

### 3. Theoretical framework

#### 3.1 How do we define sporadic and regular exporters?

Exporting activities encompass an array of activities going from simple export activities to a more elaborated and sophisticated scope of activities.

Most sporadic exporters probably stand on the initial level of the internationalization process (Ural & Acaravci, 2006). David (2004) proposed a three stage categorization of export confidence of companies using the criteria of delegation, coordination and control. Growing export intensity goes with an increasing control over foreign market operations by the home company.

Table 3 shows the different stages of export sophistication within the categorization of David (2004).

**Table 1: Stages of export intensity and sophistication**

	(Wortzel & Wortzel, 1981)	(Czinkota, 1982)	(Vila & Kuster, 2007)
		Completely uninterested firm / no exploration of feasibility to export	Non internationalised firms
<b>Delegation</b>	Importer pull /foreign customer orders	Partially interested firm / Exporting is desirable but uncertain activity	Indirect exporting firms
	Basic production capacity	Exploring firm / planning for export and actively exploring export possibilities	
		Experimenting exporter /favourable export attitude but little exploitation of export possibilities	
<b>Coordination</b>	Advanced production capacity marketing	Semi-experienced small exporter / favourable attitude and active involvement in exporting	Direct exporting firms
	Product marketing channel push		Export agreements
<b>Control</b>	Product marketing channel pull	Experienced large exporter / very favourable export attitude and future export plans	Direct investors

Source: Wortzel & Wortzel (1981), Czinkota (1982), Vila & Kuster (2007) and David (2004)

Although the existing approaches to describe those stages tend to emphasize the constant forward progression of a pre-export stage to a more committed international activity, reality shows that companies are far from following this prescribed route due to external or internal issues causing “epochs of internationalization followed by periods of consolidation or retrenchment” (Crick, 2004, p. 562). Indeed, export development efforts are not lineal, as they can be interrupted various times, including backward steps to an exclusive orientation on the domestic market again (David, 2004). In particular, sporadic exporters may have the flexibility to choose better diversification strategies within various opportunities in the global arena, as they are not particularly committed with any specific course of action (Ural & Acaravci, 2006).

Crick (2004) identified two different groups that decided to discontinue exporting, naming the first group “disinterested firms” and the second group “disappointed firms”. The first group exported in the past, but is not interested in exporting anymore, whereas the second group still maintains interest in exporting, but has abandoned exporting for various reasons. Although disappointed firms may suffer from a negative experience concerning their first exporting efforts, they will re-enter the exporting process with a broad and significant international experience – export knowledge and contacts from previous networks, experimental knowledge, managerial skills and attitudes towards internationalization – which may facilitate re-entry and enhance export performance in comparison with the first intent.

Nevertheless, a failed intent in exporting explains also why companies may respond slowly to new internationalization opportunities (Welch & Welch, 2009).

Naidu & Prasad (1994) defined sporadic exporters as exporters that export discontinuously - in an “on and off ” - basis, withdrawing various times from international market activities while export sales only account for a small percentage of total sales.

Sporadic exporters exhibit less interest in exporting, maintaining low export activities for a long period of time. This behaviour reflects that priorities and circumstances within this company have not changed over a long period of time.

Vila & Kuster (2007) separated firms into two main groups: Proactive/regular exporters and sporadic and non-exporters. Vila & Kuster (2007) categorized those stages along different integration levels into foreign markets, and through the continuum ranging from “uninterested in exporting” to “full export commitment.”

In the early stages of exportation process, firms generally approach markets by using indirect exporting possibilities. In this initial stage, the firm starts exporting ‘accidentally’ with a low degree of risk and export commitment, answering passively to market opportunities instead of actively pursuing them. The growing international involvement and the use of different modes entering the market (sales agents and distributors as well as export agreements etc.) increase risk and hence firm’s export commitment.

Cavusgil (1984) followed a similar approach as Vila & Kuster (2007) with respect to the relation between the degree of export commitment and export intensity. Cavusgil (1984) suggested three different exporter categories according to firms’ level of export involvement:

