2528-9705

Örgütsel Davranış Araştırmaları Dergisi

Journal Of Organizational Behavior Research
Cilt / Vol.: 3, Sayı / Is.: S2, Yıl/Year: 2018, Kod/ID: 81S2167

CUSTOMERS AND CAPITAL STRUCTURE: CASE STUDY OF ACCEPTED COMPANIES IN TEHRAN STOCK EXCHANGE

Narjes KAMALI KERMANI[1], Abdolhossein TALEBI NAJAFABADI[2], Hamze HESARI[3], Amin CHAREHKHAH MOGHADDAM[4*]

[1] Instructor, Accounting, Faculty of Humanities, University of Bojnord, Bojnord, Iran,
[2] Assistant Professor, Accounting, Faculty of Humanities, University of Bojnord, Bojnord, Iran,
[3] Instructor, Accounting, Kosar University of Bojnord, Bojnord, Iran,
[4] MA, Department of Accounting, Higher Education Institute Eshragh, Bojnord, Iran.

* Corresponding Author

ABSTRACT

With the complexity of business in the modern world, the presence of major customers has made it easy to achieve the right returns for companies. On the other hand, the type of capital structure and cost management are effective in achieving this goal. Accordingly, in this study, the relationship between customers and capital structure of 124 companies that have been accepted and active in Tehran Stock Exchange for the period between 2011 and 2016 has been investigated. Literature and research backgrounds are collected through library studies and data are also available from the codall sites, www.rdis.ir, www.tse.ir, www.tse.tmc.com, and software transmissions New and data warehouse were compiled and analyzed for Ewiew's statistical software. Finally, the results indicate that there is no significant relationship between the cost of equity, the cost of debt and the overall structure of the capital with the concentration of customers.

Keywords: *Equity, Debt, Customers, Capital.*

INTRODUCTION

What is certain is that in the behavioral financial researches, the lack of paying attention to the customers' concentration in Iran is felt, but this issue has been overviewed in other countries. Guilding and McManus (2002) in their research found the signs of evaluation and estimation of customer accounting levels and its acceptance preliminaries. Studies like Chenhall's (2003) also reveal the profitability nature and ratio of the customer.

In today's turbulent business, consumers can buy what they want and in none of the countries in the world consumers cannot be forced to buy a particular product or refrain from buying a particular product. In addition, manufacturers can maintain their own interests provided that their manufactured products are the desire and demand of consumers. Therefore, investigating the structure of consumers can contain a lot of results about their relationship with suppliers and sellers. Especially since the customers' concentration can have significant effects on return and risk, the two main variables of financial management (Aghazadeh et al., 2007).

On the other hand, companies are seeking to reduce their costs to remain and continue the activity. Increasing the cost of capital enhances the costs of company and, consequently, the company loses its competitive ability and will be eliminated from the scene of competition. Perhaps the most important application and concept of the cost of capital can be stated that if

Geliş tarihi/Recieved: 12.11.2017 – Kabul tarihi/Accepted: 28.03.2018 – Yayın tarihi/Published: 21.08.2018

the return on investment of a company surpasses its cost of capital, and if this rate of return increases without increasing the risk level, the shareholder's wealth will increase. The reason that is provided for this increase in wealth by lowering the cost of capital is that if the rate of return of a company surpasses its cost of capital, holders of bond and preferred stocks will achieve their expected fixed return rate and the remaining return rate will be at the disposal of ordinary stockholders (Jahankhani and Parsayian, 2008). Therefore, it should be kept in mind that the cost of capital variable is one of the most influential variables in taking financial decisions, including decisions made by investors, managers, creditors, etc.

Problem Statement

Profitability and, ultimately, the maximization of shareholders' wealth are in a way related to the type of customers. This event can have significant effects on the company's capital structure. In better words, these companies should maintain more current assets so that if the customer delays in his debts reimbursement, they can continue the company's operations continuously. The company may also have liquidity problems and take steps to get facilities because of not paying the debt by the customer. This will increase the risk of company and it will therefore encounter more problems in providing capital either through stocks or debts. Therefore, the presence of major customers can have significant effects on the cost of capital of the company (Itzkowitz, 2013).

