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Investigating the Inner Firm Factors Effective on the Development of Stable Export; Based on a Study Done on the Export Firms of Tehran

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ABSTRACT: It's so difficult and full of complexities for the exporters to enter into foreign markets due to the currently unpleasant condition of world's economy. For sure many challenges are waiting for them if they decide to do so. Some of the challenges threatening today's international business market are as follows: the West's economical crisis, severe competition in the field of business, the existing risks in some developing markets, limitations of financial resources, providing the raw material, wide changes occurring in the interests of markets, management of costs and many others. Certainly a main indicator representing each country's economic growth, especially in today's world market, is stable export. One of the first steps towards this end, i.e. stable export, is to identify the factors effective on export. The main objective of the present study is to introduce a model to investigate and prioritize the factors effective on the development of stable export and to test this variable in the export firms of Tehran province. To this end, 300 export firms were selected from Tehran province as the statistical sample of the study and the data were gathered using questionnaire and interview and then were analyzed using SPSS software. The research findings show that the most important inner firm factors effective on the export performance of Iranian firms are: firm's financial capacities, managerial characteristics, and structural features. The findings also indicate that among these factors financial capacities and managerial features have the highest effectiveness on the development of export.

***Keywords*:** export performance, structural characteristics, financial capacities, export firms.

INTRODUCTION

There are many complexities and certain ambiguities threatening the exporters if they decide to enter into foreign markets due to the current unpleasant condition of the world economy. In fact, they have to encounter and cope with certain challenges some of which are the followings: the West's economical crisis, severe competition in the field of business, the risks existing in some developing markets, limitations of financial resources, providing the raw material, wide changes occurring in the interests of markets, management of costs, etc. As a matter of fact, these are only a small part of the challenges of today's international business world.

The structural change of the world economy since 1980 has had a deserved effect on the competition among corporations, having completely transformed their strategic activity. The origin of such changes, that have currently increased intensively, date back to the period after World War II, i.e. after Breton Woods' treaty (International Monetary System, 1944), the general agreement on tariffs and trade (GAT) and World Trade Organization.

In this regard, there are two phenomena which are of high importance. The first one is the quick movement toward universalization which in turn has led to the faster increase in exchanges among countries compared to their production rate. As a result of this phenomenon, local and national firms are losing their national and traditional market share for the benefit of their foreign rivals. Therefore, firms are increasingly forced to try to survive through enhancing their market share in the market of foreign countries. Competition among firms throughout the world will get more and more severe as the World Trade develops. In such a condition, firms are forced to enhance their activity throughout the world or at least in the area beyond their national borders.

On the other hand, to improve export performance is considered by the policy-makers in the field of economy as a main element effective on the national income of each country. In fact, through improvement of export, countries can achieve the following goals: stable growth of economy, reduction of unemployment, and social justice. Moreover, the phenomenon (i.e. improvement of export performance) can play a significant role in equalizing the balance of payments and increase of the countries' resources.

A great deal of research has in the past been done in different countries regarding the factors effective on the development of stable export. In general, two factors have been introduced to be important to this end including inner-firm and outer-firm factors. (Leonidou, 1998)

If we are seeking for a kind of export which is dynamic and stable, it is not enough to simply watch the current problems and difficulties, including export management, marketing, relieving restrictive regulations and making preparations for returning the currency resulted from export. What's more necessary is that, we should pay much attention to the factors which are of higher importance in this regard. One of such actions and steps which need to be necessarily taken into account is to help exporters to foresightedly see into the future, i.e. to make them highly foresighted. In fact, foresighted exporters will by no means lose the long-term benefits to achieve immediate ones, will resort to principle-based long-term investments and will surely value the inner-firm factors effective on the development of export.

So far, no research has been reported in the research literature inside the country, especially in the area of inner-firm factors effective on the development of stable export; thus the subject can be considered as "the missing ring" of the literature about export development.

Therefore, the present research is aimed to investigate inner-firm factors effective on the development of stable export and then to prioritize such factors. Apart from filling some part of the existing gap, the findings can pave the way for policy makers in the area of export inside the country. The results can also be beneficial for subsequent research to be done in this field.

