Contemporary Management Research
Pages 291-312, Vol. 7, No. 4, December 2011

Product Adaptation Strategy and Export Performance: The Impacts of the Internal Firm Characteristics and Business Segment

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ABSTRACT

The objective of this article is to examine the relationship between the product adaptation strategy and the export performance of a company, taking into account the impacts of the internal characteristics of the company and the business segment.

The findings of a questionnaire investigation of about 120 industrial exporting companies demonstrated that the business segment, the type of the exported product, as well as the number of served countries affect the adaptation strategy of the exported product. The results also show that the companies can improve their performance at the international markets level with the implementation of an adequate export marketing strategy.

Keywords: Export Performance, Product Adaptation, Internal Characteristics, Business Segment

INTRODUCTION

The rising pressure of competition at the national and international levels drives companies to seek new opportunities abroad. Export is often a first step towards internationalization (Leonidou, Katsikeas, and Samiee, 2002; Akrou and Samet, 2003). Generally, export is the privileged formula of implantation of the small and medium enterprises (SMEs) (Theodosiou and Leonidou, 2003). However, the export operation is considered a difficult, complex and dynamic process (Leonidou, 1995; Le and Luong, 2009). In fact, the decisions related to implantation and sales in a specific country are linked to costs and perceived risks (Lendrevie, Levy, and Lindon, 2003; Leonidou, Katsikeas, and Piercy, 1998; Morgan and Katsikeas, 1997; Bourcieu, 2005). Principally centered on export performance measurement, the SMEs are the privileged field of study in the majority of export marketing studies. For these small sized companies, to commit to export is a challenge and a difficult decision to make, especially with the rise of the competition at the international level (Le and Luong, 2009) and the SME's limited resources. Several studies have examined the explanatory factors of their export marketing performance. They have mainly picked the company characteristics such as the years of experience, the size (Majocchi, Bacchiocchi, and Mayrhofer, 2005; Julian, 2003; Singh, 2009; Alvarez, 2004), the age or the company status (Diamantopoulos and Winklhofer, 1999; Bellaaj and Akrout, 2005; Alvarez, 2004) in addition to the manager's characteristics (Bellaaj and Akrout, 2005; Atabay, 2008; Favre-Bonte and Giannelloni, 2008). Besides, the perception of the stimuli and export barriers has been studied in the case of an exporting company (Bellaaj and Akrout, 2005; Leonidou, Katsikeas, Palihawadana, and Spyropoulou, 2007; Le and Luong, 2009; Morgan and Katsikeas, 1997) and in the case of a non exporting company (Leonidou, 1995a; Leonidou, 1995b; Morgan and Katsikeas, 1997). Additionally, the commitment to export and the export marketing strategies were the objective of several works (Kazem and Ven der Heijden, 2006; Julian and O'Cass, 2004; Maurel, 2009; Robertson and Chetty, 2000; Solberg and Durrieu, 2008; Sousa and Bradley, 2009; Akrou and Samet, 2003; Bellaaj and Akrout, 2005; Leonidou et al., 2002; Lages, Abrantes, and Lages, 2008; Theodosiou and Leonidou, 2003; Calantone, Kim, Schmidt, and Cavusgil, 2006; Cavusgil and Zou, 1994). Many researchers have been interested in indicators of marketing performance measurement to export (Diamantopoulos, 1999; Shoham, 1998; Katsikeas, Leonidou, and Morgan, 2000; Sousa, 2004; Ogunmokun and Ng, 2004; Lages and Lages, 2004; Lages et al., 2008; Bouslama, 2008; Zou, Taylor, and Osland, 1998). The review of the written literature about the performance of exporting companies highlights the contingent character of the results treating the relation of the marketing strategy to the export performance. If these studies show that the marketing strategy affects the export performance positively, some studies show that the relation between these two variables has not been validated or that it is still difficult to understand (Julian and O'Cass, 2002). Nevertheless, it is interesting to note that the factors influencing the export marketing strategy are relatively less studied and even less examined in the emerging or developing countries. The literature, however, suggests a number of variables, both internal and external to the company, that seem to play an important role.

The aim of this article is to put the emphasis on the relation between the strategy of adaptation of the product and the export performance, taking into consideration the impacts of the business segment and the internal firm characteristics. These include the type of the exported product and the size and experience of the company. The application is particularly contextualized in the emerged country of Tunisia.

