

UNIVERSITY OF GHANA

FIRM-LEVEL DETERMINANTS OF EXPORT PERFORMANCE OF GHANAIAN SMALL AND MEDIUM ENTERPRISES

BY

KOJO KAKRA TWUM

(10441940)

**THIS THESIS IS SUBMITTED TO THE UNIVERSITY OF GHANA
BUSINESS SCHOOL, UNIVERSITY OF GHANA, LEGON IN
PARTIAL FULFILMENT OF THE REQUIREMENT FOR THE
AWARD OF A MASTER OF PHILOSOPHY (MARKETING
OPTION) DEGREE**

JUNE, 2015

DECLARATION

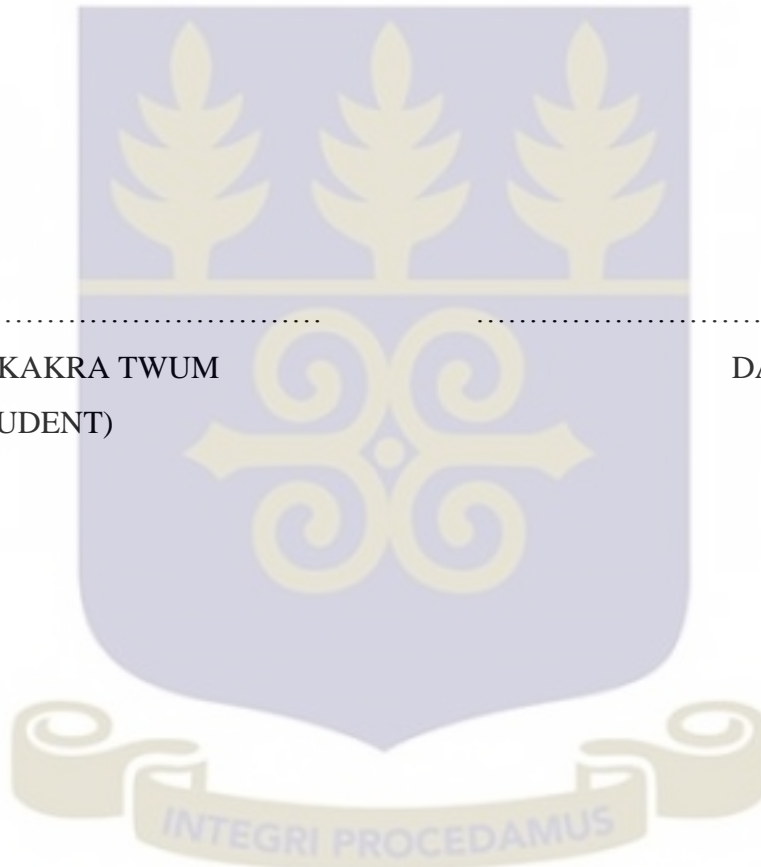
I do hereby declare that this thesis is as result of my personal research for the award of MPhil degree in Marketing. This thesis has not been presented by anyone for any academic award in this or any other university. All references used in this work have been fully acknowledged.

I bear sole responsibility for any shortcomings.

.....

KOJO KAKRA TWUM
(STUDENT)

DATE



CERTIFICATION

I hereby certify that this thesis was supervised in accordance with procedures laid down by the University.

.....
DR. ADELAIDE KASTNER
SUPERVISOR

.....
DATE

.....
PROF. BEDMAN NARTEH
CO-SUPERVISOR

.....
DATE



DEDICATION

I dedicate this work to the Almighty God, for providing me with the strength, courage and determination to go through my course successfully, and for the wisdom granted me to conduct this study.

Again, I dedicate this study to Mr. and Mrs. Kwarteng for their support throughout my life.



ACKNOWLEDGEMENTS

I am greatly indebted to my supervisor Dr. Adelaide Kastner for her guidance, patience and support throughout this study. I am deeply grateful to my Co-Supervisor Prof. Bedman Narteh of the Department of Marketing and Customer Management, University of Ghana Business School, for his support and guidance. My profound gratitude goes to Dr. Mohammed A. Mahmoud for making insightful contributions to this study.

I also thankful to Research officers of the Ghana Export Promotion Authority for given me the needed support. Profound thanks to all staff members of Ghana Export Promotion Authority who assisted me in my study.

My profound gratitude also goes to Mr. Ronny Adjei Yeboah, Agya Kojo Sekyere, Yusif Agana, Antoinette Garbrah, Alex Antwi-Adjei and Emmanuel Kwame Yeboah for assisting in reading through this work, and making vital contributions.

Finally, I am grateful to all the lecturers and staff of the department of Marketing and Customer Management, University of Ghana Business, for contributing in diverse ways to this study.

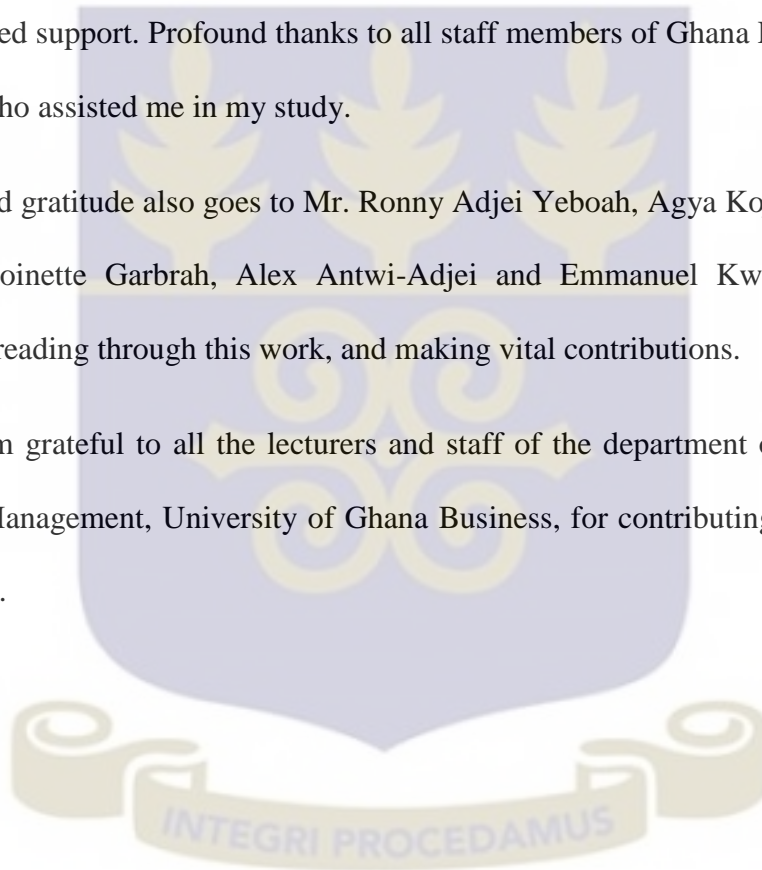


TABLE OF CONTENTS

DECLARATION.....	i
CERTIFICATION.....	ii
DEDICATION.....	iii
ACKNOWLEDGEMENTS.....	iv
TABLE OF CONTENTS.....	v
LIST OF TABLES.....	xi
LIST OF FIGURES.....	xii
LIST OF ABBREVIATIONS.....	xiii
ABSTRACT.....	xiv
CHAPTER ONE.....	1
INTRODUCTION.....	1
1.0 Background of the Study.....	1
1.1 Research Gap.....	5
1.2 Research Problem.....	8
1.3 Research Objectives.....	9
1.4 Research Questions.....	9
1.5 Significance of the Study.....	10
1.6 Scope of Study.....	11
1.7 Organisation of the Study.....	12
1.7.1 Chapter One (1): Research Introduction and Background.....	12
1.7.2 Chapter Two (2): Literature Review.....	13
1.7.3 Chapter Three (3): Context of the Study.....	13

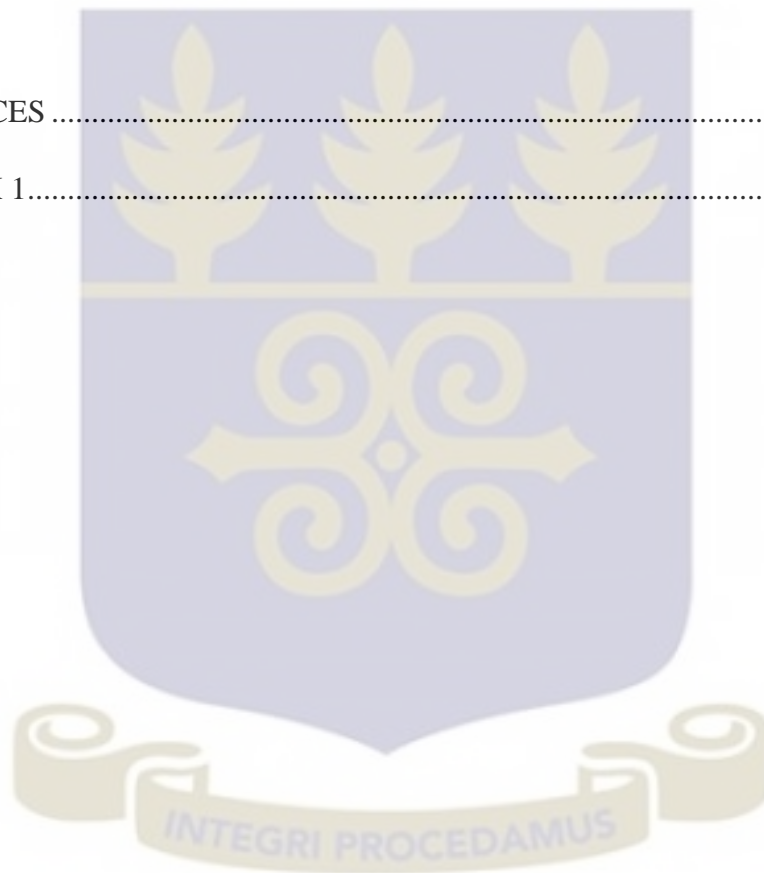
1.7.4 Chapter Four (4): Research Methodology	13
1.7.5 Chapter Five (5): Analysis and Discussion of Findings	14
1.7.6 Chapter Six (6): Summary, Conclusions and Recommendations	14
CHAPTER TWO	15
LITERATURE REVIEW AND CONCEPTUAL FRAMEWORK	15
2.0 Introduction	15
2.1 The concept of Exporting	15
2.2 Traditional and Non-traditional Exports	16
2.3 Small and Medium Enterprise and Exporting	18
2.4 Development of Export Performance Literature	19
2.5 Internal/Firm-level Determinants of Export Performance	22
2.6 Firm Characteristics	24
2.6.1 Firm size	25
2.6.2 Organisational Commitment to Exporting	28
2.6.3 Management Perceptions towards Exporting	29
2.7 Firm Capabilities and Competencies	31
2.7.1 Technology	31
2.7.2 Export Policy, Planning and Market Knowledge	33
2.7.3 Quality Control	35
2.8 Export Marketing Strategy	36
2.8.1 Product and Product Line	37
2.8.2 Pricing	38
2.8.3 Promotion	39

2.8.4 Distribution.....	39
2.9 Export Performance of Exporters	40
2.9.1 Export Intensity	41
2.9.2 Number of Markets	41
2.9.3 Management’s Perception of Export Profitability.....	42
2.9.4 Management satisfaction with export performance	42
2.10 Conceptual Framework	43
2.11 Empirical Studies on Export Performance.....	45
2.12 Proposed Hypothesis.....	48
CHAPTER THREE	50
CONTEXT OF THE STUDY	50
3.0 Introduction.....	50
3.1 Definition of Small and Medium Enterprises	50
3.2 Characteristics of SMEs in Developing Countries	55
3.3 The Role of Small and Medium Enterprises in Socio-Economic Development.....	57
3.4 Major Constraints Facing SMEs	59
3.5 The State of Exporting In Ghana	62
3.6 Non-Traditional Exports in Ghana.....	65
3.6.1 The Ministry of Trade and Industry (MOTI)	69
3.6.2 The Ghana Export Promotion Authority (GEPA).....	69
3.7.3 The Ministry of Food and Agriculture (MOFA).....	70
3.7.4 The Ghana Standards Authority (GSA)	70
3.7.5 Food and Drugs Authority (FDA)	70

3.7.6 Customs, Excise and Preventive Services (CEPS).....	70
3.7.7 National Board for Small-Scale Industries (NBSSI).....	71
CHAPTER FOUR	72
METHODOLOGY	72
4.0 Introduction.....	72
4.1 Research Approach	72
4.2 The Research Design and Strategy	74
4.3 Operationalization of Variables	75
4.4 Sample Design and Sample Size Selection Technique.....	76
4.5 Sources of Data and Data Collection Technique	79
4.6 Research Instrument.....	80
4.7 Pre-test of Questionnaire.....	81
4.8 Data Collection Procedure	82
4.9 Data Analysis Techniques.....	83
4.10 Ethical Considerations	86
4.11 Research Limitations and Practical Challenges	86
CHAPTER FIVE	88
DATA ANALYSIS AND INTERPRETATION	88
5.0 Introduction.....	88
5.1 Background Information/Firm Characteristics	88
5.1.1 Number of Employees.....	88
5.1.2 Number of Years in Operation	89

5.1.3 Respondents' Educational Background.....	89
5.2 Firm Characteristics	91
5.3 Firm Competencies and Capabilities	93
5.4 Export Marketing Strategies	93
5.5 Export Performance	95
5.5.1 Export Intensity	95
5.5.2 Management Perception of Export Profitability	96
5.6.3 Management Satisfaction with Export Performance.....	97
5.6 Regression Analysis Test.....	98
5.6.1 Regression Analysis of Firm Characteristics and Export Performance	98
5.6.1 Regression Analysis of Firm competencies and capabilities and Export Performance.....	102
5.6.2 Regression Analysis of Export Marketing Strategy and Export Performance	103
5.7 Discussion of Major Findings	107
5.7.1 Relationship between Firm Characteristics and Export Performance.....	107
5.7.2 Relationship between Firm Competencies and Capabilities and Export Performance.....	108
5.7.3 Relationship between Export Marketing Strategy and Export Performance..	109
5.8: Summary of Hypotheses of the Study	111
 CHAPTER SIX.....	 113
SUMMARY, CONCLUSIONS AND RECOMMENDATIONS	113
6.0 Introduction.....	113
6.1 Summary of the Study.....	113

6.1.1 Findings on Objective One: Relationship between Firm Characteristics and export performance.....	114
6.1.2 Findings on Objective Two: Relationship between Firm Competencies and	115
6.1.3 Findings on Objective Three: Relationship between Export Marketing	115
6.2 Conclusions	116
6.3 Recommendations	118
6.3.1 Recommendations to Industry and Policy Making	118
REFERENCES	121
APPENDIX 1.....	132



LIST OF TABLES

Table 3.1: European Commission’s Categorisation of Enterprises	52
Table 3.2: Definition of SMEs by NBSSI	55
Table 3.3: Africa’s Loss of World Market Share (%) in Selected Commodities	63
Table 3.4: Contribution of Export and Import to GDP.....	64
Table 3.5: Balance of Trade, Imports and Exports (2009 - 2013).....	65
Table 3.6: Non-Traditional Exports, 2010 - 2013	67
Table 4.1: Reliability Statistics.....	84
Table 5.1: Demographic Profile of Respondents.....	90
Table 5.2: Firm Characteristics as a Firm-level Determinant of Export Performance	92
Table 5.3: Firm Competencies and Capabilities as a Firm-level Determinant of Export Performance	93
Table 5.4: Export Marketing Strategies as a Firm-level Determinant of Export Performance	94
Table 5.5: Perception of Export Profitability	97
Table 5.6: Satisfaction with Export Performance.....	98
Table 5.7: Regression Model for Firm Characteristics.....	101
Table 5.8: Regression Model for Firm Competencies and Capabilities.....	103
Table 5.9: Regression Model of Export Marketing Strategies	106
Table 5.10: Decisions on Hypothesis of the Study.....	112

LIST OF FIGURES

Figure 1: Conceptual Framework on Firm-Level Determinants of Export Performance.	45
Figure 2: Performance of SMEs by destination.....	68
Figure 3: Export Intensity of Exporters	96



LIST OF ABBREVIATIONS

CEPS	Customs and Excise Preventive Service
EDIF	Export Development and Investment Fund
EMS	Export Marketing Strategies
ERP	Economic Recovery Programme
FC-	Firm Characteristics
FCC	Firm Competencies and Capabilities
FDA	Food and Drugs Authority
GEPA	Ghana Export Promotion Authority
GSA	Ghana Standards Authority
ISSER	Institute of Statistical, Social and Economic Research
MOFA	Ministry of Food and Agriculture
MOTI	Ministry of Trade and Industry
MPEP	Managers Perception of Export Profitability
MSE	Managers satisfaction of Export Performance
NBSSI	National Board for Small Scale Industries
NTEs	Nontraditional Export Sector
SMEs	Small and Medium Scale Enterprises
SPSS	Statistical Package for Social Scientist
UNIDO	United Nations Industrial Development Organisation
WTO	World Trade Organisation



ABSTRACT

The purpose of this study is to examine the firm-level determinants of export performance of Small and Medium Enterprises (SMEs) using the Strategic Export Model. This study attempts to understand how internal/firm-level variables can be used to complement macro-level policies and programmes to help improve the level of exports in Ghana. The aim of this study therefore is to examine how firm characteristics, firm competencies and capabilities, and firm export marketing strategies of SMEs lead to export performance (export intensity, management perception of export profitability, and management satisfaction with export performance). This study is explanatory, using quantitative method focused on Small and Medium Enterprises (SMEs) involved in active exporting as at 2013. Cross-sectional survey questionnaires were used to solicit from 111 firms registered with the Ghana Export Promotion Authority on export determinants and their export performance. The data collected was analysed using descriptive and regression analysis. The results of the study found that the three constructs used as firm-level determinants in the study namely: firm characteristics, firm competencies and capabilities, and firm export marketing strategies are generally positively and significantly related to firm's export performance. This study recommends that export firms and policy must improve upon the competitiveness of exporters through the elimination of export barriers, promotion of firm's competencies, and formulation and implementation of marketing strategies that can be adopted by export firms.

CHAPTER ONE

INTRODUCTION

1.0 Background of the Study

Export activity is of extreme importance to countries due to its contribution to economic development, national competitiveness, and improved standard of living through accessibility to a diversity of goods and services (Lages & Montgomery, 2004). International export activities have increased tremendously due to globalization which is driven by technological advances and liberation of trade and capital markets (WTO, 2008). The export-economic growth nexus is not just a recent phenomenon in determining development of national economies. One of the earlier studies by Ram (1987) explains that good export performance is a major contributor to economic growth by increasing specialization and efficiency thereby raising comparative advantage, offering greater economies of scale due to increased market size, affording greater capacity utilization, and inducing rapid technological change.

The trend towards globalization of trade and sales activities has propelled the need to understand the behavior of firms in foreign markets (Sousa, Martinez-Lopez & Coelho, 2008). It is therefore very crucial for nations and firms to stay competitive in today's global market place by improving the export performance of firms (Adu-Gyamfi & Korneliussen, 2013). Increasingly, firms are looking beyond their traditional markets and expanding into export markets as a means of growing and enhancing their competitiveness (O 'Cass & Julian, 2003). The growing international business experience as a result of education abroad, language similarities, and technological advances has made exporting easier than before (Ibeh, 2003). It is however not surprising that there has been a 4.7 % growth in export volume in developing economies in 2011 (WTO, 2011).

Less-developed countries heavily depend on exports for their development (Hinson & Abor, 2005). The bulk of export activities in developing or emerging markets are controlled by small firms (Adu-Gyamfi et al., 2013). In 2011, African countries' exports were valued at \$32 billion dollars in agriculture, \$261 billion dollars in manufacturing, and \$874 billion dollars in fuel and mining (WTO, 2011). These statistics clearly show the contribution of exports to the socio-economic development of countries. Viviers and Calof (1999) acknowledge that, governments in Africa are focusing their efforts on enhancing international trade through export development of small and medium sized enterprises (SMEs). Exports and SMEs are considered to be the core building blocks for achieving economic development and growth. Internationalisation especially by SMEs is therefore an important avenue for developing economies in Africa to also participate in global trade (Seyoum, 2007). Abor and Quartey (2010) support this argument by stating that SMEs represent over 90 percent of private business and contributes to about 50 percent of employment and GDP in most African countries.

Despite the achievements and contributions of SMEs in the development process, these firms are being faced with a number of challenges. SMEs are sometimes reluctant to allocate resources and commit themselves into international venture which is perceived as riskier than the domestic market (Spence & Schmidpeter, 2003). Some of the challenges highlighted by studies on SMEs export performance include: lack of knowledge; managers not having international orientation; limited business relationship with international partners; lack of funds; and limited information usage (Abor & Quartey, 2010; Hinson et al. 2006; Tagoe, Nyarko, & Anuwa-Amarh, 2005). These challenges affecting export performance of SMEs in Ghana can therefore be addressed with policies and programmes that will serve as drivers for international export performance.

Ghana's 25-year development plan (1995 - 2020) which is known as Vision 2020, is geared towards making Ghana a middle income country by the year 2020 through development plans and revenue projections dependent on earnings from exports (Buatsi, 2002). The Vision 2020 objective projected export values to reach \$16.0 billion, which cannot be achieved only with traditional exports comprising cocoa, timber, gold, and other minerals (Buatsi, 2002). In view of this, exports in non-traditional sector were seen as the strategy to develop export growth through the elimination of constraints and promoting export diversification among Ghanaian firms. Over the years, this strategy has not been effective as the traditional sector still dominates total export revenue.

The contribution of exports to Ghana's Gross Domestic Product cannot be underestimated, as it constitute 29.3 percent (GSS, 2010). Ghana Statistical Service (2010) estimated that cocoa beans and gold alone accounted for \$7 million dollars out of a total \$9million dollars export value of goods and services. Though these statistics show an impressive contribution of exports towards the country's GDP, this performance is still linked to traditional exports leaving out non-traditional exports. This has resulted in a situation where imports of goods and services are higher than exports leading to a balance of trade deficit (Bank of Ghana, 2010).

Ghana depends on traditional exports as a major source of revenue since independence, but the prices of these exports have been unstable on the world market (Buasti, 2002). The situation negatively affects the regular flow of export revenue to the country. In an attempt to improve non-traditional exports, the government of Ghana in 1983, under the Economic Recovery Programme (ERP), established a clear policy guideline and adopted measures intended to resuscitate trade by divesting into NTEs (Kyereboah-Coleman & Biekpe, 2006). Non-traditional exports are especially in agriculture, processed and semi

processed products, and handicrafts. It is however interesting to note that most of the firms involved in NTEs are considered as SMEs (Buatsi, 2002; Hinson et al., 2006).

As part of the diversification strategy, efforts must therefore be directed at the firm-level. The export performance of non-traditional exporters has been directly linked to promotion of small and medium enterprises (Hinson & Abor, 2005; Hinson & Sorensen., 2006; Abor & Biekpe, 2007; Kyereboah – Coleman et al., 2008; Buatsi, 2002). From these studies, it is evident that increasing export performance of small and medium enterprises is the strategic option for promoting non-traditional exports. There is therefore the need to intensify studies in this area as a means of contributing to the national strategy to improve on export performance.

International export performance has gained the attention of researchers and policy makers on how to help improve and develop business in their export activities. These studies have concentrated on a number of research areas on export performance. Emphasis has been laid on internal and external drivers of export performance which is an indication that export performance has a micro and macro dimension. At the macro-level, environmental factors are considered as uncontrollable opportunities and threats to firms which usually consist of socio-cultural factors (Baldauf, Cravens & Wagner, 2000). The micro factors affecting export performance are considered as internal or firm-level drivers of export performance (Ibeh, 2003; Katsikeas, Leonidou & Morgan, 2000; Kaleka, 2002). Firms in developing countries turn to be prone to constraints associated with operating in the global market place (Adu-Gyamfi et al., 2013). The challenges facing SMEs make it extremely important to direct more research attention to identify the internal drivers that promotes export performance of firms in Ghana.

Research on export performance has seen a tremendous expansion since Tookey's (1964) seminal work nearly half a century ago (Kahiya & Dean, 2014). Explorations into the determinants of export performance have been an important stream of international marketing research since the 1970s (Aaby & Slater, 1989). Meta-analysis studies between the periods of 1979 -1991 provided support for Aaby and Slater's (1989) model of export performance (Chetty & Hamilton, 1993). The growing interest in export performance research is not surprising since international export activities is one of the most widely studied topics in international marketing (Aaby et al ., 1989; Adu-Gyamfi et al., 2013; Kahiya et al., 2013).

Frequently studied areas of interest in research on export by researchers all over the world includes: barriers and financial challenges of export (Abor & Biekpe, 2007); export policies and programmes (Teal, 2002); export financing (Buatsi, 2002, Abor et al., 2007); E – business (internet) and exporting (Hinson et al., 2005; Hinson & Adjasi, 2009); internationalization and exports (Hinson et al., 2005). In addition to these studies, export performance is one of the most studied determinants of export performance (Valos & Baker, 1996; Zou & Stan, 1998; Lages et al., 2003). These studies show the importance of export performance in today's global market.

1.1 Research Gap

The extant literature on the determinants of export performance can be divided into two levels, namely: macro-level, and micro-level research (Singh, 2009). Majority of studies have focused on the internal determinants or drivers of export performance (Zou et al., 1998). The situation is however different in Ghana where most of the studies are on the

macro level. This presents to the study the first gap to be addressed. There is the need to intensify the study of export performance at the firm-level.

The major internal determinants of export performance drawn from earlier studies of Aaby and Slater (1989) revealed three main broad categories, which are: export marketing strategy, firm characteristics, and firm competences and capabilities. Unfortunately, available literature on export performance seems to be fragmented (Aaby et al., 1989). Walters and Samiee (1990) support this assertion by stating that, differences in the exporting environment considered, complicates the task of evaluating the significance of widely diverging results. Also, Katsikeas et al. (2000), express concern about export performance construct as one of the least understood in international marketing research even though it is one of the most widely studied. Only a few studies on export performance have built upon an explicit theoretical basis with quite a few attempting to derive their research hypothesis with clear reference to theoretical and conceptual framework (Zou et al., 1998).

The numerous antecedents of export performance from a multiplicity of disciplines addresses outcomes of export performance (Kahiya et al., 2014). Katsikeas et al. (2000), state that, there are at least forty (40) measures for explaining the predictor variables of export performance. From available literature, three main theoretical templates namely: structure-conduct and performance (SCP) paradigm, the resource-based view (RBV) of the firm, and rational choice (RC) are used by researchers (Cavusgil & Zou, 1994; Madsen, 1998).

Performance is an indispensable guide for any company analysing its level of success, both in the domestic and international arena but can be said to be a complex task to assess (Lages, 2000). Kahiya et al. (2014) support this claim by stating that, measurement and operationalization of the export performance construct remains a

daunting undertaking. This is as a result of credibility of measure of export performance which has been treated using financial and non-financial outcomes (Lages, 2000). Lages (2000) further states that this measure of export performance has a very high sense of credibility since it can be measured from objective or subjective perspectives and hence can be conceptualized in many ways. These studies call for researchers to consider both financial and non-financial export outcomes.

From available literature, export performance has been measured in three different ways. The first which is the most common means of conceptualization and measuring export performance lays emphasis on financial outcomes of exporting. This export performance indicator considers export as a marketing activity that is directly linked to export sales (Okpara, 2009; Ibeh, 2003; Kahiya et al., 2013). Another method of conceptualizing export performance is centered on the strategic outcome of exporting (Zou, Taylor & Osland, 1998). The basis of analysis under this strategic dimension is that, a firm's ability to achieve its strategic objectives as well as its financial goals is considered as performing well (Cavusgil et al., 1994). Studies that adopt this approach consider export performance as the attainment of strategic goals such as competitive advantage, export policy, market presence, and market share in foreign market, technology and communication, and planning (Aaby et al., 1989; Cavusgil et al., 1994). The third approach advocates for the use of perceptual or attitudinal measures of performance (Madsen, 1998). The conceptualization of this approach stems from the fact that being positively disposed toward exporting and / or satisfied with exporting operations is a strong determinant of success in exporting (Zou et al ., 1998). It can be observed that export performance studies adopting this approach tend to measure perceived success, perceived satisfaction, and attitudinal changes such as the propensity to export. These three dimensions used to develop the export performance scale has export financial

performance, strategic performance and perceptual or attitudinal performance by Zou et al. (1998).

It is however surprising to see majority of studies on export performance directing attention only to financial variables instead of a more strategic approach of measurement.

1.2 Research Problem

This study seeks to analyse export performance of Ghanaian SMEs using both financial and nonfinancial (strategic) outcomes. The strategic export model developed by Aaby et al. (1989) which provides both financial and non-financial measures needs to be applied in determining the export performance of firms in developing countries like Ghana. This study will therefore seek to build upon the Strategic Export Model in order to strengthen the theory of export performance in the Ghanaian setting. An important aspect of this study is to measure export performance determinants on export intensity (financial), management perception of export profitability (non-financial), and management satisfaction with export performance (non-financial), since performance (success) can be both financial and non-financial (strategic).