LITERATURE REVIEW

One of the main factors and indices which are highly important for the economic growth of each country, especially in today's trembling world is 'stable export'. As a matter of fact, a first step that should be taken toward stable export is to recognize the factors effective on it. The results of the previous studies in this area are all indicative of the existence of two types of factors which are considered highly important and effective on the development of export.

In his classification, Leonidou (1998) has divided the factors effective on stable export into two types of factors:
The first type: environmental factors. Such factors are called environmental because they can hardly, or at most restrictively, be controlled by exporters. Among these factors are the ones related to macro economy; social, physical, cultural factors, and political aspects. A simple example for such factors is: the elements related to industry which influences firm's export behavior and performance.

The second type: the factors at the level of firm or corporation. They are also referred to as organizational factors and consist of structural and behavioral factors occurring inside the firm which have a potential influence on export performance.

In another classification, Zou and Stan (1998) have divided the factors effective on export performance into two types including internal and external factors, for which they have introduced two types of theories including 'resource-based theory' and 'industrial organization theory'. While the industrial organization attitude can be particularly helpful to explain the economic performance of exporters, the effect of internationalization process on internal factors (resource theory) can also be beneficial as the main incentives for such a process. In other words, having access to facilities, knowledge about market, physical distance, management's attitudes and perceptions, and many other capacities are all among the many internal factors effective on the development of export (Ling-yee and Ogunmokun, 2001).

In a pervasive model, Ortega and Vera (2005) have also examined the factors effective on the development of export. In his research they have divided these factors into the three following groups:

- Firm's capabilities and resources
- Managerial characteristics
- Attitudes and perceptions of management

Having studied the research done in the area of export and international trade, the factors effective on the success of exporting firms in world markets can be classified as follows:

Based on the findings of some studies, there are three general factors effective on the development of export performance including: structural factors, managerial factors and export obstacles and incentives (Aaby & Slater, 1989; Cavusgils and Zou, 1994; Morgan, 2004).

Structural factors consist of firm's size, age, managerial system, the state of its technology and structure, the position of research and progress in the firm, etc. (Leonidou, 2002)

Managerial factors usually refer to the entrepreneurial and managerial characteristics of the supreme management team and those who are responsible for making decisions about export. Such factors consist of the expected profitability of export performance, attitude towards risk and costs, education level and experience of management team, etc. (Shoham, 1998; Morgan, 2004).

The obstacles and incentives for export are competition pressure, internal negative trends, accessibility to information, etc. (Samiee and Walters, 1991; Shoham, 1996).

Firm size is taken into account as a factor which is effective on export performance. In fact, through affecting the competitive power of firm in industry, market and international environment, the size of firm can promote its export performance (Julian, 2003; Voerman, 2002). The findings of a group of studies indicate that there is a specific relationship between the size of firm and its profitability as an operational determinant (Wiklund and Shepherd, 2003; Voerman, 2000; Samiee and Walters, 1990). The results of some other studies also show that there is relationship between firm size and export performance (Christensen, 1987; Samiee and Walters, 1990).

Cavusgil and Naor (1987), in theor resercah showed that firm size has positive effect on export performance. Hart and Tzokas (1999), however, in their study reported that success in export performance is not specifically influenced by firm size. Some studies have also reported that firm size has so little impact on export performance (Katsikeas, 1996; Calof, 1994).

Capital power is among the most important financial determinants effective on the development of export performance whose positive impact has been shown in most studies in this area (Aulakh and Kotabe, 2000; Lages and Lages, 2006).

Making use of an interactive model, Lages and Griffith (2008) showed that capital power is a factor that can determine profitability of firm. This indicator has also been shown to specifically influence the obstacles of firm's entrance into foreign markets.

In their model, hirkell and Dau (1998) introduced market share as a key factor effective on the development of export performance and export profitability.

Some researchers also believe that competition in domestic market can be a good instrument for the assessment of firm's export performance. Bonaccorsi (1992) and Cadogan, (2001), For example, indicted that the high share of market in foreign markets results from a competitive advantage that introduces a firm as leader and another one or other ones as subordinate. In fact, this indicator can be considered as a tool providing the firm with incentives for entrance into new markets or even exit from another one or form the whole region.