THEORETICAL BACKGROUND AND HYPOTHESIS

At this stage, it is convenient to make a few points, first on the research studies relative to the export marketing strategy; then on the company's internal and external explanatory factors; and finally on the relation between the strategy of adaptation of the product and the export performance. This will enable us to make the hypotheses and design the conceptual model that is going to be empirically tested.

Product Adaptation Strategy

Considerably so, the export marketing strategy is a determining factor of the export performance (Katsikeas et al., 2000; Leonidou et al., 2002; Lages et al., 2008; Theodosiou and Leonidou, 2003; Calantone et al., 2006; Cavusgil and Zou, 1994). Yet for some scholars, the link between the strategy and the export performance remains vague (Maurel, 2009), difficult to grasp (Solberg and Durrieu, 2008) or even not always verified (Julian, 2003). Equally, the issue of adaptation/standardization of the marketing strategies at the international level is still unresolved and remains in its first development stages (Lages et al., 2008; Theodosiou and Leonidou, 2003). A number of works have tried to bring the standardization/adaptation dilemma to a closure. According to Solberg and Durrieu (2008), standardization reduces the costs and provides a globally identifiable brand image. However, adaptation is necessary due to the numerous differences between local and foreign consumers. However, the studies made by Lages et al. (2008) are of a particular interest. In fact, beyond the market's specificities, these scholars have tried to regroup, on one hand, the factors that favor standardization including the type of the product (industrial products with important technical specificities), the economy scale survey in terms of production, marketing, research and development, similarity in foreign consumer attitudes and high costs linked to adaptation of the marketing mix elements. On the other hand, these scholars have advocated the factors that favor the strategy of adaptation, including the type of the product (products that vary according to markets specificity), the variation of the purchasing power of the consumers, standards and norms set by the foreign market, important cultural differences with regards to traditions, language, habits and practices of the consumers of the competing country. In this respect, there is no better strategy. But the adopted strategy depends, among other things, on internal and specific forces related to a company (Julian and O'Cass, 2004; Katsikeas et al., 2000; Theodosiou and Leonidou, 2003; Cavusgil and Zou, 1994). We will retain, in this research, the product adaptation strategy as the marketing strategy that can influence the export performance of the company (Bourcieu, 2005; Cavusgil and Zou, 1994). The adaptation of the product has been defined as "a firm's consistent and planned activities to meet local consumers' preferences and values" (Leonidou et al., 2002; Cavusgil and Zou, 1994). In fact, the variable that can reflect the commercial practices of an exporting firm—with regards to the product-related strategy adopted by the managers—can determine, among other things, the price-related strategies adopted by the company (Sousa and Bradley, 2009).

Internal and External Characteristics of the Firm

The company's internal and external characteristics have been identified as variables that can largely affect the adopted strategy at the international level (Julian and O'Cass, 2004; Leonidou et al., 2002; Calantone et al., 2006; Cavusgil, Zou, and Naidu, 1993) as well as the export performance (Maurel, 2009; Nazar and Saleem, 2009). Among the internal factors that are most used are: the size (Singh, 2009; Seev and Zvi, 1974; Wagner, 2001), the age of the company (Majocchi et al., 2005; Cooper and Kleinschmidt, 1985), the experience at the international level (Diamantopoulos and Winklhofer, 1999; Leonidou et al., 2002; Eramilli, 1991; Hart, Webb, and Jones, 1994), the previous export performance (Lages and Montgomery, 2004) and the managerial and organizational characteristics (Katsikeas et al., 2000; Leonidou et al., 2002). Within the practice of this research, we retain three variables: size, experience and type of the product, in order to display their impact on the export marketing strategy. The size of the company generally refers to the number of its employees (Diamantopoulos and Winklhofer, 1999; Majocchi et al., 2005; Eusebio, Andreu, and Belbeze, 2007; Hart et al., 1994) and/or the global sales (Dhanaraj and Beamish, 2003; Maurel, 2009; Seev and Zvi, 1974; Cooper and Kleinschmidt, 1985). However, in spite of the large amount of research dealing with the relation between the size of the company, its strategy and export performance, there exists a divergence in results.