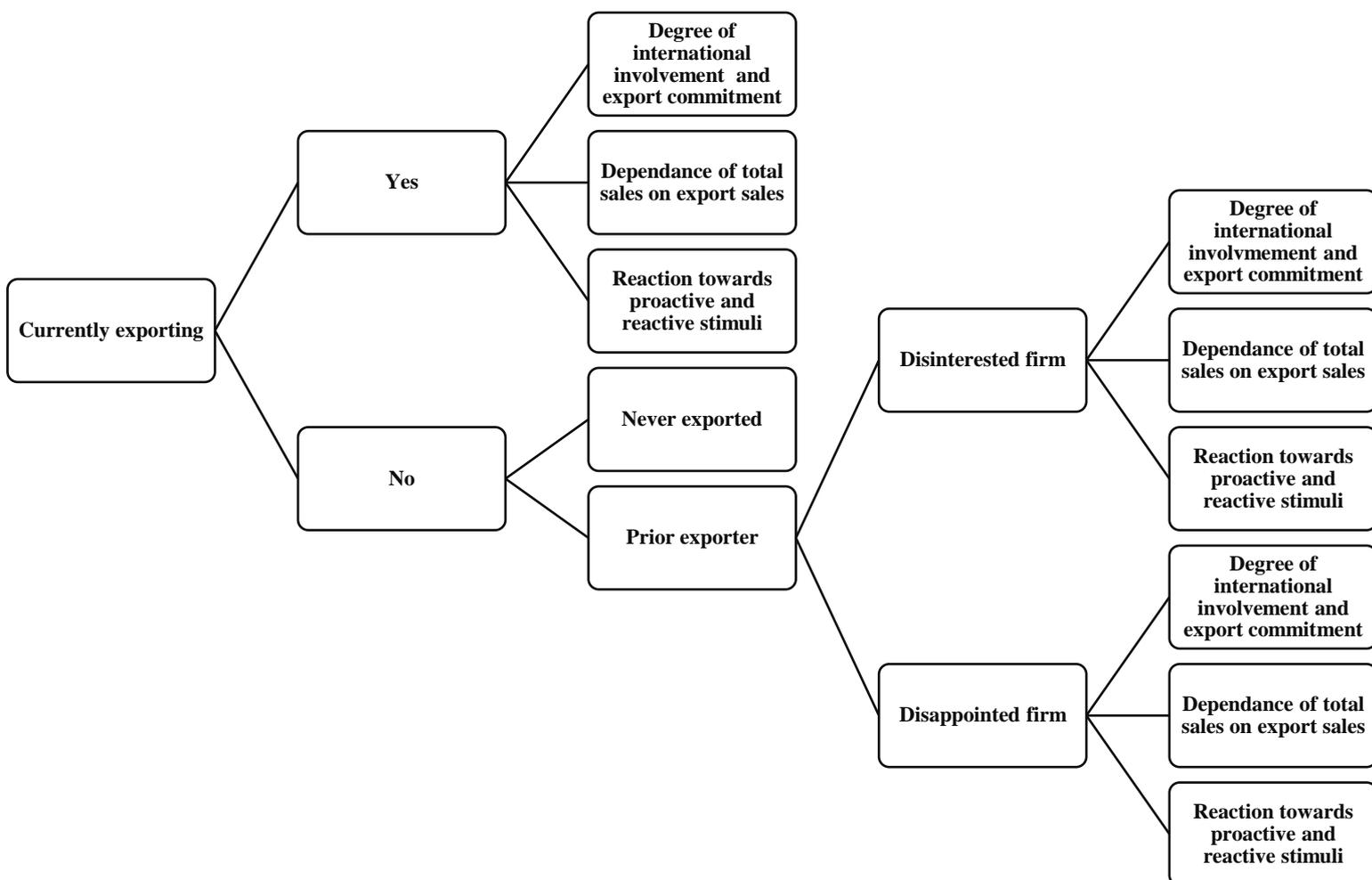
1. Experimental involvement with restricted initial marketing activities
2. Active involvement with the systematical exploration of export market opportunities
3. High commitment with a focused resource allocation towards exporting

Lim & Sharkey (2006) found one more factor helping to categorize the international involvement of companies into the global market. Additionally to the already mentioned factors - the different degrees of intensity of international market operations and export commitment – Lim & Sharkey (2006) analyzed proactive and reactive behavior patterns of exporters and their impact on export intensity and performance. Wortzel & Wortzel (1981) conducted a similar study categorizing these behavior patterns in an external fashion, as pull-and push factors <sup>1</sup>.

Our definition of sporadic exporters will be shown in the following table. It represents the base for the identification and evaluation of specific characteristics differentiating sporadic and regular exporters.