Majority of export performance studies have been conducted in the advanced economies with huge export activities (Adu-Gyamfi et al., 2013; Zou et al., 1998). There is dearth of literature on export performance in developing countries like Ghana (Adu Gyamfi et al., 2013). A study of the determinants of export performance in developing economies is very important in contributing to literature given the limited understanding of what determines the export competitiveness of firms in developing countries (Singh, 2009). This study in order to contribute to the practically few studies conducted in sub-Saharan

Africa, seeks to use survey data from SMEs involved in non-traditional exports in Ghana to determine factors influencing export success.

This research sought to use firm-level determinants of the Strategic Export Model which are: firm characteristics, firm competencies and capabilities, and export marketing strategy to determine their relationship with export performance of SMEs in Ghana. In using these antecedents to determine export performance, the study developed export performance scales which considers financial outcomes/ performance, strategic performance.

1.3 Research Objectives

The objective of this study is:

1. To examine the relationship between firm characteristics and export performance of Ghanaian Small and Medium Enterprises (SMEs)?
2. To examine the relationship between firm competencies and capabilities and export performance of Ghanaian Small and Medium Enterprises (SMEs).
3. To examine the relationship between export marketing strategy and export performance of Ghanaian Small and Medium Enterprises (SMEs).

1.4 Research Questions

The study is intended to address the following research questions:

1. What is the relationship between firm characteristics and export performance of Ghanaian Small and Medium Enterprises (SMEs)?
2. What is the relationship between firm competencies and capabilities and export performance of Ghanaian Small and Medium Enterprises (SMEs)?

3. What is the relationship between export marketing strategies and export performance of Ghanaian Small and Medium Enterprises (SMEs)?

1.5 Significance of the Study

Export activity is one of the most important economic activities that leads to long-term economic growth all over the world (Thirkell & Dau, 1998). However, over the past decades, the share of sub-Saharan Africa in world trade has decreased (Svedberg, 1991; Ibeh, 2013; Adu-Gyamfi et al., 2013). There are a number of studies and reports that seems to suggest that challenges faced at the firm-level by SMEs in developing countries has resulted in the declining nature of exporting as compared to their counterparts in developed countries. This difference in firm-level performance between developing countries and advance economies can be attributed to the little systematic research attention within the developing world (Ibeh, 2013).

Earlier studies into firm-level export performance have been boosted from assessing performance of manufacturers in USA. This was followed by a number of contributions from the European markets and from developing countries in Asia and Central America (Zou et al., 1998). The next stream of studies that was needed to enrich the knowledge on the determinants of export performance were studies in Sub-Saharan Africa. In view of this a number of studies attempted to study export determinants at firm-level in African countries (Teal, 2002; Fosu, 2003; Kyereboah-Coleman et al., 2006).

These studies were mainly on the macro-level revealing export support policies and programmes. At the firm-level (micro-level) studies have been conducted by Adu-Gyamfi et al. (2013) in Ghana, Ibeh, (2003) in Nigerian. These studies however did not acknowledge all the aspects of the strategic export model in determining export

performance. Therefore this research will develop on the exploratory study of Aaby and Slater (1989) model of export performance using Ghanaian exporters.

Moving away from the need to contribute to research, this study will help identify at the firm level the readiness and competitive nature of SMEs in the quest to enhance their level of export performance. There have been countless macro-level programmes and policies to build capacity of SMEs through initiatives in the area of finance, infrastructure, networking, marketing entry supports, price control and many more. Despite the attempt to drive export performance of Ghana through these initiatives, there have been challenges in the country's balance of payment which is directly attributed to poor exports. The only option available to government is to extent support of SMEs at the firm-level. Export as a strategy needs to be well planned base on a clear analysis and understanding of the current environmental factors. The input into the export strategy of the country through the internal analysis of these SMEs seems to be inadequate.

The Ghanaian study, therefore seeks to also contribute to policy making by studying the export behavior of Sub-Saharan African firms. This will be done using shared behavioral patterns of Ghanaian firms with their counterparts in advanced economies. The findings and recommendations of export behavior of these firms will help inform policy and management practices on how export performance can be improved.

1.6 Scope of Study

The study focuses on export companies involved in non- traditional exports usually into manufacturing and / or export products such as agricultural goods, handicraft, textiles and wearing apparel, footwear, food and beverages, plastics, pharmaceuticals, and furniture. These exporters in emerging markets are small firms which are prone to many

constraints associated with operating in the global market. Adu-Gyamfi et al. (2013) state that these exporters tend to be located far away from major markets, have limited resources, limited management experience, limited degree of internationalization and have high internal export barriers. These constraints impact negatively on export performance of Ghanaian SMEs as they are faced with internal and external barriers.

Export companies especially in urban centers such as Accra were studied for this research. These SMEs represent the success story of firms venturing into international business through exports. These non-traditional export companies registered with the Ghana Export Promotion Authority were selected to participate in the study. The internal drivers of export performance is the major focus of this research with emphasis laid on their international marketing strategies, firm capabilities and competencies, management commitment and characteristics.

1.7 Organisation of the Study

The study has been organized in six (6) chapter which includes the introduction and background of the study, literature review, context of the study, research methodology, research analysis and presentation, and finally summary, conclusion and recommendations.

1.7.1 Chapter One (1): Research Introduction and Background

The chapter discusses the introduction of the study. It comprises eight sections including background of the study, research gap and statement of the problem, research objectives, research questions, significance of the study, and chapter disposition.

1.7.2 Chapter Two (2): Literature Review

The chapter two discusses existing literature on the theories and concepts on determinants of export performance. The review entails detailed review of the firm-level determinants of export performance, export performance variables. This chapter presents empirical findings of other studies which serves as the basis for development of assumptions, hypothesis, and methodology of the study. The review leads to a development of a conceptual framework of the study.

1.7.3 Chapter Three (3): Context of the Study

This chapter presents contextual issues relating to exporting and SMEs in Ghana. The chapter discusses the nature of exports by providing insights into traditional and non-traditional exports in Ghana. The chapter also draws a link between exporting and SMEs in Ghana. Export performance statistics from the non-traditional sector were also highlighted. The various institutions involved in improving export performance were also discussed as a major component of strategic programmes and policies put in place to promote export among SMEs in Ghana.

1.7.4 Chapter Four (4): Research Methodology

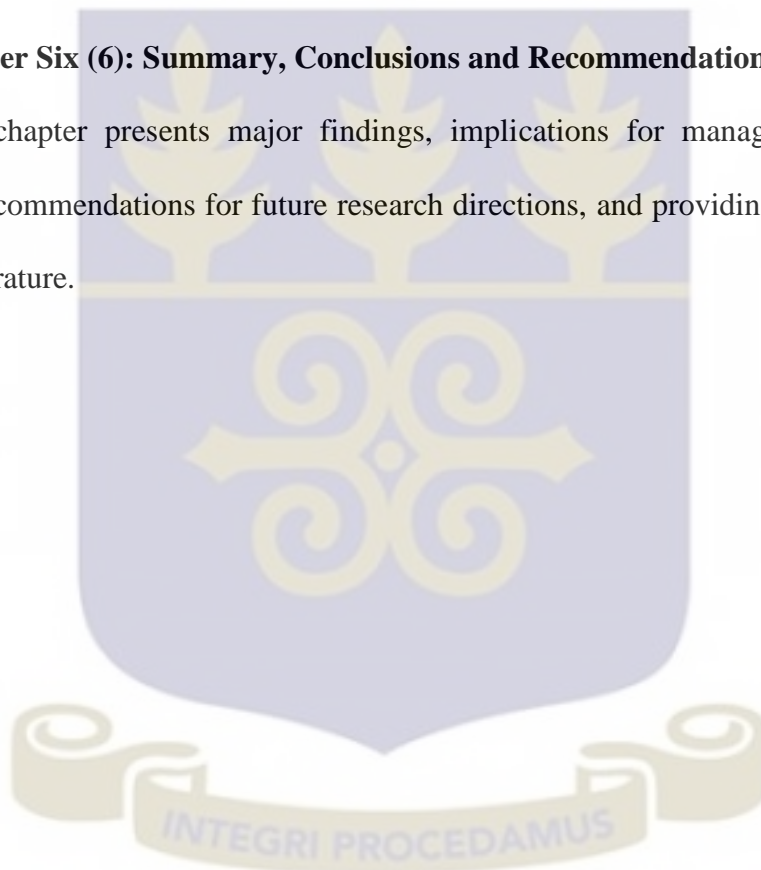
This chapter focuses on the research methodology used in conducting the study. The chapter provides the research approach, research design and strategies, sampling and sample size, data collection procedure, operationalization of variables, data collection procedures, data analysis procedures, ethical considerations and limitations.

1.7.5 Chapter Five (5): Analysis and Discussion of Findings

This section presents empirical findings of the study. The empirical evidence on the firm-level determinants of export performance is analysed and presented in a quantitative manner. The results from the Statistical Package for Social Scientist were discussed in relation to research objectives, and hypothesised relationships and extant literature of the study.

1.7.6 Chapter Six (6): Summary, Conclusions and Recommendations

This final chapter presents major findings, implications for management of export ventures, recommendations for future research directions, and providing contributions to existing literature.



CHAPTER TWO

LITERATURE REVIEW AND CONCEPTUAL FRAMEWORK

2.0 Introduction

This chapter draws from available literature concepts and theories on export performance in developed and developing economies. The chapter reviews literature on determinants/drivers of export performance which provides a strong theoretical base for understanding export performance. The literature review is crucial in developing a conceptual framework and research methodology.

2.1 The concept of Exporting

Exports of goods and services represent the value of all goods and other market services provided to the rest of the world which includes value of merchandise, freight, insurance, transport, travel, royalties, license fees (World Bank, 2014). Services relating to exports include communication, construction, financial, information, business and government services. This is an indication that export activities cuts across all sectors of a country's economy.

The concept of exporting needs to be addressed in order to understand the export performance construct (Shoham, 1998). According to Shoham (1998), export is defined conceptually as the international, marketing-related decisions and activities of internationally active firms. Exporting differs from other international engagements in the sense that, export firms do not control their foreign operations but either export directly or through agents/distributors (Shoham, 1998). This definition makes it possible for the inclusion of all internationally involved firms without limiting it to only those who use agents/distributors (Shoham, 1998).

Export activities have been regarded as a common means of internationalization by firms (Adu-Gyamfi et al., 2013; Ahmed, Julian, Baalbaki & Hadidian, 2006). Export firms are a major factor in the growth of international trade (Adu-Gyamfi et al., 2013). Lages et al. (2004) considers exporting activity as extremely important to economic development of nations. Exports generally refers to the sale of goods and services in international markets. Lages et al. (2004) states that, export is one of the fastest growing economic activities for both nations and firms. A major contributing factor in the development of exports all over the world, is to solve the problem of balance of payment deficit and pressures (Katsikeas, Piercy & Loannidis, 1996).

2.2 Traditional and Non-traditional Exports

Exporting countries in developing markets over the years have heavily relied on traditional exports as a major source of revenue. Decades of debt crisis and severe economic decline has led countries to seek radical new treatments for their economic woes by shifting towards non-traditional exports. Ng and Yeats (2002) classified traditional exports in Africa under food and tobacco, paper, wood and rubber, fibers and leathers, minerals and metals. Traditional exports in Ghana comprises of cocoa beans, logs and timber, unprocessed gold and other minerals and finally electricity (Buatsi, 2002). Ng et al. (2002) also supported this traditional export classification in the Ghanaian context but included food (prepared fish, fruit) and air transport. The World Bank (2002) report on Africa's traditional export revealed that Africa must diversify from traditional products or continue to face negative trade effects including (a) declining or relatively low growth in global demand for these goods (b) falling real prices for traditional exports (c) very unstable prices and export earnings (d) a continued marginalization in world trade, and (e) diminishing growth and industrialization. The call

for a shift from over dependence on traditional exports is supported by a number of researchers. Gwynne (1996) for instance examined the recent growth of non-traditional exports among Latin American countries and suggested it can help solve the debt crisis faced by countries. In Ghana, Buatsi (2002) also advocated for diversification from traditional exports to non-traditional exports in order to achieve the export objectives of the country.

Non-traditional exports have gained considerable level of attention among researchers (Gwynne, 1996. Sawers, 2005, Buatsi, 2002). Non-traditional exports according to Barham, Clark, Katz and Schurman (1992) describes three distinct phenomena which include:

- a. An export that has not been produced in a particular country before. An example of such traditional exports in Ghana is crude oil.
- b. A product that was traditionally produced for domestic consumption but is now being exported, for example fruits, staples (cassava, yam).
- c. The development of a new market for a traditional product.

Non-traditional exports are defined by the Ghana Export Promotion Authority as all products that include horticultural products, fish and seafood, prepared food and beverages, handicrafts and other manufactured items (Buatsi, 2002). These non-traditional exporters are considered as small and medium scale enterprises (Abban, Omta, Aheto & Scholton, 2013; Buatsi, 2002; Gumede & Rasmussen, 2002; Hinson et al., 2005). The post-independence era in Ghana saw fluctuations in the world producer prices for traditional exports such as cocoa, gold, manganese and diamonds resulting in a shortfall of export revenues (Abban et al., 2013). Government therefore focused on the diversification of exports products to include non-traditional exports (NTEs). Non-traditional exports contribution to export earnings is considered to be low. In 2012,

exports of non-traditional goods and services increased from 25.1 percent from US\$1,973.4million to US\$2,468.1 million, in 2012 (Bank of Ghana, 2012).

These studies have shown that Ghanaian export research must be directed towards Ghanaian small and medium enterprises. Abban et al. (2013) called for further research into the export behaviour of non-traditional SMEs as a means of increasing the country's exports.

2.3 Small and Medium Enterprise and Exporting

Small and Medium Enterprises involvement in export activities have been studied from a number of perspectives. The interest in SMEs export performance can be seen in both the macro and micro success factors (Zou et al., 1998). The macro-level assesses policies and programs associated with export performance. Governments around the world provide SMEs support in order to improve their export performance leading to economic growth (Zou et al., 1998). Research into SME exports has been related to the funding (Buatsi, 2002; Gumede et al., 2002; Abor, Agbloyor & Kuipo, 2014), access to information (Gumede et al., 2002; Chiware & Dick, 2007), export promotion programs (Ayob & Freixanet, 2014; Friexanet, 2012; Wilkinson & Brouthers, 2006).

Micro-level export performance studies among SMEs have received attention by researchers. These studies have been confirmed as one of the most widely studied topics in export marketing (Zou et al., 1996). Ayob et al. (2014) studied the management's perception of usefulness of export promotion programmes in Malaysia. This study confirmed that, exporting SMEs perceive export promotion programs as more useful than non-exporting SMEs. In analyzing the efficiency level of exporting and non-exporting SMEs, Le and Valadkhani (2014) indicated that, exporting SMEs usually

improve upon their efficiency nearly 80 per cent. This can be attributed to the better use of technology by exporting SMEs. Studies in Latin America have been concentrated around SMEs especially in the area of agriculture and manufacturing (Pena-Vinces, Acedo & Roldan, 2014; Dominguez & Sequeira, 1993). In America, researchers have focused their attention on export of merchandise as a means of solving the balance of payment problems. For instance, Walters et al. (1990) state that the United States must improve on its exports of merchandise by small U.S exporting firms in order to strengthen its balance of payment position. These balance of payment problems faced by the US can be attributed to increase in imports of merchandise from China. Other studies in Europe have also contributed to literature on SME export performance. Spence (2003) analysed the effect of export promotions on SME international expansion. The study found that, export programs offer SMEs the opportunity to gain experiential knowledge about foreign markets.

There is available literature in Ghana on the export performance determinants at the micro-level (Hinson et al., 2006; Abban et al., 2013; Hinson et al., 2005; Abor, 2005). Abban et al. (2013) asserts that there exist a considerable number of studies on the determinants of export performance at the micro level but however advocated for further studies among SMEs.

2.4 Development of Export Performance Literature

Research on export performance has gone through a number of transformations with researchers adopting new approaches in determining export success. This can be attributed to the increased research interest in macro and micro-level factors associated with export development (Kayiya et al., 2014). According to Kayiya et al. (2014),

research on export performance started with a seminar work by Tookey in 1964 nearly half a century ago.

An earlier work by Miesenbock (1988) looked at studies conducted on the internationalization of SMEs. The study considering the export behavior of SMEs which are involved in international business concluded that, the decision-maker of the international business is the most important determinant in small business internationalization. This study made manager characteristics an important determinant in export performance literature. Another study conducted by Madsen (1987) provided insight into the strategy, structure and performance of firms. The study proposed the Strategy-Structure-Performance paradigm. This explains that, the export performance of a firm is determined by the organizational structure and its own strategies.

Aaby and Slater (1989) came up with the much-cited work on strategic export model. Their study proposed that managerial influences on export performance should be considered as paramount. In reference to the work of Bilkey (1978), the researchers built on the inconsistencies that existed in the export performance literature. They proposed that, export research efforts must be synthesized at two broad levels namely the external level, and the firm business strategy and functional level. Aaby and Slater (1989) came up with three (3) export predictor categories under firm characteristics, firm competencies, and strategy. Multiple dependent variables were considered as appropriate for export performance. This gave birth to the use of both economic and subjective measures of export performance. Chetty et al. (1993) provided a meta-analysis of the export strategic model proposed by Aaby and Slater (1989) and found that their findings are consistent with the model.

Building upon the study of Aaby and Slater (1989), a relationship paradigm was proposed by Styles and Amber (1994) as a “hybrid model” for testing export performance. The relationship paradigm is included in the marketing strategy level of the Aaby and Slater (1989) Model. Factors such as the relationship intensity, the reciprocity and the length of export commitment were proposed. Styles, Patterson and Ahmed (2008) further strengthened the relational or behavioural paradigm by explaining the impact of exporter-customer relationship on export performance.

After almost thirty (30) years of research into export performance, the study area still remained fragmented (Zou et al., 1998). According to Zou et al., (1998) it is therefore legitimate to synthesize and assimilate the fragmented knowledge on export performance. Their study led to the development of determinant of export performance into internal controllable and uncontrollable variables, external uncontrollable variables. Internal controllable dimension includes export marketing strategy, management attitude and perception whilst internal uncontrollable dimension includes management characteristics. The external uncontrollable dimension includes industry characteristics, foreign market characteristics and domestic market characteristic. The study by Zou et al., (1998) also adopted studying multiple performance measurements. In this study, they adopted seven (7) export performance measures under three (3) main dimensions namely: financial measures, non-financial measures, and composite scales. The seven measures includes, sales measures, profit measures, growth measure, perceived success, satisfaction, goal achievement, and composite sales.

Leonidou, Katsikeas and Piercy (1998), provided a more in-depth study on the influence of managers on exporting which seeks to build on the export strategic model of Aaby and Slater (1989). The study reveals that, managerial characteristics are either measured as objective versus subjective, and general versus specific. The results of the study

confirmed that educational level and command of language proved to have positive results when assessed empirically. To further strengthen the study of export performance, Leonidou, Katsikeas, and Samiee (2002), elaborated on the marketing strategy determinants of export performance. This study proposes a unidirectional causal relationship between managerial, organizational, and environmental factors on the firm's export targeting and marketing mix that in turn affect export performance. Their study revealed that, the effectiveness of market segmentation, product quality, pricing strategy, dealer support and advertising have positive effect on export performance.

All these studies have contributed to the development of export performance literature. There is the need to identify whether an export marketing research will comprise of both internal and external factors. The decision will be determined on the research problem the study seeks to address. A study that seeks to address the competitiveness of SMEs will be more of a firm-level than a macro study which considers the opportunities and constraints of SMEs in exporting. Studies on export performance must identify the firm's characteristics, firm's competencies, and export strategy. For an international marketing research, the classification of Zou et al., (1998) of strategy to mean export marketing strategy is appropriate. Most used dependent variables used to measure export performance are export intensity, perceived satisfaction with export activity, perceived profitability, and growth of export activities.

2.5 Internal/Firm-level Determinants of Export Performance.

The study of export performance is a central construct in the study of export marketing through attempts to identify organizational and managerial antecedents of export performance (Shoham, 1996). Organising and focusing export research efforts is

synthesized into two broad levels- the external environment level, and the firm business strategy and the functional level (Aaby & Slater., 1989). According to Zou et al., (1998), the interest in export performance is a reflection of both macro policy concern associated with export and a micro focus on competitiveness in export markets. Katsikeas et al., (1996), also assert that a plethora of studies have been conducted on the effect of export marketing, internal and external factors on firm behaviour and performance in export market. Zou et al. (1998) justify the classification of export performance into internal and external factors theoretically. Using the resource base theory and the industrial organization theory, Zou et al. (1998) assert that the resource base theory conceives a firm as a unique bundle of tangible and intangible “resources” (assets, capabilities, processes, managerial attributes, information, and knowledge) that are controlled by a firm which enable it to formulate and implement strategies aimed at improving its efficiency and effectiveness. This theory proposes that the principal determinant of a firm’s export performance and strategy are the internal organisation resources. The external environmental level includes macro-economic, social, physical, cultural, and political aspects which influence export management, behaviour and performance.

Aaby and Slater. (1989) argue that it is difficult to combine macro as well as management level literature in assessing export performance. Internal- or micro-level export performance is largely comprised of managerial controllable factors has been widely studied than macro level determinants (Zou et al., 1998; Aaby & Slater., 1989).

The micro-level study of export performance is informed by the fact that, a firm’s success in the domestic market does not guarantee success in foreign market and that unique strategies are needed to succeed in export markets (Cavusgil et al., 1994). According to Zou et al. (1998) is it however not surprising to see studies linking export performance to factors such as organizational characteristics, product characteristics,

export market characteristics, and export marketing strategies. A reason for studies concentrated on firm level determinants of export performance provided by Aaby and Slater (1989) is that, the individual exporter can only to a limited extent influence the external environment, and may consider the macro environment as constraints. Aaby and Slater (1989) therefore consider the micro-/firm-level as the business strategy level which assesses the firm's key business policies and capabilities within the firm's control that are required for successful export.

Extensive review of literature has led to the organization of export performance literature into 1) firm characteristics 2) firm competences and 3) export marketing strategy. These categories encompass several variables which have been used by researchers to show how they influence export performance (White, Griffith & Ryans, 1998). According to Aaby and Slater (1989), these variables are considered as independent export predictors which are related to export performance.

2.6 Firm Characteristics

Previous research upholds that, the variables under firm characteristics such as firm size has an impact on export performance (White et al., 1998; Maurel, 2009). Aaby and Slater(1989) divided firm characteristics into three categories. These categories include variables related to firm size, variables related to management export commitment and expectations, and management attitudes and perceptions on a number of export related dimensions. The variable related to these categories are explained below:

2.6.1 Firm size

Firm size as a determinant of export performance has received particular attention (Maurel, 2009) and still continues to attract attention in export marketing research (Kayiya et al., 2014). According to Calof (1994), the proposition that firm size is positively associated with export behavior is usually taken for granted and that the acceptance of the variable to academicians and public sector officials will help focus attention on finding ways of improving export activities of smaller firms. Zou et al. (1998) also assert that though firm size is the most researched independent variable, it has mixed effects. The study of SMEs makes this variable very important since the lack of size can be considered as a handicap to exporting (Seirra, Pointon, & Abdou, 2012). There are three fundamental factors leading to the formation of expectations that company size is related positively to firm's behavior and performance in export markets (Katsikeas & Loannidis, 1996). These three factors are related to organisational resources, economies of scale, and the perception of risk in international activity (Katsikeas et al., 1996). Typically, firm size is operationalized as the number of employees working for the export firm (White et al., 1998; Thirkell & Dau, 1998; Maurel, 2009).

Larger exporting manufacturers are widely considered to possess more financial and human resource, enjoy higher levels of scale economies, and perceive lower levels of risks. These size related advantages according to Katsikeas et al., (1996), are likely to facilitate understanding of foreign markets characteristics, and to enhance a firm's ability to respond effectively to the requirements of overseas customers. Kayiya et al. (2014) identified from other studies that firm size positively influences performance because larger firms may have better managerial talent, dedicated exporting department with the requisite international marketing expertise, higher investment in R&D, higher

technological intensity, and differential advantages in relation to product development and customization.

For all the attention this variable has received, there is disagreement regarding the impact of organisational size on export performance (Aaby & Slater, 1989). White et al. (1998) also provide evidence in the accounting management consulting industries, where there has been a common phenomenon of firms who have been in business long enough to become well established domestically and who have many employees tend to operate internationally. From a different perspective, Katsikeas, Deng and Wortzel (1997) explain that international business literature suggest that larger companies possess more financial and production capacity which enables them to attain economies of scale, and tend to perceive lower levels of risk about overseas markets and operations. These qualities related to large firm size are important in enhancing the ability of firms not to only look for, identify, and explore attractive export opportunities, but to cope with potential problems encountered in large export market process (Katsikeas et al., 1997).

These studies have shown conflicting results in understanding whether firm size is positively related with export performance. Zou et al. (1998) make an assertion that, the most positive effects found in firm size is measured by total sales, while some negative effects, especially on export profit, and are found when it is measured by number of employees. Verwaal and Donkers (2002), stated that firm size is positively related to export success where there export relationship size is large and vice versa. Madsen (1987) proposed that, organisation-structure factors such as firm size are very important in the internationalization literature but have limited explanatory power in the export-performance literature. There are also concerns about the inability of studies that have found associations between firm size and export activities have to provide any information which identifies the amount of variance explained by size (Calof, 1994).

Another important variable considered under the firm size is firm age (White et al., 1998; Kayiya et al., 2014). Stoain, Rialp, and Rialp (2011), using the resource-based view explain that firm age and international experience could be considered as proxies for a firm's knowledge on the domestic and overseas market through experiential learning. Again Stoain et al. (2011) using the gradualist approach to internationalization asserts that firms are inclined to commence export activities once they become strong domestic market operators. Most studies support the existence of negative relationship with export performance (Kayiya et al., 2014). Kayiya et al. (2014) assert that, apart from the case of rapidly internationalizing firms, firm age largely reflects time spent in the domestic market. This study further explains that, a lengthy gestation period can impede performance because of domestic market inertia or orientation. A firm's age, expressed as number of years in business is likely to have a negative or an insignificant effect on export performance (Zou et al., 1998). According to Zou et al. (1998), most firms that are younger tend to more successful exporters. Zou et al. (1998) draw a lesson from Knight and Casvugil (2004) which states that, older firms will have to adopt a reverse learning mechanism to eliminate the detrimental domestic market tendencies in order to eventually export. Knight et al. (2004) tend to agree with studies that suggest that SMEs lose their vibrancy it once possessed as an entrepreneurial start up. They finally proposed that, a younger firm will probably perform better because they have a predisposition to employ aggressive market-oriented approaches to business.

Firm size is considered as a major variable within the firm characteristics construct but has been treated differently. This study due to the attention given to this variable will adopt the approach almost all export performance studies will sought to examine firm size as separate dependent variable and later as part of the firm characteristics construct. The importance of this variable means it must be studied as an individual variable though

it is considered as firm characteristics. The Aaby and Slater (1989) model of strategic export performance also indicates the need to directly establish the relationship between firm size and export performance.

2.6.2 Organisational Commitment to Exporting

This is one of the most studied categories of export performance determinants. This variable is sometimes referred to as export commitment (Katsikeas et al., 1996). Researchers who have studied this category have shown an enormous support for management commitment having a positive relationship with export performance (Aaby & Slater, 1989; Chetty et al., 1993). Staoin et al. (2011) assert that, export commitment is the dedication of special efforts and allocation of important resources to the export activities, thus, higher export performance results are likely to be attained. Commitment according to Navarro, Losada, Ruzo and Diez (2010) is a strategic factor that influences the allocation of resources within the organization. Navarro et al. (2010) classify commitment into behavioural and attitudinal. With the behavioural perspective, export commitment is defined by the resources (financial, managerial and human) the firm currently dedicates to its export activities. The attitudinal perspective considers managers willingness to dedicate financial, managerial and human resources to export activities. In firms where there are realistic export expectations and goals, exports tend to be higher than in firms without these expectations. Export goal consistency among management is important for export performance while lack of willingness by management to commit resources to export has negative influence on performance. Katsikeas et al. (1996), recommend that firms in order to survive and maintain regular exporting operations to overseas markets, it is important to understand difficult buying attitudes and employ more sophisticated marketing practices in comparison with those in domestic markets.

Koh (1991) in examining the relationship between firm characteristics and export marketing strategy assert that exporters, who had formal education in exporting, who exert sustained effort and place a higher priority on exporting, and who undertake frequent and extensive international marketing research, are more likely to provide dealer support. This view is supported by Maurel (2009), who seeks to imply that management commitment is related to the educational level and international experience are positive factors of export performance. The assumption applied here is that, a higher educational level of the manager provides the manager a high level of awareness of international issues and the reality of business activities (Maurel, 2009). Aaby et al. (1989) believe that in an organization where management has realistic but ambitious expectations with regards to export performance, export are higher than firms without this expectations. This study therefore builds on this by stating that, resource commitment to exporting, reflected in activities such as export department organization, export planning and control, export marketing research and regular export visits, are likely to be very important.