In America, since the 1970s, companies were required to disclose those customers that the sales ratio to them is more than 10% of the company's sale in their financial statements. Therefore, Itzkowitz considered the same ratio of participation equal to the customer being major and its concentration. In other words, the ratio of customers' concentration is equal to the percentage of exchanges performed with customers by more than 10% of the annual sales of products and services.

Itzkowitz (2013) found that there is a significant relationship between the ratio of cash holdings and the number of major customers (customers' concentration). He believes that when the ratio of the number of major customers to sales is used, we find out that there is a stronger relationship between these two variables. On average, each unit increase in customers' participation ratio results in 8% increase in cash holding ratio. In this research, he found that there is a relationship between the major customers and the leverage of company. Meanwhile, on the contrary the ratio of held cash, and the customers' concentration do not have any significant effects on the company' leverage. As it was mentioned earlier, nowadays the cost of capital plays a very important role in financial decisions. Therefore, the purpose of researchers in this research is to investigate the effect of customers' concentration competition on the company's cost of capital.

Necessity of Performing the Research

The presence of major customers in the customers' structure has a significant effect on sales and profitability as well as cash flows of the company, that each of these factors directly or indirectly affects the risk and, ultimately, the companies' return. Risk changes, in turn, cause changes in the cost of capital of the company. In fact, a company must bear a higher cost when taking the debt or disseminating the stock. Therefore, the purpose of researchers in this research is to investigate the effect of major customers' existence in customers' structure on the risk of company.

THEORETICAL BASES

Cost of Capital

Financing in economic units is performed in different ways and by using numerous resources; numerous factors are involved in the best type of financing, the most important of which is the cost or financing expenditures referred as the cost of capital. Cost of capital is the acceptable minimum return for capital. In fact, the cost of capital is the boundary between good performance and poor performance of the company and the minimum is a rate that must be obtained in order to create the value of company. According to the definition, the cost of capital is the cost of using monetary and financial capital at a certain time. Of course, the term “capital” in the combination of cost of capital has a broader concept than the concept of capital in accounting. That is, it does not just include equity, but also includes long-term debt with interest. The cost of a company's capital is not necessarily a cash cost, but an opportunity cost is equal to the total return expected by investors in stock and bonds in the company. In other words, the cost of capital is resulted from a balance between risk and return; the higher the risk of companies is, the higher its returns and, consequently the higher its cost of capital is (Othmani, 2002).

Concentration Marketing Strategy

To choose a target market, should a company look for larger sections or concentration to meet the needs of one or more smaller sectors? We will now look at the target market strategy (Alipour, 2012).

Customer Share

Historically, the company's success has been measured in a category related to the product through its share of the market. For example, if there are 100 million pairs of sneakers every year for sale, a company that sells 10 million of them has 10% of market share. If the shoes manufacturer's marketing objective is to increase market share, it may lower the price of its shoes, increase its advertising, or offer a free basketball ball along with every purchased pair of shoes to the customers. These tactics may increase sales in the short term, but unfortunately they will not be probably able to do anything for long-term success of the shoes manufacturer. In fact, such tactics may really reduce the value of that brand by reducing its price. Since it's always easier and cheaper to maintain an existing customer than obtaining a new customer, customer relationship management companies concentrate on increasing their customer's share, not on market share. It can be said that a consumer buys six pairs of shoes in a year - two pairs from each of the three various manufacturers. It can be assumed that a shoe manufacturer has a customer relationship management system that allows him to send its current customers a letter and invite them for receiving a special discount or receiving a gift if they buy more during the year. If the company can encourage the consumer to buy three or four or perhaps all six pairs of shoes, the company has increased its customer share, and this action does not seem too difficult, because the customer usually likes to have shoes from such a company. Without a customer relationship management system, the shoes manufacturer may use traditional advertising to increase sales, which will be very costly than this new method, so the company can increase its sales and profit with a lower cost than what it spends to acquire one, two or three new customers (Alipour, 2012).

Advantages of Concentration on Major Customers

Every organization depends on its customers and should understand their present and future requirements and meet the needs of its customers. In addition, organizations must plan and strive to pass from their customers' expectations. Concentration on the customer and understanding his current and future needs will cause the organization to respond quickly and flexibly to the market opportunities, and hence increasing dividends and market share for the organization. Customers' satisfaction increases by increasing the effectiveness of using the resources of organization and improving customer loyalty to the organization leads to durability in the business (Alipour, 2012). On this basis, the present research was designed and it has been looking for investigating the effect of customers' concentration on capital costs.