In general, based on the results from numerous studies done in the area of the factors effective on export performance and as far as effectiveness on export performance is concerned, the most important variables in inner-firm spectrum can be classified into three general categories:

***Marketing variables**:*

market research, market information, marketing advertisement, marketing strategies, and attendance in international exhibits are among the most important variables effective on export performance.(Voerman, 2002; Voerman, 2000; Cavusgils and Zou, 1994; Lages, 2012; Boubakri, 2013; Lages, 2008).

***Financial variables**:*

capital power, benefiting from circulating capital and management of financial resources are introduced as the most important financial variables effective on the development of export performance (Chetty and Hamilton, 1993; Francis and Dodd, 2000; David and McAuley, 2000; Lages, 2012).

***Managerial variables**:*

the attitude of supreme mangers towards risk, organizational learning, organization profitability, supreme managers' education level and their field of study, export commitment of supreme managers' team, technology and IT, the experience and knowledge of supreme managers' team in foreign markets and international trading, creativity and the status of export in the culture dominant over organization are introduced as the most significant variables effective on the development of export performance (Leonidou, 2002; Voerman, 2000; Ural and Acaravci, 2006; Lages, 2013).

In a study investigating the relationship between innovation and firm export behavior, Lages and Montgomery (2004) showed that innovation, which was formerly assessed by the research and progress costs, is a key element effective on the growth of export performance.

O'Cass, A. and Julian, C. (2003) showed that the ratio of research and progress costs to sale has a direct impact on firm's export performance. In their model, export performance had been examined by the ratio of export to total sale.

Lages and Lages (2008) in their model showed that the cost of research and progress is an important factor effective on the export performance of small and medium-sized firms. The variable, however, does not lead so much to competitive advantage in high-tech enterprises. In fact, the effect of the variable "research and progress costs" on export performance is shown in other research models, too. Based on the findings of such models, the cost of research and progress is an important factor increasing the probability of firm's entrance into foreign markets and eventually the increase of export share from the total sale (Francis and Dodd, 2000; Cavusgils and Zou, 1994; Sharma, 2004). Researchers studying the factors effective on export performance have noticed many factors in this regard. Some of these factors are illustrated in figure 1.

