performance of exports, and the expectation of continuing the export and import relationship and this relationship is statistically significant at the level of 99%.

Keywords: Relationship Quality, Export Performance, Exporter Satisfaction, Expectation of Continuing Export and Import Relationship.

INTRODUCTION

Nowadays, increasing competition on the global scale has led to an increase in the number of companies looking for opportunities in international markets to achieve their goals and maintain their market position and survival (Jalal Ahamed et al., 2015). In this regard, exports can be considered the starting point for globalization (Rahimnia and Sadeghian, 2011, p. 121). Exports are defined as communicating and working with professional markets beyond the borders (Kalafsky, 2009). More attention has been paid to exports over the past two decades, in line with the growth of the global economy as one of the economic activities which has grown more than other activities. Exports lead to higher levels of employment, industrial development and national welfare. It also improves the performance of companies, increases profitability, increases sales volume and expands market share for them (Gefen et al., 2005). One of the factors affecting the export performance of companies is the way of communicating

with customers. Customer relationship is an important issue for many companies. In many international markets, businessmen and owners of economic enterprises spend much cost for establishing long-term and continuous customer relationships (Bohling et al., 2006).

In addition, one factor affecting the export performance of the companies is the relationship between the companies and their foreign customers. The integration of the philosophy of communication and marketing in the modern marketing approach indicates the increasing importance of communication in the marketing process. In order to achieve successful business and marketing, management, development and evaluation of communication are very necessary. In the literature of communication, two-way motivation for communication is one of the most important factors affecting the communication (Kanagal et al., 2012), and the quality of these communications represents a type of intensity and type of relationship, needs and expectations of the parties involved. This evaluation would be based on past successful or unsuccessful events and encounters (Kanagal et al., 2012). Given what was stated, the question is whether the exporter satisfaction has a positive effect on the exporter expectation of continuing the relationship.

RESEARCH LITERATURE

Export relationship quality

The concept of relationship quality means the evaluation of the intensity and level of the relationship between customers and members of the company and the extent to which the expectations and needs of the parties are met in this relationship. In fact, the success or failure of relationship between the company and customers depends on the history of relationships between them and the way of dealing with events (Crosby et al., 1990).

The quality of relationship has been introduced as one of the intangible organizational assets. In addition, good and high quality relationship is not only necessary but also very effective in this regard. As a result, the company should identify the needs of its customers in the shortest possible time and meet these needs (Wang et al., 2007). The quality of relationship can be perceived as the extent to which customers meet their needs with regard to the relationship between them (Kim, 2009). Relationship quality has a dynamic structure, which examines the intangible aspects of interactions between customers and members of the company. In fact, this is an important factor in determining the sustainability, continuity, stability and intensity of the relationship between the parties. Thus, it is considered as a fundamental feature in the area of relationship between companies and customers (Moliner et al., 2007). In addition, satisfaction with the relationship is one of the important outcomes of relationship between sellers and purchasers. Customer satisfaction is a physical concept deriving from a personal comparison of the perception of product performance with the experience gained from performance (Chu, 2002). There is a direct relationship between customer satisfaction and willingness to have loyalty to company. When the customer relationship with the company's employees is closer, the customer satisfaction with the company would be higher and customers who have a strong personal relationship with employees would be more satisfied with company employees, compared to others (Gremler and Gwinner, 2008). Two factors are effective in quality of the export relationship:



1. Trust

Morgan and Hunt have stated that trust is necessary in establishing the multiple relationships between customers and organizations. The principle of two-way public counteraction in social exchange theory shows how the lack of trust in a relationship reduces the commitment, and thus, transforms exchanges into a kind of short-term exchange (Ural, 2009). Trust is the most important element of communication for survival and improving the quality of relationship between customers and the company. Grunros (2007) stated that trust consists of two dimensions:

1. **Acceptability:** it means the belief that the other party in the exchange is expert and skilled in performing his duties.
2. **Benevolence:** it means the belief that the other party in the exchange is trying to achieve common goals and perform the activities, which are in the interest of both parties.