REVIEW OF LITERATURE

Banimahd and Farahanifard (2010) in an article entitled as "The Relationship between Capital Structure and Competitive Power of Companies Accepted in the Tehran Stock Exchange" concluded that competitive power and capital structure have a significant and positive relationship with each other and impact on each other.

Bulu and Rahmani (2013) investigated the cost of equity and the transparency of profit. The results of this research indicate that there is a negative and significant relationship between the transparency of profit and cost of equity. Also, the results show that there is a negative and significant relationship between profit transparency and unordinary return.

Chan et al. (2009) investigated the relationship between the cost of capital and the proportion of market value to the book value of equity. The results of their research indicate that the proportion of market value to book value of equity is positively and significantly related to the quality of disclosed information of the company and also has negative and significant relationship with the cost of capital of the company.

Dhaliwal et al. (2015) investigated the effect of customers' concentration on the cost of capital of companies. According to the Dhaliwal's view, companies that their customers' structure has more concentration and have more major customers have to pay more capital cost. Their research results showed that the research hypothesis indicates that companies with a major customers' structure should pay more capital cost. Also, the results of research showed that companies that, in addition to concentrating on customers, have major customers that the risk of changing them exists, have to bear the more capital cost.

Itzkowitz (2013) found that there is a significant relationship between the ratio of cash holdings and the number of major customers (customers' concentration). He believes that when the proportion of major customers' ratio to sales is used, we find that there is a stronger relationship between these two variables. On average, each unit increase in customers' participation ratio results in 8% increase in cash holding ratio. In this research, he found that there is a relationship between the major customers and the leverage of company. Meanwhile, on the contrary the ratio of held cash and the customers' concentration do not have significant effects on company leverage.

Kordestani and Majdi (2007) investigated the relationship between the qualitative characteristics of profit and the capital cost of ordinary stock. The results of research confirm the existence of a reverse relationship between qualitative earnings characteristics including earnings stability, profit predictability, relevance of earnings to the stock value, timing of profit and the capital cost of ordinary stock, which is statistically significant. But no significant

relationship was observed between conservativeness of profit and the capital cost of ordinary stock.
Sarraf and Mousapour Lafamajani (2014): In this research, the effect of accrual earnings management and actual earnings management on the ordinary cost of capital was investigated. The research findings indicate that there is a negative and significant relationship between accrual and actual earnings management with the capital cost of ordinary stock. In other words, it can be deduced from these results that the manipulation of accrual and actual activities reduces the capital cost of ordinary stock.

Research Questions

Main Question: Does customers' concentration have significant effects on the capital structure of companies?

Minor Question 1: Does customers' concentration have significant effects on the equity cost of companies?

Minor Question 2: Does customers' concentration have significant effects on the debt costs of companies?

Research Hypotheses

In the previous topics, the problem statement directed the research issue, but it does not include all relevant and required information. On the other hand, if in the problem statement all research information is proposed, the problem becomes voluminous, so that managing and directing it will not be possible. Therefore, the problem will never be solved scientifically unless it is changed to a hypothesis or hypotheses. Hence, it can be claimed that the hypothesis is a powerful and important tool in scientific research whereby the researcher is seeking to explain the desired issue (Delavar, 2004, pp. 87 and 89). On this basis and in accordance with the existing theoretical foundations, the hypotheses of this research are;

Main Hypothesis: There is a significant statistical relationship between customers' concentration and capital structure in the companies accepted in the Tehran Stock Exchange.

Minor Hypothesis 1: There is a significant statistical relationship between customers' concentration and equity cost in the companies accepted in the Tehran Stock Exchange.

Minor Hypothesis 2: There is a significant statistical relationship between customers' concentration and debt cost in the companies accepted in the Tehran Stock Exchange.

Statistical Population

All the actual or hypothetical members that we want to generalize research findings to are called statistical population (Delavar, 2004, p. 120). According to the purpose of present research and with regard to the definition of the relevant research variables, the statistical population of research is all the companies whose shares have been offered in the Tehran Stock Exchange from the time period of 2011 to 2016.