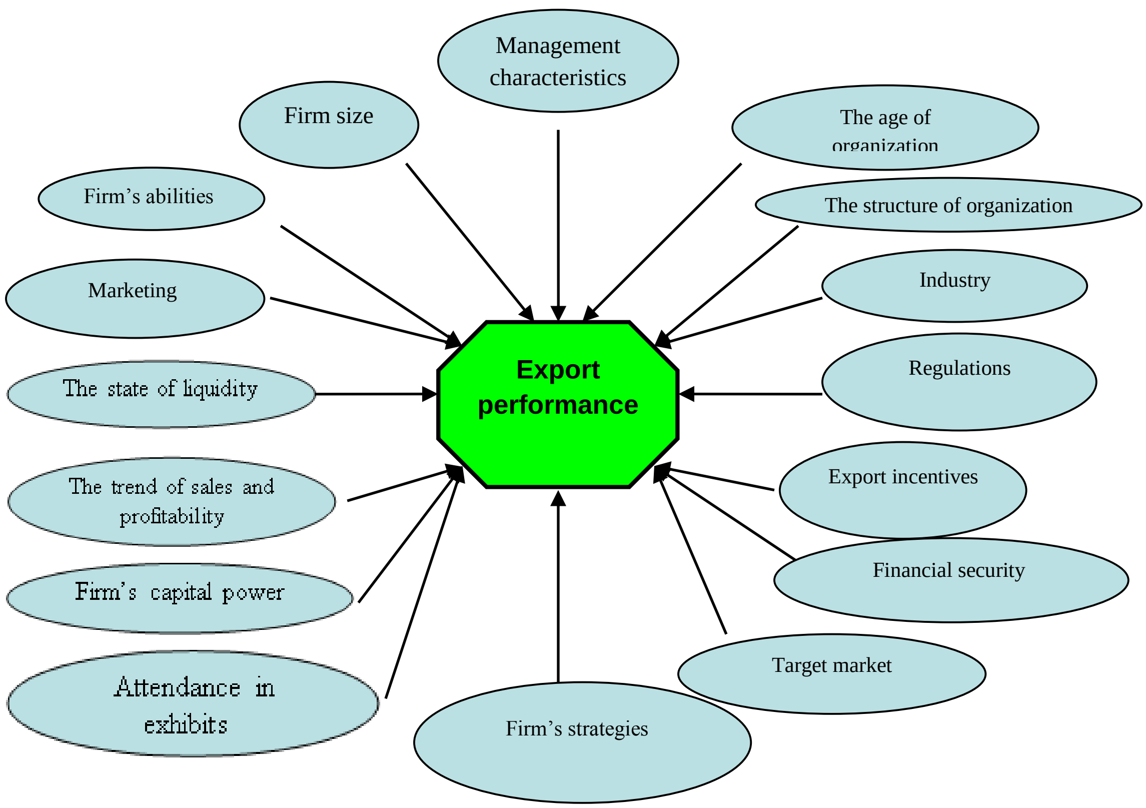

Figure 1. the factors effective on the development of export performance (source: authors, based on the results of the studies done in this area)

MATERIALS AND METHODS

As far as the aim of the study is concerned, the present research is an applied one; regarding the method of data collection, it is a qualitative study; moreover, with respect to type, it is survey research. The statistical population used for the research consisted of all the producer and exporter firms which are actively working in the province of Tehran. The statistical analysis was done on exporter firms and the statistical sample was selected from the statistical population. The aim of the study was to investigate the inner-firm characteristics effective on the development of export performance.

Sample size was determined through KUKRAN formula and by the use of the following equation $n = \frac{Nz^2.p.q}{Ne^2 + z^2.p.q}$. In fact, using this formula, 300 firms were chosen and then analyzed as the sample of the study. The research data was gathered through questionnaire and interview and then were analyzed using SPSS software.

Some of the most important variables which were analyzed in the present study are illustrated in the following table:

Table 1. qualitative statistics of the variables

Variable	Criteria	No.	Frequency (percent)
Firm size	Small	128	42.6
	Medium	87	29
	Large	85	28.4
Years of attendance in the workplace	1 to 3 years	101	33.7
	4 to 6 years	100	33.3
	7 to 10 years	79	26.4
	More than 10 years	20	6
Industry	Foodstuffs and beverages	76	25.3
	Carpet and handicrafts	74	24.7
	Live animals and their products	49	16.7
	Minerals	49	16.3
	Automobile	40	13
	Other	12	4
Type of activity	Producing	189	63
	Trading	99	33
	Engineering and technical services	12	4

RESEARCH HYPOTHESES

1. There is relationship between the characteristics of mangers in firm and export performance.

This hypothesis is divided into the following subsidiary hypotheses:

1.1. There is relationship between the education level of managers and export performance.
1.2. There is relationship between the attitude of management towards risk and export performance.
1.3. There is relationship between the attitude of management towards export and export performance.
1.4. There is relationship between the attitude of management towards marketing strategies and export performance.

2. There is relationship between firm's financial variables and export performance.

This hypothesis is also classified into the following subsidiary hypotheses:

2.1. There is relationship between firm's capital and export performance.
2.2. There is relationship between the trend of sales in firm and export performance.
2.3. There is relationship between the state of liquidity in firm and export performance.
2.4. There is relationship between the trend of firm's profitability and export performance.
2.5. There is relationship between the costs of research and progress and export performance.
2.6. There is relationship between firm's assets and export performance.
2.7. There is relationship between firm's market share and export performance.

3. There is relationship between the structural characteristics of firm and export performance.

This hypothesis is also divided into the following subsidiary hypotheses:

3.1. There is relationship between firm size and export performance.
3.2. There is relationship between firm's age and export performance.
3.3. There is relationship between firm's technology and export performance.

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RESULTS AND DISCUSSION

For the first hypothesis, considering the variables' scales, ANOVA was used. In order to use ANOVA, the assumption of normality of interval variables was tested and approved. Moreover, the assumption "homogeneity of variances in the sample groups" was tested. The results acquired from homogeneity of variances' test are illustrated in table 2.