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<sup>1</sup> Please see table 3

**Table 2: Definition of sporadic exporters for this study**

Source: own elaboration

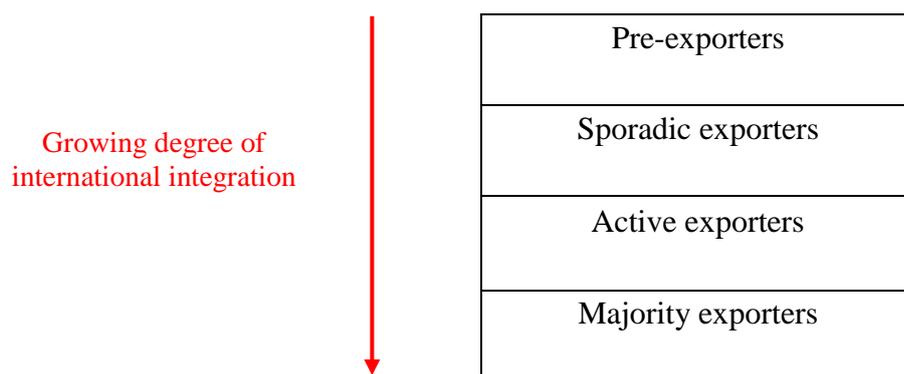
This study will concentrate on sporadic exporters defined as exporters in the early stages of international involvement with a low risk and low export commitment, reacting to market opportunities rather than actively acquiring contacts abroad, and exporters who have been withdrawing from exporting activities. Both groups do not depend highly on export sales and therefore, exhibit a discontinuous exporting behavior. Although export commitment and proactive export behavior might be seen as characteristics differentiating sporadic and regular exporters, the existing literature has applied those two factors both as characteristics separating sporadic from permanent exporters as well as away to define sporadic and regular exporters.

### 3.2. Public export programs and frequency of exporting

Public export promotion programs according to Ang & Teo (1995) should take into consideration certain companies' characteristics and specifications such as the nature, the size and the distribution of the individual exporting firm in order to integrate export promotion efforts at the service of individual firms.

It is important to make export promotion programs as flexible and dynamic as possible, so that programs can be tailored to the necessities of the companies passing through the different stages of export intensity. Francis & Collins-Dodd (2004), for instance, made the proposal to divide existing firms into 4 different categories which do need individualized public promotion program.

**Table 3: Stages of export intensity and sophistication development**



Source: Francis & Collins-Dodd (2004)

The four categories show the different degrees of export intensity. The study proposes that level 1 and 2 – pre-exporters and sporadic exporters – do not apply export promotion programs, whereas, active exporters (level 3) are highly interested in applying export promotion programs. Level 4 nevertheless, due to its high integration into the world market – would scarcely take advantage of export promotion programs.

Public export programs therefore should segment their target market and identify clearly which target group needs made-to-measure actions. Francis & Collins-Dodd (2004) proposed to approach each target market with different measures:

1. Companies in early stages of export development need assistance in order to become aware of exporting opportunities and benefits
2. Companies in the middle-field lack of export planning support and export information
3. Companies in final stages of export intensity likely need support in exporting activities such as selling their product in international markets consisting of communication, logistics, and sales support.

The different stages of internationalization therefore, offer useful implications for designing needed assistance efforts in order to equilibrate the identified lack of companies' needs and availability of programs (Naidu & Rao, 1993).

So the two ideas combined – from Francis & Collins-Dodd (2004) as well as from Ang & Teo (1995) - export promotion programs should take into consideration two different dimensions which should be enhanced by a favorable environment and strong interactions with key players (Eßer et al., 2001):

- the sophistication level of each firm in its exporting behavior
- individual companies' characteristics

We will try to establish a relationship between selected companies' characteristics and their international involvement into the global market in order to differentiate them and derive recommendations in terms of export promotion programs.

### 3.3. Characteristics differentiating sporadic and regular exporters

In the following, we will identify the most important internal dimensions characterizing sporadic exporters in comparison with those exporting regularly. Firms moving to more advanced stages of export development are faced with different problems compared to those who still are at the early stage of the export development process (Crick, 2004).

#### 3.3.1. Internal companies' characteristics

Before analyzing each characteristics, and provide our own categorization, we will give a brief overview over major classifications proposed in existing studies.

Katsikeas (1996) divided factors influencing firms' export behavior into two major categories consisting of internal factors and external factors.

Both factors were represented by two main subcategories: proactive stimuli and reactive stimuli.

Proactive stimuli are internal factors as well as external factors, provoking active measures from the firms' side with respect to export activities, whereas reactive stimuli are internal factors as well as external factors, which are pushing the firms towards increasing export intensity due to favorable changes in a passive way.