Sampling Method and Research Sample Size

The advantage of selecting a sample from a population is to prevent wasting a researcher's time and to save financial resources, because by studying a relatively small sample and performing a correct sampling and accepting a negligible amount of error, the researcher will be able to access the nearly accurate results (Delavbar, 2004, p. 120). Therefore, most researchers perform sampling during the conduct of a research. So, the statistical population of the present research has been limited on the basis of the following four criteria: 1- Regarding the desired time period of the research (2011-2016), the name of company should be inserted in the list of companies

accepted in the exchange, 2- After the first public offering their stocks sales and purchase should not be stopped for a long time 3- The documents, records and reports required to test the models should be available 4- They should not be included in the financial intermediation companies, banks, insurances and investment funds.
Finally, after applying the above criteria, 124 companies were investigated.

RESEARCH METHOD

This research can be considered as applied type in respect of purpose and based on the nature and method as correlation type, because in this research it was tried to help investors and other financial information users for more accurate prediction of future cash flows and for making accurate economic decisions and investment through investigating the relationship between the characteristics of company and the predictability of models.

Investigating Variables and Research Models

In this research, the following model will be used to test the research hypotheses:

$$CC = \beta_0 + \beta_1 MC + \beta_2 HHI + \beta_3 Beta + \beta_4 Size + \beta_5 MtoB + \beta_6 Roa + \beta_7 LEV + \beta_8 LG + \varepsilon_{i,t}$$

This model has been used by Dhaliwal et al. in 2015 and its efficiency has been proven for investigating the research hypotheses.

Research Dependent Variable

CC: The cost of capital of a company that is calculated by the weighted mean of the cost of capital of a company is as follows (Mahdavi and Goyandeh, 2009):

$$K_0 = (W_d * K_d) + (W_e * K_e)$$

K_0: Weighted mean of the cost of capital, W_d: Proportion of debts to total debts and equity, K_d: The debt cost calculated by the following formula:

$$K_d = Int * (1-t)$$

In which (Int) is the interest rate (financial costs divided by the interest-bearing debts) and t represents the tax rate. W_e: Proportion of equity to total debts and equity, K_e: The capital cost of ordinary stock, calculated by the following formula:

$$K_e = D_1 / P_0 + g$$

K_e: Ordinary stock cost rate, D_1: Payable cash profit at the end of the year, P_0: Stock price at the beginning of the year, g: Stock growth rate. To calculate stock growth rate, the mean of sales growth rate over the past three years has been used.

Research Independent Variables

MC: Customers' concentration which represents a percentage of sales of the company to major customers (major customers means the customers that more than 10% of the company's sales belongs to them). HHI: Competition ratio between companies that will be measured by the Herfindahl-Hirschman Index. This index is obtained from the second power sum of sales share from the market of all enterprises active in one industry (Cheng et al, 2013). Beta: The beta of company. Size: The size of company calculated from the natural logarithm of the company's total assets. MtoB: Market value to the book value of the company's equity. Roa: The rate of return on assets that is calculated by dividing the net profit of the company to the sum of assets. LEV: A company's leverage that is calculated by dividing the total debts to total assets. SG: The Company's growth rate that is obtained by calculating company's sales changes compared with the last year.

STATISTICAL METHOD OF HYPOTHESES TEST

Testing the Significance of Regression Line Equation
If, at a confidence level of 95%, the F-statistics calculated by the regression equation is higher than the F value obtained from the graph ($F > F_{\alpha}$ $(_{K-1,\, NK})$), then the H_0 is rejected, otherwise the H_1 is accepted (Azar and Momeni, 2004), that in the present research, the model has been significant for all three hypotheses.

Durbin -Watson Test
The Durbin-Watson test has been used to test consecutive correlation in error sentences. The Durbin-Watson test is based on the first-order auto-correlated error model. The favorite limit code is between 1.5 and 2.5 and in the present research is in this range for all three hypotheses.