In fact, the nature of this relation remains quite controversial (Maurel, 2009; Bellaaj and Akrout, 2005). Some scholars have demonstrated that the size has a positive influence on the export marketing strategy and eventually on the export performance (Majocchi et al., 2005; Maurel, 2009; Singh, 2009; Seev and Zvi, 1974). In fact, a large firm has more resources, is a large scale economy, acquires a larger experience at the international level and is more able to take the risk and make sales abroad (Maurel, 2009; Wagner, 2001). Consequently, the size of the company can affect the choice and the export marketing strategy. However, a few scholars have not demonstrated a significant relation between these variables (Cooper and Kleinschmidt, 1985). The explanation to this is that the size is not always the only advantage with regards to exportation. In the light of these findings, we will verify the following hypothesis:

H1: The strategy of adaptation of the product to export is positively affected by the size of the company.

The indicators of the export experience are various. Eramilli (1991) and Maurel (2009) cite the number of years in export and the geographical sphere of the firm. For other scholars, the number of served countries gives an idea about the company's experience (Kogut and Singh, 1988). In some cases, the experience reflects the degree of planification of the export activity (Eusebio et al., 2007), the age of the company (Majocchi et al., 2005) or the export performance. In the majority of the studies, the experience is one of numerous factors considered as relevant in the exporting activity (Majocchi et al., 2005; Eusebio et al., 2007). In fact, it is a key variable of success at each developmental stage at the international level (Cavusgil, 1984), and it influences the selection of the markets to be served (Eramilli, 1991). In other words, if the company acquires experience at the international level, its perception of the export barriers and risks is lessened (Kogut and Singh, 1988) as it will have a better knowledge of the foreign market. Some studies have nevertheless revealed that this variable has no effect on the exporting activity of a firm (Bellaaj and Akrout, 2005). In this regard, the experience and the high seniority of a company with foreign markets cause the appearance of fierce competition. We will then verify whether:

H2: The strategy of adaptation of the product is influenced by the company's export experience: the longer the experience, the less the product adaptation will be.

A number of scholars such as Cavusgil and Zou (1994), Julian and O'Cass (2002) and Majocchi et al. (2005) have found that the type of the exported product influences the commercial practices of a foreign company. Consequently, we will integrate two types of products in our analysis: industrial products and consumer ones. We will start from the finding that the degree of product adaptation depends on the type of the product offered by the company (Julian and O'Cass, 2002; Samiee and Roth, 1992; Cavusgil et al., 1993).

H3: The degree of industrial product adaptation is less than the degree of the consumer product adaptation.

In addition to internal forces, Cavusgil and Zou (1994) and Calantone and al. (2006) have evaluated the external variables that might affect the export marketing strategy, such as the characteristics of the industry and the foreign market. Various other studies have exploited the type of industry variable as an antecedent of the marketing strategy and the export performance. The difference between the business segments is manifested by a variation of the export barriers whether legal, financial or political (Maurel, 2009) of the competition intensity or of the technicality degree of the sector (Cavusgil and Zou, 1994). We therefore set the following hypothesis:

H4: The strategy of product adaptation to export varies according to the business segment of the exporting company.

Export performance

In spite of the fact that it appears as a central variable in the majority of the previous studies, interpretations of the export performance remain restrictive. The analysis of the literature indicates that there is little consensus over its conceptual and operational definition (Shoham, 1998; Robertson and Chetty, 2000; Sousa, 2004; Calantone et al., 2006) as there are sometimes contradictions in the results (Bouslama, 2008).

The majority of the studies agree on the fact that the performance is defined as "the degree of realization of the export venture's purpose" (Atabay, 2008). Whether it concerns sales, profitability or change, the export performance refers back to the following three dimensions: efficiency, cost-effectiveness and continuous commitment to export (Favre-Bonte and Giannelloni, 2008). These dimensions are operational in various ways. In fact, export performance measures have not been the object of a consensus in the literature, and consequently diverse scales have been developed.

We point out (Julian and O'Cass, 2002; Atabay, 2008; Bouslama, 2008):

- Objective measures are of a financial nature such as intensity, profit and the increase in exportation, and of a non financial nature such as the number of exploitation markets.
- Subjective measures represent the manager's satisfaction with the export performance, the perception of the export profitability and customer satisfaction.
- Hybrid measures are multidimensional, both objective and subjective.

Many marketing researchers have been inclined to explain the relation strategy-performance in exportation. From this perspective, it has been proved that the company's product adaptation influences the export performance positively (Calantone et al., 2006). Samiee and Roth (1992) and Solberg & Durrieu (2008) have demonstrated that the company's standardization and performance strategies are not correlated. On the other hand, the study made by Julian and O'Cass (2002) indicated that the export marketing strategy is not a powerful determining factor of the performance. In fact, the export marketing strategy has not been identified as a mediating variable of the relation between the company's characteristics and the environment and its performance. On a controversial base, we will verify the following hypothesis:

H5: The strategy of adaptation of the product influences the export performance positively.