**Table 4: Categorization of external and internal factors influencing companies' export intensity**

Internal Factors		External Factors	
Proactive Stimuli	Reactive Stimuli	Proactive Stimuli	Reactive Stimuli
Presence of an export –minded manager	Availability of production capacity	Foreign country regulations	Intensifying competition in the domestic market
Ability to modify easily products for export markets	Inventory Reduction	Attractive growth opportunities overseas	Risk reduction by going international
Possession of unique products		Export incentives by the government	Favorable currency movements
			Unsolicited orders from the customer

Source: own elaboration on the base of Katsikeas (1996)

Katsikeas (1996) pointed out that sporadic exporters, in particular, lacked of internal proactive stimuli factors to spur companies' export activities and performance. Sporadic exporters seem to be more likely to respond to market opportunities and changes than actively looking for them. This pattern of behavior might depend on the firms' overall commitment and motivation for exports.

According to Cadogan, Diamantopoulos & de Mortanges (1999) export market orientation is highly dependent on three major behavioral components consisting of export intelligence generation, dissemination and responsiveness.

These factors need to be integrated into a coordination mechanism which guarantees the smooth flow of processes within the company such as a common understanding and a strong organizational culture for example. The generation of export intelligence consists of information gathering systems about foreign markets, whereas dissemination includes the correct repartition of data to different areas. Export intelligence responsiveness comprises the ability to respond with adequate measures to acquired data.

Another general categorization was provided by Doole, Grimes & Demack (2006) who suggested filtering according to firms' characteristics, firms' competencies and strategy variables. Firms' characteristics consist of size and age whereas firms' competencies are defined as factors which are directly associated with export success, including domestic market performance, product uniqueness and production capacity for instance. The last and the most impacting element – strategy variables – is described as special companies' measures and policies taken to penetrate the market through a well articulated marketing strategy. The long-term focus on variables is supposed to be the most significant element to support export long-standing performance. The key components of strategic variables are relationships and networks, special product strategy and pricing strategy to name but a few.

Okpara (2007) identified three different sources of problems surging for sporadic exporters including entrepreneurial orientation, knowledge barriers and resource barriers.

De Toni & Nassimbeni (2001) also dealt with firms' characteristics, management levers and organization levers as important factors of export performance.

Ural & Acaravci (2006) described growing strategies, competitive position in the home market and structural factors as elementary factors for export performance.

Also Lages, Silva & Chris (2009) emphasized the importance of organizational learning capabilities, relationship capabilities and quality capabilities for export performance.

All these categorizations have several elements in common. However, none of them present a very comprehensive categorization of the relevant factors. Thus, in the following, we will explain the identified characteristics differentiating sporadic exporters from regular exporters and arrange them into major fields.

### *Firms' characteristic*

Various studies identified major firms' characteristics and structural factors to account for export market orientation and performance. Companies' size (i.e. employees' number and total sales) as well as companies' age have been the focus of attention (Doole et al., 2006; De Toni & Nassimbeni, 2001; Samiee & Walters, 2002; Griffith & Ryans, 1999; Ural & Acaravci, 2006; Javalgi, White & Lee, 1999).

Those authors argued that large firms could have an easier access to financial resources as well as the possibility to take advantage of economies of scale, learning curves and a greater bargaining power in order to establish a better competitive position than smaller firms (Doole et al., 2006). Besides, larger firms would have the ability to expand resources and absorb risks more easily (Javalgi et al., 1999). However, Samiee & Walters (2002) did not find a significant relation between firms' employment sizes and export performance. Nevertheless, regular exporters seem to be significantly larger in terms of sales and in the share of export-related employment over total workforce.

Javalgi et al. (1999) pointed out that - especially in technology-related industries -younger firms would be more likely to be interested in foreign markets, although we could have supposed that due to the learning curve effect, older firms would be more export market oriented. Javalgi et al. (1999) were one of the few who analyzed firms' ownerships, and came to the result that privately owned firms were less likely to export than publicly owned firms.

### *Decision makers' characteristics*

The international experience of a firm depends over a high degree on the international experience of the key decision maker (language skills (White et al., 1999), international experience and returnee background (Filatotchev, Liu, Buch, & Wright, 2006)) and the correct interpretation of information and data. Although the first international experience might have been negative, the learning-by-doing effect can have a positive impact on further internationalization efforts (Welch & Welch, 2009). The decision maker's export commitment is reflected in the way (s)he sets internal company priorities, such as the allocation of resources (Solberg & Olsson,

2010). Naidu & Prasad (1994) emphasized the importance of management beliefs and priorities focused on international business opportunities rather than risk perception.