Table 2. the results of homogeneity of variances test on export performance based on the characteristics of firm's managers

Variable	Lev	df_1	df_2	Sig
Export performance	1.036	2	295	0.675

With respect to the significance level of 5%, the conclusion is that the variances of different groups are homogeneous. Therefore, the assumption for using ANOVA is met. Table 3 illustrates the ANOVA test (F ratio) used for the export performance on the basis of the characteristics of firm's managers.

Table 3. the results of ANOVA on export performance based on the characteristics of firm's managers

Variable		SS	Df	MS	F	Sig
Export performance	Between groups	3.750	2	1.875	3.381	0.035
	Within groups	163.565	295	0.554		
	Total	167.315	297			

The results of the table indicate that the mean of the variable 'export performance' is significant based on the characteristics of firm's managers at the significance level of 5%. In other words, there is relationship between characteristics of firm's managers and firm's export performance.

To test its subsidiary hypotheses, due to the type and scales of the variables, Pearson product-moment correlation coefficient was used. The results of the test are illustrated in the table that follows:

Table 4. The summery of the results from Pearson correlation test

Hypothesis number	Hypothesis	Significance level	correlation	Result
1-1	There is relationship between managements' education level and export performance.	0.018	0.148	H_0 was rejected
1-2	There is relationship between management's attitude towards risk and export performance.	0.003	0.557	H_0 was rejected
1-3	There is relationship between the attitude of management towards export and export performance.	0.00	0.287	H_0 was rejected
1-4	There is relationship between the attitude of management towards marketing strategies and export performance.	0.01	0.279	H_0 was rejected

As shown in the table, all the hypotheses are accepted. In other words, there is positive relationship between management's characteristics and export performance.

With respect to the second hypothesis, considering to the variables' scales, ANOVA was used to test this hypothesis. To use this statistics, the interval scales need to be distributed normally. Thus, the normality assumption was tested and approved. The assumption homogeneity of variances in the sample groups was also tested. The results acquired from this test (i.e. homogeneity of variances) are illustrated in table 5.

Table 5. the results of homogeneity of variances test on export performance based on financial variables

Variable	Lev	df_1	df_2	Sig
Export performance	1.211	2	296	0.534

Based on the significance level of 0.534, the conclusion is that the variances of different groups are homogenous. Thus, the assumption of using ANOVA is met.

Table 6 shows the analysis of variance of export performance base on firm's financial variables.

Table 6. the results of ANOVA on export performance based on firm's financial variables

Variable		SS	Df	MS	F	Sig
Export performance	Between groups	2.730	2	1.365	2.667	0.021
	Within groups	151.552	296	0.512		
	Total	154.282	298			

The results of the table indicate that the mean of the variable export performance is significant based on firm's financial variables at the significance level of 5% (a=%5).

To test the subsidiary hypotheses, with regard to the type and scales of the variables, Pearson product-moment correlation coefficient was used. The results are illustrated in the following table:

Table 7. the summery of the results from Pearson correlation test

Hypothesis number	Hypothesis	Significance level	correlation	Result
2-1	There is relationship between firm's capital and export performance.	0.026	0.179	H_0 was rejected
2-2	There is relationship between firm' sales trend and export performance.	0.00	0.479	H_0 was rejected
2-3	There is relationship between the state of liquidity in firm and export performance.	0.01	0.348	H_0 was rejected
2-4	There is relationship between the trend of firm's profitability and export performance.	0.04	0.414	H_0 was rejected
2-5	There is relationship between costs of research and progress and export performance.	0.00	0.523	H_0 was rejected
2-6	There is relationship between firm's assets and export performance.	0.022	0.477	H_0 was rejected
2-7	There is relationship between firm's market share and export performance.	0.00	0.237	H_0 was rejected

As shown in the above table, all the hypotheses are approved. In other words, there is a positive relationship between firm's financial determinants and export performance.

Regarding the variables' scales in the third hypothesis, ANOVA was used to test the hypothesis. One of the assumptions for using this statistics is that the scores need to be normally distributed. To do so, normality of the study's interval scales was tested and approved. Moreover, homogeneity of the variances in the sample groups was tested. The results are illustrated in table 8.

Table 8. the results of homogeneity of variances test on export performance based on the structural characteristics of firm

Variable	Lev	df_1	df_2	Sig
Export performance	1.324	2	296	0.632

Taking the significance level of 0.632, the conclusion is that the variances of different groups are homogeneous. Thus, the assumption for using ANOVA is met.