CONCEPTUAL MODEL

The literature review suggests a series of hypotheses according to which of the product's adaptation strategy is influenced, from one part by the internal characteristics of the company, and from the other by environmental factors. The marketing strategy affects, in turn, the export performance. Our conceptual model is presented in Figure 1.

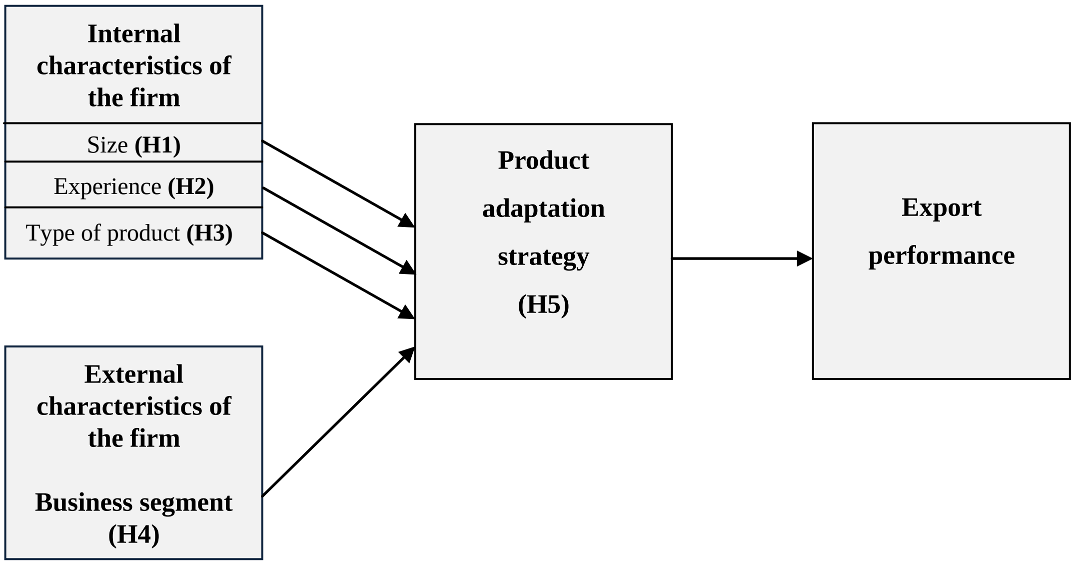

Figure 1 Conceptual model

RESEARCH METHODOLOGY

Choice of Country

Thanks to its strategic geographical position, situated at the heart of the Mediterranean and in the north of Africa, Tunisia has long enjoyed a certain commercial and industrial mobility, especially with its European partners (API, 2010). This emerging country encourages exportation of goods since it contributes more than 46.4% of the gross domestic product with an average rate of the annual export evolution of 13.1% in the period 2000/2008 (CEPEX, 2010). This country fits largely within the framework of this study. Actually, since the Tunisian market is highly competitive, the Tunisian companies have to conquer new foreign markets. This constraint, caused by the tightness of the local market is a synonym of dependence towards the foreign customers. The exporting companies have to be aware and attentive with regards to their strategic export-related choices.

Choice of Business Sector

The present work is based on a comparative study between three industrial business segments. In fact, the aim is to highlight the impact of the business segment on the marketing practices of the exporting companies. We have chosen three fields that are characterized by fierce competition accounting for over 60% of the total Tunisian exported goods, which are the mechanic and electronic industry (MEI), textile and clothing (TC) and agriculture and agro-business (AAB). The first segment participates in 26.4% of the Tunisian exported goods and is a highly promising segment with an increase of 18.3% between the years 2007/2008 (CEPEX, 2010) The second is one of the pioneers of the exporting activity in Tunisia with a share of 25.8% of exported goods in 2008, in spite of the fact that this segment has known a slight decrease of -0.2% during 2007/2008 (CEPEX, 2010). The third segment contributes in approximately 10% of the country's exported goods (CEPEX, 2010).

Data Collection Sample

We have obtained a comprehensive list from the CEPEX (2010) containing the number of the exporting enterprises operating in the three selected segments. We have chosen a sample of 120 enterprises according to the quotas method by considering the business segment as the principal variable of control (21% MEI and 55% TC and 24% AAB).