2.6.3 Management Perceptions towards Exporting

Management perception of export activities have been highly studied by researchers as having an effect on export performance (Stoian et al., 2011; Katsikeas, et al., 1995; Chetty et al., 1993; Aaby and Slater, 1989). Studies have evaluated relationship between management perceptions, attitudes, and the propensity to export. Katsikeas et al. (1995) in a study of Greek exporters considered management perceptions on export problems or barriers, competitive advantage, export stimuli as major determinants of export performance. According to Stoian et al. (2011), in addition to managerial export

knowledge and skills, managerial perceptions regarding export stimuli and barriers are considered to be good predictors of export success.

The international orientation of the manager positively relate to the export performance of firms (Aaby et al., 1989; Axinn, 1988; Zou et al., 1998; Chetty et al., 1993). Axinn (1988) for instance agreed that better performing export companies were managed by decision makers characterized by relatively high aspirations for company profit and growth through international market operations. Stoain et al. (2011) also assert that managerial perceptions on export offering superior growth and profit, compared to selling on the domestic market represents a major determinant of export performance. Management disposition, (mis)perceptions, awareness, and attitudes are dependable determinants of export performance (Aaby & Slater, 1989).

Johanson and Vahlne (1990) developed the concept of psychic distance which implies that decision makers will choose to enter foreign markets with successful greater psychic distance in terms of culture, legal and political differences as compared to the home country. Stoain et al (2011) describe the internationalization process as gradual, taking place in distinct stages, making reference to the lack of experiential knowledge and the relevance of risk or uncertainty in managerial decision-making.

Manager's negative perception about risk and potential for export are considered as substantial barriers to export (Axinn, 1988). Katsikeas et al. (1995), identified among Greek exporters that, the inability to adequately perceive the magnitude of export barriers and in turn appreciate the difficulty and importance of overcoming exporting problems. Perceptions related to domestic market situations and market potential predict export success. The perception of large opportunities in the domestic market or have domestic supply problems is less likely to export (Aaby & Slater, 1989). The Ghanaian situation of managers marketing orientation was studied by Mahmoud (2011) which

identified that marketing orientation of managers of SMEs leads to superior business performance.

The studies conducted on firm characteristics and export performance have indicated a relationship between the variables. The variables considered under firm characteristics are firm size, organisational commitment, and management perception of exports.

2.7 Firm Capabilities and Competencies

Carlos, Jorge and Carlos (2013) in analyzing the relationship between firm capabilities and export performance among Mexican firms considered variables such as learning capabilities (technological, market and social), manufacturing capabilities, innovation capabilities, and market expansion (adaptation capabilities). Aaby and Slater. (1989) exploratory study on export performance identified management competencies as having the ability to apply technology, establish necessary commitment, acquire international knowledge, formulate and implement realistic and consistent export objectives, develop export policy, and establish the needed control systems. Ibeh (2003) in a study of Nigerian exporters found that, the ability of exporters to build competencies is important than firm characteristics. Styles et al. (2008) emphasized relational competencies as a major determinant of export performance. The following variables are therefore considered to be related to firm competencies in exporting:

2.7.1 Technology

Studies reviewed by Aaby and Slater (1989) revealed that, technology intensiveness is consistently found as an important variable related to propensity to export. Apart from the early studies of Aaby and Slater (1989), technological competences as a beneficial

export performance factor is seen to be effective when applied as a standard in all markets (Christensen, da Rocha, & Gertner, 1987). However this variable may be applied differently due to contextual factor. Christensen et al. (1987) explains that if respondents of the study markets their products in developed countries, technology could be an important source of competitive advantage over local producers. One can also argue against this assertion that a positive relationship between technological advancement and export performance. This argument was based on the premise that merely generating technical knowledge does not in itself create competitive advantage. Issues that were discussed included how the knowledge is subsequently incorporated into the development of products and services that impacts on success.

Maurel, 2009; Roper & Love, 2002; Lages, Silva, & Styles, 2009) in discussing technology as major determinant of export performance state that innovation is the major tenant for building such a consensus. According to Roper et al. (2002), innovation and R & D, involving the introduction of new product, or the improvement of a firm's existing product range, play a key part in helping a firm to sustain or improve its exports.

According to Montobbio and Rampa (2005), a great number of studies have also looked at the importance of scale economies, product differentiation, endowments of skilled labour and R&D resources, technological spillovers and learning as determinants of international patterns of exports. SMEs in developing countries require targeted government policies to drive and constrain the process of technological advancement and diffusion and the relationship between technology and export performance (Montobbio et al., 2005). It is however not surprising to see the construct widely used in developing countries which propose the manufacturing strategy and export performance nexus. Montobbio et al. (2005) proposed a framework supported by the resource-based theory which provides a foundation for the exploration of manufacturing strategy and the

relative effect on export performance. The manufacturing strategy framework explains that set of processes and unique equipment's owned by the firm that are not easily imitated in the short period help form competitive advantage for the firm (Montobbio et al., 2005).

Wang and Zhou (2013) advocate that firms must focus on internal technology rather than external technology. Most innovations and inventions among SMEs is attributed to the introduction of new technologies. Wang et al. (2013) provide an insight into how firms can acquire technology licensing externally through licensing agreements. A SMEs ability to apply new and advanced technology may gain competitive advantage through new product development, economies of scale. Naveretti, Galeotti and Mattozzi (2004) draw reference from developing countries having regional integration with the European Union. Their study revealed that, importing technology from advanced countries leads to product quality which translates to improved export performance. According to Wang et al. (2013), competitive advantages from technology may be in terms of higher returns on innovation, the continuity of technological leadership in the industry, and a higher market share.

2.7.2 Export Policy, Planning and Market Knowledge

Export experience of SMEs has been identified as an important determinant of export performance (Cieslik, Kaciak, & Thongpapal, 2015; Thirkell et al., 1998; Majocchi, Bacchiocchi & Mayrhofer, 2005). Majocchi et al. (2005), argue that entering into the international market requires the acquisition of knowledge. The implementation of a process for scientifically and systematically exploring, analyzing, and planning for export seems to be very important discriminator between successful exporters and non-

exporters (Aaby et al., 1989). Studies have shown that, formal approach to market planning for exports separated companies that are exporting from non-exporters. Export market knowledge is linked to the level of success once a firm is already involved in exporting (Thirkell et al., 1998). The export/ market knowledge variable according to Thirkell et al.(1998) has three items that reflects aspects of the market knowledge and experience built up in the firm over time. The first is about the years involved in exporting. The number of years a firm has been exporting may enable it acquire experience in dealing with foreign customers and suppliers. The second item is the number of countries to which the firm exports. These two items have been commonly employed measures in market knowledge variable. A third measure representing accumulated market knowledge is in relation with the number of export market visits made by management or executives of the exporting firm.

Export /market knowledge and experience encompasses factors such as knowing business practices, handling export documentation, marketing experience, and locating and contacting distributors (Leonidou, 2000). Cieslik et al. (2015) in studying the effect of export experience on export performance argue that a firm's success in a foreign market depends not only on its given portfolio of resources, but also on its capacity and ability to continuously modify and adjust to international uncertainties. This assumption deviates from the resource-based view which considers firm financial resources and introduces a new dimension known as the dynamic capability view (Cieslik et al. 2015).

Managerial experience in exporting is considered as managerial resource or asset which leads to handling of export deals and innovativeness (Kumlu, 2014). Kayiya et al. (2014) made an important assertion by looking at the business etiquette which differs across countries. Majocchi et al. (2005) alluded to the fact that selling to foreign markets allows firms to get in contact with clients with different tastes and preferences (business

knowledge) and to develop internal resources and routines dedicated to the servicing of international markets (internationalization knowledge). Majocchi et al. (2005) advise that exporters need an encyclopaedia command of the complexities of export documentations in order to avoid fines, delays, penalties and ultimately loss of business. The study also made mention of exporting SMEs learning to manage local suppliers and distributors. A very crucial activity that has been included in literature on this variable is the frequency and extent of international marketing research undertaken by management (Koh, 1991).

2.7.3 Quality Control

Aaby and Slater (1989) identified this variable as being consistent to finding on technology and unique product under marketing strategy category. Quality product variable was found to be related to successful exporters who had a stronger quality control function, better organized departments and qualified department managers (Christensen et al., 1987). Kumlu (2014) classified quality control under intellectual property assets which refers to resources quality systems, reputation, etc. Quality focus according to Kumlu (2014) implies a system which induces a firm for creating superior offerings, prompting enhanced customer satisfaction and leading to increased customer loyalty and improved performance. Quality control helps ensure product uniformity which is of great importance for the continuity of an exporting effort (Christensen et al., 1987). Major quality focus systems performed by firms to attain quality include total quality management (TQM), to assure quality standards in exported products (Kumlu, 2014).

2.8 Export Marketing Strategy

Firms responding to external forces and recognizing the various internal competencies, adopt an export marketing strategy as characterized by the marketing mix employed in respective export markets (Thirkell & Dau, 1998). This variable is a central premise of Aaby and Slater (1989) model of export performance. O’Cass et al. (2003), argue that exporters must develop and implement an export marketing mix strategy. The export marketing strategy refers to the manner export firms respond to external market forces in meeting objectives, via all aspects of the marketing mix, including product, price, promotion and distribution (Cavusgil et al., 1994). Cavusgil et al. (1994) also recommend that export marketing strategy must consider whether the marketing strategy should be standardized or adapted to the conditions of the foreign market.

The marketing mix elements employed by the exporting firm especially product differentiation is very crucial. Studies on export expansion process of SMEs reveal that, firms consider their internal marketing abilities and export potentials before selecting the type of markets to enter. Zou et al. (1998) admit export marketing strategy is widely studied.

From the review of Zou et al. (1998) export marketing strategy seems to be a consistent determinant of export sales and export growth. Madsen (1987) however cautioned that concentration on only marketing strategies may not be enough but advocates for a multiple strategic approaches to exporting. Zou et al. (1998) support this assertion by explaining the strategy selected must fit a particular circumstance of export operations. The study drew a conclusion that SMEs which are slow growth exporters place greater emphasis on least developing countries (LDCs).

2.8.1 Product and Product Line

Another important issue under consideration in relation to export strategy is product and product line (Cavusgil et al., 1994; Koh, 1991). Aaby and Slater (1989) state that, unique product attributes and programmes for adapting products into local markets are very crucial in determining export success. Product adaptation and product strength according to Zou et al. (1998) are considered as the frequently studied by researchers and are found to be important determinants of export sales, profits, and growth. This is explained as the ability of a firm's product to be transferred into a foreign market due to its adaptability and strength. Christensen et al. (1987) were earlier researchers who started the argument for standardized product for exporters, which refers to products that were sold in the domestic market and not designed and manufactured only for foreign markets. The firm product strategy also considers the product line management as researchers have divided view on its impact on success. Christensen et al. (1987) explained that, a firm having multiple product line is likely to succeed in exports.

Other studies were later conducted to build upon the studies on product adaptation. Koh (1991) states that it is expected that a firm that is willing to modify its products to meet the needs of its customers should perform better. Cavusgil et al. (1994), identified that relevant product characteristics that influences export marketing strategy include culture-specificity, strength of patents, unit value, uniqueness, age, and service requirements of product. Valos et al.(1996) in a study on Australian SMEs identified that best product performance on key customer attributes in comparison with competitors, and having a unique, timely, and well packed product are success factors firms must strive to attain. Zou et al. (1998) propose that product adaptation is influenced positively by a firms international competencies, product uniqueness, cultural specificity of product, and export market competitiveness; and negatively by firms experience with product

technology orientation of industry. Successful exporters were more likely to be manufacturers of standardized products, that is, products that were sold in the domestic market and not necessarily designed to fill customer specifically (Christensen et al, 1987). Product-line management even though has not been extensively investigated, has still been considered that firms having multiple product lines are more successful in their export activity (Christensen et al., 1987).

2.8.2 Pricing

Earlier studies also included pricing (Christensen et al., 1987) as a determinant of successful exporting. Successful exporters place less emphasis on asking for premiums for exchange and extraordinary risks and relied more on the internal competitive prices. Aaby and Slater (1989) identified from a study conducted by Kirpalani and MacIntosh (1980) that successful exporters arrange alternative price packages using tag price, discount, and credit with the effect of giving the foreign customer an attractive total deal. Zou, Feng and Zhao (2003) define pricing capabilities as the extent to which an export venture can effectively use and manage pricing tactics to respond to competitors challenge and customers changes in the export market.

Katsikeas et al. (1996) regarding export pricing found that, competitive export price levels are positively related to export performance. Katsikeas et al. (1996) however states that the importance of price as a competitive tool for a developing country exporter diminishes as firm's progress along the export development path. Aaby and Slater (1989) concluded on this variable by saying that, successful exporters consider all relevant cost in their decision and also consider both competitive prices and internal costs and hurdle rates.

2.8.3 Promotion

Exporting firms who believe promotions in export market is an important determinant of export performance achieved higher levels of export sales than those who emphasized promotion less. Zou et al. (1998) discuss promotion adaptation as contingent on the characteristics of firm, product, industry, and export market. The assumption proposed by Zou et al.(1998) present an argument that the promotional activities need to be tied to the product attribute, and external marketing environment. Thirkell et al. (1998) included export promotion strategy as one of the variable of export marketing strategy. Export promotions was assessed in terms of effectiveness relative to the campaigns of competitors. Also they considered operationalizing staffing skills on the basis of foreign language skills applicable to non-English speaking export markets. Another important discussion on promotion is the level of adaption of promotional activities (Zou et al., 1998).

2.8.4 Distribution

The perception of management on distribution channel is an important export success determinants. Distribution capabilities is considered as the export venture's ability to provide superior support to export distributors and to develop a close relationship with them (Zou et al., 2003). Aaby and Slater (1989) identified a number of studies that related management perception on importance of distribution to propensity to export. They further acknowledged other studies which confirmed that management perceives distribution, delivery and service to be important export success factors. Thirkell et al. (1998) operationalized distribution variable as the perceived importance of: meeting deadlines; after sales maintenance; ability to provide physical demonstrations; and training of customer employees. High levels of market sensing and customer service

requires firms to maintain close relationship with distributors so that exporters can have a strong influence on distributors in terms of offering superior customer service (Zou et al., 2003). Zou et al. (2003) further assert that a strong distribution capability helps secure such close cooperation from export distributors.

2.9 Export Performance of Exporters

Export performance according to Maurel (2009) does not have a unanimously acknowledged definition. Shoham (1998) defined export performance as a composite outcome of a firm's international sales, which includes three dimensions: export sales, export profitability, and export growth. The dependent variables of export performance have been measured using a number of measures (White et al., 1998). Aaby and Slater (1989) identified eight (8) export performance measure under the general model. Thirkell et al. (1998) made reference to these dependent variables in their studies in the study area. These export performance measures were proposed: barriers to export, propensity to export, export problems, comparison of exporters versus non-exporters, export sales, level of exports (as a proportion of sales), export growth intensity, and management perception about export performance. Thirkell et al. (1998) further observed that, the first four performance approaches are oriented towards becoming involved in export activity and overcoming initial obstacles. These analysis are directed towards activities that encourage or promote export entry decision. The next three approaches focus on absolute levels of activity and demonstrate results from export activity.

Thirkell et al. (1998) discuss the eight approach as the one which holds most scope for more subjective assessment by senior management of real achievement, not only economically, but also strategically. Cavusgil and Zou (1994) support this approach by proposing a more robust approach to the measurement of export performance by taking

into account the extent to which strategy as well as economic objectives are being realized. Thirkell et al. (1998) further deepen their argument by concluding that, the scope of analysis must be widened to include subjective measures of export performance by informed managers to complement the more widely used and simplistic measures of export intensity and absolute level of export sales.

This study therefore will focus on a more comprehensive approach which consists of both economic and strategic approaches. Drawing from a four measure export performance approach adopted by White et al. (1998), the study will use three dependent variables: export intensity, management's perception of export profitability, and management's satisfaction with export performance.

2.9.1 Export Intensity

This is expressed as a firm's foreign sales as a percentage of their total sales (FSTS). This is very important in determining the success of the firm's international transactions in terms of overall operations. Export intensity is considered as the most often used dependent variable in export performance (Thirkell et al., 1998). This ratio of export sales to total sales was identified by Katsikeas et al. (2000) that out of 100 empirical studies used export sales as a measure of export performance. Firm size, firm age, attitude or perception of management towards exporting will be analysed to determine this variable was measured on export intensity by Thirkell et al. (1998).

2.9.2 Number of Markets

The number of markets an export firm has in its export base is considered by many studies as an export performance measure. Thirkell et al. (1998), argue that the number

of countries served by a firm indicates its success in reaching the international community. They explained that, an implicit link exists between the number of foreign markets entered and international success, given that if a firm is successful in its international expansion, it may continue to expand business operations, while if not successful, and it may retreat to the domestic market. This study however will not consider this variable in its analysis.

2.9.3 Management's Perception of Export Profitability

Profitability according to White et al. (1998) is synonymous with performance. White et al. (1998) identify a wide use of management perception of profitability as a measure of export performance especially in US. Koh (1995), theorised that the use of perception of profitability as a dependent variable encourages more firms to respond to questionnaires given that respondents need not provide confidential export profitability figures. Atuahene-Gima (1995) also encouraged the use of management perception of export profitability when examining new product introductions into export markets. Respondents are asked to rate their export profitability on scale of 1 to 5 to demonstrate how well they are performing.

2.9.4 Management satisfaction with export performance

White et al. (1998) provide a number of arguments for including this as an approach to measure export performance. The first is about the assumption that the firm's management alone knows what is its goals and expectations regarding export performance and therefore are better able to judge whether or not the firm is achieving its goals or not. Also, selecting management satisfaction of export performance is consistent with the trend of "management by objectives". White et al. (1998) finally conclude that,

firms that are able to meet or exceed their objectives in terms of their export performance, are more satisfied than firms who are not able to meet their objectives. This will be operationalized by asking respondents to indicate how satisfied they are with the results of their firm's international experience on a scale. This measure may provide a broad measure which takes into consideration attitudinal, motivational and performance characteristics (White et al., 1998).

2.10 Conceptual Framework

The export marketing literature has identified various factors that determine the level of export performance of SMEs. Studies on export performance have revealed three common dimensions which have been developed into the Strategic Export Model by Aaby and Slater (1989). This model focuses on firm characteristics, firm competences and firm export marketing strategies as major dimensions determining export success of SMEs.

Chetty et al. (1993) building on the Export Strategic Model classified firm characteristics as including variables such as firm size which considers number of employees and age of firm. The second major component under the firm characteristics is the management commitment towards exporting. The third component of firm characteristics is the perception of managers on export financial incentives, competition, market potential, government incentives (Government of Ghana export promotion programmes), risk and profit (Aaby & Slater, 1989).

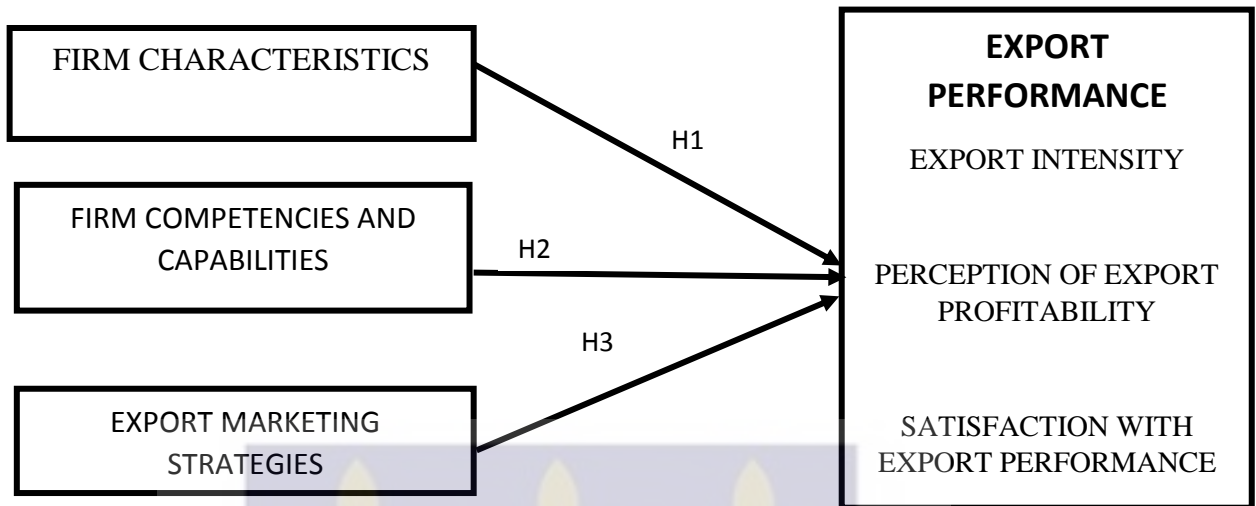
Firm capabilities and competencies as the second dimension of export performance has also been extensively studied. According to Thirkell et al. (1998), has identified competency issues relating to technology, R& D, market knowledge, export planning and control as major determinants of export performance. Firm competencies is as a

result of organisational competencies and competencies of managers of the firm. Manager's ability to visit export markets, quality of firms products, and meeting deadlines were items discussed under firm competencies (Thirkell, 1998).

Export marketing strategy according to Zou et al. (1998) is considered as a major determinant of export performance. Items in the marketing strategy variable includes firm's general export strategy, marketing research utilization, product adaptation, price competitiveness, price determination, promotion adaptation, promotion intensity, channel adaptation, and channel relationship (Zou et al., 1998). Thirkell et al. (1998) in a modified Aaby and Slater Strategic Export Model considered items such as product (unique export product), pricing, promotion and staffing (cultural ability, promotion campaign, and language skill), distribution channel support (physical product demonstration, training customer training, after sales maintenance).

The dependent variables used as measurement of export performance was adopted from White et al. (1998) which include export intensity, management perception of export profitability, and management satisfaction of export performance.

These variables discussed above forms the basis of export performance literature and therefore will be used for the development of a conceptual framework for this study. The conceptual framework presented in Figure 1 below provides an understanding into firm-level drivers of export performance by SMEs in developing countries.

Figure 1: Conceptual Framework on Firm-Level Determinants of Export Performance

Source: Developed by Author based on Literature Review

The conceptual framework above presents the relationship between firm level determinants of export performance and export performance variables. Firm characteristics, firm capabilities and competencies, and firm marketing strategies determine export performance of firms. These variables from literature have a relationship with export performance. The export performance is measured using three dependent variables namely: export intensity, managers' perception of export profitability, and managers' satisfaction of export performance.

2.11 Empirical Studies on Export Performance

Export performance studies identified firm level determinants of export performance as major export performance predictors (Aaby & Slater 1989; Thirkell et al., 1998; Zou et al., 1998, Cavusgil et al., 1994). SMEs in developing countries are seen as having challenges in exporting to foreign markets due to internal constraints such as finance, information asymmetry, lack of export experience and commitment, lack of resources etc. (Adu-Gyamfi et al., 2013 ; Hinson et al., 2005; Abor et al., 2010). Cavusgil et al.

(1994) posit that management perception of export performance is the most strategic dimension in measuring export performance. Aaby and Slater (1989) first identified measurements such as barriers to export, propensity to export, export problems, comparison of exporters and non-exporters, export sales, export intensity and management perception of export performance as main export measurement scales. Aaby and Slater (1989) emphasized on the strategic approach of measuring export performance as argued by Cavusgil et al. (1994). Studies have supported the three main dimensions: firm characteristics, firm competencies, and firm export marketing strategies in the strategic export model developed by Aaby and Slater (1989) and have found them to be statistically significant (Thirkell et al., 1998).

Firm size, most studied internal predictor of export performance according to Thirkell et al. (1998) was found to be related ($\beta=0.02$, $t=0.22$) with export performance. However, a study by Thirkell et al. (1998) on firm size and its relationship with export performance found that firm size is not positively correlated to export performance ($r= 0.036$, $p>0.001$). A study conducted by Katsikeas et al., 1996; Kahiya et al., 2014) found that variables relating to management commitment to exporting were statistically significant with export performance. Adu-Gyamfi et al. (2013) in studying determinants of export performance in emerging markets identified firm size as a predictor of export performance. The hypothesis of Adu-Gyamfi et al. (2013) was supported with firm size having a positive and a statistically significant relationship of ($\beta= 0.27$, $t= 0.22$) with export performance. Singh (2009) also confirmed that firm size is positive and statistically significant to export performance ($\beta= 4.885$, $p< .001$). Calof (1994) in support of earlier study by Bonaccorsi (1992) came up with results on firm size not having a relationship with export performance. This negative relationship in firm size can be observed when firm age is used. According to Ibeh (2003) firm age does not

result to export success and was found not to be having a significant relationship with export performance ($p=0.44$). This finding was explained that, smaller firms might have fewer resources than larger firms, nevertheless they may have appropriate resources to involve in exporting.

In relation to management commitment to exporting, which is part of firm characteristics according to Adu-Gyamfi (2013) was seen as having a positive relationship with export performance and was not statistically significant ($\beta=0.09$, $t=0.82$). This variable usually is measured with firms resources allocation in R& D, export policy, export department, etc. Singh (2009) confirmed that firm resources which are considered as firm characteristics are positively related to export sales ($\beta=1.17$, $p<.001$).

Management perception of export barrier, export motivator and competitive advantage are important variables used in the firm characteristics construct. Adu-Gyamfi et al. (2013) found that export performance is negatively related to export barriers ($\beta=0.44$, $t=4.25$). According to Adu-Gyamfi et al. (2013) this finding may be as a result of the pressure that is put on managers as export firms perform well in the international market.

Studies on antecedents of export performance have empirically tested the relationship between firm competencies and export performance. One of these studies conducted by Prasad, Ramamurthy and Naidu (2001) confirmed that, firms marketing competencies as having a positive relationship with export performance. The use of advance technology which is a major factor in determining level of innovation within export firms was found by Ibeh (2003) to be major export determinant of export performance($p<0.05$).

Thirkell et al. (1998) provided empirical results on the relationship between channel support and export performance. Channel support is an important export marketing distribution strategy which enables firms to perform well in foreign markets. Thirkell et al. (1998) performed a regression test channel support and found it to have a positive relationship and was statistically significant with export performance ($\beta=0.472$, $p=0.033$). Again, a study conducted by Thirkell et al. (1998) found that the regression test of firms product quality and service ($\beta=1.459$; $p=0.008$) indicates a significant relationship with export performance.

White et al. (1998) found manager international orientation, management attitude to have a positive relationship with export intensity ($r^2=0.29$, $p=0.00$). White et al. (1998) again found that export determinants are positively related to management perception of export profitability ($r^2=0.36$, $p=0.00$). This study conducted implied that management satisfaction of export performance was also found to be positively related with export determinants such as firm characteristics, competency ($r^2=0.33$, $p=0.00$).

2.12 Proposed Hypothesis

The empirical studies conducted on firm-level determinants of export performance have established relationships that exist between these variables and export performance. The literature review identified a number of hypotheses propositions which are helpful in answering the research questions. The following hypotheses will be tested

H₁: Firm characteristics have a positive and significant relationship with export performance of Ghanaian Small and Medium Enterprises.

H₂: Firm competencies and capabilities have a positive and significant relationship with export performance of Ghanaian Small and Medium Enterprises.

H₃: Export marketing strategy have a positive and significant relationship with export performance of Ghanaian Small and Medium Enterprises.



CHAPTER THREE

CONTEXT OF THE STUDY

3.0 Introduction

This chapter discusses the nature and export activities of Small and Medium Enterprises in Ghana. The chapter presents data on SME performance collected from secondary sources which shows the overall exporting activities engaged in by Ghanaian businesses. This chapter is important in understanding the small and medium enterprise sector in relation to their definition, characteristics, challenges, opportunities, and importance to the country, institutional support (Ghana Export Promotion Authority, Ministry of Trade and Industries, Association of Ghana Industries). This chapter discusses the non-traditional export sector of Ghana since it is been controlled by SMEs.

3.1 Definition of Small and Medium Enterprises

A number of attempts have been made to define and clearly delimit SME from large companies (Loecher, 2000). The numerous problems confronting the SME sector can be attributed to the little systematic research backing the various policies in support of SMEs, primarily because of the lack of data (Ayyagari, Beck & Demirguc-Kunt, 2007). The definition of SME on the basis of specific criterion is not uniform across countries (Ayyagari et al., 2007). One of the major features in defining SME is the number of employees. Ayyagari et al. (2007) present an instance where a specific country may define SME to be an enterprise with less than 500 employees, while another country may define the cut-off to be 250 employees. The study therefore will seek to consider the various definitions of SMEs. The Ghanaian definition of SMEs is therefore vital in understanding the context of the study.

According to Abor et al. (2010), the Bolton Committee in 1971 first formulated an “economic” and “statistical” definition of a small firm. The economic definition of a small firm falls under this three criteria:

- It has a relatively small of their market place;
- It is managed by owners or part owners in a personalized way, and not through the medium of a formalized management structure;
- It is independent in the sense of not forming part of a large enterprise.

This strategic definition provided by the Bolton Committee proposed the following criteria:

- The size of the small firm sector and its contribution to GDP, employment, export, etc.;
- The extent to which the small firm sector’s economic contribution has changed over time;
- Applying the statistical definition in a cross-country comparison of the small firm’ economic contribution.