2. Satisfaction

Customer satisfaction is an emotional response to the use of a product or service, which is a very complicated human process including cognitive and emotional processes and the psychological effects (Shckhar and Gupta, 2008).

Factors affecting export performance

In their studies, researchers have examined the factors involved in the export success in small and medium-sized companies. In their results, they have referred to some aspects to make distinction between successful and unsuccessful companies, including: the motivation to increase output at the company level, improving the operational planning, issuing the international certification of quality assurance, high percentage of sales dedicated to innovation, frequent innovation, qualified and innovative employees, local unity for innovation, having strategic alliances in the destination country (Maldifassi and Caorsi, 2014). Ton and Sousa examined the relationship between marketing capabilities and competitive advantage and export performance. They showed that competitive advantage is an important mediator in the relationship between marketing capabilities and export performance. Experts have found that two types of competitive advantages are mediators affecting the impact of marketing capabilities on export performance (Ton and Sousa, 2014). Tinashe et al have shown that strategic factors are strong predictors of export intensity and growth. In contrast, the factors related to company (structured-based performance, resource-based performance) have less explanatory power in predicting export performance. Given the export performance criteria, export intensity has the highest efficiency (Tinashe Kahiya et al., 2014). Baldawof et al. (2000) examined the effect of variables such as environmental factors, company-level characteristics and business strategies on export performance. The research results suggest a significant relationship between the differentiation strategy and the three criteria of export performance. A negative relationship was found between the differentiation strategies and the export effectiveness and the negative relationship between the minimum cost strategy and the export effectiveness was rejected. The negative relationship between the differentiation strategy and export sales and export sales was confirmed and a significant relationship was reported between the minimum cost strategy and the two export performance criteria (export sales and export sales ratio).



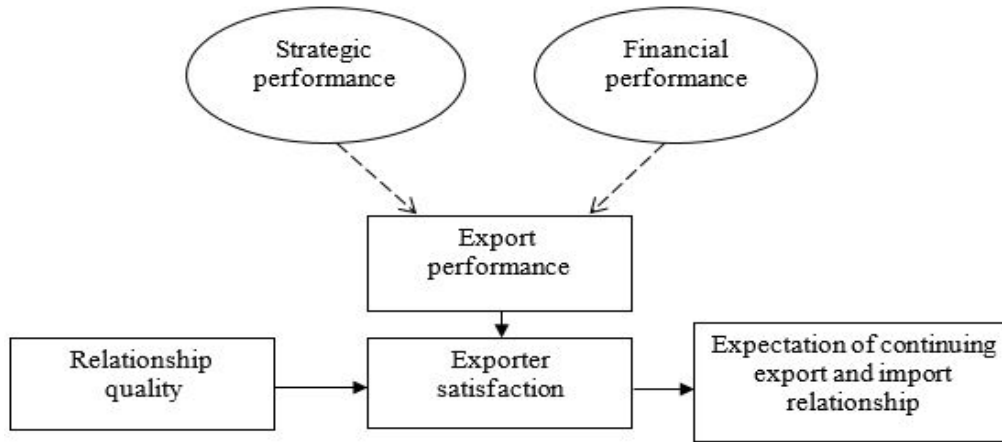


Figure 1: conceptual model of research

Research hypotheses

1. The quality of the relationship has a positive impact on expectation of continuing the export and import relationship.
2. The financial performance has a positive impact on expectation of continuing the export and import relationship.
3. The strategic performance has a positive impact on expectation of continuing the export and import relationship.

METHODOLOGY

This research is an applied research in terms of objective and survey-analytical research in terms of type of research. In terms of time, it is considered as cross-sectional research and it is considered as documentary and field research in terms of data collection method. The research population included 750 business and marketing managers working in the Petrochemical Industries of Jam. The sample size was determined to be 255 people using the Cochran formula. The data collection tool included a standard questionnaire with 28 items and content validity of 51% and Cronbach's alpha of 0.82. Pearson correlation coefficient and linear regression were used to analyze the data.