The selected data were collected in a questionnaire survey administered via the Internet and through direct interviews in the enterprises.

Variables and Measures

By referring to the STRATADAPT scale developed by Lages et al. (2008) and adapted by Morgan, Kaleka, and Katsikeas (2004), we will study 10 criteria of the product: positioning, design/style, quality, features/characteristics, brand/branding, packaging, labeling, services, warranty and items/models in the product line. In this study, we preferred the use of subjective measures for several reasons. First of all, a recent study of export indicators, conducted in Tunisia, has proved the importance of subjective measures (Bouslama, 2008). Second, the managers are generally reluctant to provide financial data (Robertson and Chetty, 2000; Bellaaj and Akrout, 2005; Leonidou et al., 2002). In addition, financial data are not publicly available, and therefore it is impossible to verify the exactitude of the financial performance figures presented by the company (Robertson and Chetty, 2000). Finally, the hybrid measures are complex (Bouslama, 2008). Besides, other scholars distinguished the static measures from the non-static ones. As the latter result from the dynamic approach, they aim to study the change/evolution of the performance over time in order to predict the future performance (Sousa, 2004; Favre-Bonte and Giannelloni, 2008). Among the non-static scales, we can indicate the Shoham scale (Shoham, 1998) that consists in measuring the intensity, the profitability and the change in the performance over a time scale of five years. The STEP Scale, developed by Lages & Lages (2004) is a non-static measure as well. Its strength lies in the fact that it allows the study of both the previous and the expected performances (Favre-Bonte and Giannelloni, 2008). The point is to apprehend the following three dimensions: satisfaction with short-term performance improvement, short-term exporting intensity improvement, and expected short-term performance improvement. We will retain the STEP scale for the remainder of the study as it allows us to measure change. The following table summarizes the measurement scales for the retained variables:

Table 1 Scales of Measurement

Variable	Scales of measurement
Firm size: Number of employees	Quantitative scale
Export experience: - Number of years in export - Number of targeted countries	Quantitative scale
Type of product	Nominal scale
Business segment	Nominal scale
Product adaptation	Likert scale (five-level)
Export performance	Likert scale (STEP SCALE)

FINDINGS

Description of the Nature and Scale of the Product Adaptation and Export Performance

We have kept and used a total of 120 questionnaires that were complete enough to be integrated in the data analysis. A first analysis has enabled us to describe the characteristics of the surveyed companies. The SMEs, i.e. companies employing from 10 to 200 employees (API, 2010) and represent approximately 72% of our sample. 49% of the interviewed companies have less than 10 years experience at the international level, and 68.6% of them export to less than five countries. Around 44% of the exported products are industrial while 56% are consumer goods (See table 2).

Table 2 Characteristics of the Companies

Characteristics	Percentages
Business segment	21% Mechanical and Electrical Industry (MEI)
	55% Textile and Clothing Industry (TC)
	24% Agriculture and Agro-business (AAB)
Size	72% SMEs
Type of product	44% industrial products
	56% consumer goods
Experience	49% have less than 10 years in export
	68.6% export to less than five countries

The export performance scale has been the object of a principal components analysis (PCA). This analysis has revealed the existence of two factors (see table 3). The first factor regroups the items relative to the managers' perception of previous export performance. This factor explains 50.6% of the total variance with a proper value equal to 5.062. The second factor contains the statements of the export activity and justifies about 27% of the total variance with a proper value equal to 2.718. The two factors justify 77.797% of the phenomenon (KMO=0.784, p=0.00). The Crombach alphas of the two factors are respectively 0.905 and 0.924, consequently enhancing the reliability of the dimensions of the scale.

Table 3 Results of Factor Analysis: Export Performance Items

Items	**Means**	**Component 1**	**Component 2**
Export sales volume	2.9615		
Export profitability	3.0288		
Market share in the main importing market	2.9903	0.851	
Overall export	2.9712	0.615	
Percentage of exporting venture to total sales volume	2.9615	0.761	
Percentage of exporting venture to total profitability	3.0962	0.808	
Export sales volume of the export venture	3.5333	0.858	0.668
Export profitability of the export venture	3.6286	0.825	0.708
Achievement of the objectives of the export venture	3.6000		0.741
Satisfaction with the exporting venture	3.6571		0.718
Variance		5.062	2.718
%Variance		77.797 %	
Crombach's Alphas		0.905	0.924
Kaiser-Meyer-Olkin (KMO)		0.784	

We then studied the responses to the 10 statements measuring the degree of the product adaptation to export. These responses have been estimated via the Likert scale to five points. In the first PAC, we eliminated a misrepresented item from the scale. This item indicates the features/characteristics of the product. The second PAC applied on the 9 remaining items proves the existence of only one principal component explaining around 73% of the total variance (see table 4).