The Bolton Committee defined small firm’s base on the sector they operate under. In the manufacturing, construction and mining sector, SMEs were defined as firms having less than 200 employees. Firms operating as retailers and wholesalers were defined in terms of monetary turnover ranging between 50,000-200,000 British pounds. According to Abor et al. (2010), the definition by the Bolton Committee has inconsistencies between defining characteristics.

Apart from the definition provided by the Bolton Committee, the European Commission adopted a definition after a recommendation in 1996 seeking for the establishment of a common SME definition. The initiative came up with a number of issues in defining

SMEs. The European Commission in 2003 considers an enterprise as ‘any entity engaged in an economic activity, irrespective of its legal form. The definition was as a result of changing economic developments since 1996, and a growing awareness of the specific hurdles confronting SMEs.

According to the European Commission (2003), the new definition takes better account of the various types of relationship between enterprises, helping to promote innovation and foster partnership, while ensuring that only enterprises requiring support are targeted by policy schemes. The main objectives for adopting this new definition includes: 1) updating the threshold since there has been developments in prices 2) to promote MSMEs(Micro Small and Medium Enterprises), 3) to improve access to capital, 4) to promote innovation and improve access to research and development, and 5) to take account of different relationships between enterprises(European Commission, 2003).

The definition provided by the European Commission in 2003 considers three basic items namely: staff headcount, annual turnover, and annual balance sheet. The following table illustrate the definition of a micro, small, and medium enterprise according to the European definition.

Table 3.1: European Commission’s Categorisation of Enterprises

Enterprise Category	Headcount	Annual Turnover	Balance Sheet
Medium- Sized < 250		≤ € 50million(in 1996 llion)	≤ € 43million(in 1996 € 27million)
Small <50		≤€10million(in 1996 lion)	≤ € 10million (in 1996 € 5million)
Micro<10		≤ € 2million	≤ € 2million

Source: European Commission (2003)

The Commission considers staff headcount as a crucial initial criterion for determining SMEs. This comprises full-time, part-time and seasonal staffs. The annual turnover is determined by calculating the income the enterprise received during the year. Finally, the balance sheet refers to the value of firm's main assets. According to the European Commission (2003), member states use the definition voluntarily, but is advocating together with European Investment Bank (EIB), and the European Investment Fund (EIF) for member states to apply the definition as widely as possible.

The United Nations Industrial Development Organisation (2005) asserts that the proper definition of SMEs has been a subject of considerable debate. The organisations however advocates for a definition depending on the level of economic development of the country. According to the UNIDO (2005), most developing countries may apply the following broad categories:

- Micro enterprise: employment level below 10;
- Small enterprise: employment level from 10 to 49;
- Medium enterprise level from 50 to 249.

The definition is important in channeling different types of support services through the selection of appropriate policy measures and technical cooperation programmes for SMEs (UNIDO, 2005). This definition accepts the fact that SMEs in developing countries lack the necessary human resource as compared to their counterparts in developed countries.

Another international body interested in how countries define SMEs is the International Finance Commission (IFC). According to the World Bank (2003), SMEs definition differs across countries due to lack of consistent cross-country data. The World Bank

applies the IFC definition as its working definition for SMEs. The IFC definition of SMEs according to the World Bank (2003) has the following classifications:

- Micro Enterprise are businesses that have less than 10 employees, total assets less than US\$100,000, and total annual sales not exceeding US\$ 100,000;
- Small Enterprise are businesses having more than 10 but less than 50 employees, total assets more than US\$ 100,000 but not exceeding US\$3million, and total annual sales not exceeding US\$ 3 million.
- Medium Enterprise are businesses having 50 to 300 employees, total assets more than US\$ 3 million but not exceeding US\$ 15 million.

These definitions however consider averages of SMEs number of employees, annual assets and sales values across countries. It is however important to consider the socio-economic condition of the country in order to arrive with a more acceptable definition.

In Ghana, the National Board for Small Scale Industries (NBSSI) considers the number of employees and fixed assets in defining SMEs (Narteh, 2013; Mensah, 2004). The National Board for Small Scale Industries' definition of SMEs is represented in the table below:



Table 3.2: Definition of SMEs by NBSSI

Classification of Enterprise	Number of Employees	Value of Fixed Assets
Micro enterprise	Less than five(5)	Fixed assets excluding land and building not exceeding \$10,000
Small enterprise	6-29	Fixed assets excluding land and building not exceeding \$100,000
Medium enterprise	30-99	Fixed assets excluding land and building not exceeding \$1,000,000

Source Narteh, 2013

From this definition, researchers in Ghana have used this common definition that combines the classification of small and medium enterprises as those that fall within six (6) to ninety nine (99) and having fixed assets not exceeding One Million dollars (\$1,000,000). This study therefore adopts this definition as a working definition for the study.

3.2 Characteristics of SMEs in Developing Countries

SMEs in developing countries have been discussed as having common characteristics due to similarities in economies, and constraints. Fisher and Reuber (2000), states a number of characteristics of SMEs in developing countries pertaining to labour force characteristics, sectors of activity, sex of owner, and their level of efficiency. The majority of SMEs in developing countries are “one-man” businesses and the largest single employment category is working proprietors. These working proprietors make up more than half the SME workforce. This is followed by their family members, who are usually unpaid but active in the enterprise, make up roughly another quarter. This is

followed by hired workers and apprentices who make up the remaining portion of the work force.

With their sector of activity, SMEs tend to be engaged in retailing, trading, or manufacturing. It is common for SMEs to be classified under the retailing. The retailing sector developing countries varies considerably between countries, and between rural and urban regions within the countries. SMEs in Ghana can be said to be rural or urban (Abor et al., 2010). According to Abor et al. (2010), the former can be sub-divided into “organized” and “unorganized” enterprises. The organised enterprises usually have employees who are paid and have registered offices, whereas the unorganized enterprises are made up of mainly artisans. The urban area seems to be dominated by retail activities. The manufacturing sector can be found in either rural or urban centers. The proportion of SMEs engaged in manufacturing of goods may differ as a result of endowment of raw materials, taste and consumption patterns of domestic consumers, and the level of development of export markets.

The majority of sole-proprietorships and microenterprises are owned and operated by women. These businesses are usually operated from home and are under-represented in official statistics. The home-base nature of businesses makes it difficult for business owners to take advantage of assistance programmes that are designed to assist businesses develop. It is therefore disappointing to see initiatives not targeting businesses women are likely to start. According to Abor et al. (2010), the problem can be attributed to female entrepreneurs often getting the impression that they are not capable of taking advantage of these credit schemes, because the administrative cost associated with the schemes often outweighs the benefits.

3.3 The Role of Small and Medium Enterprises in Socio-Economic Development

The importance of SMEs to developing and advanced economies cannot be underestimated as it has been described as the core strategy to foster development and alleviation of poverty. According to Ayyagari et al. (2007), the World Bank Review on Small Business activities establishes the commitment to develop SMEs as a core strategy to alleviate poverty and improve economic growth, by providing financial support estimated around \$2.8 billion in 2004 alone. Abor et al. (2010) asserts that there is a general consensus that the performance of SMEs is important for both economic and social development of developing countries. SMEs all over the world have gained the recognition of the role they play in sustained global and regional economic recovery (Ayyagari et al., 2007). According to the OECD (2004) SMEs account for more than 95% of all firms outside the primary agriculture sector, constitute a major source of employment and generate significant domestic and export earnings in the OECD transition and developing countries.

The important role played by SMEs according to the World Bank (2003) has made it to be described as the “engine of growth” for every economy. Abor et al. (2010) agrees with this assertion by explaining that, SMEs are recognized as the engines through which the growth objectives of developing countries can be achieved. It is worth knowing that SMEs have been noted to be one of the major areas of concern to many policy makers in an attempt to accelerate the rate of growth in low-income countries (Abor et al., 2010).

According to the World Bank (2003), SMEs provides an average of 99 percent of employment among developed countries. In China for instance, SMEs accounts for 99 percent of the total number of firms and provides 84 percent of total employment (World Bank, 2003). This view is supported by Tambunan (2011), who asserts that SMEs in developing countries are widely stated in literature to have the ability to employ a

significant amount of the labour force in their local economies. Abor et al. (2007) also accepts the fact that, SMEs have gained recognition of their importance to economic development. According to Abor et al. (2007), SMEs make up the majority of businesses and accounts for the highest proportion of employment. Beck, Demirgüç-Kunt, and Levine (2005) argue that SMEs expansion plays a major role in boosting employment more than large firms because SMEs are more labour intensive.

SMEs in Ghana have been identified by researchers and policy-makers as an important contributor to the economic development process (Abor, et al., 2014). Abor et al. (2010) demonstrates how SMEs contributes to a country's national product by either manufacturing goods of value, or through the provision of services to both consumers and/or other enterprises. The economic activities comprises the provision of products and, to a lesser extent, services to foreign clients, leading to increased export performance (Abor et al., 2010). Abor et al. (2007), reveals that, SMEs accounts for over 90% of Ghanaian businesses and contributes about 70% to GDP. To sum up the role of SMEs in developing countries, Tambunan (2006) states that SMEs are important in socio-economic development of developing countries for a number of reasons:

- Wide dispersion across rural areas and important for rural economies;
- Their ability to employ a significant amount of labour-force; and
- Their ability to provide an opportunity for entrepreneurial and business skill development.

Abor et al. (2010) in discussing the contribution of SMEs to socio-economic development commented on the need to recognise the fact that enterprises are not just suppliers, but also consumers. According to Abor et al. (2010) SMEs, play an important

role in ensuring there is demand for industrial or consumer goods which helps to stimulate the activity of their suppliers.

UNIDO (2005) acknowledges the role SMEs play in alleviating poverty. UNIDO explains that, efforts are currently underway in some 80 developing countries to prepare Poverty Reduction Strategies with emphasis on the role of a strong private sector. The organization further advocates that SMEs must be recognized as responsible for improving economic activities and also has interface with productivity enhancement and poverty alleviation.

3.4 Major Constraints Facing SMEs

A number of bottlenecks have affected the ability of SMEs to realise their full potential despite their role in accelerating growth and job creation in developing countries (Abor et al., 2010). The development of SMEs in developing countries is faced by several constraints (Abor et al., 2007; Tananbum, 2006; Adu-Gyamfi et al., 2013). Financing small business enterprises in developing countries is seen as the major factor affecting the growth of such businesses (Abor et al., 2007). According to Abor et al. (2007), financing challenges faced by SMEs is related to the firm size, tangibility of fixed assets, firm profitability, and export growth. The size of the firm and its reliance on bank debt is found to be consistent with the argument that the larger the firm, the lower the probability of default. This cannot be said for SMEs which are usually small in size. The definition of SMEs considers fixed assets which is a measure of its ability to access funds. SMEs with higher asset values are therefore able to access funds from banks easily while relatively smaller firms denote higher risk. According to Abor et al. (2007), banks place greater merit on fixed assets or collateral before granting credit to firms.

This makes SMEs with have low proportion of fixed assets in their total assets stand a little chance of satisfying collateral requirements from banks.

Export profitability and growth is of major concern to the development of SMEs in developing countries (Abor et al., 2007; Adu-Gyamfi et al., 2013). According to Adu-Gyamfi et al. (2013) firm size is related positively to export performance, and that internationalization is related negatively to export performance. Export barriers are classified into four groups: internal, external, operational and information barriers (Katsikeas et al., 1994). Internal barriers consist of company or product related variables, external barriers include industry, market or macro-environment variables (Adu-Gyamfi et al., 2013). The following barriers were identified by Adu-Gyamfi et al. (2013) as affecting the growth and development of SMEs in Ghana:

- a. **Resource Commitment:** this may be defined as the degree to which organizational and managerial resources are allocated to export venture. The study proposes that, the ability of SMEs to commit more resources to exports, will reduce a firm's internal export barriers. The study further explains that, the commitment of firm resources to its exports tends to have a positive effect on performance as resources help develop the capabilities needed for efficient export.
- b. **Managerial Experience:** the experience of managers increases general management skills. Experienced managers are able to exploit learning, and identify and take advantage of opportunities while avoiding threats. SMEs in developing countries lack experience in managing business due to their unfamiliarity with the peculiarities and mechanisms of the export process.
- c. **Internationalisation:** this requires competing in a more complex and hostile environment. This is one of the major problems of SMEs in developing countries as they are not able to cope with complex business environment. SMEs have high

levels of unfamiliarity with foreign markets, combined with increased complexity, makes it difficult to understand the market and hard to implement actions needed to operate successfully.

In addition to numerous constraints, lack of managerial know-how places significant constraints on SME development (Abor et al., 2010). SMEs are therefore not able to compete with larger firms due to their inability to maintain motivated managers who are somehow attracted by them. Managerial talent is therefore described as scarce among SMEs in developing countries due to lack of support services such as consulting firms not having the requisite cost-effective management solutions for SMEs which hampers their effort to improve their management abilities (Abor et al., 2010).

The adoption and use of technology has been stated by many researchers as a major constraint to SME development in developing countries. According to Abor et al. (2010), SMEs have difficulties in gaining access to appropriate technologies and information. A common technological deficiency affecting SMEs in developing countries is related to their inability to adopt the use of the internet. This however, renders SMEs uncompetitive on the global market.

Regulatory constraints has also been cited as a challenge to SMES despite the wide-ranging structural reforms introduced by government to improve the prospects of enterprises. Regulatory constraints caused by requirements established by regulatory agencies results in negative consequence's on SMEs. In Ghana, there exist high cost of settling legal claims, and excessive delays in court proceedings adversely affect SME operations (Abor et al., 2010). There are also issues of high cost of starting businesses coupled with excessive delays in business registration processes. It takes 16 days to handle registration of business in Ghana (World Bank Doing Business Report, 2015).

3.5 The State of Exporting In Ghana

Ghana has enhanced its status in international trade over the years, leading to growth in exports (traditional and non-traditional), with imports increasing significantly than exports (MOTI, 2012). However, there is still a remarkable feature of the external trade which has seen the dominance of traditional exports since the colonial era. According to (MOTI, 2012), Ghana's external trade has been dominated by traditional exports of cocoa, gold and timber, which are natural resource-based, asserting their dominance, and accounting for about 70 percent of total exports. In view of this, structural transformations have targeted diversifying the exports from traditional export to non-traditional exports.

Ghana has always experienced balance of payment deficits as a result of imports exceeding exports, a phenomenon with most developing countries. The Bank of Ghana in 2012 estimated that, exports amounted to US\$13.5 billion while imports on the other hand totaled US\$17.7 billion. These developments resulted in a balance of payment deficit of US\$4.9 billion (Bank of Ghana, 2012). The assertion by MOTI (2012) that traditional exports dominate Ghana's external sector performance was again clearly demonstrated in the 2012 export figures which saw gold, cocoa beans and products accounting for US\$5.6 billion and US\$2.8 billion respectively. These major export earners are not able to generate enough to meet the balance of payment objectives of the country.

Ghana and African countries within Sub Saharan region has seen a decline in global export market share. According to Seyoum (2007), Africa's global export market share declined by 10 percent in 1950 to a mere 1.6 percent in 2000. Seyoum (2007) referred to the World Bank Report in 2000 which indicated that, African countries are even losing global export market share in raw materials from 8 percent to 4.4 percent

from 1950 to 2000. It is a worrying situation to see other developing countries in Asia gaining market share from African countries (Seyoum, 2007). The Table below shows the decline of Africa's global export market share from 1950 to 2000.

Table 3.3: Africa's Loss of World Market Share (%) in Selected Commodities

	Africa		Asia	
	1970	2000	1970	2000
Cocoa	80.3	59	220.4	
Coffee	24.6	10	164.9	
Rubber	7.4	6	9289.1	
Timber	13.4	6.8	5443.3	
Cotton	30.7	15	3816.6	

Source: United Nations (2004)

These are few commodities countries in Africa rely on to growth their economies. According to MOTI (2012), Ghana's exports are classified as concentric a situation where a country depends on a narrow range of exports. The country's export tend to decline rapidly when commodity price on the world market experience a fall leading to sharp reduction in GDP. Developing countries like Ghana are faced with balance of trade deficits due to unfavourable exports against imports. Exports of a country affects its external sector performance. The table below shows the contribution of Ghana's exports to GDP.

Table 3.4: Contribution of Export and Import to GDP

Indicators(US\$ million)	2011	2012	2013
Merchandise Exports	12,785.4	13,541.4	13,071.8
<i>% of GDP</i>	37.7	41.6	36.3
Merchandised Imports	-15,837.7	-17,762.8	-17,064.1
<i>% of GDP</i>	50.3	54.4	30.9
Trade Balance	-3,052.3	-4,221.4	-4,046.3
<i>% of GDP</i>	-7.9	-10.4	-9.0

Source ISSER (2013).

From the table, Ghana's position on external trade is unfavourable due to the fact that imports account for larger proportion of the country's GDP. According to ISSER (2013), the decline in merchandised export receipts from US\$13,541.4 million in 2012 to US\$13,017.8 million in 2013, may be attributed to the fall in export revenue from cocoa and gold in 2013. ISSER (2013) reported that cocoa exports decreased by 19.8%, while earnings from gold exports declined by 12.0%. This analysis goes a long way to confirm that Ghana in order to resolve its trade deficit needs to diversify into non- traditional exports. The table below shows the balance of trade position of Ghana from 2010 to 2013.

Table 3.5: Balance of Trade, Imports and Exports (2009 - 2013)

GHC million			
Year	Imports (cif)	Exports (fob)	Balance of Trade
2009	9,088	6,859	(2,229.0)
2010	12,287	7,655	(4,632.1)
2011	19,065	20,902	1,837.0
2012	24,421	27,219	2,798.1
2013	25,002	24,678	(323.4)

Source: GSS (2014)

3.6 Non-Traditional Exports in Ghana

Ghana's export sector is categorized into traditional and non-traditional exports (NTE) sector. According to Hinson et al. (2006), non-traditional exports comprises of all other exports aside traditional exports, which include handicrafts, garments, food crops, horticulture, furniture etc. MOTI (2012), asserts that the government of Ghana has started a strategy to help develop the non-traditional export sector known as the Non-traditional Export Strategy (NES). The government of Ghana under the Economic Recovery Programme in 1993, came up with policy guidelines and adopted measures to improve export performance by diversifying into non-traditional exports (Hinson et al., 2006). The current export policy by the Ministry of Trade and Industries has developed a priority list of products that focuses on products that make a significant contribution to target revenue of US\$5.0 billion in 5th year of the programme (MOTI, 2012). These priority products have been selected to help accelerate the revenue growth in exports:

Cocoa Products(i.e. Paste, Butter, and Confectionary), Wood products(Veneers, plywood, Builders' woodwork and Fibre-board), Fresh/chilled and processed fish, Articles of plastic, Vegetable oil seeds and oils, Natural rubber and rubber products, Aluminum products, High value horticultural products. From the priority list, it is obvious that, SMEs are the major producers of these commodities. The Ministry has also indicated as part of the strategy to engage the districts in the national export effort. The Districts as part of their role in ensuring the achievement of the National Export Strategy (NES) has been given a minimum of US\$10million NTEs each in 2016 (MOTI, 2012). There has been increase in general export earning of the country from 2010 to 2013, a trend that shows that NTEs are increasing their exports year after year (GSS, 2014). The figure below represents export earnings from 2010 to 2013

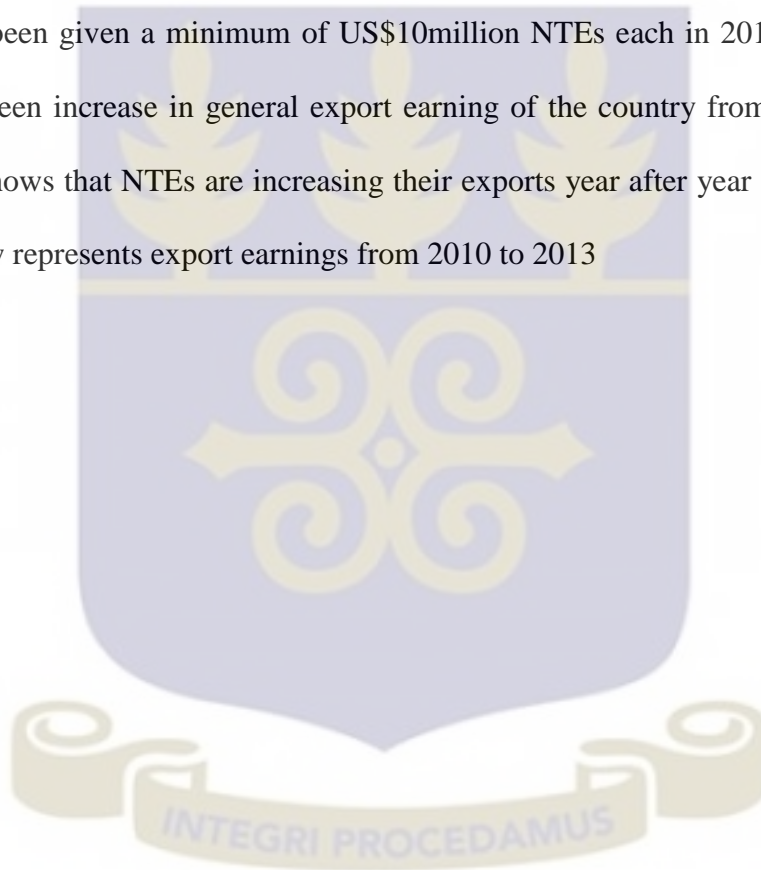


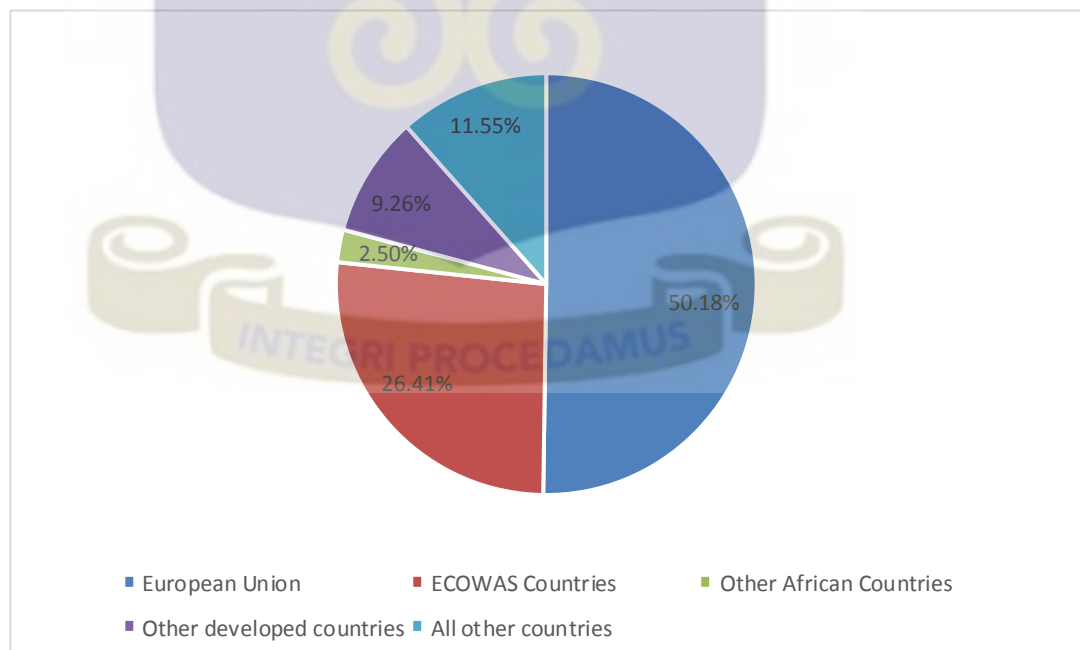
Table 3.6: Non-Traditional Exports, 2010 - 2013

Product	GH¢ million			
	2010	2011	2012	2013
Cocoa products	986.6 1,	324.8 1,	320.4 1,	149.3
Prepared foods, beverages, etc	282.3	513.6	490.1	595.4
Oil seeds and nuts	91.3	294.5	272.4	437.1
Plastics and plastic products	124.4	198.1	242.8	282.8
Wood products	147.2	171.7	258.2	259.9
Animal or vegetable oils	93.2	158.4	132.0	178.2
Aluminium products	18.3	44.6	142.1	161.4
Iron and steel products	36.0	60.2	116.2	157.1
Rubber and rubber products	64.7	116.1	131.9	146.2
Fertilizers, dying extracts, paints	30.7	67.5	94.7	117.9
Animal feed	4.3	9.4	26.7	85.9
Cosmetics, washing, and soap	37.3	47.4	60.9	82.0
Textiles & garments	33.5	81.0	182.5	77.4
Horticultural products	70.6	84.3	97.6	76.2
Articles of base metal	32.2	44.9	70.9	68.5
Fish and seafood	68.7	48.9	113.8	65.7
Dairy products	21.3	36.1	27.2	29.5
Prepared cereals and tubers	8.4	18.8	16.4	21.3
Precious stones and metal	0.0	0.0	0.3	20.5
Sugar and sugar confectionery	4.8	8.1	9.5	5.2
Handicrafts	4.0	5.4	7.4	4.8
Footwear and headgear	0.7	1.7	7.5	2.5
Pharmaceutical products	1.1	2.4	1.1	1.8
Vegetable saps and extracts	0.0	0.3	1.5	1.8
Cereals	1.4	1.5	0.6	1.5
Others	1 4.1	1.1	2.6	2.8
TOTAL	2,346.1	3,667.9	4,341.0	4,725.4

Source: GSS (2014)

Ghana’s export market for non-traditional products has been classified into five (5) broad geographical areas and in 140 countries (MOTI, 2012). These geographical areas are: The European Union (EU), other developed countries, ECOWAS, Other African Countries, and All other countries. According to MOTI (2012), non-traditional exports destination to the European Union and ECOWAS markets accounted for 50.18% and 26.41% respectively in 2010. The value of exports in other destinations according to MOTI (2012) reveals the following: African countries (2.5%), other developed countries (9.26%), and all other countries (11.55%). This figures provide strategic directions on the adoptive capacity of export destinations and how the government responds to market expansion directed to this markets. The European Union and ECOWAS sub region continues to be major export markets for Ghanaian NTEs and therefore must be considered as important markets to be developed.

Figure 2: Performance of SMEs by destination



Source: MOTI (2012)

3.6 Institutions Responsible for Export Promotion in Ghana

Export activities in Ghana are a collective effort of a number of institutions which play key roles in developing the sector. MOTI (2012) has identified these ministries, authorities, and councils as part of a holistic export strategy to improve export performance.

3.6.1 The Ministry of Trade and Industry (MOTI)

The ministry has the responsibility for the formulation, implementation and monitoring of Ghana's internal and external trade and policy direction for Ghana's export and industrial trade. The ministry is currently pursuing an export-led industrialization agenda with strong emphasis on regional trade. The ministry is also responsible for leading Ghana's multilateral trade negotiations at the WTO and with the EU on behalf of the country.

3.6.2 The Ghana Export Promotion Authority (GEPA)

This authority has the responsibility of providing leadership in implementation of policies and measures which are aimed at coordinating various export promotion activities. The authority basically works with exporters and potential exporters who form a major part of the authority's service portfolio. The authority helps in providing relevant and timely trade information, dissemination of research findings, and related training, capacity building in export related issues, networking for exporters and consulting services on export management. Finally, the authority is playing a crucial role in advocating for increase in government budgetary support particularly through the Export Development and Investment Fund (EDIF).

3.7.3 The Ministry of Food and Agriculture (MOFA)

This ministry has the responsibility for formulating agricultural policy which leads to increase in agricultural related exports. The ministry ensures that there is sufficient agricultural products required for export and industrial processing. This ministry is currently implementing a programme in horticultural export development to ensure that adequate agro-based raw materials are available to the industries for processing.

3.7.4 The Ghana Standards Authority (GSA)

This authority operates under the Ministry of Trade and Industry with the responsibility of ensuring the quality of products through testing, certification and accreditation. The authority is mandated to perform product assessment through inspection and issuance of a certificate. Ghanaian exporters benefit from the authority in the sense that, the authority uses its infrastructure, particularly testing facilities, to help exporters gain the recognition and certification to export their products to foreign countries.

3.7.5 Food and Drugs Authority (FDA)

This national regulatory body is under the Ministry of Health and responsible for regulating the manufacture, importation, exportation, distribution, use and advertisement of food, drugs, cosmetics, medical devices and household chemicals in order to ensure their safe for consumption.