Table 9 shows the ANOVA test on the export performance based on the structural characteristics of firm.

Table 9. the results of ANOVA test on export performance based on the structural characteristics of firm

Variable		SS	df	MS	F	Sig
Export performance	Between groups	3.910	2	1.955	3.195	0.024
	Within groups	180.540	295	0.612		
	Total	184.450	297			

The results of the table indicate that the mean of the variable export performance is significant based on the structural characteristics of firm at the significance level of 5%. In other words, there is relationship between structural characteristics of firm and firm's export performance.

To test the subsidiary hypotheses, with respect to the type and scales of variables, Pearson product-moment correlation coefficient was used. The results are illustrated in the following table:

Table 10. the summery of the results from Pearson correlation test

Hypothesis number	Hypothesis	Significance level	correlation	Result
3-1	There is relationship between firm size and export performance.	0.018	0.239	H_0 was rejected
3-2	There is relationship between the age of firm and export performance.	0.002	0.599	H_0 was rejected
3-3	There is relationship between firm's technology and export performance.	0.00	0.348	H_0 was rejected

As shown by the table, there is a positive relationship between firm's structural characteristics and export performance.

Prioritizing the factors effective on the development of export

Using regression model, the variable export performance is offered in this part as subordinate to the variables examined. To use this model, first self-correlation of errors was performed in the research model. The results of this test are illustrated in table 11.

Table 11. self-correlation of errors in the regression model

Model	R	R^2	Modified R^2	Estimation error	Watson's camera coefficient
Export performance	0.35	0.123	0.111	0.60260	1.876

Taking Watson's camera coefficient (1.876) into account, it can be stated that self-correlation of errors is near to zero. In fact, the nearer is the coefficient to 2, the more certainly we can say that there is no self-correlation of errors.

Moreover, to test the validity of the model, analysis of variance was used. The results of the test are provided in table 12.

Table 12. ANOVA on the regression model

Model	SS	df	MS	F	Sig.
Regression	7.424	2	3.712	10.222	0.00
Difference	107.448	296	0.363		
Total	114.872	298			

As shown in the table, the assumption that coefficients of the independent variables should be simultaneously zero in the regression model is rejected. Thus, this model is valid.
In table 13 the model coefficients and also its detailed correlations are depicted.

Table 13. coefficients of the model and its correlation coefficients

Variables	Non-standardized coefficients		Standard coefficient (B)	t	Sig.	Correlation coefficient	
	SD	B				Main	partial
Fixed amount	1.394	0.348		4	0.00		
Financial capacities	0.318	0.094	0.262	3.386	0.001	0.262	0.270
Managers' characteristics	0.182	0.061	0.232	2.996	0.003	0.232	0.241
Structural characteristics	0.121	0.032	0.124	2.211	0.00	0.341	0.243

Thus, the regression model of market research can in general be stated as follows:

$Y=1/394+0/318\ X_1+0/182\ X_2+0/121\ X_3$

In the above equation:

Y: export performance

X_1: financial capacities

X_2: managers' characteristics

X_3: structural characteristics

CONCLUSION

The present study dealt with investigating the inner firm factors effective on the development of stable export. First, the general factors effective on this issue were specified through a library study in accordance with the previous studies done in this area and then the inner firm factors found were tested in the export firms of Tehran and eventually the above mentioned factors were prioritized.

The findings of the first hypothesis indicate that there is relationship between firm's management characteristics and export performance. Management features in this study included: education level, attitude towards risk, attitude towards export, attitude towards marketing strategies. In other words, managers with higher educational levels can better recognize and analyze foreign target markets. As a matter of fact, through scientific analysis of export performance, they can take effective steps to this end, promoting the firm's export performance. The results of the study also are indicative of the effectiveness of mangers' field of study on firm's export performance. In fact, based on the findings, the mean of firms' export performance have been shown to be different among the managers' various fields of study.

Moreover, the findings of the study showed that there is a direct relationship between management's risk-taking behavior (i.e. the amount to which they accept risk) and firms' export performance. In other words, the amount to which managers accept risk and adopt entrepreneurship behavior, is a factor effective on firms' export performance.