Table 4 Results of factor analysis: product adaptation items

Items	Means	Component 1
Positioning	2.6095	0.899
Design/style	2.6857	0.853
Quality	2.6250	0.851
Brand/branding	2.4519	0.841
Packaging	2.6667	0.876
Labeling	2.6373	0.861
Services	2.5980	0.853
Warranty	2.4100	0.822
Items/models in product line	3.0097	0.829
Variance	6.568	
% Variance	72.981%	
Kaiser-Meyer-Olkin(KMO)	0.912	
Crombach's Alphas	0.953	

The KMO indicator, equal to 0.912, corroborates the relevance of our PAC. Finally, the reliability test with a Crombach's alpha of 0.953 testifies to the reliability of this measurement scale in the Tunisian context.

Results of Testing

The relation between the size of the company and the variable relative to the export strategy of adaptation of the product has been measured by Pearson's correlation coefficient (see table 5). The results did not indicate a significant correlation between the two variables (r=0.117 and p=0.25). This proves that the size is not a determining feature in the commercial practices of the exporting companies: ***(H1 is rejected)***.

Then we studied the relation between the strategy of adaptation to export and the company's experience. Only one dimension of the experience has an effect on the adopted strategy to export (see table 5). Pearson's correlation tests have shown that one significant correlation exists between the number of served countries and the product's adaptation to export (r= -0.720 and p=0.00). The higher the number of targeted countries, the less need there is to adapt the exported product. However, the number of years in export does not seem to affect the adopted strategy at the international level (r=0.043 and p=0.6). ***(H2 is partially accepted)***.

Table 5 Correlations results

		Product adaptation
Number of employees Correlation	Pearson Sig. N	.117 .250 120
Number of years in export Correlation	Pearson Sig. N	.043 .06 120
Number of targeted markets Correlation	Pearson Sig. N	-.720 .000 120

The relation between the degree of adaptation and the type of the exported product was the object of a test of averages comparison. The results (t = 10.623 and p=0.00) prove that there is a significant relation between the product type and the marketing strategy. The averages of each sub-sample enable us to state that the consumer goods are more susceptible to be adapted to foreign markets than industrial products. ***(H3 is accepted)***.

The results of the variance analysis (ANOVA) used for testing proves that there is a link between the business segment and the adopted export strategy. These findings (see table 6) have shown a significant relation between the two variables (F=3.167 and p=0.00). Consequently, we can state that the degree of adaptation of the product to export varies according to the company's business segment.

Table 6 Results of ANOVA

Source	Mean Square	Df	F	Sig.
Product adaptation business segment	3.029	2	3.167	0.00

The textile and clothing sector as well as the agro-business are more concerned by the strategy of adaptation than the mechanical and electronic industry (see table 7). ***(H4 is accepted)***.

Table 7 Descriptives

Product adaptation	N	Mean	St. dev.
Mechanical and Electrical Industry (MEI)	25	1.325	.862
Textile and Clothing Industry (TC)	66	3.065	1.988
Agriculture and Agro-business (AAB)	29	3.045	1.960

With regards to the relation between the marketing strategy and the export performance, we used two regression analyses as the performance comprises two dimensions: the managers' satisfaction with previous performance, and the managers' satisfaction with the expected performance. As shown by table 8, the strategy of adaptation of the product to export statistically has a significant positive influence on previous export performance (R= 0.36 and p=0.00). However, the product adaptation has no effect on the expected performance (p=0.6). **(H5 *is partially accepted)*.**

Table 8 Results of regression analysis

Independant Variable	Unstand. Bêta.	Stand. Bêta	T	Sig.	R^2	F	Sig. F
Equation 1 Dep. Var.: previous export performance: Product adaptation	0.217	0.214	2.104	0.00	0.36	4.426	0.00
Equation 2 Var. dep.: expected performance: Product adaptation	0.055	0.054	0.516	0.607	0.003	0.267	0.607

DISCUSSION AND MANAGERIAL IMPLICATIONS

In the present context in which the competitive pressure is highly increasing in a number of markets, exportation plays a major role in the development and survival of the companies. This movement has been, for a number of decades, the object of export marketing research highlighting the benefits associated with export marketing strategies.