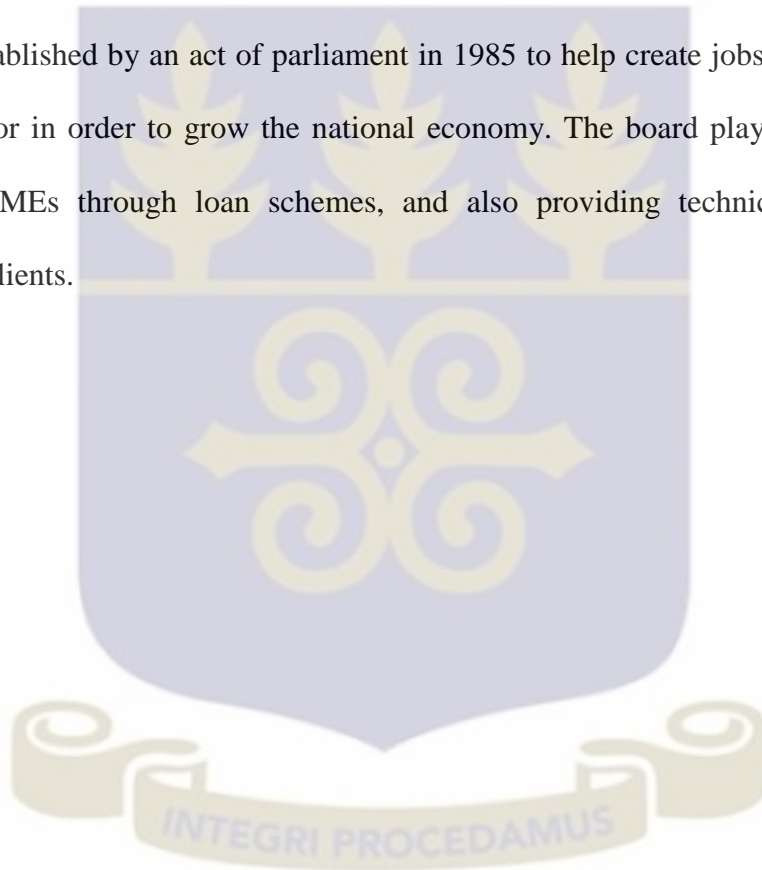
3.7.6 Customs, Excise and Preventive Services (CEPS)

This department apart from the collection of revenue from firms also play a major role in determining what goods and services are imported and exported out of the country. They

direct trade rules, compliance with standards and laws governing entry of commercial goods into Ghana. A major contribution this authority can provide is to reduce the turnaround time for exported goods.

3.7.7 National Board for Small-Scale Industries (NBSSI)

The board plays a major role in export development through the promotion and development of the Micro, Small and Medium Enterprises (MSMES) in Ghana. The board is established by an act of parliament in 1985 to help create jobs, and develop the private sector in order to grow the national economy. The board plays a major role in financing SMEs through loan schemes, and also providing technical and financial training to clients.



CHAPTER FOUR

METHODOLOGY

4.0 Introduction

This chapter provides a description of the research methodology employed in conducting the study. The chapter discusses how the research objectives and hypothesis were achieved through a methodological framework adopted for the study. The chapter comprises of the research approach, research design and strategy, operationalization of variables, sample and sampling size section technique, data collection, research instrument, data analysis, ethical considerations, and limitations of the study.

4.1 Research Approach

This research adopts a deductive approach which is the most common view of the nature of the relationship between theory and research (Bryman & Bell, 2015). Deductive research uses quantitative and experimental methods to test hypothesis that must be subjected to empirical scrutiny (Saunders, Lewis, & Thornhill, 2007; Bryman et al., 2015; Amaratunga, Baldry, Sarshar & Newton, 2002; Newman & Benz, 1998).

Saunders et al. (2007) explain that a deductive approach presents a hypothesis (a testable preposition), expresses the hypothesis in operational terms aimed at confirming or modifying an existing theory. This approach enables a cause-effect link between particular variables unlike an inductive approach which seeks to build theory through the understanding of a problem within a particular context (Saunders et al., 2007). This study follows this approach by first relying on the strategic export model to build prepositions (hypothesis), testing these hypotheses to come up with causal relationships between variables used in the study.

Studies have argued that a deductive approach (quantitative) adopts a positivist paradigm by adopting a scientific method to better predict reality (Kruass, 2005; Hunt, 2001). In marketing, studies have adopted qualitative, quantitative, and mixed methods of research (Hanson & Grimmer, 2007). However, quantitative studies seem to dominate the marketing literature (Hanson et al., 2007). This assertion is supported by Hunt (1994) that, positivist (quantitative) studies have dominated the consumer research. According to Amaratunga et al. (2002), a positivist research approach applies a quantitative method usually through testing of hypothesis. Also, a quantitative research applies more scientific method than qualitative studies and has more control and objectivity (Taylor, 2005). The objectivity of the researcher is very important in keeping the researcher away from personal biases.

The research approach adopted by this study is therefore best described by Thomas (2003) which describes quantitative study as a study which uses numbers and statistical methods and tends to be based on numerical measurements of a phenomenon by testing causal hypothesis.

The use of statistical tools for analysis seems to dominate about 90 percent of all export related studies (Leonidou, Katsikeas, & Coudounaris, 2010). Finally Malhotra, Hall, Shaw, and Oppenheim (2007) posit that quantitative studies are useful in larger samples either than qualitative which applies more on smaller samples, and it is suitable to be used to obtain information on a list of background variables, including demographic and socio economic characteristics, psychographic, and personality variables. These assertions by different researchers informed the decision to adopt a quantitative approach for the study.

4.2 The Research Design and Strategy

The research design of the study describes the plan this study will adopt in answering the research questions. A research design can be exploratory, descriptive and explanatory (Saunders et al., 2007) depending on the nature of the study. The research design and strategy depends on the type of data to be collected (Amaratunga et al., 2002), the research objectives and questions as well as being consistent with the research philosophy (Saunders et al., 2007). This study therefore adopted the explanatory research design. This is justified by the research objectives which seek to establish a causal relationship between variables. Saunders et al. (2007) refer to an explanatory study as a study which lays emphasis on studying a situation or a problem in order to explain the relationship between variables.

The study is a cross-sectional survey which according to de Vaus (2013) is widely regarded as inherently quantitative and is contrasted to qualitative methods such as participant observation, unstructured interviewing, case studies and focus groups. The survey allows for the collection and comparison of systematic data between cases with the same characteristics (de Vaus, 2013). Creswell (2003) provides a strategic framework of quantitative research which uses experimental designs and non-experimental designs such as surveys. The advantages of using the survey strategy as explained by Saunders et al. (2007) includes: its ability to collect large amount of data from sizeable population, collecting standardizes data, establishing particular relationships between variables and to produce models of these relationships, and allowing for easy comparison. In a similar manner, Amaratunga et al. (2002) recommend that surveys be used when the researcher seeks to gain more room for interpretations. This study adopts the cross-sectional survey which uses questionnaires or structured interviews for data collection. A non-probability sampling technique was used to select respondents for this study. This method allowed

for the researcher to identify SMEs that are into active exporting with similar characteristics.

4.3 Operationalization of Variables

This study examined three major constructs in determining export performance of SMEs. These constructs include firm characteristics, firm competencies and capabilities, and export marketing strategies. Firm characteristics (FC) was operationalised as firm size (number of employees, and number of years in exporting), management and firm export commitment, and management perception of exporting. This had about 13 items on the questionnaire. These three variables were used in analyzing the relationship between firm characteristics and export performance.

The second construct used for the study is firm competencies and capabilities (CC). These included organisational competencies and manager competencies. Items such as technology, product quality, export planning ability, product standardization, manager familiarity with export activities, foreign market visits. This comprised of 6 items on the questionnaire.

The export marketing strategy (EMS) construct included items relating to marketing research and traditional four Ps (product, price, place, and promotion) of the marketing mix. A 9-item scale was developed for this construct.

The study formulated three dependent variables which are export intensity (EI), management perception of export profitability (MPEP), and management satisfaction with export performance (MSEP). Export intensity was measured as percentage of total sales on export sales. The formula below was used:

$$\text{Export Intensity} = \frac{\text{Export Sales}}{\text{Total Sales}} \times 100$$

Management perception of export profitability asked respondents questions relating to their perception on financial profitability of their firms. A 3-item scale was used to collect data on this variable. The final variable on the question is management satisfaction of export performance which is a subjective assessment of firms export performance. This also was collected using a 3-item scale.

4.4 Sample Design and Sample Size Selection Technique

Exporting in Ghana is largely controlled by institutions which seeks to improve on the competitiveness of SMEs in their export activities. The Ghana Export Promotion Authority is responsible for promoting exports among SMEs in Ghana. The researcher therefore contacted the institution for the selection of respondents. The target population of the study includes managers of SMEs involved in exporting in Ghana. These managers are mainly responsible for developing export strategies and decision making. This study targeted managers of formal SMEs who are considered as decision makers of their respective firms. The SMEs used in the study are listed by the Ghana Export Promotion Authority in the non-traditional sector whose exports includes processed and semi processed products, handicraft, agriculture, construction, and textiles (see appendix 2 for list). This study specifically used the list provided by GEPA for SMEs in the Greater Accra Region of Ghana SMEs have offices located in Accra and have reliable telephone and addresses which enabled the researcher to establish contacts with them. The study obtained these information from the GEPA in order to eliminate challenges in non-existing addresses and telephone numbers. The study considered exporters with

offices in Accra because it was necessary to avoid the logistic challenges this study was likely to face if it had considered a nationwide study as identified by Hinson et al. (2005).

Studies in exporting have adopted probability and non-probability sampling techniques (Leonidou et al., 2010). In determining the sample of international marketing research, a researcher must decide whether to sample across a number of countries or sampling individual respondents within a country (Reynolds, Simintras, & Diamantopoulos, 2003). This study used the second approach therefore allowing for respondents within Ghana to be used. Also, this study used both probability sampling and a non-probability sampling technique to reduce the amount of data by considering data from a subgroup rather than all possible cases as explained by Saunders et al. (2007). A probability sampling was used to select at random 400 SMEs which were included in the GEPA list provided to the researcher. Despite the researcher having access to the list of non-traditional exporters in the Greater Accra region, using a simple random sampling yielded a widely dispersed sample resulting in the researcher's inability to travel for interviews. According to Byrman and Bell (2015), a widely dispersed sample such as a national or regional sample poses a number of research challenges.

Considering time and cost limitations of this study, a non-probability sampling was also adopted. Apart from time and cost constraints, the list provided also did not have the email addresses of these SMEs making it difficult to use the mail system of questionnaire administration. The unreliable nature of Ghana's mailing and postal system as started by Hinson and Sorensen (2006) pose a challenge in export performance research. Malhotra et al. (2007) provided a further understanding into non-probability sampling, by explaining that it is least expensive, least time consuming, and most convenient. These

factors helped inform the decision to use a non-probability sampling considering the nature of the study. The majority of studies in exporting used non-probability sampling technique all over the world (Leonidou, Katsikeas, & Coudounaris, 2010). However the study needed to select the most appropriate non-probability technique suitable for the study. This study adopted a convenience or haphazard sampling where the researcher select cases that are easiest to obtain for a sample. Reynold et al. (2003) posits that convenient sampling is the most commonly used non-probability sampling by international marketing researchers. The convenient sampling process is continued until the researcher obtains the required sample size. Malhotra et al. (2007) also state that the convenient sampling technique allows for the researcher to select units of the study where there is no definite sampling frame. However this technique is prone to biases by the researcher since the study must use sample which is a representative of the total population (Saunders et al., 2007). However, many studies advocate for probability sampling which takes into consideration an error to be estimated and are seen as luxury for researchers. Each SME selected is considered as a unit of analysis for the study. The decision makers (Chief Executive Officer, Marketing Manager, Operations Managers, and Production Manager) of these SMEs were used for this study.

A total number of 200 NTEs were conveniently sampled for the study. The researcher desired to end the sampling of firms after gaining access to 200 firms. Structured questionnaires were therefore sent to them for data collection. Out of this sample, 134 responses were obtained from this sample. The response rate represented about 67 percent which is very encouraging as compared to other export related studies (Hinson & Sorenson, 2006; Sorenson & Buatsi, 2002) which were below 60 percent. The study finally included 111 of these responses in the study after the questionnaires were subjected to scrutiny. This activity was important in using only responses that were free

of errors, and complete to be used. The sample size used for the study is seen as appropriate because it agrees with studies in export performance by (Hinson et al., 2006; Zou et al., 1998).

4.5 Sources of Data and Data Collection Technique

Data sources for research can be classified as primary or secondary data (Malhotra et al., 2007; Saunders et al., 2007). The major source of data for this study was primary data. Saunders et al. (2007) posit that, primary data is collected through observations, interviews or questionnaires. Survey questionnaires have the greatest use of questionnaire in business and management research. de Vaus (2002) refers to questionnaires as a general term to include all techniques of data collection in which each person is asked to respond to the same set of questions in predetermined order. Survey questionnaires were used for this study.

Apart from primary data, the study also used secondary data. Secondary data are already existing data that had been collected for some other purpose and includes both raw data and published summaries (Saunders et al., 2007). According to Malhotra et al. (2007) there are a wealth of secondary data in organisations which a research can use. In the case of this study, secondary data sources were collected from Ghana Export Promotion Authority could be useful. A limitation to this however is that using just the export sales from the Ghana Export Promotion Authority might not be appropriate in measuring export performance.

4.6 Research Instrument

Apart from the secondary data on exporters accessed from Ghana Export Promotion Authority, survey questionnaires were used to collect primary data. Other variables used in the study was measured using these primary data. The questionnaires were administered using the drop and pick technique. This agrees with data instrument technique used by a number of export performance studies (Ibeh, 2003; Adu-Gyamfi et al., 2013; Hinson et al., 2006). This is due to the challenges that are likely to be faced in adopting electronic means due to Ghana's poor state of infrastructure (telephone and postal systems). This will be done through visits to identified firms.

The first part of the questionnaires solicited for data on firm characteristics which included variables such as firm size, age (number of years in business), number of employee, sales management characteristics (education, age, international orientation, and prior business experience), and management perception of exporting. The items used for this variable were retrieved from studies that had used firm characteristics as a predictor of export performance (Aaby & Slater, 1989; White et al., 1998; Hoang, 1998). The second part of the question collected data on the perception of management on the firm's capabilities and competencies in exporting. Firm competencies and capabilities was measured using organizational competencies which is composed of export experience, product quality control, personnel export knowledge, manager international market knowledge, and high degree of overseas experience (White et al., 1998; Maurel; 2009; Lages et al., 2009). The export marketing strategy was measured using product, pricing, promotion and distribution strategies (Aaby & Slater, 1989; Zou & Zhao; 2003).

The third part of the questionnaires solicited information on export performance on total export and annual sales. These questions are needed in determining the export intensity of SMEs. This approach is advocated by majority of export performance literature which

measures export intensity as a percentage of export sales on total annual sales (Aaby & Slater, 1989, White et al., 1998; Thirkell et al., 1998; Katsikeas et al., 2000). This measure is referred to as a financial measure of export performance. The questionnaire on management perception of export profitability was inspired by studies which consider this variable as a subjective measure (White et al., 1998). Questionnaires using Likert Scale questions were used to solicit from managers of SMEs their perception of export profitability. Finally, satisfaction with export performance was also solicited using a five-point Likert scale.

The questionnaires were structured using a five-point Likert scale on a number of variables. Likert scales are commonly used in questionnaires and are regarded as rating questions whose response categories require respondents to indicate a degree of agreement or disagreement (Malhotra et al., 2007), usually on a four-, five-, six- or seven-point rating scale(Saunders et al., 2007). The study used a five-point Likert scale which ranged from strongly agree to strongly disagree.

4.7 Pre-test of Questionnaire

Pre-testing (pilot testing) of questionnaires used for the study was done to refine the questionnaires so that respondents will have no problem in answering the questions leading to accurate recording of data (Saunders et al., 2007; Bryman et al., 2015). Malhotra et al. (2007) recommend that researchers must test questionnaires on a small scale of respondents to identify and eliminate potential problems. The study therefore complied with this general rule of research by testing the questionnaires on 15 respondents (decision-makers of export firms).

The pilot study was also meant to study the feasibility of the data collection procedure especially in understanding the administrative procedures that might be involved in collecting data from exporters. Respondents were assured of anonymity and confidentiality in an attempt to elicit from them reliable responses.

The pilot study proved beneficial to the study in a number of ways. Firstly, some respondents found it difficult to respond to items relating to managers perception of exporting (motivators/stimuli, competitive advantage, and barriers). This informed the decision to change the wording of the question for clarity. Also, the questionnaires presented were seen as time consuming for respondents. The respondents spent an average of 45 minutes in answering the questionnaires. Considering their busy schedules at work, the number of items on the questionnaire was reduced. A few grammatical errors and misspellings were also detected and corrected.

4.8 Data Collection Procedure

Data collection occurred between 13th March and 29th May, 2015. The data collection process commenced after permission was sought from the Ghana Export Promotion Authority. A letter was written to management outlining the purpose for conducting the study. This was important in getting access to secondary data on SMEs involved in NTEs.

After permission was granted, the researcher proceeded to write to all the selected respondents (firms) for the study. Research assistants assisted the researcher to embark on regular visits to company offices to book for appointments. The ethical considerations of the study was spelt out to respondent in order to increase response rate. Ethical issues concerning disclosure of financial information provided by the respondents were

discussed. The management of the firms provided available respondents who assisted in the study. Notices were sent to staff members to declare their willingness to partake in the study.

4.9 Data Analysis Techniques

The study in analyzing the quantitative data applied the commonly-used statistical tools. The survey data collected from the field were analysed using the Statistical Package for Social Scientist (SPSS) version 20.00. This statistical tool is considered the most widely used in conducting quantitative analysis (Bryman et al., 2015) enables researchers to provide descriptive statistics of variables and also to draw statistical inferences from responses.

The data collected were subjected to reliability test to ascertain whether responses from the primary study can be used in data analysis. This study adopted the Cronbach's alpha of reliability which ranges from 0 to 1, with values of .60 to .70 deemed the lower limit of acceptability (Hair, Black, Babin, & Anderson, 2010). Variables used for the study were considered for analysis after the reliability test was conducted. A pilot test questionnaire containing 48 items on firm-level determinants of export performance and export performance was administered to respondents. Respondents responded to the items using 5-point Likert scale ranging from 1 "Strongly Disagree" to 5 "Strongly Agree". The items were phrased such that strong agreement indicates a measure of positive firm characteristic or high export performance.

Reliability of the measures was assessed by the use of Cronbach's alpha ' α '. Cronbach's alpha provides an estimate of the internal consistency of the measures. Thus, we test the consistency or reliability of the different variables. Cronbach's alpha reliability

coefficient normally ranges between 0 and 1. The closer the alpha coefficient is to 1 the greater the internal consistency. Hair et al. (2010) showed that, ranging between 0.6 to 0.7 is acceptable and a good indication of a reliable measure.

From the Analysis, all the nine (9) variables used in the study were found to operate within the acceptable region of reliability and hence can be included in the final analysis. The highest reliability was found at motivators (0.908) with the least been at export barriers (0.691). See the table below for the general reliability results.

Table 4.1: Reliability Statistics

Variables	No. of Items	Cronbach's Alpha
Management commitment towards exporting	4	0.852
Motivators	2	0.908
Export barriers	2	0.691
Management perception of export competitive advantage	3	0.783
Organizational competencies	4	0.729
Management competencies	2	0.783
Export marketing strategies	9	0.742
Management perception of export profitability	3	0.811
Management satisfaction of export performance	3	0.847

Source: Field work, 2015

The descriptive statistics presented the responses provided by respondents on all the variables used for the study using means and standard deviations. A multiple regression test was used to provide inferential statistics of relationship between export performance determinants and export performance. Multiple regression enables the researcher to

analyse data in a situation where the research problem involves a single dependent variable presumed to be related to two or more metric independent variables (Hair et al., 2010). In the case of this study, single dependent variables are predicted by two or more independent variables. This analysis is aimed at predicting the changes that will occur in a dependent variable as a result of a change in an independent variable (Hair et al., 2010).

The findings of the study were discussed using a significant level of 0.05. This alpha level of 0.05 is important in predicting the statistical significance of independent variables used in the study (Hair et al., 2010). This implies that, independent variables that were found to have p values higher than 0.05 were considered as not statistically significant. Therefore, all independent variables found to be below 0.05 were considered as having a statistical relationship with export performance.

A multiple linear regression model was therefore formulated on the relationship between firm size, firm competencies and capabilities, and export marketing strategy, and three dependent variables of export performance.

Regression model for firm-level determinants on export performance

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \beta_6 X_6 + \varepsilon$$

Where:

Y= Dependent variable (export performance)

β_0 = Constant

$\beta_1 X_1$ = Coefficients of Firm Characteristics

$\beta_2 X_2$ = Coefficient of Firm Competencies and Capabilities

$\beta_3 X_3$ = Coefficient of Export Marketing Strategies

ε = Error term

4.10 Ethical Considerations

Ethical considerations were an important part of the design of this research methodology (Saunders et al., 2007). Studies on export performance have alluded to the fact issues relating to ethics accounts for the frequent low response rates. The researcher therefore took steps to minimize the effect of unethical issues relating to the study. The first action to be taken by the research is to formally write to the companies on the intention to use the company as a unit of the study. An introductory letter was presented to the firms. The respondents were also assured that the data provided to the researcher will only be used for academic purpose. This was important in assuring respondents who might perceive they are given out sensitive financial and other relevant information relating to their business that the data provided will not be used for any other purpose.

Respondents were also allowed to complete the survey questionnaires in their convenient time considering the busy work schedule of respondents. This informed the application of the drop and pick method.

4.11 Research Limitations and Practical Challenges

The study encountered a number of limitations due to complex nature of the study. The results obtained from the study must be considered in the light of the following limitations:

The sample was drawn mainly from exporters registered with Ghana Export Promotion Authority (GEPA), and may not be a general representative of SMEs in Ghana. This

therefore makes the results of the study not suitable for generalization. The study was limited to exporters who had offices in Accra. It was however the desire of the researcher to extent the study to other geographical locations in the country. This is considered as limiting the research because, there may be differences in responses due to geographical locations and therefore the study might not be a generalization of the results.

Also, the study adopting only the quantitative approach might deprive the researcher of in-depth understanding of factors used for the study. The Ghanaian export firms might have some peculiar characteristics which might differ from what has been confirmed in theories and models. A mixed approach (qualitative and quantitative) would have better provided context based variables/determinants.

The study also suffered some setbacks at the pre-testing and data collection stage. The pre-test stage detected some errors with the questionnaire which led to modifying it. The data collection was a huge challenge since it proved very difficult for questionnaires to be retrieved from respondents. The researcher has to spend much time making telephone calls and visits in order to have a questionnaire completed.

This study, as any other research might encounter errors in analyzing the data statistically. The complex nature of statistical data analysis might affect the generalization of findings. Finally, there was lack of willingness on the part of firm managers to disclose financial information relating to the annual and export sales. This confirms studies on export performance which recommend for the use of strategic measures of export performance instead of financial measures. Managers in trying to hold on to vital financial information presented a major challenge to the study.

CHAPTER FIVE

DATA ANALYSIS AND INTERPRETATION

5.0 Introduction

The analysis and interpretation of empirical data collected for the study is presented in this chapter. The study sample consists of managers from some selected SMEs who are listed on the Ghana Export Promotion Authority. In total, 111 responses were considered for the study. The broad objective is to evaluate the effect of firm-level determinants on export performance. The chapter employs descriptive-mean analysis and regression test of significance in finding answers to the specific research questions stated in the introductory chapter. Below is the presentation of the results from the analysis.

5.1 Background Information/Firm Characteristics

This section examines basic firm characteristics such as the number of employees of the organizations, number of years the business has been in operation, and the level of education the respondents (managers) have attained. The researcher found it useful to solicit for these basic information in order to help in establishing relationship between these characteristics and firm performance. Below are the presentations of the analysis on demographic characteristics.

5.1.1 Number of Employees

One of the crucial characteristics examined on the firms is the number of employees they contain. The evidence indicates that majority, 61 (56.5%) of the organizations considered in the study have a volume of employees of 5 to 20. The next highest category of organizations featured in the study was formed by those who have employees in the range of 21 to 35 as this constituted 24 (22.2%). Organizations with employee volume of

36 to 50 and 51 and above were found to be proportionately represented by 10.2% and 11.2% respectively.

5.1.2 Number of Years in Operation

Data were collected on length of period the organizations have been in operation. The analysis revealed that the highest proportion 35 (33%) of the organizations sampled for this study have been in operation for more than 5 years. Also, 30 of the organizations representing 28.3% were found to have been in operation for a period of less than 2 years and 24 (22.6%) have been operated for a range of 4 to 5 years. The least number of organizations were found under operational year category of 2 to 3 years as this constituted only 16% of all sampled organizations.

5.1.3 Respondents' Educational Background

Results from the analysis of data on the organizations representative's educational background suggest that a little above half of all the respondent have up to SSCE or less as their highest academic attainment. College/non-degree certificates holders followed with 21.1%. Respondents with university degrees and those with masters or above were respectively represented in the study by 15 (13.8%) and 16 (14.7%).

Table 5.1: Demographic Profile of Respondents

Number of Employees	Frequency	Percent
5-20	61	56.5
21 - 35	24	22.2
36 - 50	11	10.2
51 and above	12	11.1
Total	108	100

Number of Years	Frequency	Percent
Less than 2 years	30	28.3
2 - 3 years	17	16
4 - 5 years	24	22.6
Above 5 years	35	33
Total	106	100

Level of Education	Frequency	Percent
SSCE or less	55	50.5
College/Non-Degree	23	21.1
Degree	15	13.8
Master/Professional or Above	16	14.7
Total	109	100

Source: Field work, 2015

5.2 Firm Characteristics

The study evaluated levels of management commitment towards exporting within the studied institution. For the purpose of this, respondents were presented with categorized measuring statements of various aspects of managements' commitment towards exports, management perception of export barriers, competitive advantage and stimuli. Firm characteristics was evaluated using five point Likert scale measurement wherein 1 = strongly disagree, 2 = disagree, 3 = moderately agree, 4 = agree, 5 = strongly agree to the statement in question. These items were phrased such that strong agreement indicates a stand that management of the organization in question has a high level of positive characteristics towards exporting and the vice versa. It must be noted that all negative statements were recoded during the analysis stage to take a positive direction. An average rating score for each component statement as well as an overall average score were calculated for the purpose of comparison. The results are presented as follows.

In general, respondents agreed to the presence of positive organizational characteristics which give rise to export positive export performance to a moderate level ($M = 3.09$, approximately, moderate agreement). Specifically, the statement which respondents most agreed to ($M = 4.18$, $SD = 0.74$) was the fact that firms export due to attractive profit and growth potentials. Respondents gave a moderate approval ratings to the statements “production capabilities are of competitive advantage to my firm in undertaking export activities”, “Product superiority is of competitive advantage to my firm in undertaking export activities” and “managers in my firm undertake regular export market visits” with respective means and standard deviations of ($M = 3.47$, $SD = 0.90$), ($M = 3.31$, $SD = 0.92$), and ($M = 3.13$, $SD = 1.17$).

Table 5.2: Firm Characteristics as a Firm-level Determinant of Export Performance

Variable	N	M	SD
My firm has a separate export department	109	2.58	1.27
Managers in my firm undertake regular export market visits	109	3.13	1.17
My firm undertakes export market research	109	2.88	1.21
My firm undertakes export planning and control	109	3.07	1.13
My firm exports due to domestic market pressures (Diminishing sales)	109	2.71	1.23
My firm exports due to attractive profit and growth potentials	106	4.18	0.74
Marketing organization adaptation is a hindrance to my firm's product exportation	110	3.11	0.91
Export pricing has much constraints on my firms exports	110	2.85	1.23
Production capabilities are of competitive advantage to my firm in undertaking export activities	110	3.47	0.90
Product superiority is of competitive advantage to my firm in undertaking export activities	110	3.31	0.92
Price competitiveness is of competitive advantage to my firm in undertaking export activities	110	2.79	1.19
Total	106	3.09	0.52

Source: Field work, 2015

5.3 Firm Competencies and Capabilities

The study considered among other factors, firm competitive and capabilities in examining firm characteristics and export performance. Competency as used in this section is examined on two components; organizational competence and management competence. From the analysis, it is noted that firm competencies and capabilities are considered by the respondents to be efficient only at a moderate level ($M = 3.28$). Respondents most agreed ($M = 3.88$, $SD = 0.86$) to the fact that the firms considers products' quality control as very important function in the organizations. On the other hand, respondents least agreed ($M = 2.93$, $SD = 1.28$) to the statement that they have high degree of overseas experiences, thus, living or working abroad. See the table below for details.

Table 5.3: Firm Competencies and Capabilities as a Firm-level Determinant of Export Performance

Variable	N	M	SD
My firm considers export marketing knowledge as very important in the organization development	109	3.41	0.83
My firm considers product quality control as very important	108	3.88	0.86
Export planning experience is very important to my firm	108	3.31	0.79
Personnel experience is considered highly important in my firm	107	3.07	0.83
I understand how international finance works including payment systems, currency conversions etc.	111	3.13	1.24
I have high degree of overseas experience(live or work abroad)	111	2.93	1.28
Total	106	3.28	0.63

Source: Field work, 2015

5.4 Export Marketing Strategies

At this stage, the study evaluates perceived export marketing strategies employed by the organizations. Respondents were presented with formative export marketing strategy statements and required to rate their agreements against these statements using the

adopted five point measuring scale. Below is the presentation of the results from the analysis.

