



**ADDIS ABABA UNIVERSITY  
SCHOOL OF COMMERCE  
DEPARTMENT OF MARKETING MANAGEMENT**

**FACTORS AFFECTING EXPORT MARKETING  
PERFORMANCE OF ETHIOPIAN COFFEE**

BY

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ADVISOR:

GETIE ANDUALEM (PHD)

**Thesis submitted to the school of graduate studies of Addis Ababa  
University in partial fulfillment of the requirements of the degree of master  
of Arts in Marketing Management**

**July, 2020  
Addis Ababa, Ethiopia**

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### **Statement of Declaration**

I, Dawit Alemu the undersigned, declare that this research project entitled “**Factors affecting export marketing performance of Ethiopian Coffee**” submitted in partial fulfillment for the award of Degree of Masters of art in Marketing Management, is my own original work and has not been submitted either in part or in full to any other higher learning institution for the purpose of earning any degree.

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**Addis Ababa University July, 2020**

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## **LIST OF ACRONYMS**

ANOVA	Analysis of Variance
CSAE	Central Statistical Agency of Ethiopia
ECEA	Ethiopian Coffee Exporters Association
ECX	Ethiopian Commodity Exchange
EMS	Export Market Strategy
EP	Export Marketing Performance
EPC	Export Product Characteristics
ERCA	Ethiopian Revenue and Customs Authority
FC	Firm/Managerial characteristics
ICO	International Coffee Organization
ISRF	Institutional support Related Factors
MOA	Ministry of Agriculture
MOT	Ministry of Trade
MSC	Marketing specific characteristics
SPSS	Statistical Package for Social Science

## **Abstract**

*Ethiopian coffee export sector has been the major important source of foreign currency to the country. However the sector doesn't contribute as intended. This study aims to see factors affecting export market performance of Ethiopian coffee. The factors studied using quantitative approach and the studied variables includes; Export Product characteristics, Export market specific characteristics, Firm/Managerial characteristics, presence and use of Export marketing Strategy, and Institutions Support Related Factors. Hence, it is revealed by this study is that except Export marketing Strategy, the other variables (Export Product characteristics, Export market specific characteristics, Firm/Managerial characteristics, and Institutions Support Related Factors) do have a significant positive effect on the Export Marketing Performance. The country should consider taking feedbacks from exporters before setting policy and give more priority in the economy and support the agricultural sector to get quality coffee. Banks and ECX should have to increase supports. Ethiopian coffee exporters Association have to give more updates and have to be a bridge to Exporters and Government. Exporters should have to track their foreign competitors and understand the international market activity, so they will be proactive rather than reactive in the market.*

***Key words; Factors Affecting, Export market performance, Ethiopia, Coffee,***

## CHAPTER-ONE

### 1. Introduction

#### 1.1. Background of the study

Coffee is exceptional for being produced in nearly all non-arid countries in the tropics. In many of these countries which are producing coffee; foreign exchange earnings from coffee exports are of vital significance to the balance of payments as well as the economy of the countries. Coffee is an important cause of development, generating cash returns in subsistence economies. Moreover, the production and harvesting of coffee is labor-intensive; thus providing a legitimate source of rural employment for both men and women. In terms of international trade, coffee is the most valuable tropical agricultural product. It's the "second most traded commodity after petroleum" and "determines the livelihoods of 25 million poor families" (Utting-Chamorro, 2005).

According to the 2019 report of the ICO(International Coffee Organization), World coffee production during 2018 and 2019 was estimated to be 3.7%, which is higher than the previous year at 168.87 million of bags, as output Arabica increased by 1.8% to 102.68 million bags and Robusta grew 6.7 to 66.04 million bags. While the 2019 USDA report showed that; coffee is the most important export commodity for Ethiopia, accounting 34% of the value of all exports during 2017 and 2018.

During 2018 and 2019, Ethiopia's coffee export was estimated to reach 3.98 million bags of coffee(238.8 metric tons); Making the country, once again, one of the leading African coffee exporters and the tenth largest coffee exporter in the world. Based on the coffee export data during 2017 and 2018, the principal export markets for Ethiopian coffee were Germany (22%), Saudi Arabia (16%), United States of America (11%), Belgium (7%), Sudan (6%), and Italy (5%). (USDA report, 2019)

According to David B. and Christian C (2013), Ethiopia's foreign exchange earnings heavily rely on agriculture. Coffee is the main agricultural export crop, providing approximately 35% of the Ethiopia's foreign exchange earnings. Coffee is the backbone of Ethiopian economy; it is the most traded commodity in Ethiopia .and the second most traded commodity in the world next to petroleum. Exporting coffee to the world from Ethiopia has a lot of advantage yet Ethiopia hasn't performed as intended. Ethiopia is regarded as not only as the origin of

Arabica coffee, an important producer and exporter, but also the highest consumer of the crop in Africa. In other words, Ethiopia is a noticeable global coffee producer as well as consumer (Central Statistical Agency of Ethiopia, 2015).

According to World Bank report (2018), Ethiopia is the second most populous country in Africa after Nigeria. It has a large domestic market of over 100 million people. Ethiopia has had one of the fastest growing economies in the range of 7-12 percent (depending on the data source). In 2018, the real gross domestic product (GDP) of the Ethiopia expanded by 7.7 percent is likely to grow by 8.5 percent in 2019.