Francis & Collins-Dodd (2000) identified two opposing attitudes concerning decision makers' foreign market approaches. A proactive orientation is accompanied by an aggressive export approach by taking the initiative in searching for market opportunities and the research of alternative strategies to address volatile domestic – and foreign markets. This highly contrasts with the passive behavior over foreign market activities. It has been shown that exporters are more likely to be proactive and risk-taking than non- exporters (Okpara, 2007).

White et al. (1999) revealed that the management's predisposition to export development positively influenced firm's export efforts. One major driving factor of exporting desire is the perceived profit potential of internationalization.

#### *Export orientation*

According to Doole et al. (2006) the existence of an export marketing strategy is the most important factor influencing firm's export intensity, as market oriented firms will perform better than product oriented ones. An export marketing strategy harmonizes firm's total operational activities towards exporting. This includes market research, market intelligence gathering and the generation of relationships and networks (Doole et al., 2006). Samiee & Walters (2002) found out that sporadic exporting firms are less likely to maintain export specific infrastructure within their company than regular exporting firms.

Naidu & Prasad (1994) differentiated between firms' resources for export development such as the existence of an export marketing department or assignation of a budget for export development for instance and firms' stock of competencies for export development consisting in the use of export trading companies, direct sales possibilities or agents, for example, as it leads to regularity in export activities.

However, Okpara (2007) detected one major obstacle concerning a firm's successful export orientation; knowledge barriers such as the lack of awareness of export assistance available, the missing knowledge about the economic and non-

economic benefits of export marketing, the low perception of potential markets as well as the overall lack of knowledge how to enter the export market.

According to David (2004) firms, which collect more information about foreign markets, tend to present significantly better results with respect to export sales.

Williams (2008) identified three sources of export information acquisition consisting of export market intelligence, market research and export assistance. Export market intelligence comprises the informal, ongoing method by which companies acquire information such as, learning-by-doing. The second was export market research which refers to a formal and systematic way of gathering objective information. The last one – export assistance – consisted of information provided by the governmental institutions.

Williams (2008) found out that sporadic exporting companies lacked awareness and understanding of the three different forms of information sources available.

Doole et al. (2006) revealed that especially sporadic exporting companies lacked knowledge about existing export assistance programs.

Samiee & Walters (2002) showed that regular exporting firms were significantly more interested in export education than sporadic exporters, as sporadic exporters expected to spend less on export-related education per employee compared to regular exporters.

Given the fact that the same information sources are available to competing firms at the same time, it is likely that the competitive advantage of a firm might lie in how the information is used or whether the information is perceived correctly by the firm (Williams, 2008). The successful incorporation of new gathered information will be discussed below “organizational behavior & learning”.

### *Human Resources*

Resource barriers such as the lack of skilled workers with international experience or foreign trade knowledge (Okpara, 2007), as well as the lack of employee training, especially in quality management, play an important role

differentiating between sporadic and regular exporters (Samiee & Walters, 2002; Lages et al., 2009). Employee empowerment and employee involvement (Lages et al., 2009), as well employees' motivation in order to seek export sales possibilities (Francis & Collins-Dodd, 2000), are critical success factors for the improvement of export performance.

### *Finance*

The limited access to financial institutions in order to acquire credit (Filatotchev et al., 2006), impedes the implementation of export projects requiring higher levels of financing and investment. Internal barriers such as the mismanagement of working capital (Altintas, Tokol, & Harcar, 2007), or the lack of financial knowledge, the administration of letter of credits for instance, influence export performance as well (Filatotchev et al., 2006).

### *Innovation and R & D*

Vila & Kuster (2007) proposed two major forms of innovation comprising voluntary and obligatory innovation as critical factors to ensure long-standing export performance.

1. Product innovation
2. Strategy innovation: radical strategy innovations and incremental strategy innovations (Alvarez, 2004)
3. Process innovation (Alvarez, 2004; De Toni & Nassimbeni, 2001)
4. Market innovation: pull market innovations and push market innovations

Their study revealed that the export development degree of a company did not depend so much on product and market innovation, as strategic and process innovations.

Roper & Love (2001) also emphasized the importance of innovation in industries as innovative industries will be net exporters rather than net importers. Roper & Love (2002) distinguished between direct innovation – as the result of a

specialization in specific factors– and indirect innovation coming from technology and knowledge spillovers occurring thanks to being located in an innovative industry cluster.

Solberg & Olsson (2010) concentrated on firms' technological orientation and the integration of technology into daily operations.