Diagnostic Tests in Combination Data
To determine the type of model used in the combination data, various tests are used as follows:

Chow Test
Chow test is performed to determine the application of the fixed effect model against the combination of entire data (integrated). The hypotheses of this test are as follows:

H_0: Pooled Model
H_1: Fixed Effect Model

The H_0 (zero hypothesis) is based on the binding values and its contrary hypothesis is based on non-binding values. The Chow test statistics based on the total squared error of the binding model and the non-binding model is as follows:

$$\text{Chow} = \frac{(RRSS-URSS)/(N-1)}{(URSS)/(NT-N-K)}$$

These statistics has the F distribution with N-1 and NT-N-K degree of freedom. If the value of the calculated F-statistics is lower than the value of the F-statistics value of table, then at the determined significance level, the H_0 (zero hypothesis) is rejected and there will be a significant effect on the sections. Therefore, the fixed effect model is chosen. Otherwise, the integrated data model is used (Ashrafzadeh and Mehregan 2008).

Hausman Test
The Hausman test is performed to determine the use of fixed effect model contrary to the random effect model. The Hausman test has been formed based on the existence or non-existence of a relationship between estimated regression error and independent variables of the model. If there is such a relationship, the model is random effect, and if this relationship does not exist, the fixed effect model will be applicable. The H_0 (zero hypothesis) indicates the lack of relationship of independent variables and the estimation error, and the H_1 (hypothesis one) indicates the existence of relationship: (Ashrafzadeh and Mehregan 2008).

H_0: Random Effect
H_1: Fixed Effect

TEST RESULTS OF RESEARCH HYPOTHESES

In this research, two types of descriptive and inferential statistics have generally been used.

Descriptive Statistics

In this statistics, the mean, median, mode, maximum and minimum of data have been investigated, that all have appropriate level. For example:
The mean of customer concentration variable has been 65 percent, indicating that the customers' concentration among the research sample companies is located at a high level. The reason for this point can be found in the economic structure of Iran. Indeed, the existence of a closed economy and also uncompetitive, has led to the reduction of the number of suppliers as well as customers in the markets. This point has led the customers' concentration to be located at a high level. On the other hand, the maximum of this variable has become equal to one. In other words, in the stock market of Iran, there are companies that all its products are purchased by major customers, and sometimes by one customer.

Inferential Statistics

Correlation Coefficient

For this purpose, Pearson correlation between research variables has been investigated, that has had an appropriate level.
For example, customers' concentration has a positive and significant relationship with the competition indicator and the beta indicator, and on the contrary, it has a negative and significant relationship with the size of company and the proportion of market value to the book value of the company's equity. In other words, with regard to the fact that larger companies have more customers, the customers' concentration indicator for these companies has been decreased. Also, the weighted mean of the cost of capital has a positive and significant relationship with the cost of equity, company's size, return on assets rate, and sales growth, that the results show that in fact, larger companies in terms of customer level and obtaining return are usually constantly under pressure to obtain and distribute more profit, which increases the cost of capital of the company.

Root Unit Test

This test investigates the reliability of research variables. For this purpose, Im, Pesaran and Shin test, as well as Levene, Lynn and Cho test have been used, the results of which show that Prob of all variables is lower than 5% and therefore all research variables in the period under investigation are at reliable level (Aflatoni and Nickbakht, 2010).

Panel Tests Results

The results of relevant test for the present research indicate that for investigating the main hypothesis and first minor hypothesis the joint effects model is used and for the second hypothesis the fixed effects model is used.

Test Results of the Research Hypotheses

Test Results of the Main Hypothesis

In table 1 a summary of statistical tests results of the main hypothesis has also been stated.

Table 1: Test Results of the Research Main Hypothesis

Variable	Coefficient	T Statistics	Probability
C	-0.05	-0.87	0.390
Customers' Concentration	0.000	0.20	0.790
Competition Indicator	0.11	2.17	0.041
Beta	-0.02	-1.65	0.141
Size of the Company	0.03	3.88	0.000
Proportion of Market Value to Book Value	0.000	-0.91	0.411
Assets Return Rate	0.79	8.161	0.000
Financial Leverage	-0.07	-1.31	0.024
Sales Growth	0.34	12.17	0.000
Determination Coefficient	0.64	F statistics	68.46
Durbin Watson	1.91	Significance	0.000

According to table 1, the significance level of the Fisher's F statistic is lower than 0.05, which indicates the significance of model. The Durbin-Watson test is equal to 1.91, indicating a lack of autocorrelation between the data, and the determination coefficient of the model indicates that 64% of the changes of the dependent variable are resulted from the independent variable. On the other hand, the obtained results regarding the weighted mean of the cost of capital at the level of 1% error is not significant. Therefore, the first hypothesis of the research is rejected.