In fact, the more managers adopt a risk-taking personality and the more creative persons they are, the more they'll decide to seek for generating an environment which leads to the offering of new ideas and attendance in new markets. The most significant of all, the creative personality of manager will in itself be an effective factor that provides the staff with incentives to participate more in the decision makings of the firm, hence leading them to become more satisfied with their jobs. This, in the end, will improve the performance of firm.

With respect to the relationship between the attitude of management towards export and firm's export performance, it is necessary to maintain that managers' knowledge about export is directly related to export performance. As a matter of fact, the more the mangers are aware of export performance (i.e. the more they are familiar with the principles and concepts of export), the more export performance of the firm will improve. Moreover, based on the results acquired from testing this hypothesis, managers with higher experience of export will be more successful at this aim. In other words, the firms whose mangers have spent many years of their managerial work exporting products to other countries have better export performance. Moreover, the more the manager has commitment to export or the more he devotes his time to the preparations related to export and solving the problems pertaining to the export of products, the more the performance of firm will improve. Furthermore, the more the manager is familiar with the principles and concepts of international trade and competition in world markets, the more the export performance of firm will improve.

Regarding the relationship between the attitudes of management towards marketing strategy and export performance, it should be maintained that based on the results of the study, the more the manager is seeking to make scientific and to update the fixed elements of marketing at the level of firm and also the more he pursues a customer-oriented attitude, the better the export performance will become. Moreover, the more the manager is seeking to have a sound and correct use of market research (to solve the problems related to export), the better the export performance of firm will become. As a matter of fact, market research is a prerequisite for stable export and powerful attendance in foreign markets. The obvious reason for this is the positive effect of market research on firm's export performance. The findings of the first hypothesis are consistent with many studies done in this area (Leonidou, 1998; Cavusgils and Zou, 1994; Voerman, 2002).

Regarding the second hypothesis, the results of the study indicate that there is relationship between firm's financial variables and export performance. In fact, the financial variables analyzed in this study are: capital, sales trend, liquidity status, the trend of profitability, the costs of research and progress, firm's assets, and firm's market share. In general, financial determinants of firm, in case of being high, can in two ways be effective on the development of export performance. On the one hand, the high financial power of firm can cause the firm to be able to more powerfully follow its marketing activities and market research in foreign markets, and hence to benefit from a competitive advantage. On the other hand, through economizing on the financial costs (such as the costs of facilities), the firm can get access to a competitive advantage with respect to costs (Morgan and Katsikeas, 2004; Shoham, 1998).

Capital, the amount of assets and liquidity of firm are considered as the three powerful factors causing the firm to have a successful attendance in new markets. Moreover, the trend of sales and profitability are good indicators helping the firm to decide whether to seek for new markets, to increase its existing market share or to introduce new products in the market. What is more, the cost of research and progress is a good indicator helping the firm to scientifically look into the markets to have a purposeful attendance in such markets. The effects of such purposeful attendance on the performance of firm, will be revealed in the long run. The changes occurring in market share of each firm are indicative of the success of its marketing programs (Voerman, 2000; Sharma, 2004).

Concerning the third hypothesis, the findings of the study indicate that there is relationship between firm's structural characteristics and its export performance. The structural characteristics of firm have been introduced and investigated in this study as three variables including the size of firm, its age, and its technology. The results of the research show that there is a positive relationship between firm's size and its export performance. This finding is compatible with those of Samiee and Walters (1991), Hart, (1999), Blish and Daubinski (1995), Voerman, (2000), Voerman (2002), and Sharma (2004) and inconsistent with the findings of Sachoun and Diamantopoulos (1998) and Hart and Diamantopoulos (1993).

In other words, there are great differences between small, medium and big firms with respect to how to use marketing, market research, investigating the markets, advertisement, establishing new branches and representatives or the activities like these. In fact, having more resources at hand to maneuver in market, bigger firms perform more actively than their smaller counterparts. As shown in the model of Voerman ., using market research, especially its official aspect, is so costly that smaller firms cannot afford. Consequently, the export activity of such firms is usually reported so low.

Due to having fewer resources at hand, smaller enterprises are usually seeking for the information that can be achieved by fewer costs and expenses. One of the most important ways through which they can get access to information about foreign markets is to use the information from leading organizations such as Chamber of Commerce. Thus, it is obvious that firm size has an undoubtedly high effect on the firm's export performance.