In the assessment of export performance, the study revealed that a favorable export performance within the studies institutions was acknowledged by the respondents only to a moderate approval level ($M = 2.96$). On the individual level, respondents gave the most favorable approval rating ($M = 3.16$, $SD = 0.97$) to the statement which indicates that the firms' products have a strong brand image in the foreign markets. The statement which received the second highest approval rating ($M = 3.15$, $SD = 1.00$) was the fact that the prices of the firms' products are adapted to suit local customers. Contrary, respondents least agreed ($M = 2.54$, $SD = 0.91$) to the statement which indicates that the firms are able to undertake an intensive promotion in overseas. See the table below for details.

Table 5.4: Export Marketing Strategies as a Firm-level Determinant of Export Performance

Variable	N	M	SD
My company pursues product adaptation	110	3.04	1.05
My firms products have a strong brand image in foreign market	110	3.16	0.97
The prices of our products are adapted to suit local customers	110	3.15	1.00
My company takes into consideration local market conditions in determining prices	110	3.29	0.89
Our prices are very competitive on the international market	108	2.68	1.13
My firm is able to embark on promotional activities in international markets	108	2.80	0.99
My firm is able to undertake an intensive promotion in overseas markets	106	2.54	0.91
My firm has a positive relationship with distributors in foreign markets	106	3.11	0.84
My firm has been able to use foreign market distribution channels effectively	106	3.00	0.86
Total	106	2.96	0.55

Source: Field work, 2015

5.5 Export Performance

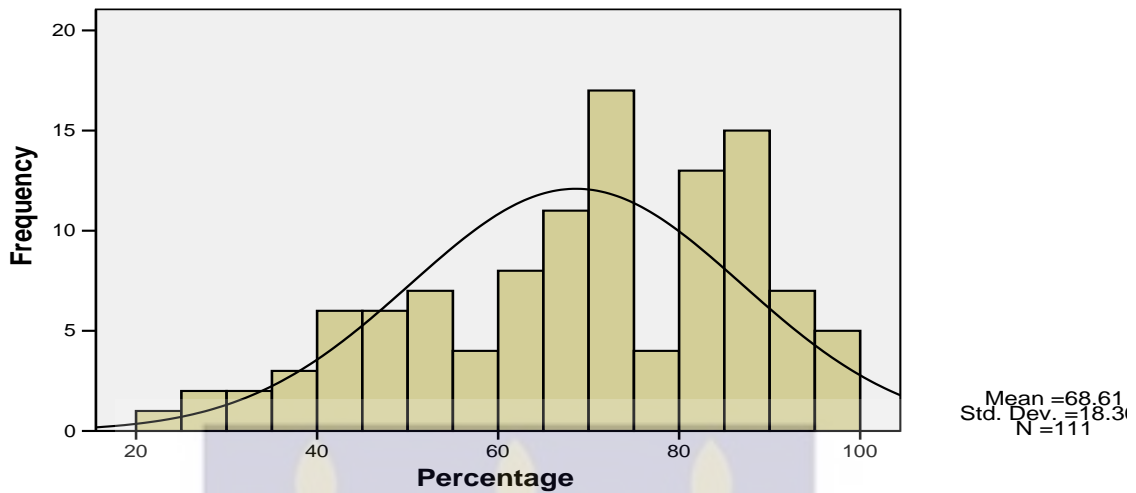
This section analyses the three dependent variables used for the study. The study presents results of both financial and nonfinancial outcomes of exporting. The three variables studies are: export intensity, management perception of export profitability, and management satisfaction of export performance.

5.5.1 Export Intensity

To control the biases resulting from differences in firms' production quantity and sizes, the analysis adopted 'export sales value as a percentage of total sales value' in the estimation of firm's export intensity. With this, export value is seen to be the percentage of total sales value which is exported into the international market over a specific business operation year.

From the analysis of export intensity of the studied organizations, it was found that the average exporting intensity of all the organizations was at 68.61% of total sales value with a standard deviation of 18.31. The highest proportion of export sales to total sales found was at 98%, whereas the lowest pegged at 21%. See the diagram below for further details on export value.



Figure 3: Export Intensity of Exporters

Source: Field work, 2015

5.5.2 Management Perception of Export Profitability

In general, respondents' agreement to the presence of favorable profitability from exportations was high $M = 3.75$ (approximately high). Specifically, respondents most agreed $M = 4.24$ to the statement that they are satisfied with their firms' export sales value. On the other hand, the statement which they least agreed to $M = 3.41$ was the assertion that they are satisfied with the attainment of overall export sales objective of the export marketing. See table 4.9 for details.

Table 5.5: Perception of Export Profitability

Variables	N	M	SD
I am satisfied with the firms export sales value	110	4.24	1.01
I am satisfied with profit from export sales	110	3.62	1.22
I am satisfied with the attainment of overall export sale objectives	110	3.41	1.03
Total	110	3.75	6.64

Source: *Field data, 2015*

5.6.3 Management Satisfaction with Export Performance

The general satisfaction level of export performance among the studied firms was found to be moderate $M = 3.10$. Respondents rated their satisfaction for export financial performance of their organizations at a mean of 3.15 with standard deviation 1.06. The average satisfaction ratings for the statements “I am satisfied with the strategic performance of my firms export activities” and “I am satisfied with the general export performance of my firm” were found at 3.07 each.



Table 5.6: Satisfaction with Export Performance

Variables	N	M	SD
I am satisfied with my firms export financial performance	111	3.15	1.06
I am satisfied with the strategic performance of my firms export activities	111	3.07	1.13
I am satisfied with the general export performance of my firm	111	3.07	1.12
Total	111	3.10	1.02

Source: *Field data, 2015*

5.6 Regression Analysis Test

The regression test enables researchers to establish the relationship between one or more variables (independent) and dependent variable. This study used the multiple linear regression test to establish the relationship between firm-level (firm characteristics, firm competencies and capabilities, and export marketing strategies) on three dependent variables (export intensity, management perception of export profitability, and management satisfaction of export performance). This study adopted a regression analysis since it is a multivariate data analysis tool.

The regression test is used to determine the predictive ability of export performance determinants used for the study.

5.6.1 Regression Analysis of Firm Characteristics and Export Performance

The study examined the effect of firm characteristics on export performance in the test for the hypothesis that firm characteristics has a positive relationship with export performance. From the results, it is noted that firm characteristics has no significant

effect ($p > 0.05$) on export intensity, but was significant on other dependent export performance variables.

The analysis formed a regression equation which predicts export intensity on firm characteristics as, $Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \beta_6 X_6 + \text{error term}$.

Where Y = the predicted dependent variable, β_0 = Beta coefficient of the constant of the equation. $\beta_1 \dots$ to β_5 are the unstandardized beta coefficient of independent variable one to five which are represented as X .

Therefore, $Y = 1.26 + 0.03X_1 + 0.08X_2 + 0.01X_3 + 0.10X_4 + 0.02X_5 + 0.07X_6 + \text{error term}$

From the regression model, 3% of the variance in export intensity among SMEs in Ghana can be attributed to number of employees. Number of years in operation accounted for 8% of the variance in export intensity whilst export competitive advantage accounted for 7% of the variance in export intensity. Contrary, the study found a statistically significant relationship ($F = 6.523, p < 0.05$) between firm characteristics and management perception of export profitability. This relationship was found to be a moderate positive relationship and produced a regression coefficient of ($r = 0.498$) and R-square of 0.248. This means that, 24.8% of variability in management perception of export profitability can be explained by differences in firm characteristics. A further probe revealed that out of the six variables used in determine firm characteristics, two (years in business and stimuli) had significant effect ($p < 0.05$) on management perception of export profitability with number of years having highest predictive capacity $\beta = 0.28$.

The result produced a multiple linear regression equation of:

Therefore, $Y = 1.20 + 0.16X_1 + 0.28X_2 + 0.04X_3 + 0.25X_4 + 0.03X_5 + 0.15X_6 + \text{error term}$

From the regression model, 28% of the variance in management perception of export profitability among SMEs in Ghana can be attributed to number of years in business. Perception of export stimuli accounted for 25% of the variance in management perception of export profitability whilst number of employees accounted for 16% of the variance in management perception of export profitability.

Again, there was a significant relationship ($F = 10.087$, $p < 0.05$) between firm characteristics and management satisfaction of export performance. This relationship was found to be moderately high ($r = 0.624$) and composite variables which were found to have significant effect ($p < 0.05$) on the dependent variable were export commitment and export competitive advantage with export commitment having greatest predictive capacity, $\beta = 0.45$.

The result produced a multiple linear regression equation of:

Therefore, $Y = 1.23 + 0.05X_1 + 0.13X_2 + 0.45X_3 + 0.00X_4 + 0.00X_5 + 0.24X_6 + \text{error term}$

From the regression model, 45% of the variance in management satisfaction of export performance among SMEs in Ghana can be attributed to export commitment. Export competitive advantage accounted for 24% of the variance in management satisfaction of export performance whilst number of years in business accounted for 13% of the variance in management satisfaction of export performance.

Table 5.7: Regression Model for Firm Characteristics

Variable	β	S.E	T	Prob.
Export intensity				
Constant	1.26	0.49	4.427	0.000
Number of employees	0.03	0.09	0.193	0.847
Years in business	0.08	0.05	0.678	0.499
Export commitment	0.01	0.05	0.068	0.946
Stimuli	-0.10	0.07	-0.887	0.377
Export barriers	0.02	0.05	0.229	0.819
Export competitive advantage	0.07	0.06	0.557	0.579
R	0.238		F-statistic	1.020
R-Square	0.057		Prob. (F-stats.)	0.231
Management perception of export profitability				
Constant	1.20	5.481	0.707	0.481
Number of employees	0.16	0.883	1.279	0.104
Years in business	0.28	0.670	2.396	0.012
Export commitment	0.04	0.933	0.661	0.511
Stimuli	0.25	1.044	1.426	0.013
Export barriers	0.03	1.029	0.319	0.651
export competitive advantage	0.15	1.162	1.356	0.178
R	0.498		F-statistic	6.523
R-Square	0.248		Prob. (F-stats.)	0.012
Management satisfaction of export performance				
Constant	1.23	0.667	0.310	0.757
Number of employees	-0.05	0.106	-0.507	0.613
Years in business	0.13	0.082	1.374	0.173
Export commitment	0.45	0.114	4.548	0.000
Stimuli	0.00	0.127	0.023	0.982
Export barriers	0.00	0.125	0.041	0.967
export competitive advantage	0.24	0.141	2.527	0.013
R	0.624		F-statistic	10.087
R-Square	0.389		Prob. (F-stats.)	0.000

Source :Field Data,2015

5.6.1 Regression Analysis of Firm competencies and capabilities and Export

Performance

The regression test performed in the search of relationship between firm competencies and export performance found statistically significant relationship at all levels of export performance considered. There was a significant relationship ($F = 38.221$, $p < 0.05$) between firm competencies and export intensity with a regression (r) coefficient value of 0.741. Between organizational and management competence, the former was found to have the highest.

Therefore, $Y = 1.22 + 0.166X_1 + 0.139X_2 + \text{error term}$

Also, there was a significant relationship ($F=16.214$, $p < 0.05$) between firm competencies and management perception of export profitability. This relationship recorded a regression(r) coefficient of 0.654. Organizational competencies accounted for the 13.5% of the variance in the management perception of export profitability. Manager competencies accounted for 20% of the variance in management perception of export profitability. This is represented in the regression model below:

Therefore, $Y = 1.24 + 0.135X_1 + 0.206X_2 + \text{error term}$

Firm competencies also had a significant relationship with management satisfaction with export performance ($F=22.97$, $p < 0.05$). Firm competencies was measured using organisational competencies and manager competencies. The relationship between Firm competencies and management perception of export performance recorded a regression (r) coefficient of 0.550. Manager Competencies was positively and statistically related with management perception of export performance ($\beta=0.419$). Organisational competencies also found a positive relationship with management perception of export performance ($\beta=0.221$). This is shown in the regression model below:

Therefore, $Y = 1.25 + 0.135X_1 + 0.206X_2 + \text{error term}$

Table 5.8: Regression Model for Firm Competencies and Capabilities

Variable	β	S.E	T	Prob.
Export intensity				
Constant	1.22	12.292	4.721	0.000
Organizational Competence	0.166	3.875	3.124	0.000
Manager Competence	0.139	1.926	4.221	0.000
R	0.741		F-statistic	38.221
R-Square	0.549		Prob. (F-stats.)	0.000
Management perception of Export Profitability				
Constant	1.24	4.381	15.180	0.000
Organizational Competence	0.135	1.056	2.503	0.013
Manager Competence	0.206	0.312	2.857	0.000
R	0.654		F-statistic	16.214
R-Square	0.428		Prob. (F-stats.)	0.000
Management satisfaction of export performance				
Constant	1.25	0.573	0.446	0.656
Organizational Competence	0.221	0.181	2.478	0.015
Manager Competence	0.419	0.090	4.697	0.000
R	0.550		F-statistic	22.987
R-Square	0.303		Prob. (F-stats.)	0.000

Source: Field Work, 2015

5.6.2 Regression Analysis of Export Marketing Strategy and Export Performance

In an attempt to unravel the effect of export marketing strategy (EMS) on export performance, the researcher hypothesized that “there is a positive relationship between export marketing strategies and export performance”. Export marketing strategy was therefore measured on three dependent variables (export intensity, management

perception of export profitability, and management satisfaction with export performance).

At the level export intensity, the study found a significant positive relationship ($F = 32.160$, $P < 0.05$) between export marketing strategies and export intensity, and of the five component items, price was found to have the highest predictive capacity with a standardized beta coefficient of 0.41. There was a strong positive relationship ($R = 0.711$) between the independent and the dependent variables. This produced an R-Square value of 0.506 which means that 50.6% of variability within the dependent variable is caused by the independent variable.

The analysis formed a regression equation which predicts export intensity on export marketing strategies as, $Y = \beta_0 + \beta_1X_1 + \beta_2 X_2 + \beta_3X_3 + \beta_4X_4 + \beta_5X_5 + \text{error term}$.

Where Y = the predicted dependent variable, β_0 = Beta coefficient of the constant of the equation. $\beta_1 \dots$ to β_5 are the unstandardized beta coefficient of independent variable one to five which are represented as X .

Therefore, $Y = 1.26 + 0.33X_1 + 0.28X_2 + 0.41X_3 + 0.11X_4 + 0.22X_5 + \text{error term}$

In general, the study found a significant relationship ($F = 41.021$, $P < 0.05$) between export marketing strategies and management perception of export profitability. The analysis revealed a high positive relationship with a regression coefficient value of 0.789. Again, an R-Square value of 0.623 was obtained which indicates that as much as 62.3% of variability in the dependent variable can be explained by the independent variable. All the component items of the independent variable were found to have a significant effect ($P < 0.05$) on the dependent variable.

The result produced a multiple linear regression equation of:

$Y = 2.03 + 0.40X_1 + 0.28X_2 + 0.39X_3 + 0.08X_4 + 0.26X_5 + \text{error term}$

There was a significant relationship ($F = 21.122$, $p < 0.05$) between export marketing strategies and management satisfaction of export performance. This relationship was found to be moderately high ($R = 0.667$) with a goodness-of-fit 29.7%. The composite variable which was found to have highest predictive capacity of management satisfaction of export performance was production as evidence in its highest unstandardized beta coefficient value of 0.28.

The analysis formed a regression equation which predicts management satisfaction of export performance on export marketing strategies as, $Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \text{error term}$.

Where Y = the predicted dependent variable, β_0 = Beta coefficient of the constant of the equation. $\beta_1 \dots$ to β_5 are the unstandardized beta coefficient of independent variable one to five which are represented as X .

Therefore, $Y = 1.36 + 0.23X_1 + 0.28X_2 + 0.26X_3 + 0.24X_4 + 0.22X_5 + \text{error term}$.

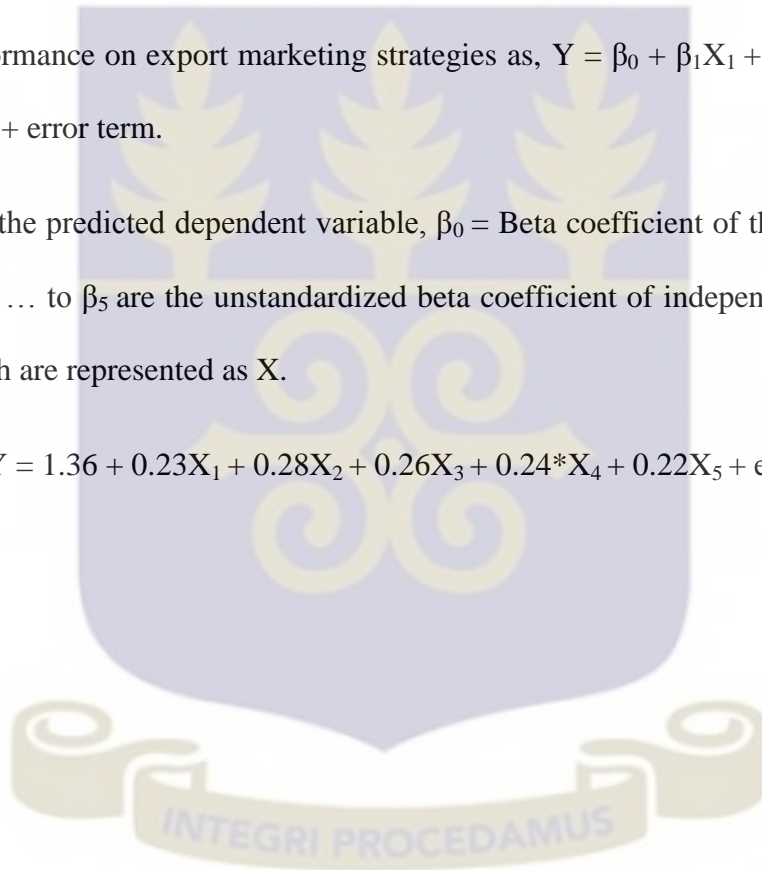


Table 5.9: Regression Model of Export Marketing Strategies

Variable	β	S.E	T	Prob.
Export Intensity				
Constant	1.26	0.34	4.112	0.000
Export planning and research	0.33	0.13	3.343	0.007
Product	0.28	0.09	2.618	0.009
Price	0.41	0.12	4.061	0.000
Promotion	0.11	0.30	2.216	0.012
Place/distribution	0.22	0.11	2.629	0.009
R	0.711		F-statistic	32.10
R-Square	0.506		Prob. (F-stats.)	0.000
Management Perception of Export Profitability				
Constant	2.03	0.49	3.627	0.000
Export planning and research	0.40	0.14	3.793	0.000
Product	0.28	0.31	2.878	0.003
Price	0.39	0.25	2.568	0.000
Promotion	-0.08	0.11	-0.887	0.027
Place/distribution	0.26	0.16	2.219	0.008
R	0.789		F-statistic	41.01
R-Square	0.623		Prob. (F-stats.)	0.000
Management Satisfaction of Export Performance				
Constant	1.36	0.32	3.012	0.000
Export planning and research	0.23	0.19	1.196	0.000
Product	0.28	0.25	2.618	0.000
Price	0.26	0.21	2.061	0.003
Promotion	0.24	0.17	1.787	0.000
Place/distribution	0.22	0.15	1.028	0.005
R	0.667		F-statistic	21.122
R-Square	0.297		Prob. (F-stats.)	0.000

Source: Field Work, 2015

5.7 Discussion of Major Findings

The main objectives of the study sought to examine the relationship between firm-level determinants of export and export performance of SMEs in Ghana. The variables used in the firm-level determinants of export performance includes firm characteristics, firm competencies and capabilities, and export marketing strategies. Firm-level determinants of export performance were found to have significant relationship with all export performance variables namely: export intensity; management perception of export profitability; and management satisfaction of export satisfaction except firm characteristics which did not have a significant relationship with export intensity.

5.7.1 Relationship between Firm Characteristics and Export Performance

The study sought to examine the relationship that exists between firm characteristics and export performance. Firm characteristics had a positive but an insignificant relationship with export intensity ($r=0.238$, $p=0.231$). Export intensity is considered as financial export outcome measured as a percentage of export sales of the total sales of SMEs. On the other hand, firm characteristics had a positive and significant relationship ($r=0.498$, $p=0.01$) with management perception of export profitability. Firm characteristics was also found to be positively and significantly related ($r=0.624$, $p=0.00$) with management perception of export performance. From the various relationships between firm characteristics and export performance, it can be concluded that firm characteristics is a predictor of export profitability, and satisfaction of export performance as proposed by other studies (Thirkell et al., 1998; Zou et al., 1998; White et al., 1998). However, firm characteristics was found not to be a predictor of export intensity. This finding does not agree with considerably large number of studies which had concluded that firm characteristics is a predictor of export intensity (Bonarccorsi, 1992). This implies that

SMEs involved in exporting who may or might not possess certain characteristics such as large number of employees, long operating period, limited export barriers, high export motivation etc. may not be able to improve their financial export performance. There are however some studies which have found no relationship between firm characteristics (size) and export performance (Maurel, 2009; Pla-Barber & Alegre., 2007). These firm characteristics are however perceived by managers as enablers in the attainment of non-financial or strategic goals. It is therefore not surprising to see SME's with small firm sizes performing better than large organisations. Maurel (2009) posit that in order to classify firm size and export experience as antecedents of export performance, these variables must be first treated as antecedents of export stimuli, exporting problems, competitive advantage, and export commitment. The characteristics firms possess is seen generally by the strategic export model as uncontrollable factor in determining export performance but must be augmented with controllable factors (competencies and strategies) to improve export performance.

5.7.2 Relationship between Firm Competencies and Capabilities and Export Performance

The study also identified firm competencies and capabilities with export performance. Firm competencies and capabilities were measured using competencies of the organization as an entity and competencies and capabilities of managers of SMEs. Firm competencies and characteristics had a positive and significant relationship with all three dependent variables used in measuring export performance. This implies that the hypothesis which proposes that firm competencies and capabilities has a significant relationship with export performance is supported. In relation to export intensity, firm competencies and capabilities had a significant relationship with export intensity. This

implies that firm competencies and capabilities in export marketing knowledge, export planning, product development, and personnel experience which are considered as organizational competencies are vital in ensuring export success of Ghanaian SMEs. Also, firm managers understanding of international finance, and a high degree of overseas experience help SMEs to improve their export performance. There must be conscious effort by management of SMEs to build on their technology, human resource, knowledge of international markets and operations. Firm competencies, and export marketing strategies were found to be positively related with export profitability. Studies which used perceived satisfaction with export profitability and organizational competencies and capabilities had supported this findings (Stoian et al., 2011; White et al., 1998). Finally, the study also a significant relationship between firm competencies and capabilities with management perception of export performance. This represent the relationship between firm competencies an overall assessment of export performance. The import of this finding is that SMEs in considering how to improve on their export performance must put in place measures which are related to competency and capabilities acquisition to take advantage of macro level government programmes.

5.7.3 Relationship between Export Marketing Strategy and Export Performance

Firm-level determinants of export performance was finally examined using the relationship between export marketing strategy and export performance. Export marketing strategy was measured using traditional marketing mix variables. This was done on the premise that an appropriate and effective use of the marketing mix variables in formulating export marketing strategies is a crucial differentiation factor of successful exports. The results also implies that, export marketing strategy is a good predictor of both financial and non-financial (strategic) performance of SMEs. These findings were in

line with the proposed relationship with other studies that had established a relationship between export marketing strategy and export performance (Zou, Fang, & Zhao, 2003; Zou, Taylor, & Osland, 1998,). Maurel (2009) asserts that marketing activities are probably the most vital importance to the survival and growth of export companies. With export intensity, export marketing strategy was seen to have a significant relationship with this measure of export performance. Export planning and research, and pricing mix of the marketing strategies were seen as having the highest predictive capability on export intensity. In relation to price as a predictor of export intensity, this can be as a result of the variable directly impacting domestic and export revenues. This supports the hypothesis that export marketing strategy positively and significantly affects firms export performance.

Satisfaction with export performance indicates a general export performance measure by management of SMEs. This non-financial measure of export performance is best described in terms of managers' perception of export performance in achieving strategic objectives such as export sales objectives, profits from export sales, and gross export sales revenue. Again, the hypothesis that was proposed that export marketing strategy has a significant relationship with export performance. Finally, export marketing strategy had a significant relationship with management satisfaction with export performance. This analysis tried to establish whether the use of marketing strategies by managers of SMEs has led to that achievement of export goals. Management satisfaction of export performance which is an overall assessment of export performance was seen to be dependent on marketing strategies deployed by SMEs. The product mix of the export marketing strategy was seen as highest predictor of management satisfaction of export performance. This implies that managers of SMEs believe that their product gives them the highest performance in foreign markets.

5.8: Summary of Hypotheses of the Study

The hypothesis formulated are presented in the table below. These results either confirms (accept) or rejects a proposed hypothesis using the statistical significant level of $p < 0,05$ proposed by Hair et al. (2010). Variables greater than the statistical significant level ($p > 0,05$) are rejected whilst variables less than the significant level are accepted.



Table 5.10: Decisions on Hypothesis of the Study

	Hypothesis	Significant	Not Significant	<i>Decision</i>
<i>H₁</i>	Firm Characteristics has a positive relationship with export performance			
	<ul style="list-style-type: none"> Export Intensity 		$p > 0.05$	Rejected
	<ul style="list-style-type: none"> Management satisfaction with export Profitability 	$P < 0.05$		Accepted
	<ul style="list-style-type: none"> Management perception of export performance 	$P < 0.05$		Accepted
<i>H₂</i>	Firm Competencies has a positive relationship with Export Performance			
	<ul style="list-style-type: none"> Export Intensity 	$p < 0.05$		Accepted
	<ul style="list-style-type: none"> Management satisfaction with export Profitability 	$p < 0.05$		Accepted
	<ul style="list-style-type: none"> Management perception of export performance 	$p < 0.05$		Accepted
<i>H₃</i>	Export Marketing Strategies has a positive relationship with Export Performance			
	<ul style="list-style-type: none"> Export Intensity 	$p < 0.05$		Accepted
	<ul style="list-style-type: none"> Management satisfaction with export Profitability 	$p < 0.05$		Accepted
	<ul style="list-style-type: none"> Management perception of export performance 	$p < 0.05$		Accepted

Source: Field work, 2015

CHAPTER SIX

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

6.0 Introduction

This study using quantitative research approach examined the firm-level determinants of export performance of Ghana small and medium enterprises. The study used three major construct identified in the export performance literature that influence SME export performance. This chapter summarises major findings and implications of the study. This chapter later draws conclusions on the findings of the study and related literature used for the study. This chapter finally presents recommendations for management and policy makers to improve the competitiveness of Ghanaian SMEs and for future studies.

6.1 Summary of the Study

The study in examining the firm-level determinants of export performance came up with a number of findings. This study considered the firm characteristics, firm competencies and capabilities, and export marketing strategies as major constructs. The study examined the relationship between these factors and export performance. This study was conducted using One hundred and eleven (111) respondents who were conveniently sampled from exporters. A survey questionnaire was adapted and used for data collection. Data collected from the field was analysed using SPSS. Descriptive statistics, and multiple linear regression, were used to analyse the data. The examination of the relationship between firm-level determinants (firm characteristics, firm competencies and capabilities, and export marketing strategies) resulted in the study establishing three major objectives. The three hypotheses tested were found to be generally accepted apart from firm characteristics which was not positively related with export intensity.

6.1.1 Findings on Objective One: Relationship between Firm Characteristics and export performance

The first objective of the study sought to find out whether firm characteristics has an association with firm export performance. In order to achieve this objective, a multiple regression was conducted to test how the variables used in the firm characteristics construct influence the three dependent variables being used to measure firm export performance of SMEs in Ghana. The hypothesis was looked at from three perspectives in order to capture the three dependent variables (export intensity, management perception of export profitability, and management satisfaction with export performance) used for this study. The results from this study showed that, apart from export intensity, all export performance measures were statistically significant with firm characteristics. Firm characteristics which consider items such as firm size, organizational and manager commitment to export, manager perceptions towards exporting were seen not to be a predictor of export intensity. The characteristics of an SME does not necessarily imply the firm may be performing well or badly in terms of export intensity. As suggested by studies, firms can only take advantage of their characteristics if they are able to build on their competencies and strategies.

With strategic performance of export performance, firm characteristics was seen to have a positive significant relationship with management perception of export profitability and management satisfaction of export performance. This supports findings of other studies that found a significant relationship between firm characteristics and non-financial performance of export performance. These findings conform to studies by Katsikeas et al., 1997; Stoain et al., 2011; Verwaal et a., 2002) which generally concluded that firm characteristics has a positive relation with non-financial export performance.

6.1.2 Findings on Objective Two: Relationship between Firm Competencies and Capabilities and Export Performance

This second objective of the study sought to examine the relationship between firm capabilities and competencies and export performance. The results on firm competencies and capabilities on export performance found a statistically significant relationship between the firm characteristics and all export performance dependent variables (export intensity, management perception of export performance, and management satisfaction of export performance). This implies that firm competencies and capabilities are a good predictor of export performance. These findings are a confirmation of studies that found that that firm's competencies and capabilities have a positive relationship with export performance (Sousa et al., 2010; Maurel, 2009).