Test Results of the First Minor Hypothesis:

In table 2 a summary of the statistical tests results of the first minor hypothesis has also been stated.

Table 2: Test Results of the First Minor Hypothesis

Variable	Coefficient	T Statistics	Probability
C	-0.07	-0.81	0.46
The Cost of Equity	0.000	0.21	0.91
Competition Indicator	0.11	2.16	0.04
Beta	0.02	-1.61	0.16
Size of the Company	0.03	3.72	0.000
Proportion of Market Value to Book Value	0.000	-0.91	0.41
Assets Return Rate	0.79	8.16	0.000
Financial Leverage	-0.34	-5.62	0.000
Sales Growth	0.31	12.21	0.000
Determination Coefficient	0.79	F statistics	90.71
Durbin Watson	1.87	Significance	0.000

According to table 2, the significance level of the Fisher's F statistics is lower than 0.05, hence the model is significant. The Durbin-Watson value is equal to 1.87, indicating that the data does not have autocorrelation. On the other hand, the determination coefficient is equal to 0.71 indicating that 71% of the changes of dependent variable are resulted from the independent variable. The obtained results regarding the cost of equity of the company at the level of 1% error is not significant either. Therefore, the second hypothesis of research is rejected.

Test Results of the Second Minor Hypothesis:

In table 3 a summary of the statistical tests results of the second minor hypothesis has also been stated.

Table 3: Test Results of the Second Minor Hypothesis

Variable	Coefficient	T Statistics	Probability
C	0.02	0.000	1.000
The Cost of Debt	0.02	4.911	0.000
Competition Indicator	0.02	-11.30	0.000
Beta	0.02	-3.62	0.000
Size of the Company	0.02	7.42	0.000
Proportion of Market Value to Book Value	0.02	-0.81	0.45
Assets Return Rate	0.02	-11.51	0.000
Financial Leverage	0.21	0.88	0.000
Sales Growth	0.02	3.09	0.000
Determination Coefficient	0.03	F statistics	7.42
Durbin Watson	1.64	Significance	0.000

According to the data inserted in table 3, the model is significant, and the data does not have autocorrelation and 3% of the changes of dependent variable are resulted from independent variable. It should be considered that although the results obtained in this model are significant, with regard to the low level of determination coefficient of model, the results are not sufficiently reliable. Therefore, the second minor hypothesis of research is also rejected.

CONCLUSION AND DISCUSSION

The customers' concentration is regarded as one of the most important factors that is considered in the financial researches, in a way that this view has been created that the quantity of this variable can have significant effects on the components of the company. Major customers can reduce the company's risk if they are related to the company in a stable and appropriate manner and, on the other hand, can bring relative stability or slow growth of the earnings of company. On the contrary, the presence of major customers with faltering financial policies or major customers who are not well connected to the company can lead to the bankruptcy and destruction of the company. For example, those companies that their transaction parties are governmental companies or government, with political changes, suffer serious crises.

The results obtained from the review of the main hypothesis indicate that the number of companies active in industries with a high customers' concentration is more. The reason for this point can be known as the economic instability. In fact, in the conditions that Iran's economy is constantly facing with considerable fluctuations, having customers who purchase a large volume of company's products can have significant effects on the continuation of the company's activity process. Another important point is the positive and significant relationship between sales growth and customers' concentration. Companies that can always continue their activity with production increase over time can gradually allocate more market volume to their own and become larger.

Regarding the results obtained from the minor hypothesis 1, the negative relationship between financial leverage and customers' concentration should be mentioned. In fact, this point shows that major customers prefer to buy from companies that have more credibility and have more financial ability. Companies that a large volume of their capital structure forms the debts are always at the risk of bankruptcy and inability to fulfill their commitments.

Also in relation to the second minor hypothesis, it should be noted that in the research model, despite the significance of the obtained coefficients, the results do not have sufficient validity. Therefore, the third hypothesis of the research is also rejected.

Research Limitations

- In the present research, the sampling method was used and the industries with the highest number of companies in the stock market have been investigated. Therefore, it should be treated with caution when generalizing it to other stock companies.
- The number of years- companies investigated in the researches conducted in the capital market of Iran, due to the small number of years-companies, are less compared with the international researches. Therefore, the results of researches should be used more carefully.