A firm's competitive advantage is gained through the ideal combination of resources that allow firms to develop distinctive competencies or capabilities. A key competency might be rapid new product development offering benefits such as first-mover advantage and greater customer response. Faster new product development cycle time seems to be positively related to export success and –performance (Lim & Sharkey, 2006).

However, innovation and R&D might not be critical factors of export performance in all industry sectors. This indicates that before analyzing companies' innovation performance, we need to focus on the average innovation and R&D density of the whole industry sector in order to be able to make a statement about the innovation issue. Besides, an innovation for a company does not necessarily represent an overall innovation for the market. The development of new products and new product variations do not belong to product innovations for instance, unless they include characteristics which have not been commercialized yet in the market. Taking into account the definition of Rogers (1995) about innovation who stated that if the “idea seems new to the individual, it is an innovation.” (p.11) leads us to consider that although the market does not perceive changes as innovations, they would still represent innovations, at least for the individual firm and its network.

According to those findings, tailor-made product adaptations can be considered as a part of an innovative process within the firm. Quality management related capabilities (Lages et al., 2009) such as customer focus, top management commitment to quality and employees' quality training are also deemed as critical for export performance.

### *Organizational behavior & learning*

Filatotchev et al. (2006) considered that knowledge transfer was the most influential factor for export propensity, followed by global networks established by returnee employee with international export experience in the context of their study.

The acquisition of the relevant information is significant for the success of export business and represents a key source of sustainable competitive advantage.

However, the way the information is retained in the organizational memory of the given firm as tacit knowledge- thanks to an appropriate organizational culture - is even more important than the simple gathering of information (Samiee & Walters, 2002). Educational programs, which have the objective to develop or enhance export knowledge, would constitute useful organizational learning activities defining the logistical aspects of learning: the processes used to deliver existing information, the sensibilization of the company itself, the delivery method and the location of the program (Samiee & Walters, 2002).

According to Samiee & Walters (2002) organizational learning occurs through the exploitation of internal or external sources. Internal sources comprise the one's own experience and the experience of others as well as organizational memory. External sources consist of market experiments for instance.

Lages et al. (2009) defined innovation as the process of questioning organizational and industry norms and challenge the existing assumptions.

The same authors identified organizational learning capabilities directed towards innovation as the acquisition and development of knowledge having an impact on organizational behavior, and enhancing innovation. Organizational learning capabilities comprises commitment to learning, a shared-vision and open-mindedness to innovation, to name but a few.

### *Relationship capacities & behavior*

Relationship capabilities are a set of intangible assets, which are represented by the permanent interaction on different levels between the interrelated parties involved in an export-related relationship (Lages et al. 2009). It consists in attracting, maintaining and increasing relationships with suppliers and clients through the

continuous exchange of information, goods and services as well as social networking (del Pilar & Rodríguez, 2004). Major features characterizing a relationship are: importer involvement, quality of communication, long-term relationship orientation and the ability to share information among others (Lages et al., 2009). Del Pilar & Rodríguez (2004) identified relationship commitment to be a critical factor influencing the relationship quality of the network. It consists in sacrificing short-term relationships in order to prioritize more stable and long-term relationships. Aspects such as the international experience of the suppliers, the ability to adapt to changes and a shared organizational culture are important drivers influencing relationship behavior (del Pilar & Rodríguez, 2004).

Wilson (1995) proposed the following variables that highly affect overall commercial relationships:

commitment, trust, cooperation, mutual objectives, balance between interdependence and power, satisfaction of results, comparison of alternatives, adaptation, recoverable investments, shared technologies, structural ties and social connections.

### 3.3.2. Perceived external export barriers

Although external barriers are not subject of this study, we will include a brief summary in order to make the theoretical background as rich and complete as possible. External barriers are universal and represent the same obstacles for each company wishing to export. The only difference lies in the degree of intensity of perception of these external barriers.

Crick (2004) identified four different classes of export problems:

These include internal-domestic problems, internal – foreign problems, external – domestic problems and external-foreign problems.

Internal-domestic problems are the issues within the firm experienced in the domestic market (lack of skilled workers, lack of production capacity...)

Internal – foreign problems are the issues within the firm experienced in the foreign market (distribution systems, transportation and transactions costs...)

External – domestic problems are the problems arising from the international environment but experienced within the domestic market (paperwork, communication with the overseas client, corruption and poor infrastructure)

External-foreign problems are the problems arising from the international environment and experienced in the foreign market (overseas regulation, competitive density, value of the currency)

Alvarez (2004) divided export barriers into three different categories:

1. Internal to the firm
2. Internal to the country: low exchange rate, real exchange rate stability etc.
3. External: tariffs, corruption, poor infrastructure, import licenses, environmental barriers

#### 3.4. Classification of sporadic and permanent exporters' characteristics

We have established a categorization of selected relevant and important characteristics from the literature review. We propose the following categorization to classify the characteristics separating sporadic exporters from regular exporters.