6.1.3 Findings on Objective Three: Relationship between Export Marketing Strategies and Export Performance

The study finally sought to determine the relationship between export marketing strategy and export performance. The findings of the regression model showed a positive relationship between export marketing strategy and export performance. These findings had supported studies advocating for the use of export marketing strategy to improve export performance (Zou, Fang, & Zhao, 2003; Maurel, 2009). Starting with the relationship between export marketing strategy and financial export performance, this found that export marketing strategy significantly affects export intensity. This can be explained by the direct effect of the marketing mix variables on domestic sales values and export sales. Again export marketing strategies was seen as having the highest predictive capacity on management satisfaction with export profitability. This confirms

studies which argue that the attainment of strategic goals leads to increased export performance. This can be explained the attainment of business objectives in relation to firms product, pricing, distribution relationships, and export promotions in foreign market is an indication of success.

6.2 Conclusions

Studies on export performance have been done considering a multiplicity of predictors. This study has, however, been able to build on the export performance framework by studying firm-level determinants of export performance of export performance of Ghanaian SMEs. Thus study in general has confirmed that variables used in the Strategic Export Model of Aaby and Slater (1989) are predictors of export performance. It was worth examining the relationship of firm-level variables of export performance on three export performance measures which is crucial in understanding both financial and non-financial outcomes of export performance. This study formulated three hypotheses in determining the relationship between firm-level determinants of export performance on export intensity, management perception of export profitability, and management satisfaction of export performance. The study confirming results with other studies found that these three firm-level determinants are antecedents of export performance.

However, the hypothesis to test for the relationship between firm characteristics and export intensity was not confirmed as firm-size was seen not to be statistically significant with export performance. This is an indication that, small and medium size firms can also perform better than firms who are considered as large. The conclusion that can be drawn from the first objective of the study is that, firm characteristics is a good predictor of non-financial export performance but not export intensity. This supports the argument that smaller firms that have developed competencies, coupled with effective export

strategies are likely to attain higher export performance. However the firm characteristics is important in determining whether a firm can be successful in exports or not.

From the study, it can also be concluded that firm competencies and capabilities is a good predictor of export performance. Organisational competencies and managerial competencies were all seen to be good predictors of export performance. It is therefore important to consider competencies and capabilities from the organisational and management perspectives. The competencies of managers relating to their familiarity with export markets, handling of export negotiations and documentations, and ability to follow-up on foreign deals were seen as important competencies a manager must possess. Organisational competencies and capabilities are very crucial in ensuring that SMEs attain and sustain their level of competitiveness. The findings suggest that SMEs consider their competencies and capabilities in technology, quality control, marketing knowledge acquisition, and other related issues as impacting on their ability to achieve export success.

Export marketing strategy was also seen to be very important in predicting export performance. Also export marketing strategy just as firm competencies and capabilities was statistically significant with all the dependent variables used for the study. Specifically, of the marketing strategy variables, were considered by managers of SMEs as helping them improve on their export performance. SMEs under studied confirmed how important this construct is to their export success. The product and price variables despite their high levels of response rate need to be augmented with effective promotional and distribution efforts. This approach supports the basis of the traditional four Ps which posits that the marketing strategies must have the right mix of the variables.

6.3 Recommendations

The findings from the study have led to the following recommendations for future research and to managers and policy makers involved in exporting.

6.3.1 Recommendations to Industry and Policy Making

The findings of the study provide enough reason for SMEs involved in exporting to concentrate their efforts on building their firm-level competencies, and marketing strategies in achieving export success. This study has solicited from the perspective of managers of SMEs that their export success is not only dependent on external (macro) programmes and policies but more importantly on their characteristics, competencies and marketing strategies at the firm-level. From the study, export marketing strategy was seen as a statistically significant predictor of export performance. The marketing strategies adopted in exporting in relation to the product, price, distribution and promotions help SMEs to achieve both financial and non-financial performance in exporting. This study recommends that, more emphasis must be laid on effective product, price, distribution, and promotion strategies in order to increase sales, create differentiation, build competitive advantages, and finally increase profitability of Ghanaian SMEs.

With firm characteristics, the study found that the characteristics of an SME measured by number of employees, number of years in business operations, perception of export stimuli, motivation for export, perception of export barriers, and perception of export competitive advantage did not significantly affect their financial export performance (export intensity). SMEs must be built up in a more conscious manner as to enable managers and firms acquire certain features overtime.

Finally, policy makers responsible for developing and implementing export promotion programmes must concentrate on building on the competencies and capabilities of SMEs whilst formulating and implementing macro-level export policies and programmes to help increase export volumes. This can be done through training programmes, technological assistance, marketing strategy development through consultancies and export support in overseas markets.

6.3.2 Recommendation for Future Research

The significance of research in export performance of SMEs will help improve on firm competitiveness and eventually economic growth of the country under study. The findings of this study therefore need to be built upon by other studies in order to strengthen the generalization of findings. The study on export performance presents a number of directions researchers can take advantage of. Researchers may extend the context of the study to include SMEs in other geographical areas.

The constructs used for this study can be developed upon by other studies by undertaking a more detailed analysis of the individual constructs. From the study, export marketing strategy, and firm competencies and capabilities variables are seen to have a more positive significant relationship with export performance, and therefore need to be given the needed research attention. Studies could also be conducted to establish why firm characteristics was not found to be significantly related with export intensity.

The study from the review of the export marketing literature coupled with the importance of export marketing strategy on export performance, this study recommends the

concentration of research on this construct in order to help the theoretical base of the construct.



REFERENCES

- Aaby, N., & Slater, S. F. (1989). Management influence on export performance: A review of the empirical literature 1979-1988. *International Marketing Review*. 6(4).
- Abban, R., Omta, S. W. F., Aheto, J. B. K., & Schoiten, V. E. (2013). Connecting the dots: a multiple case study of network relationships of small and medium-sized enterprises (SMEs) in the non-traditional agricultural export (NTAE) sector of Ghana. *African Journal of Economic and Management Studies*. 4(1), 74-94.
- Abor, J. Y., Agbloyor, E. K., & Kuipo, R. (2014). Bank finance and export activities of small and medium enterprises. *Review of Development Finance*. 4(2), 97-103.
- Abor, J., & Quartey, P. (2010). Issues in SME development in Ghana and South Africa. *International Research Journal of Finance and Economics*. 1(39), 219-228.
- Abor, J., & Biekpe, N. (2007). Small business reliance on bank financing in Ghana. *Emerging Markets Finance and Trade*. 43(4), 93-102.
- Adu-Gyamfi, N., & Korneliussen, T. (2013). Antecedents of export performance: the case of an emerging market. *International Journal of Emerging Markets*. 8(4), 354-372.
- Ahmed, Z. U., Julian, C. C., Baalbaki, I., & Hadidian, T. V. (2006). Firm internationalization and export incentives from a Middle Eastern perspective. *Journal of Small Business and Enterprise Development*. 13(4), 660-669.
- Amaratunga, D., Baldry, D., Sarsha, M., & Newton, R. (2002). Quantitative and qualitative research in the built environment: application of mixed research approach. *Work Study*. 5(1), 17-31.
- Atuahene-Gima, K. (1995). The influence of new product factors on export propensity and performance: An empirical studies. *Journal of International Marketing*. 3(2), 11-28.
- Axinn, C. N. (1988). Export performance: Do managerial perceptions make a difference? *International Marketing Review*. 5(2), 61-71.

- Ayob, A. H., & Freixanet, J. (2014). Insights into public export promotion programs in an emerging economy: The case of Malaysian SMEs. *Evaluation and Program Planning*. 46, 38-46.
- Ayyagari, M., Beck, T., & Demirguc-Kunt, A. (2007). Small and medium enterprises across the globe. *Small Business Economics*. 29, 415-434.
- Baldauf, A., Cravens, D. W., Wagner, U. (2000). Examining determinants of export performance in small open economies. *Journal of World Business*. 35(1), 61-79.
- Bank of Ghana (2012). Bank of Ghana monetary policy committee. Press Release. Retrieved from: http://www.bog.gov.gh/privatecontent/MPC_Press_Releases.
- Barham, B., Clark, M., Katz, E., & Schurman, R. (1992). Nontraditional export in Latin America. *Latin American Research Review*. 27(2), 43-82.
- Beck, T., Demirguc-Kent, A., & Levine, R. (2005). SMEs, growth, and poverty: Cross-country evidence. *Journal of Economic Growth*. 10(3), 199-229.
- Bilkey, W. J. (1978). An attempted integration of the literature on export behaviour of firms. *Journal of International Business Studies*. 9(1), 33-46.
- Bonaccorssi, A. (1992). On the relationship between firm size and export intensity. *Journal of International Business Studies*. 23(4), 605-635.
- Bryman, A., & Bell, E. (2015). *Business Research Methods*. (4th Edition). Oxford University Press. Retrieved from: <https://books.google.com.gh/books>.
- Buatsi, S. N. (2002). Financing non-traditional exports in Ghana. *Journal of Business & Industrial Marketing*. 17(6), 501-522.
- Calof, J. L. (1994). The relationship between firm size and export behaviour revisited. *Journal of International Business Studies*. 25(2), 367-387.
- Carlos, M. R., Jorge, A. W., Carlos, R. M. (2013). Strategic capabilities in exporting: An examination of the performance of Mexican firms. *Management Decision*. 51(8), 1643-1663.
- Cavusgil, S. T., & Zou, S. (1994). Marketing strategy-performance relationship: an investigation of the empirical link in export market venture. *Journal of Marketing*. 58(1), 1-21.

- Chetty, S. K., & Hamilton, R.T. (1993). Firm-level determinants of export performance: A meta-analysis. *International Marketing Review*. 10(3).
- Chiwere, E. R. T., & Dick, A. L. (2008). Information needs and information seeking patterns of small, medium and micro enterprises in Namibia. *Information Development*. 24(1), 24-36.
- Christensen, C. H., da Rocha, A., Gertner, R. K. (1987). An empirical investigation of the factors influencing exporting success of Brazilian firms. *Journal of International Business Studies*. 18(3), 61-77.
- Cieslik, J., Kaciak, E. & Thongpapant, N. (2015). Effect of export experience and market scope strategy on export performance: Evidence from Poland. *International Business Review*. 3(2).
- Creswell, J. W. (2003). Design, qualitative, quantitative, and mixed methods approaches. (2nd Ed). Sage Publications.
- de Vaus, D. (2013). Surveys in social research. (5th Ed). Retrieved from: <https://books.google.com.gh/books>.
- Dominguez, L. V., & Sequeira, C. G. (1993). Determinants of LDC exporters' performance: A cross-sectional national study. *Journal of International Business Studies*. 24(1), 19-40.
- European Commission (2003). The new SME definition. User guide and model declaration. Enterprise and Industry Publications. Retrieved from: <http://ec.europa.eu/enterprise/policies/sme/files/sme>.
- Fischer, E., & Reuber, R. (2000). Industrial clusters and SME promotion in developing countries. Retrieved from: <https://books.google.com.gh/books>.
- Fosu, A. K. (2003). Political instability and export performance in Sub-Saharan Africa. *Journal of Development Studies*. 39(4), 68-83.
- Ghana Statistical Service (2010). Statistics for Development and Progress. National Account Statistics. Retrieved from: <http://www.statsghana.gov.gh/docfiles/GDP/revised>.

- Ghana Statistical Service (2010). Statistics for Development and Progress. National Account Statistics. Retrieved from: <http://www.statsghana.gov.gh/docfiles/GDP/revise>
- Gumede, V., & Rasmussen, V. (2002). Small manufacturing enterprises and exporting in South Africa. A preliminary assessment of key export success factors. *Journal of Small Business and Enterprise Development*. 9(2), 162-171.
- Gwynne, R. N. (2002). Globalisation, commodity chains and fruit exporting regions in Chile. *Journal of Economic and Social Geography*. 90(2), 211-225.
- Hair, J. F., Black, W. C., Babin, B. J., & Anderson, R. E. (2010). *Multivariate data analysis: A Global Perspective*, Pearson, Upper Saddle River, NJ.
- Hanson, D., & Grimmer, M. (2007). The mix of qualitative and quantitative research in major marketing journals, 1993-220. *European Journal of Marketing*. 41(1/2), 58-70.
- Hinson, R., & Abor, J. (2005). Internationalising SME Nontraditional Exporters and their internet use idiosyncrasies. *Perspectives on Global Development and Technology*. 4(2), 229-244.
- Hinson, R., & Adjasi, C. K. D. (2009). The internet and export: Some cross-country evidence from selected African countries. *Journal of Internet Commerce*. 8(3-4), 309-324.
- Hinson, R., & Sorensen, O. (2006). E-business and small Ghanaian exporters: Preliminary micro firm explorations in the light of a digital divide. *Online Information Review*. 30(2), 116-138.
- Hunt, S. (1994). Rethinking marketing: Our discipline, our practice, our methods. *European Journal of Marketing*. 28(3), 13-25.
- Ibeh, K. I. N. (2003). On the internal drivers of export performance among Nigerian firms: empirical findings and implications. *Management Decision*. 41(3), 217-225.
- Johanson, J., & Vahlne, J. A. (1990). The mechanism of internationalization. *International Marketing Review*. 7(4).

- Kahiya, E. T., & Dean, D. L. (2014). Export performance: multiple predictors and multiple measures approach. *Asia Pacific Journal of Marketing and Logistics*. 26(3), 378-407.
- Kaleka, A. (2002). Resources and capabilities driving competitive advantage in export markets: guidelines for industrial exporters. *Industrial Marketing Management*. 31(3), 273-283.
- Katsikeas, C. S., & Leonidou, L. C., & Morgan, N. A. (2000). Firm-level export performance assessment: Review, evaluation, and development. *Journal of Academy of Marketing Science*. 28(4), 493-511.
- Katsikeas, C. S., Deng, S. L., & Wortzel, L. H. (1997). Perceived export success factors of small and medium-sized Canadian firms. *Journal of International Marketing*. 5(4), 53-72.
- Katsikeas, C. S., Piercy, N. F., & Loannidis, C. (1996). Determinants of export performance in a European Context. *European Journal of Marketing*. 30(6), 6-35.
- Knight, G. A., & Cavusgil, S. T. (2004). Innovation, organizational capabilities, and the born-global firm. *Journal of International Business Studies*. 35, 124-142.
- Koh, A. C., (1991). Relationships among organizational characteristics, marketing strategies and export performance. *International Marketing Review*. 8(3).
- Krauss, S. E. (2005). Research paradigms and meaning making: A primer. *The Qualitative Report*. 10(4), 758-770.
- Kumlu, O. (2014). The effect of intangible resources and competitive strategies on the export performance of small and medium sized enterprises. *Procedia- Social and Behavioural Sciences*. 150, 24-34.
- Kyereboah-Coleman, A. & Biekpe, N. (2008). The link between corporate governance and performance of the non-traditional export sector. Evidence from Ghana, Corporate Governance. *The International Journal of Business in Society*. 6(5), 609-623.
- Lages, F. L., & Montgomery, D. B. (2004). Export performance as an antecedent of export commitment and marketing strategy adaptation: Evidence from small and medium-sized exporters. *European Journal of Marketing*. 38(9/10), 1186-1214.

- Lages, L. F., Silva, G., & Styles, C. (2009). Relationship capabilities, quality, and innovation as determinants of export performance. *Journal of International Marketing*. 17(4), 47-70.
- Le, V., & Valadkhani, A. (2014). Are exporting manufacturing SMEs more efficient than non-exporting ones? Evidence from Australia's business longitudinal database. *Economic Analysis and Policy*. 44(3), 310-317.
- Loecher, U. (2000). Small and medium-sized enterprises-delimitation and the European definition in the area of industrial business. *European Business Review*. 12(5), 261-264.
- Leonidou, L. (2000). Barriers to export management: an organizational and internationalization analysis. *Journal of International Management*. 8(2), 121-148.
- Leonidou, L. C., Katsikeas, C. S., & Coudounaris, D. N. (2010). Five decades of business research into exporting. A bibliographic analysis. *Journal of International Business*. 16, 78-91.
- Leonidou, L. C., Katsikeas, C. S., & Piercy, N. F. (1998). Identifying managerial influences on exporting: Past research and future directions. *Journal of International Marketing*. 6(2), 74-102.
- Leonidou, L. C., Katsikeas, C. S., & Samiee, S. (2002). Marketing strategy determinant of export performance: a meta-analysis. *Journal of Business Research*. 55(1), 51-67.
- Madsen, T. K (1998). Managerial judgement of export performance. *Journal of International Marketing*. 6(3), 82-93
- Malhotra, N., Hall, J., Shaw, M., & Oppenheim, P. (2007). Essential of marketing research. An applied orientation. 2nd Edition. Prentice Hall. Retrieved from: <https://books.google.com.gh/books>.
- Mahmoud, A. M. (2011). Market orientation and business performance among SMEs in Ghana. *International Business Research*. 4(1).

- Mensah, S. (2004). A review of SME financing schemes in Ghana. UNIDO Regional Workshop of Financing small and medium scale enterprises. Retrieved from: <http://semcapitalgh.com/downloads/research>.
- Majocchi, A., Bacchiocchi, E., & Mayrhofer, U. (2005). Firm size, business experience and export intensity in SMEs: A longitudinal approach to complex relationships. *International Business Review*. 4(6), 719-738.
- Maurel, C. (2009). Determinants of export performance in French wine SMEs. *International Journal of Wine Business Research*. 21(2), 118-142.
- Miesenbock, K. J. (1988). Small businesses and exporting: A literature review. *International Small Business Journal*. 6(2), 42-61.
- Montobbio, F., & Rampa, F. (2005). The impact of technology and structural change on export performance in nine developing countries. *World Development*. 33 (4), 527-547.
- MOTI (2012). National export strategy for the non-traditional sector. Retrieved from: <http://www.ghanaiandiaspora.com/wp/wp-content>
- Narteh, B. (2013). SME bank selection and patronage behaviour in the Ghanaian banking industry. *Management Research Review*. 36(11), 1061-1080.
- Navaretti, G. B., Galeotti, M., & Mottozzi, A. (2004). Moving skills from hands to hands: does improving technology affect export performance in textiles. *Research Policy*. 33(6-7), 679-895.
- Navarro, A., Losado, F., Ruzo, E., & Diez, J. A. (2010). Implications of perceived competitive advantages, adaptation of marketing tactics, and export commitment on export performance. *Journal of World Business*. 45(1), 49-58.
- Newman, I., & Benz, C. R. (1998). Qualitative-quantitative research methodology: Exploring the interactive. Retrieved from: <https://books.google.com.gh/books>
- Ng, F., & Yeats, A. J. (2003). Major trade trends in East Africa: What are their implications for regional cooperation and growth? *World Bank Policy Research Working Paper No. 3084*.

- O’Cass, A., & Julian, C. (2003). Examining firm and environmental influences on export marketing mix strategy and export performance of Australian exporters. *European Journal of Marketing*. 37(3/4), 366-384.
- Okpara, J. O. (2009). Strategic choices, export orientation and export performance of SMEs in Nigeria. *Management Decision*. 47(8), 1281-1299.
- OECD (2004). Promoting entrepreneurship and innovative SMEs in global economy: Towards a more responsible and inclusive globalization. Retrieved from: <http://www.oecd.org/cfe/smes>.
- Peña-Vinces, J. C., Acedo, F. J., & Roldán, J. L. (2014). Model of the international competitiveness of SMNEs for Latin American developing countries. *European Business Review*. 26(6), 55-567.
- Pla-Barber, J., & Alegre, J. (2007). Analysing the link between export intensity, innovation and firm size in a science-based industry. *International Business Review*, 16(3), 275-293.
- Prasad, V. K., Ramamurthy, K., & Naidu, G. M. (2001). The influence of internet-marketing integration on marketing competencies and export performance. *Journal of international Marketing*. 9(4), 82-110.
- Ram, R. (1987). Export and Economic Growth in Developing Countries: Evidence from time-series and cross-section data. *Economic Development and Cultural Change*. 36(1), 51-72.
- Reynolds, N. L., Simintiras, A.C., & Diamantopoulos, A. (2003). Theoretical justification of sampling choices in international marketing research: key issues and guidelines for researchers. *Journal of International Business Studies*. 34, 80-89.
- Roper, S., & Love, J. H. (2002). Innovation and export performance: Evidence from the UK and Germany manufacturing plants. *Research Policy*. 31(7), 1087-1102
- Samiee, S., & Walters, P. G. P. (1990). Influence of firm size on export planning and performance. *Journal of Business Research*. 20(3), 235-248.
- Saunders, M., Lewis, P., & Thornhill, A. (2007). Research methods for business students. 4th Edition. Prentice Hall.

- Sawers, L. (2005). Nontraditional or new traditional exports: Ecuador's flower boom. *Latin American Research Review*. 40(3), 40-66.
- Sekeran, U. (2001). Research methods for business. A skill-building approach (3rd Ed). Pearson Education.
- Seirra, F., Pointon, J., & Abdou, H. (2012). Factors influencing the propensity to export: A study of UK and Portuguese textile firms. *International Business Review*. 21(2), 210-224.
- Seyoum, B. (2007). Export performance of developing countries under the Africa Growth and Opportunity Act: Experience from US trade with Sub-Saharan Africa. *Journal of Economic Studies*. 34(6), 515-533.
- Shoham, A. (1998). Export performance: A conceptualization and empirical assessment. *Journal of International Marketing*. 6(3), 59-81.
- Singh, D. A. (2009). Export performance of emerging market firms. *International Business Review*. 18(4), 321-330.
- Sorenson, O. J., & Buatsi, S. (2002). Internet and exporting: a case of Ghana. *Journal of Business and Industrial Marketing*. 17(6), 481-500.
- Sousa, C.M.P., Martinez-Lopez, F. J., & Coelho, F. (2008). The determinants of export performance: A review of the research in the literature between 1998 and 2005. *International Journal of Management Reviews*. 10(4), 343-374.
- Spence, L.J., & Schmidpeter, R. (2003). SMEs, social capital and the common good. *Journal of Business Ethics*. 45(1-2), 93-108.
- Stoian, M. C., Rialp, A., & Rialp, J. (2011). Export performance under the microscope: A glance through Spanish lenses. *International Business Review*. 20(2), 117-135.
- Styles, C., Patterson, P. G., & Ahmed, F. (2008). A relational model of export performance. *Journal of International Business Studies*. 39, 880-900.
- Svedberg, P. (1991). The export performance of Sub-Saharan Africa. *Economic Development and Cultural Change*. 39(3), 549-566.

- Tagoe, N., & Nyarko, E., & Anuwa- Amah, E. (2005). Financing challenges facing urban SMEs under financial sector liberalization in Ghana. *Journal of Business Management*. 43(3), 331-343.
- Tanbunan, T. (2011). Development of SME in Asia. *Center for Industry, SME & Business Competition Studies*. Retrieved from: <http://www.online.fe.trisakti.ac.id/pusatstudi>
- Tanbunan, T. (2006). Micro, small and medium enterprises and economic growth. *Center for Industry and SME Studies*. Retrieved from: http://103.28.161.15/pusatstudi_industri
- Taylor, G.R. (2005). Integrating quantitative and quantitative methods in research. Retrieved from: <https://books.google.com.gh/books>
- Teal, F. (2002). Export growth and trade policy in Ghana in the Twentieth Century. *The World Economy*. 25, 1319-1337.
- Thomas, R. M. (2003). Blending qualitative and quantitative research methods in theses and dissertations. Sage Publications. Retrieved from: <https://books.google.com.gh/books>
- Thirkell, P. C., & Dau, R. (1998). Export performance: success determinants for New Zealand manufacturing exporters. *European Journal of Marketing*. 32(9/10), 813-829.
- UNIDO (2005). SME Technical Working Paper Series. <https://www.unido.org/file>
- Valos, M., & Baker, M. (1996). Developing an Australian model of export marketing performance determinants. *Marketing Intelligence & Planning*. 14(3), 11-20.
- Verwaal, E., Donkers, B. (2002). Firm size and export intensity: Solving an empirical problem. *Journal of International Business Studies*. 33(3), 603-613.
- Viviers, W., Calof, J. (1999). A framework for creating an export society in South Africa. *International Journal of Social Economics*. 26(7/8/9), 915-925.
- Wang, Y., & Zhou, Z. (2013). The dual role of local sites in assisting firms with developing technological capabilities: Evidence from China. *International Business Review*. 22(1), 63-76.

- White, D. S., Griffith, D. A., & Ryans, J. K. (1998). Measuring export performance in service industries. *International Marketing Review*. 15(3), 188-204.
- Wilkinson, T., & Brouthers, L. E. (2006). Trade promotion and SME export performance. *International Business Review*. 15(3), 233-252.
- World Bank Group (2015). Doing Business 2015. Going beyond efficiency. Economic Profile of Ghana. Retrieved from: <http://www.doingbusiness.org/data/exploreconomies>
- World Bank (2014). Export of goods and services (% of GDP). Retrieved from: <http://data.worldbank.org/indicator>
- World Bank (2002). What can Africa expect from its traditional exports? *African Region Working Paper No 26*. <http://www.worldbank.org/afr/wps/wp26.pdf>.
- World Trade Organisation (2008). World Trade Report. Trade in a globalization world. Retrieved from <http://www.wto.org/English/res>
- World Bank (2003). Importance of SMEs and the role of public support in promoting SME development. A Policy Dialogue. Retrieved from <http://info.worldbank.org/etools/docs>.
- World Trade Organisation (2011). International Trade Statistics. <https://www.wto.org/english>.
- Zou, S., & Stan, S. (1998). The determinants of export performance: a review of the empirical literature between 1987 and 1997. *International Marketing Review*. 15(5), 333-356.
- Zou, S., Feng, E., Zhao, S. (2003). The effect of export marketing capabilities on export performance: An investigation of Chinese exporters. *Journal of International Marketing*. 11(4), 32-55.
- Zou, S., Taylor, C. R., & Osland, G. E. (1998). The EXPERT Scale: A cross-national generalized export performance measure. *Journal of International Marketing*. 6(3), 37-58.

APPENDIX 1

UNIVERSITY OF GHANA BUSINESS SCHOOL RESEARCH QUESTIONNAIRE

Dear Respondent

This questionnaire is intended to facilitate a research conducted on **Firm-Level Determinants of Export Performance of Ghanaian Small and Medium Enterprises.**

The purpose of the study is purely academic as part of the fulfillment of a Master of Philosophy degree in Marketing. The responses provided will be vital for understanding the antecedents of export performance among Ghanaian SMEs. Any information provided will be treated with outmost confidence. Kindly answer the following questions as candidly as possible.

Thank you

Twum Kojo Kakra

Section A - Firm Characteristics

A1: What is the total number of employees (both permanent and temporary) at the moment?

1. Less than 10
2. 10- 20
3. 21-30
4. 31- 40
5. 41 and above

A2: For how long has the business been in operation?

1. Less than 2 years
2. 2- 3years
3. 4-5years
4. Above 5 year

A3: Please indicate your highest level of education you have attained so far:

1. SSSCE or less ()
2. College/Non Degree ()
3. Degree ()
4. Master/Professional or above ()

Organisational Commitment towards exporting

A4: Please rank your agreement to the following statement on a five point scale provided below, where 1: strongly disagree 2: disagree 3: moderately agree 4: agree 5: strongly agree

Export commitment items	1	2	3	4	5
1. My firm has a separate export department					
2. Managers in my firm undertake regular export market visits					
3. My firm undertakes export market research					
4. My firm undertakes export planning and control					

Management Attitude and Perception towards exporting**Export Stimuli or Motivation**

A5: Please rank your agreement to the following statement on a five point scale provided below, where 1: strongly disagree 2: disagree 3: moderately agree 4: agree 5: strongly agree

	Export Motivator	1	2	3	4	5
1	My firm exports due to domestic market pressures (Diminishing sales)					
2	My firm exports due to attractive profit and growth potentials					

Export Barriers

A6: Please rank your agreement to the following statement on a five point scale provided below, where 1: strongly disagree 2: disagree 3: moderately agree 4: agree 5: strongly agree

	Export Barrier	1	2	3	4	5
1	Marketing organization adaptation is a hindrance to my firm's product exportation					
2	Export pricing has much constraints on my firms exports					

Export competitive advantage

A7: Please rank your agreement to the following statement on a five point scale provided below, where 1: strongly disagree 2: disagree 3: moderately agree 4: agree 5: strongly agree

	Competitive advantage item	1	2	3	4	5
1	Production capabilities are of competitive advantage to my					

	firm in undertaking export activities					
2	Product superiority is of competitive advantage to my firm in undertaking export activities					
3	Price competitiveness is of competitive advantage to my firm in undertaking export activities					

Section B- Firm Capabilities and Competencies

B1: Please rank your agreement to the following statement on a five point scale provided below, where 1: strongly disagree 2: disagree 3: moderately agree 4: agree 5: strongly agree

		1	2	3	4	5
1	My firm considers export marketing knowledge as very important in the organization development					
2	My firm considers product quality control as very important					
3	Export planning experience is very important to my firm					
4	Personnel experience is considered highly important in my firm					

Manager Competencies in exporting

B2: Please rank your agreement to the following statement on a five point scale provided below, where 1: strongly disagree 2: disagree 3: moderately agree 4: agree 5: strongly agree

		1	2	3	4	5
1	I understand how international finance works including payment systems, currency conversions etc.					
2	I have high degree of overseas experience(live or work abroad)					

Section C: Export Marketing Strategy

Please rank your agreement to the following statement on a five point scale provided below, where 1: strongly disagree 2: disagree 3: moderately agree 4: agree 5: strongly agree

	Export Marketing Strategy	1	2	3	4	5
1	My company pursues product adaptation					
2	My firms products have a strong brand image in foreign market					
3	The prices of our products are adapted to suit local customers					
4	My company takes into consideration local market					

	conditions in determining prices					
5	Our prices are very competitive on the international market					
6	My firm is able to embark on promotional activities in international markets					
7	My firm is able to undertake an intensive promotion in overseas markets					
8	My firm has a positive relationship with distributors in foreign markets					
9	My firm has been able to use foreign market distribution channels effectively					

SECTION D – Export Performance

Management perception of export profitability

D1: For the following questions, please rate on the scale of 1-5, where 1 is strongly disagree, 2 is disagree 3 is neither agree or disagree, 4 is agree while 5 is strongly agree.