The results of previous studies on the age of firm also indicate that firms having higher experience in a specific industry have, in many cases, better export performance compared to younger ones (Sharma, 2004). In fact, in case of using purposeful and modern marketing strategies, high-experienced firms can utilize their previous experiences as a competitive advantage to help them confront their less-experienced and younger rivals, hence promoting their export performance. This finding is approved by a great deal of studies (Sharma, 2004; Voerman, 2000).

The results of the studies done on the relationship between the technology used by firm and its export performance indicate that the more a given export firm benefits from modern technologies to produce high-quality products or to offer better services to customers, the more maneuvering power the firm will have to work in foreign markets, thereby to promote their export performance (Boubakri, 2013; Lages, 2012).

In general, the research findings are indicative of the fact that the export process in Iran is currently following a traditional mechanism. There are many reasons enumerated for this use of traditional mechanisms by Iranian firms, especially by the research sample firms, some of the most significant of which are as follows: embargos forced by the West, instability of regulations in the trading atmosphere of Iran, and lack of sufficient supports from private and financial institutes in the area of export. In addition to the above-mentioned issues, some of the problems for the fluctuations occurring in the area of export performance are caused by inner-firm factors, however. Based on the findings of the research, the most important reasons for these fluctuations are as follows:

- Shortage of skillful manpower among the supreme managers in firms
- Lack of strategic planning in the area of export and concentrating only on short-term programs using traditional mechanisms
- Lack of scientific and coherent marketing information systems, marketing programs, market research and market knowledge among firms (even in big firms).
- Shortage of purposeful programs and lack of scientific studies for attendance in international exhibits
- Short-term attitude to higher sales and hence higher interest (at times with each price) and paying no attention to stable attendance in foreign markets

Having no scientific, pervasive and purposeful method has led Iranian export firms to get stuck in a type of strategic inertia for the advancement of their aims, causing them to follow the same strategy as they pursued during the first years of their establishment. This in turn has caused firm's export performance to be accompanied by great changes. For instance, decrease in the amount of export performance (even up to 80%, compared to the previous year) and complete exit of a market due to the actions of rivals are some obvious examples of this challenge.

Consequently, Iranian firms have decided to follow the same strategy in international markets as has been successful for them during the previous years. However, the decision not only has been ineffective for them, but also has led to an opposite outcome. On the other hand, the results of interview of researchers with managers of firms in the industry have shown that for most managers (especially in small firms), experience in international markets is more important and more valuable than having knowledge about market. In fact, there is a type of atmosphere among managers in Iran by which educated managers and those who are out of organization are not trusted so much. This has provided an obstacle for the occurrence of sound relationship between university and the industry. This is while combination of experience and modern knowledge of management about international markets can solve many of the current problems in the area of export. In general, management can be both a positive and negative factor. On the one hand, management can be a competitive advantage and a positive factor for the success of firm; and, on the other, with respect to export firms which are actively working in the food industry, management himself can be a preventive indicator and can turn into a main factor which leads to strategic inertia.

It seems we are in need of a scientific field study about the reasons why Iranian exporters decide to go out of some markets (such as the markets of Soviet Union) and also reduction of export in some present markets (such as Iraq and Afghanistan). The hope is that such studies can be effective in future decision makings about the country's export performance in general.

If the intention of exporters and policy makers working in the area of export is to get access to stable export and if they are trying to promote export performance in the country, they should have a knowledge-oriented outlook towards export rather than a factor needing only experience. Moreover, they should have a pervasive and strategic attitude towards such a dynamic process. The other things they need to do are: 1) to use expert staffs in each position of the enterprise, 2) to deeply and continually look into markets, customers, rivals and exhibits so that they can, considering the great changes occurring in international markets, change the firm's strategies consistent with market and its requirements. One of the most important methods through which firm's decision makers can achieve a dynamic and stable export is to acquire strategic knowledge. This way, they can in the first instance choose a sound and proper strategy for the firm and then, considering the pertinent strategy, the age of firm, characteristics of foreign markets, etc., they can accurately use scientific methods for the practice of export performance.

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