This article suggested a simple framework presenting the benefits drawn from the implementation of an export strategy of adaptation of the product on the export performance of a company. The study was set in the particular context of Tunisia, an emerging country in a transition phase.

The study first showed that in an export context, the size of the company cannot influence the product adaptation strategy. This finding converges with those of Cooper and Kleinschmidt (1985) who concluded that the size does not affect the export activity. These same findings were also registered for the variable related to seniority in export. In fact, we did not find a link between this aspect of the experience and the product export strategy.

On the other hand, the results demonstrated that the number of served countries (second aspect of the experience) affects the export strategy. The higher the number of served countries, the less there is need for product adaptation. Hence, standardization is more recommended in the case where the company exports to several countries (Cavusgil et al., 1993). However, the absence of significance in the relation between the two variables size/number of years and the variable export strategy orients the managers' decisions, especially those of the SME. Therefore, the small size or even the lack of experience of the company (in terms of number of years in the exportation activity) are not a handicap to the success of an adequate marketing strategy that would support a regular exporting activity (Wagner, 2001), even if these variables can facilitate the company's activity without a direct influence.

In addition, our findings have underlined the major role that the type of the product plays in determining the adopted export strategy. This reflects the works of Cavusgil and Zou (1994) and of Julian and O'Cass (2004) who consider that the commercial practices of the company differ depending on the product's characteristics. In fact, the consumer goods adaptation to foreign markets seems to be appropriate. However, the industrial products seem to be more concerned with the standardization, and consequently enable the managers to benefit from the scale economies. This study has revealed as well that the business sector plays a determining role in the adopted export-oriented strategy. Here, the textile and clothing segments as well as the agro-business segment are more affected by the adaptation strategy than the mechanical and electronic segments are. These findings rhyme with the results relative to the type of the product. It is therefore recommended that managers to take into consideration the characteristics of the industry in which they operate. The study has additionally shown that the company ought to adapt the products destined for exportation. It has also shown that the company has to adapt its products destined to be exported if the business segment is characterized by a high competitive pressure. However, in the case of highly technological business segments, standardization is a better solution.

One of the most important findings of this research lies in the relation between the product adaptation strategy at the international level and the company's export performance. We found out that the managers differentiate between the short term perceived performance; i.e. the perception of a profitability improvement and of the export activity for over a year and for the expected performance for the year to come. The results of the regression analysis have proved that the product's export adaptation strategy does not only affect the perceived performance. Basically, the findings showing the absence of significance between the marketing strategy and the expected performance have to be studied with caution. In fact, the ability and the marketing decisions are not always the only guarantees of the performance. There are other variables that can play a crucial role as well. One can cite, for instance, the example of the characteristics and the fluctuations undergone by the global economy. During the survey, it was noticeable that the majority of the interviewed managers were not satisfied by their activity because they think they are suffering from the consequences of the global crisis related to that specific period. In fact, at the time of the study, the perception of the crisis' effects reduces the managers' ambition to improve the short term performance. Generally, if those interviewed have been satisfied with their activities and registered results, they have been less optimistic about their future results. This type of variable has to be taken into consideration for the future. Nevertheless, the managers would have to maintain and reinforce their practices and their export marketing strategies in order to lead a regular export activity.

LIMITATIONS AND ORIENTATION FOR FUTURE RESEARCH

In spite of the value of the obtained results and the suggested recommendations, one needs to take into account certain limitations in this work.

We first suggest that in future research, the relation between marketing strategy and performance has to cover the four aspects of the mix. In fact, in addition to the product adaption strategy, the price variables, the distribution and communication can provide a better understanding of the complexity of the relation. Equally, understanding the dynamics of the relation strategy/performance requires a complementary longitudinal study of the first five years in export.

Second, in order to measure the performance of the exporting companies, this work was based solely on the managers' perceptions (subjective measure). Furthermore, the future studies have to be reinforced by more objective data; it would be interesting to add relevant data and numbers.

Finally, and in spite of the relatively high number of variables included in the study, our research paves the way for investigation on the influence of the other variables that, in the future, will have to be explored such as governmental aid, foreign markets characteristics and the manager's profile.

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