RESEARCH RESULTS

1. Quality of the relationship has a positive impact on expectation of continuing the export and import relationship.

H₀= quality of the relationship does not have a positive impact on expectation of continuing the export and import relationship.

H₁= quality of the relationship has a positive impact on expectation of continuing the export and import relationship.

Table 1: Correlation coefficient of the impact of relationship quality on expectation of continuing export and import relationship

Variable	Pearson correlation coefficient	p-value
Relationship quality	0.710	0.001

Based on Table 1, the significance level of the test is 0.001 and this value is less than 0.01, so the null hypothesis is rejected. Thus, it can be stated that there is a positive relationship between the relationship quality as one of the factors of satisfaction of the exporter and the expectation of the continuing export and import relationship, and this relationship was statistically significant at the level of $p < 0.01$. In other words, there is a direct relationship between the quality of the relationship and expectation of continuing export and import relationship at the level of 0.99.

2. Financial performance of exports has a positive impact on expectation of continuing the export and import relationship.

H₀= Financial performance of exports does not have a positive impact on expectation of continuing the export and import relationship.

H₁=1-The Financial performance of exports has a positive impact on expectation of continuing the export and import relationship.

Table 2: Correlation coefficient testing of the impact of financial performance of exports on expectation of continuing the export and import relationship

Variable	Pearson correlation coefficient	p-value
financial performance	0.638	0.001

Based on Table 2, the significance level of the test is 0.001 and this value is less than 0.01, so the null hypothesis is rejected. Thus, it can be stated that there is a positive relationship between the financial performance as one of the factors of satisfaction of the exporter and the expectation of the continuing export and import relationship, and this relationship was statistically significant at the level of $p < 0.01$. In other words, there is a direct relationship between the financial performance and expectation of continuing export and import relationship at the level of 0.99.

3. Strategic performance of exports has a positive impact on expectation of continuing the export and import relationship.

H₀= Strategic performance of exports does not have a positive impact on expectation of continuing the export and import relationship.

H₁=1-Strategic performance of exports has a positive impact on expectation of continuing the export and import relationship.

Table 3: Correlation coefficient of the impact of strategic performance of exports on expectation of continuing the export and import relationship

Variable	Pearson correlation coefficient	p-value
strategic performance	0.53	0.001

Based on Table 3, the significance level of the test is 0.001 and this value is less than 0.01, so the null hypothesis is rejected. Thus, it can be stated that there is a positive relationship between the strategic performance as one of the factors of satisfaction of the exporter and the expectation of the continuing export and import relationship, and this relationship was statistically significant at the level of $p < 0.01$. In other words, there is a direct relationship between the strategic performance and expectation of continuing export and import relationship at the level of 0.99.



Table 4: Correlation coefficient of expectation of continuing the export and import relationship

	multiple correlation coefficient	Squared multiple correlation coefficient	Adjusted correlation coefficient	Estimated standard error
Relationship quality	0/71	0/504	0/502	3/01
Strategic performance	0/751	0/563	0/56	2/83
Financial performance	0/757	0/574	0/569	2/8

Based on Table (4), in the stepwise regression analysis, three components of relationship quality, strategic performance and financial performance had multiple correlations with the expectation of continuing relationship between exports and imports. Based on the order of importance of predictor variables in stepwise regression analysis, in the first step, the correlation between relationship quality and expectation of continuing the export and import relationship had multiple correlation coefficient of 0.71.

In the second step, by including the variable of strategic performance, the Multiple Correlation Coefficient reached to 0.751. The rate of Multiple Correlation Coefficient for strategic performance was 0.04. In the third step, by including the financial performance variable, the Multiple Correlation Coefficient reached to 75.77. The rate of correlation coefficient added to the data quality was 0.006. In total, these three variables were able to explain 57.4% of the variance of expectation of continuing the relationship between exports and imports, which 50.4% belonged to the relationship quality, 5.9% belonged to strategic performance and 1.1% belonged to financial performance.