		1	2	3	4	5
1	I am satisfied with the firms export sales value					
2	I am satisfied with profit from export sales					
3	I am satisfied with the attainment of overall export sale objectives					

Management satisfaction with export performance

D2: For the following questions, please rate on the scale of 1-5, where 1 is very dissatisfied, 2 is dissatisfied, 3 is neither satisfied nor dissatisfied, 4 is satisfied, and 5 is very satisfied.

		1	2	3	4	5
1	I am satisfied with my firms export financial performance					
2	I am satisfied with the strategic performance of my firms export activities					
3	I am satisfied with the general export performance of my firm					

E- Export and Total Sales

1. What is the total annual sales of your firm in 2013.....Ghana Cedis.
2. What is the total Export sales of your firm in 2013.....Ghana Cedis.

Thank you for your assistance in answering the questionnaire

COMPANY NAME	BOX NO	BOX TOWN	STREET ADDRESS	PRODUCT
A LOVER LIMITED	1389	ACCRA	KANESHIE	Sacks and bags
AFRO - CONTINENTAL IMPEX LTD	8	ACCRA	ACCRA, ALAJO MAIN RD ADAGBE CHOP BAR	COLANUT
AHWENE VENTURES	1305	ACCRA	DANSOMAN	Copper waste and scrap
AKPANGA ORGANIC CITRUS FARM	9655	ACCRA	HNO 2 MACCARTHY HILL	Peel of citrus fruit or melons,
ALFUS GHANA LIMITED	4563	ACCRA	NEW TOWN, ACCRA MAIN ROAD	Yams
ALHAJI AMADU FALI ENTERPRISES LTD	16793	ACCRA	TEMA PLT NO. C124 KLAN-GON COMM. 20	SALT
ANASCODO ENTERPRISE	15742	ACCRA	ACCRA, HNO. B 733/18 ATAA AMAH ST. BUBUSHIE	YAMS
AQUAFRESH LIMITED	439	ACCRA	SPINTEX ROAD	Fruit juice, nes
BANBARA ENTERPRISE LIMITED	7789	ACCRA	HIGH STREET	Statuettes
BENKSON'S EXPORTS & IMPORTS LTD	KN 1618	ACCRA	ACCRA, HNO. 7, KWASHE AHIAKU STREET, ODORKOR	WILDLIFE ANIMALS
BET EXPORT GHANA LIMITED	CT1319	ACCRA	NIMO ST	Cashew nuts
BLOWSACKS INDUSTRIAL LIMITED	AN6988	ACCRA	GRAPHIC ROAD	articles of plastics nes
BUKARICEDI COMPANY LIMITED	3389	ACCRA	SEMPE NEWTOWN A1125/15 MAMPROBI	common salt
CALIFORNIA LINK EPZ GHANA LIMITED	46	ACCRA	FACTORY NO.1 PSI GARMENT VILLAGE	garments/clothing
CARLO KING ENTERPRISE LIMITED	8278	ACCRA		Coffee
CENTURY INDUSTRIES LTD	3920	ACCRA	NO 4 KOJOTHOMPSON ROAD	articles of plastics nes
CHARKIEH PLASTICS	2627	ACCRA	INDUSTRIAL AREA COMM 11	articles of plastics nes

AND PACKAGING COMPANY LIMITED.				
COMMODITIES CONSORTIUM EXPORTS LTD.	13838	ACCRA	KWAME NKRUMAH AVE. ADABRAKA STANDCHART 2ND FLOOR	Yams
CRESTA PAINTS INDUSTRIES LTD	KA 16058	ACCRA		Paints and varnishes
DANSAK FARM LTD	3223	ACCRA	DANTU AVENUE AWUDOME ESTATE	Pawpaws
DUNDU FARMS	180	ACCRA	ACCRA, KOMKOMBA YAM MARKET	YAM
DUROWAH RANCH & FARMS	4511	ACCRA	NO.46 NII ODAI AYIKU STREET NUNGUA, ACCRA	Yams
DYNATECH INDUSTRIES GH.LTD.	242	ACCRA	SPINTEX ROAD	Aluminium waste and scrap
EJA ANANSE FARMS	GP 4469	ACCRA	ACCRA, HNO. B135B TESHIE TOWN , NSAWAM	YAMS
ERNIMICH LTD	1662	ACCRA	B486/26	Gari
ESSEM EXPORTS (GH) LTD	GP2736	ACCRA	F34 MANKWADZI SHOPPING CENTRE C1	Cashew nuts
EVE-LYN FARMS	3727	ACCRA	ACCRA, OYARIFA PLT. NO. OX 16 ABURI ROAD	MANGOES
FIDEV COMPANY LIMITED	ST98	ACCRA	ADWUMA CRESCENT PLT 22 SOUTH INDUSTRIAL AREA	Aluminium waste and scrap
FLORANNA ENTERPRISE	19061	ACCRA	ACCRA, AGBOGBLOSHIE KADMOS CO. LTD	YAMS
FOODTECH LTD	350	ACCRA	PLT NO 29 NORTH INDUSTRIAL AREA	Groundnut
GETRADE GHANA LIMITED	GB 1260	ACCRA	KWAME NKRUMAH AVE NSAWAM ROAD	Articles of wood nes
GHANDOUR	JT 205	ACCRA	ABOSSEY-OKAI/OLD FADAMA	make-up, skin-care

COSMETICS LIMITED			ROAD SOUTH IND. AREA	products nes
GOLDEN EXOTICS LIMITED	16105	ACCRA	MOBIL HOUSE 25 LIBERIA ROAD	Pineapples
GRAND MARK COMPANY LIMITED	GP 14741	ACCRA	241 SPINTEX ROAD BAATSONA	Cashew nuts
HA COMPANY LTD	3389	ACCRA	ACCRA, HNO C 320/17 NEAR ALAJO KANESHIE LAST STOP	SALT
HOMEFOODS PROCESSING & CANNERY LTD	16519	ACCRA	ACCRA, ODORKOR 150/11OPP KPOGAS FURNITURE	Palm oil, crude
HUSEINI TULLEY ENTERPRISE	1387	ACCRA	KASOA 94, HNO 352	SALT
I SEE THE MAN ENTEPRISE	GP.18450	ACCRA	TESHIE-NUNGUA	common salt
JOSHBERT ENTERPRISE	869	ACCRA	ACCRA, AGBOGBLOSHIE	SALT
KANE-EM INDUSTRIES LIMITED	4345	ACCRA	ABOTIAH STREET 60B RING ROAD NORTH IND.AR	articles of plastics nes
KOALA SHOPPING CENTRE LTD	800	ACCRA	H/NO. F889/2 CANTONMENT RD. OSU-RE	metal scraps
KORANCO FARMS LIMITED	GP. 166	ACCRA	NO. 3 LIMANN AMBASSDORIAL, ACCRA	Pineapples
KORKOR KUMAH ENTERPRISE	KIA.9567	ACCRA		Yams
LADIVA ENTERPRISE	178	ACCRA		Yams
LARTEY ASSOCIATES GHANA LTD	X.3077	ACCRA	4 ABEBRESEM STREET	Pawpaws
PANBROS SALT	2274	ACCRA	UNN PLT MENDESKROM WINNEBA ROAD	common salt
PRAISE EXPORT SERVICES LTD	GPO 1947	ACCRA	ACCRA, 141 PARADISE STR. TAIFA-NORTH	PALM CREAM

VALUE CITY COMPANY LIMITED	5745	ACCRA	SUITE 39 SWANZY SHOPPING ARCADE	Yams
WEST AFRICA COMMODITIES LIMITED	14869	ACCRA	RING ROAD CENTRAL	Cotton seed
WEST AFRICAN COMMODITIES LIMITED	14869	ACCRA		Animal feed
YAWHE SALOM FARMS LIMITED	2389	ACCRA	HNO. 284 OSU	Cocoa shells, husks
JEI RIVER FARMS LIMITED	2665	ACCRA CENTRAL	OFAAKOR	Pineapples
L'AIR LIQUIDE GHANA LTD	1819	ACCRA CENTRAL	RING ROAD CENTRAL	petroleum gas
AQUAFRESH SEAFOODS LTD	K 602	ACCRA NEW TOWN	ACCRA, NO C6 OTU KOFI STR. OSU SALEM	FISH
CERAMICA TAMAKLOE LIMITED	NT99	ACCRA NEW TOWN	EA 58/2 EAST ADENTA	ceramic products
SUNDAY COMPANY LIMITED	K767	ACCRA NEW TOWN	H/NO. B613/15 NEW ABOSSEY OKAI	assorted items
A. T. MAHLI FARMS LTD	6963	ACCRA NORTH	UN NO HOUSE KASOA WINNEBA	Vegetables , nes
AGRITILITY DISTRIBUTION LIMITED	11283	ACCRA NORTH	105 ANYETBU ADABRAKA	Yams
ALHOUSSEINEY TRADING ENTERPRISE	8226	ACCRA NORTH		common salt
ASANSKA JEWELLERY LTD.	AN7675	ACCRA NORTH	1ST FLOOR DIAMOND HOUSE	Articles of jewellery
BARRY CALLEBAUT GHANA LIMITED	PMB	ACCRA NORTH	TEMA FREE ZONE ENCLAVE	Cocoa paste

CHARLIE AND SONS COMPANY LIMITED	11904	ACCRA NORTH	HNO 2F 59 NEAR RACE COURSE	Yams
EXPANDABLE POLYSTYRENE PRODUCTS LTD	AN 8232	ACCRA NORTH	NORTH IND. AREA	articles of plastics nes
FAIRWORK LIMITED	AN 6993	ACCRA NORTH	JONES NELSON ROAD	Aluminium waste and scrap
GHANA FLOWERS & GREENS LIMITED	15536	ACCRA NORTH	HNO 213/1 EAST LEGON	Flowers
GOLD COAST FRUITS LTD	AN 10788	ACCRA NORTH	SILICON HOUSE, NORTH RIDGE	Pineapples
INDGHA AGRO ENT LTD	16714	ACCRA NORTH	H/NO 31 OBENESU CERSCENT EAST CANTOMENT	Yams
KPONE LOBSTER EXPORT COMPANY LIMITED	10509	ACCRA NORTH	AGRO BASE AREA PLOT#117/24 OPP TEMA NEW CEMTARY OF	Frozen or fresh lobsters
L & L WOOD PROCESSING LTD	6716	ACCRA NORTH	PLOT NO.1120 SPINTEX ROAD NUNGUA ACCRA	Fibreboard
PAPER CONTAINERS LIMITED	7676	ACCRA NORTH	PLT NO. 7 27 RING ROAD INDUSTRIAL	articles for printing/printed matter nes
PSI PROPERTIES LIMITED	46	ACCRA NORTH	NO. 32 DADEBAN STREET NORTH KANESHIE INDUSTRIAL AR	garments/clothing
S. K. AGRO EXPORT LTD	16714	ACCRA NORTH	OBENESU CRESCENT EAST CANTONMENTS	Yams
SEA FREIGHT PINEAPPLE EXPORTERS OF GHANA	5196	ACCRA NORTH	63 OLD ACHIMOTA RD	Pineapples
UNIFRUIT LIMITED	7443	ACCRA NORTH	ACCRA, HNO. F60/8 5TH CIRCULAR RD EXTENSION	PINEAPPLES

VISION 2050 FORESTRY (GH) LIMITED	AN7217	ACCRA NORTH	25 ASHIAKLE CRESCENT	wood charcoal/ waste
ZIBRILA ADAMA ENTERPRISE	8226	ACCRA NORTH	ACCRA, BLK 19 NORTH KANESHIE ROAD	IODATED SALT
PEACE INDOGHANA LTD	14002	ACCRA-CENTRAL	C.9 LIGHT INDUSTRY AREA, ACCRA	Soap
DURAPLAST GHANA LTD	AN7136	ACCRA-NORTH	ABOTIA STREET NORTH IND. AREA	articles of plastics nes
FLOBICO LIMITED	12238	ACCRA-NORTH	ACCRA, MADINA M 398/3 POINT 5	GARI
GINKAY FARMS LTD	5173	ACCRA-NORTH	ACCRA, HNO 403 DA ROCHA RD, TAIFA	YAMS
LILYWHITE PACKAGING INDUSTRIES LTD.	5885	ACCRA-NORTH	SHED No. 4, PLOT 55B ABOTIA RD. NORTH IND. AR	articles of plastics nes
MUSTAPHA ADRAMAIN TRADING CO. LTD.	6066	ACCRA-NORTH	HSE. No. C.195/1, ADABRAKA-ACCRA	Sugar confectionery
MY FARMS LIMITED	10436	ACCRA-NORTH	10TH AVENUE LANE, H/No. 22, TEMA	Vegetables , nes
NASEM PRODUCT LTD	10418	ACCRA-NORTH	ACCRA, TAIFA JUNCT. NSAWAM RD	PALM OIL
NULUX PLANTATIONS LTD	5299	ACCRA-NORTH	ACCRA-NORTH, 31 DADEBAN STREET	Cotton seed
PARAM FARMS LIMITED	11438	ACCRA-NORTH	NUMBER 9THIRD CLOSE TESANO	vegetables
PARRY & COMPANY LIMITED	AW6937	ACCRA-NORTH	D.896/3, SELWYN MARKET, ACCRA	canned tuna
PRUDENT EXPORT	7273	ACCRA-NORTH	EAST ADENTA H/NO.EA10/16	Pineapples
E T C LIMITED	1174	ACHIMOTA	IST CLOSE MCCARTHY HILL	Copper waste and scrap
EUROPA PEE COMPANY LTD	AH 1226	ACHIMOTA	ACCRA, OPP TESANO GARDENS	PROCESSED GOLD

SEMAK GHANA LIMITED	12316	ADABRAKA	NO267/1 VANDERPUYE STREET ADJ. CIRCLE SHELL	Statuettes
AGROPACK LIMITED	AD 866M	ADABRAKA, ACCRA	ACCRA, S/INDL AREA AFTER MARBLE HSE	PALM OIL
BALANCED VIEW LIMITED	9949	AIRPORT ACCRA	KANESHIE ZONGO JUNCTION ROAD	Copper waste and scrap
SPACEPLAST (GH) LTD	KA16221	AIRPORT ACCRA	PLT 38 DADEBAN ROAD NORTH INDUSTRIAL AREA	articles of plastics nes
MINIPLAST LIMITED	KA. 9560	AIRPORT-ACCRA	71,MOTORWAY IND. AREA, TEMA	articles of plastics nes
WORLD MARINE COMPANY LIMITED	8008	BT C7 TEMA	FISHING HARBOUR ROAD	Fresh or chilled tunas
RUKER VENTURES LIMITED	CE 11108	C.11 TEMA	HOUSE C11/33 COMM.11	Palm oil, crude
THEO B ROMA CACAO LIMITED	CT1000	CANATONMENTS ACCRA	BOI STREET	Cocoa shells, husks
COMET GHANA LTD	CT 1904	CANTONMENT, ACCRA	NDK, OSU	alcoholic drinks
ETS HONOU ENTERPRISE	CT 5368	CANTONMENT, ACCRA	EAST AIRPORT, SPINTEX RD.	Aluminium waste and scrap
AARHUS OLIE GHANA LIMITED	5476	CANTONMENTS	TETTEH QUARSHIE CIRCH HNO B/28 LEGON ROAD	Shea nuts (karite nuts)
ALACRITY INTERNATIONAL LIMITED	CT5740	CANTONMENTS	NO 37 5TH CRESCENT ASYLUM DOWN	iron & steel waste and scrap
B.C.M. GHANA LIMITED	C189	CANTONMENTS	139 NORTEI ABABIO LOOP AMBASSADORIAL ESTATE	vehicle parts
BLOSSOM EXPORTS (GHANA) LTD	CT5053	CANTONMENTS	H/NO. C764/14 DZORWULU	Cashew nuts
CARSON PROUDCTS WEST AFRICA LIMITED (FZE)	CT2876	CANTONMENTS	107 SPINTEX ROAD ACCRA TEMA BY PASS	hair products

CONTINENTAL EXPORT (GH) LTD	1681	CANTONMENTS	15A VALCO BUNGALOW	Fresh or chilled fish, nes
PAN AFRO KING CO. LTD	CT54	CANTONMENTS	H/NO. 333/4 FAANOFAH ROAD	Fibreboard
WILMARDEL LIMITED	CT2878	CANTONMENTS	LIGHT INDUSTRIAL AREA C 9	Cashew nuts
AFRICAN AMERICAN TRADEX	C1067	CANTONMENTS ACCRA	GRAPHIC ROAD	sowing seeds nes
ETS HONOU ENTERPRISE	CT 5368	CANTONMENTS ACCRA	ACCRA, B6 ALFRESCO EST. EAST AIRPORT-SPINTEX RD	SCRAP METALS
SETHI BROTHERS (GH) LTD	C322	CANTONMENTS ACCRA	STEEL WORKS ROAD NEAR TEMA STEEL WORKS	Iron/Steel circles,rods,sheets,billets
TAYCO AGRO LIMITED	CT 4233	CANTONMENTS ACCRA	ACCRA, BAC 9/3 BATSONA	PINEAPPLES
ADM COCOA GHANA LIMITED	CT 42	CANTONMENTS, ACCRA		Cocoa products
FOUR WINDS GHANA LIMITED	CT 4378	CANTONMENTS, ACCRA		Palm nuts and kernels
LONTOH LIMITED	CT 2332	CANTONMENTS, ACCRA		Coffee
NETWORK KNITWEAR FABRIC LTD	PMB	COM1TEMA	PLOT NO 11K12 STEELWORKS ROAD	garments/clothing
KHALIFE METAL CO. LTD.	CT. 35	CT-ACCRA	PLT. 134, SPINTEX RD.	Aluminium waste and scrap
AMANI MANUFACTURING CO.LTD	DC1214	DANSOMAN	HNO 10 4TH STREET TESANO	articles of plastics nes
BIG K PRODUCTS LTD	453	GPO ACCRA	4 LIBERATION ROAD	wood charcoal/ waste
S O A FARMS LTD	KN 2076	KANESHIE	ACCRA, HNO. 5 HILL TOP STR. ANYAA	PINEAPPLES
DOXA VAN LINES LIMITED	376	KANESHIE ACCRA	2ND BOTWE STREET	Cashew nuts

FAREAST MERCHANTILE LTD	KN 1156	KANESHIE ACCRA	NORTH IND. AREA	Cocoa powder
K. LAAST COMPANY LTD	3880	KANESHIE ACCRA	PRAMPAM , MIOTSIO ADJ. PRAMPAM SEC. COMM. SCH.	YAMS
AKOWILSON TRADING & FARMS LTD	KS327	KASOA	OBUM ROAD	Cashew nuts
DHILLON FARMS INTERNATIONAL LIMITED	274	KASOA	OBOM ROAD	Yams
OFOSAEL GHANA LIMITED	119	KASOA	K69 KASOA	medicinal plants & parts
AM EXPORT ENTERPRISE	30490	KIA ACCRA	HNO 123 SHIUNO ROAD AWUDOME ESTATES	Aluminium waste and scrap
SEVEN ELEVEN INDUSTRIES LIMITED	16073	KIA ACCRA	HNO 181/10 NORTH LEGON	Yams
TRIGON ENERGY LIMITED	30414	KIA ACCRA	HNO 2ND WEST STREET AIRPORT	Butanes
KING SOLOMON COMPANY LTD	9530	KIA, ACCRA		gari, starch
MILANI IMPORT & EXPORT LIMITED	18168	KIA-ACCRA	H/NO. C622/14 DZORWULU	Pineapples
PROGRESSIVE ONION FARMERS AND TRADERS ASSOCIATION	KT538	KOTOBABI	AMA KIOSK REGN NAC 289	Onions and shallots
A. K. GHANA WOOD LIMITED	8404	TEMA	HNO. 52/6 COMMUNITY 10	
AFKO FISHERIES COMPANY LIMITED	868	TEMA	FISHING HARBOUR	Fresh or chilled fish, nes
AFRIK SHANDONG LIMITED	1895	TEMA	FISHING HARBOUR ROAD MEARSK LINE BLOCK	Fresh or chilled fish, nes

AGNES PARK FISHERIES LIMITED	CO1828	TEMA	MERIDIAN STREET	Fresh or chilled tunas
ALUWORKS LIMITED	914	TEMA	PLOT 63/1 HEAVY INDUSTRIAL AREA	aluminium plates,sheets and coils
AMANI MANUFACTURING CO. LTD	CS 8802	TEMA	TEMA, NEAR TEMA STEEL WORKS OFF AFLAO RD.	PLASTIC CHAIRS
ASADTEK INDUSTRIES LIMITED	630	TEMA	NO H5/1 COASTAL ESTATES SPINTEX ROAD	Aluminium household utensils
ATHENA FOODS LIMITED	2344	TEMA	SANYO ROAD TEMA HEAVY INDUSTRIAL AREA	Fruit juice, pineapple
AUTOMOTIVE SPRINGS GHANA LIMITED	588007	TEMA	INDUSTRIAL AREA	copper screws, bolts and nut
BBC INDUSTRIALS COMPANY GHANA LIMITED	584	TEMA	OBEDEKA STREET	Paints and varnishes
BEETEL COMPANY LIMITED	1795	TEMA	HNO 1/4 C9	wood charcoal/ waste
BIG CATCH FISHERIES (GH) LTD.	1836	TEMA	FORMER TALK OF THE HOTEL C2	Fresh or chilled fish, nes
C & G FISHERIES COMPANY LIMITED	CO 2610	TEMA	FISHING HARBOUR NEW TOWN RD	Fresh or chilled fish, nes
CROCODILE MATCHETS GHANA LIMITED	558	TEMA	PLOT NO. 23/4 HEAVY INDUSTRIAL AREA	matchets
CROWN CANS GHANA LIMITED	PMB	TEMA	PLOT 35/1 TEMA STEELWORKS ROAD PMB TEMA	Crown corks
DELTA AGRO LTD	PMB	TEMA	TEMA, PLT NO. 31/13 STEEL WORKS RD, HEAVY IND. AREA	SOAP
ELSSY KESS COMPANY LTD	CE 11710	TEMA	TEMA, OFF AKOSOMBO RD #SE#SP274C	PALM OIL

EPAH COMPANY LIMITED	CE12191	TEMA	EPAH COMPANY LIMITED TFS BUILDING	Fresh or chilled fish, nes
EPAH COMPANY LIMITED	CE 12191	TEMA		Fresh or chilled fish, nes
FOOD PROCESSORS INTER. GH. LTD.	2952	TEMA	HEAVY INDUSTRIAL AREA	Fruit, preserved nes
FORTUNE PLUS GHANA	CO 763	TEMA	H/NO. 4 C.11	Iron/Steel circles,rods,sheets,billets
GAB B VENTURES	1165	TEMA		traditional musical instruments
GAFCO FISH CANNERY & SMOKING LTD	11345	TEMA	TEMA HARBOUR AREA	canned tuna
GHANA AGRO FOOD CO. LTD.	11345	TEMA	TEMA HARBOUR ROAD	Wheat flour
GHANA PRINTING & PACKAGING IND. LTD	376	TEMA	HEAVY INDUSTRIAL AREA COMMUNITY 9	articles for printing/printed matter nes
GHANA SPECIALITY FATS INDUSTRIES LTD	CE 12360	TEMA	TEMA, FREE ZONE ENCLAVE PLT C5-C16	SHEABUTTER
HOLIDAY FISHING COMPANY LTD.	SC250	TEMA	VERTICAL PLAZA COMM 6	Fresh or chilled fish, nes
I C M VENTURES LIMITED	SC294	TEMA	HSE NO. 37/3, COMM 10	Copper waste and scrap
IVONE FISHING COMPANY LIMITED	CO578	TEMA	MARKET SQUARE HNO X25 COM 5	Fresh or chilled fish, nes
JAK MABEL ENTERPRISE LTD	CS 8817	TEMA	TEMA, ASHAIMAN MIDDLE EAST OPP. SEN. HIGH SCH	CASSAVA DOUGH
JELLY PLASTICS GH. LTD.	244	TEMA	43 HEAVY IND. AREA, TEMA	articles of plastics nes
JOECARL ENTERPRISE	BT 398	TEMA	TEMA, COMM. 2	PEPPER SAUCE

LTD				
JOEMAR SHIPPING & INVESTMENT CO. LTD	SC 167	TEMA	TEMA, COMM. 4 JOEMAR HSE. NEAR INTERNAL REVENUE SERV.	PINEAPPLES/GARI
LEGON FISHING COMPANY LIMITED	2610	TEMA	ARKO KORSAH	Fresh or chilled fish, nes
LIWON ENTERPRISE	PMB	TEMA		Dried smoked fish
MYROC FOOD PROCESSING COMPANY LTD.	SC171	TEMA	NO.71/13 MANTE LANE	canned tuna
PANOFI COMPANY LIMITED	909	TEMA	FISHING HARBOUR ROAD AB21 COMMUNITY 5	Fresh or chilled tunas
PASTEL PRODUCTS LIMITED	CO 935	TEMA	TEMA, COMM. 6	GINGER POWDER
PATERSON ZOCHONIS INDUSTRIES GH LTD	628	TEMA	15 KWAME NKRUMAH AVENUE	
PIONEER FOOD CANNERY LIMITED	40	TEMA	FISHING HARBOUR	canned tuna
PREMIER QUALITY LIMITED	SC241	TEMA	HNO C41312 MANYO PLANGE STREET ADABRAKA	garments/clothing
SUNSHINE INDUSTRY LIMITED	1198	TEMA	FLAT NO. IND/15/A HEAVY INDUSTRIAL AREA	lamps and lighting fittings
SUPER PAPER PRODUCTS COMPANY LIMITED	1133	TEMA	HEAVY INDUSTRIAL AREA	articles for printing/printed matters
TEMA LUBE OIL COMPANY LIMITED	PMB	TEMA	PLOT 3/2A, 3/3A HEAVY INDUSTRIAL AREA	Lubricating oil
TEX STYLES GHANA LTD	606	TEMA	PLOT 22 COMMUNITY 7	cotton fabrics (grey baft)
UNILEVER GHANA LIMITED	721	TEMA	SITE 5A LIGHT INDUSTRIAL AREA	assorted items
WOR SEA COM	PMB	TEMA	TEMA FISHING HARBOUR	seafood

ZENITH PLASTICS GHANA LIMITED	856	TEMA	PLOT NO.37A HEAVY INDUSTRIAL AREA	articles of plastics nes
ZHONGLU 701/702 AFRICK-SHANDONG LTD	1895	TEMA	FISHING HARBOUR ROAD MEARSK LINE BLOCK	
GOLDEN EUROPE KEY CO LTD,	CO2473	TEMA COMM.1	OPPOSITE KAISER FLAT BASKETBALL COURT C.4	Shrimps and prawns
IN GOD'S SERVICES WOOD PROCESSING	192	TEMA NEW TOWN	HEAVY INDUSTRIAL AREA NEAR GTP	Fibreboard
PAPASCO GHANA LTD	TS 404	TESHIE ACCRA	ACCRA ADABRAKA HNO C251/1 OMEGA DRIVE	CASHEW NUT
TRUSTY FOODS LIMITED	TF175	TRADE FAIR CENTRE LA	5 MANKRALO CLOSE CANTONMENTS	Tomato paste
FRESHSACO FOOD EXPORT	146	TRADE FAIR, ACCRA		Yams
WEST AFRICA FISHERY PRODUCTS	TT 284	TUC ACCRA	C545/3 FIRST CRESENT AVENUE ASYLUM	Fresh or chilled fish, nes
QUEEN OF HRUDAYA LTD	WJ 141	WEIJA	ACCRA, WEIJA GH. INDUSTRIAL & COMMERCIAL ESTATE	PROCESS SOYABEANS
M.G. FARMS AND TRADING LTD	411	WINNEBA	CENTRAL REG. WINNEBA JUNCTION HNO1B/1	PINEAPPLES
HAYES EXPORT AND IMPORT LTD				Yams