SUGGESTIONS FOR FUTURE RESEARCH

It is suggested to other researchers:

- The impact of customers' concentration on other components of financial statements such as net profit, operational profit, etc. should be investigated.
- The opinion of the companies' managers in this regard should be asked by the questionnaire tool.
- The impact of customers' concentration on the bankruptcy of companies should be investigated by using the firefly model.

References

Aflatuni, A., Nikbakht, L. (2010). Econometric application in accounting research. Financial and Economic Management, Tehran, Iran. First edition.

Aghazadeh, E. Steari, Mehrdad, Osanlou, b. (2007). Investigation of Effective Components on Firm Competitiveness in Iran. Quarterly journal of economic research, year 6, issue 3.

Alipour, H., Poursghar, S. (2012). Investigating the Impact of Service Quality on Customer Loyalty. marketingarticles.ir

Ashrafzade, h. Mehregan, N. (2008). Econometric Panel Data. University of Tehran Cooperative Research Institute, First Edition.

Azar, A., Momeni, M. (2004). Statistics and its use in management. Publications of the Study and Compilation of Human Sciences Books. Print tenth

Bani Mahd, B., Farahani-Fard, M. (2010). The Relationship between Capital Structure and Competitive Power of Listed Companies in Tehran Stock Exchange. Financial knowledge of securities analysis (financial studies). Volume 3, Issue 6, P. 119 - 132.

Bulu, gh; Rahmani Mehr, M. (2013). Equity and transparency of profit. Empirical Accounting Research, Vol. 2, No. 8, p. 61.

Chan, K. (2009), "An empirical study of companies in the Hang Seng Index, Impact of intellectual capital organisational performance", Vol. 16 No. 1, pp. 4-21

Cheng, P, Man, P, Cheong H. "The impact of product market competition on earnings quality". Accounting and Finance 53 (2013) 137–162

Chenhall. R. H., (2003), "Management Control Systems Design Within Its Organizational Context: Findings from Contingency-Based Research and Directions for the Future", Accounting, Organizations and Society, Vol. 28, No. 1-2, PP. 127-168.

Delavar A (2004), (Theoretical and Practical Research Principles in the Humanities and Social Sciences), Third Edition, Second Edition, Tehran: Growth Publishing

Dhaliwal, J. Scott Judd, Matthew Serfling, Sarah Shaikh, "Customer concentration risk and the cost of equity capital", Journal of Accounting and Economics, (2015) http://dx.doi.org/10.1016/j.jacceco.2015.03.005.

Guilding, C. and McManus, L., (2002), "The Incidence, Perceived Merit and Antecedents of Customer Accounting: An Exploratory Note", Accounting, Organizations and Society, Vol. 27, No. 1-2, PP. 45-59.

Itzkowitz, Jennifer. "Customers and cash: How relationships affect suppliers' cash holdings". Journal of Corporate Finance 19 (2013) 159–180.

Jahan Khani, A, and Parsaan, A. (2008). Investment management and securities valuation. Tehran: Publication of the samt.

Kurdistan, Gh. Majidi, D. (2007). Investigating the Relationship Between Qualitative Features of Profit and Cost of Equity Capital. Accounting and Auditing Reviews, No. 48. pp. 85-104.

Mahdavi, gh. Guyande, K. (2009). The relationship between economic value added and adjusted economic value added with stock returns. Financial Accounting and Auditing Research, Volume 1, Issue 2, pp. 61-86.

Mehregan, M., Asgharizadeh, A. Safari, H. (2008). Designing a Model for Investigating Enterprise Competitiveness Using Structural Equation Modeling Case Study: National Petrochemical Company of Iran. Quarterly Journal of Commercial Journal, No. 46. P. 1 -36.

Othmani, M. (2002). Identification of Capital Cost Pattern and its Influential Factors, Allameh Tabatabaei University. Doctoral dissertation.

Sarraf, F, Mostafa Pooh, M. (2014). Accrual and True Profit Manager on Equity Capital Cost, Thesis. Ministry of Science, Research and Technology - Non-profit Higher Education Institute of Raja Qazvin. Masters.