- Decision makers' characteristics
- Export orientation
- Human Resources
- Finance
- Innovation and R&D
- Organizational behavior and learning
- Relationship capacities and behavior

This categorization can be subdivided further into three different elements comprising companies' resources, companies' competencies and skills, and companies' attitudes and behavior patterns.

As we can see, companies' internal environment – the different departments and their integration - as well as the external environment – relationship capacities - have

been taken into account to reflect as realistically as possible companies' structures and elements. The sub categorization helps us to refine the analysis of the problem, as it can have different origins.

Companies' resources refer to the resources available to companies in order to be able to establish exporting specific requirements. Competencies and skills try to detect the resources of the companies which are not material but still essential for export performance. Especially, companies' attitudes and behaviors should include people's emotions and feelings with respect to company exports and performance.

**Table 5: Characteristics that differentiate sporadic vs. continuous exporters in the literature**

<b>Categories</b>	<b>Companies' resources</b>	<b>Companies' competencies/skills</b>	<b>Attitudes and behavior patterns</b>
<b>Decision makers' characteristics</b>		<ul style="list-style-type: none"> <li>•Language skills (White et al., 1999)</li> <li>•Background (export knowledge, returnee) (Filatotchev et al., Buch &amp; Wright, 2006; White et al., 1999)</li> </ul>	<ul style="list-style-type: none"> <li>•Export commitment and proactive orientation versus conservatism and passivity (Francis &amp; Collins-Dodd, 2000) → proactive stimuli as a reason for export instead of reactive stimuli (Katsikeas, 1996)</li> <li>•Perception and attitude towards new market opportunities abroad (Francis &amp; Collins-Dodd, 2000)</li> </ul>
<b>Export orientation</b>	<ul style="list-style-type: none"> <li>•Export-specific infrastructure (foreign trade department) (Samiee &amp; Walters, 2002)</li> <li>•Export assistance (Okpara, 2007)</li> </ul>	<ul style="list-style-type: none"> <li>•Resource allocation to exporting activities (Naidu &amp; Prasad, 1994)</li> <li>•Export knowledge (export processes and export documentation)(Okpara, 2007)</li> <li>•Proper use of acquired information (Williams, 2008)</li> <li>•Market research about foreign market (Francis &amp; Collins-Dodd, 2000)</li> <li>•Elaboration of an export marketing strategy (Doole et al., 2006)</li> </ul>	<ul style="list-style-type: none"> <li>•Participation in trade shows (Francis &amp; Collins-Dodd, 2000)</li> <li>•Adaptive behaviour to new market opportunities and awareness of international market opportunities and threats and external environmental influences (Shamsuddoha, &amp; Ali, 2006)</li> <li>•Too high perception of the foreign competitors (Crick, 2004)</li> <li>•Sales seeking activities (Doole et al., 2006)</li> <li>•Perception/knowledge about and use of export programmes (Doole et al., 2006)</li> </ul>
<b>Human Resources</b>	<ul style="list-style-type: none"> <li>•Skilled workers (Okpara, 2007)</li> <li>•Employee quality training possibilities (Samiee &amp; Walters, 2002; Lages et al., 2009)</li> </ul>	<ul style="list-style-type: none"> <li>•Employee empowerment and employee involvement (Lages et al., 2009)</li> <li>•Customer focus (Lages et al., 2009)</li> </ul>	<ul style="list-style-type: none"> <li>•Firms' motivation on employees in order to seek export sales possibilities (Francis &amp; Collins-Dodd, 2000)</li> </ul>
<b>Finance</b>	<ul style="list-style-type: none"> <li>•Access to financial institutions (Filatotchev et al., 2006)</li> <li>•Working capital management (Altintas et al., 2007)</li> </ul>	<ul style="list-style-type: none"> <li>•Financial knowledge (Filatotchev et al., 2006)</li> </ul>	