Table 5: Analysis of regression variance for predicting the expectation of continuing the relationship between exports and imports

Source of variations	Sum of squares	df	Mean of squares	ratio F	p-value
Regression	2660/015	3	886/672	112/644	0/001
residual	1975/734	251	7/871		
Total	4635/749	254			

As seen in table (5), analysis of variance confirms the validity of stepwise regression analysis in the expectation of continuing the export and import relationship (F = 112.664 and P <0.001).

Table 6: Standard and non-standard regression coefficients for expectation of continuing the export and import relationship

Statistical indices variables	Non-standard beta coefficients	Standard error	standard beta coefficients	T value	p-value
Constant value	8/068	1/309		6/163	0/001
Relationship quality	0/315	0/04	0/47	7/957	0/001
Strategic performance	0/395	0/091	0/235	4/32	0/001
Financial performance	0/222	0/09	0/158	2/479	0/01

As seen in Table (6), in stepwise regression analysis, the three variables of relationship quality, strategic performance, and financial performance were included the regression equation to predict the expectation of continuing the export and import relationship. The relationship

quality of 47.50, the strategic performance 0.253 and the financial performance with the standard beta coefficient of 0.235, and financial performance with the standard beta coefficient of 158.8 had a significant predicting value for satisfaction of users ($P < 0.001$). These values of standard beta coefficients mean that per one unit of change in relationship quality, strategic performance and financial performance, 0.47 units for relationship quality, 0.235 units for strategic performance, and 0.15 units for financial performance occur in the expectation of continuing the export and import relationship. According to Table (6), the final regression equation for user satisfaction is as follows:

$$8.068 (\text{expectation of continuing the export and import relationship}) = 0.222 (\text{financial performance}) + 0.395 (\text{strategic performance}) + 0.315 (\text{relationship quality})$$

DISCUSSION AND CONCLUSION

Hypothesis 1

Based on Table 1, there is a significant and direct relationship between the quality of the relationship and the expectation of continuing export and import relationship. This result is in line with the result of the studies conducted by Jalal Ahamed (2015), Ural (2009) and Wang (2007). They concluded that the quality of relationship between customers and sellers is effective in expectation of continuing the export-import relationship.

Hypothesis 2

Based on Table 2, there is a significant and direct relationship between the financial performance of export and the expectation of continuing export and import relationship. In addition, according to Table (2), among the exporter satisfaction factors, the financial performance of export variable has the highest coefficient, indicating that from the viewpoint of the samples, the financial performance of export is the most important factor affecting the expectation of continuing the export and import relationship. This result is in line with that of research conducted by Jalal Ahamed (2015) and Ural (2009). In their studies, they concluded that financial performance of export would have a positive and significant effect on the expectation of continuing the export and import relationship.

Hypothesis 3

Based on Table 3, there is a significant and direct relationship between the strategic performance of export and the expectation of continuing export and import relationship. The result is in line with result of Ural (2009). In his research, he concluded that the strategic performance of export would have a positive and significant effect on the expectation of continuing the export and import relationship. Thus, it can be stated that the satisfaction of managers of Jam Petrochemical Company increases with improving the quality of the relationship with the purchasers, improving the financial performance of export and increasing the strategic performance of export and it has increased the expectations of managers of the company to continue the export and import relationship with their purchasers, since improving the relationship with purchasers and showing the level of tendency to share information with them reflect the deep and a mutual satisfaction and a long-term relationship. In addition, with increasing the financial performance of export and growth of sales and export earnings, the satisfaction of the managers of the company on obtaining the material value of the export would be met. However, with the growth of strategic performance



of export, the company's competitive position in the global market would increase and the share of the market would improve, and managers would be satisfied.

Recommendations

One of the most important factors in increasing the level and satisfaction of relationship with customers is keeping the information confidential. Hence, it is recommended for managers to pay special attention to this issue. Moreover, observing the cultural principles improves customer satisfaction and improves the quality of relationship with them. Thus, it is recommended for employees of the companies to pay enough attention to the cultural values of their customers and the dominant culture of that country. Managers of companies can provide theoretical information about products and services offered by the company and provide new products and services to customers in order to increase their trust in companies.

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