Source: own elaboration

**Table 7: Characteristics that differentiate sporadic vs. continuous exporters in the literature (continuation)**

<p style="text-align: center;"><b>Innovation and R&amp;D</b></p>	<ul style="list-style-type: none"> <li>•Process innovation – operational management techniques: JIT, TQM, CE (de Toni &amp; Nassimbeni, 2001; Vila &amp; Kuster, 2007; Alvarez, 2004)</li> <li>•Strategy innovations (Vila &amp; Kuster, 2007; Alvarez, 2004)</li> <li>•Product innovation and product development time (Lim &amp; Sharkey, 2006; Vila &amp; Kuster, 2007)</li> <li>•Market innovations (Vila &amp; Kuster, 2007)</li> <li>•R&amp;D intensity (Filatotchev et al., 2006)</li> <li>•Inter-sectoral innovations (innovations made in other firms; supply-chain spill-overs) (Roper &amp; Love, 2001)</li> </ul>	<ul style="list-style-type: none"> <li>•Product adaptation and customization (Ability of the firm to use technology to adapt its products to the foreign market) (Lages et al., 2009)</li> <li>•Ability of the firm to combine the different categories of innovation in order to establish competitive advantage (Lages et al., 2009)</li> </ul>	
<p style="text-align: center;"><b>Organizational behaviour and learning</b></p>		<ul style="list-style-type: none"> <li>•Development of organizational knowledge (Samice &amp; Walters, 2002)</li> <li>•Ability to integrate knowledge transfer from abroad into firm's operations (Filatotchev et al., 2006)</li> </ul>	<ul style="list-style-type: none"> <li>•Commitment to learning (Lages et al., 2009)</li> <li>•Shared vision (Lages et al., 2009)</li> <li>•Open-mindedness to innovation (Lages et al., 2009)</li> </ul>
<p style="text-align: center;"><b>Relationship capacities and behaviour</b></p>	<ul style="list-style-type: none"> <li>•Intensity of networks involved into daily operations (de Toni &amp; Nassimbeni, 2001; Filatotchev et al., 2006)</li> <li>•Easy access to distribution channels (Alfintas et al., 2007)</li> <li>•Clusters/business alliances (Filatotchev et al., 2006; Sterlacchini, 1999)</li> <li>•Piggy-back, joint-ventures, franchises, strategic agreements, export consortium and licence acquiring etc. (Vila &amp; Kuster, 2007)</li> <li>•Production capacity (Crick, 1995)</li> <li>•Network linkages into the foreign market (Filatotchev et al., 2006)</li> </ul>	<ul style="list-style-type: none"> <li>•Networking capabilities (Lages et al., 2009)</li> <li>•Customer and supplier involvement (Lim &amp; Sharkey, 2006)</li> <li>•Information sharing (Lages et al., 2009)</li> </ul>	<ul style="list-style-type: none"> <li>•Relationship commitment (long-term or short-term) (Del Pilar &amp; Rodriguez, 2004)</li> </ul>

Source: own elaboration

### 3.5. Proposals

Our study examines the differences in characteristics separating sporadic exporters from regular exporters. The results of this study will help to determine the salient features of discontinuous exporting behavior and hence provide significant information for the elaboration of public promotion programs with respect to exports. We need to show the existence of a relation between specific companies' characteristics and exporting behavior.

General postulate: There exists a difference between sporadic and regular exporters with respect to the characteristics identified.

In the following, we will formulate in detail the possible effects of various characteristics on export performance. If such characteristics have a significant impact on firms' export performance, we can assume that companies with a high intensity of this factor are more likely to develop regular exporting behavior.

P1: The presence of specific factors concerning decision makers' characteristics will be positively associated with companies' export performance

(P1 is highly dependent on companies' size, since small and medium sized enterprises have only one representative who incorporates various company's tasks and therefore, has a higher grade of influence on the firm's overall direction and strategy. Larger companies are mostly represented by various decision makers whose daily tasks are separated from each other as well as from the overall strategic decisions of their company. As an implication, decision markers in large companies do not have such a grade of influence as decision makers in SMEs.)

P2: The presence of specific factors concerning firms' export orientation will be positively associated with companies' export performance.

P3: The presence of specific factors concerning Human Resources will be positively associated with companies' export performance.

P4: The presence of specific factors concerning finance will be positively associated with companies' export performance.

P5: The presence of specific factors concerning innovation and R&D will be positively associated with companies' export performance.

(P5 states a positive relationship between innovation and R&D and companies' export performance. As already mentioned, innovation might be perceived differently by the companies themselves and their clients as by the market. A simple product variation can represent a product innovation for the companies and for their networks but not for the market. Therefore, we will suppose that improvements in processes and new features of products represent an innovation although it is not perceived the same way by the market.)

P6: The presence of specific factors concerning organizational behavior and learning will be positively associated with companies' export performance.

P7: The presence of specific factors concerning relationship capacities and behavior will be positively associated with companies' export performance.