Coffee production and marketing in Ethiopia had a limited role in both domestic and export marketing because it was under the control of government and private traders. Following the dismissal of the Derge regime in 1991, the current government agreed and encourages private sector's participation by taking actions including liberalization of coffee sector, lifting price ceiling of any kind, improving of export licensing procedures, removal of price control, currency devaluation, the establishment of Ethiopian Commodity Exchange (ECX) and so on (Gabre-Medhin and Goggin, 2005).

From the above paragraphs we can easily understand that exporting coffee is of great value in so many ways, especially in countries like Ethiopia whose economy mainly relies on exporting agriculture commodities (i.e. Coffee). Exploring the factors that affect the agricultural export performance and making necessary adjustments to succeed in this sector should be done. The objective of this study is to investigate the factors affecting the coffee export performance of Ethiopia.

## **1.2. Statement of the Problem**

Coffee has been growing for thousands of years, in the forests of southeastern parts of Ethiopia. The fact that it's perfectly adapted to the climate has rendered an immense advantage for Ethiopia over all the other coffee-producing countries; Although Ethiopia grows and exports only Arabica coffee, not Robusta (Willem J. Boot, 2011).

Ethiopia is suitable for growing coffee with a combination of great altitudes, rainfall and soil type. In addition, the government of Ethiopia has put in place different incentives to promote general export sectors, for instance there is no duty and other indirect forms of taxes to be paid by the exporter when they trade which encourages the exporters to engage in this business. And yet the coffee export sector hasn't performed to its full potential. The

marketing problem involved can be classified into two broad categories as internal and external factors.

According to the ERCA report in 2010, in the last decades the countries share decreased smooth and continuously from 70% of its share during 1997 and 1998 to 26.4 percent during 2009 and 2010. Moreover, export tax from coffee was at meaningful proportion of government revenues.

Studies done on the export performance of the agricultural sector in Ethiopia are limited in number and the majority of the of them utilize secondary data to analyze the relationship, which put the reliability in question while some are qualitative studies, thus unable to ensure statistical representativeness. Most of the studies were descriptive researches, only providing the raw data comparatively to explanatory research. Despite previous endeavors towards elevating the coffee export performance, it still hasn't reached the desired destination due to several constraints.

Identifying the determinants factors of the coffee export marketing performance is the major goal of this study. The explanatory variables were collected from the literatures reviewed for this study along with the observations made by the researchers and looked at from a different angle than those explored by the other studies reviewed.

The aim of this study is to examine the factors that affect the coffee export marketing performance and provide a strategy for the government and to all stakeholders. Hence, this study examines the factors affecting the export performance of Ethiopian coffee.

Understanding the factors will enable the stakeholders stay in this business.

### **1.3. Research Questions**

#### **1.3.1 Basic research question:**

What are the major factors affecting the export marketing performance of Ethiopian Coffee?

#### **1.3.2 Specific Research Question:**

The main aim of this study is to identify factors that affect the export marketing performance of Ethiopian coffee by using empirical findings.

The study attempted to address the following couple of questions.

- Do the **export products** affect the export market performance of Ethiopian coffee?

- Do the characteristics of the **export market characteristics** affect the export market performance of Ethiopian Coffee?
- Do **firm/managerial characteristics** affect the export market performance of Ethiopian Coffee?
- Does the **presence and use of export marketing strategy** in the exporting firms affect the export market performance of Ethiopian Coffee?
- Do **institutional support-related factors** affect the export market performance of Ethiopian coffee?

#### **1.4. Objectives of the Study**

##### **1.4.1. General objective**

The main aim of this study is to assess the factors that affect the export marketing Performance of Ethiopian coffee, by using a qualitative research approach in 2019/2020.

##### **1.4.2. Specific objectives**

- To identify the **export market characteristics** which affect the export market performance of Ethiopian coffee?
- To identify the **export product characteristics** which affect the export market performance of Ethiopian coffee?
- To analyze the **firm/managerial characteristics** which affect the export market performance of Ethiopian coffee?
- To examine the presence and use of **export marketing strategy** in the exporting firms affect the export market performance of Ethiopian coffee.
- To identify how **institutional support-related factors** affect the export market performance of Ethiopian coffee.

## **1.5. Hypothesis**

There are so many determinant factors which affects the export market performance, form thus factors we have hypothesized the following as the major factors that affect export marketing performance of Ethiopian coffee.

H1: Export product characteristics have a significant positive effect on the export marketing Performance of Ethiopian coffee.

H2: Export market specific characteristics have significant positive effect on the export marketing Performance of Ethiopian coffee.

H3: Firm/ Managerial characteristics have significant positive effect on the export marketing Performance of Ethiopian coffee.

H4: presence and use of export marketing strategy in the exporting firm have significant positive effect on the export marketing Performance of Ethiopian coffee.

H5: Institutional support related factors have significant positive effect on the export marketing performance of Ethiopian coffee.

## **1.6. Significance of the Study**

The proposed study may have a major contribution to broadening the knowledge about the existing export marketing performance and problems of Ethiopia coffee by adding new knowledge to the existing literature. Thus apart from getting current research findings, the study could also provide room for comparison with the previous research findings. Specifically the study will provide latest information on the major factors influencing the export marketing performance of Ethiopian coffee to stockholders and contribute useful points for new entrants.

It will also provide useful information to government, exporters, supporting institutions and other stockholders to adjust their strategy to enhance the sector.

## **1.7. Scope of the study**

The study is basically restricted to show the factors affecting the performance of coffee export industry in Ethiopian. So far, different factors have been identified by different researchers that have a potential to determine the degree of export performance of a product. However, this study will limit itself to the product specific characteristics, Market specific

characteristics, firm/managerial characteristics, use of export marketing strategy and institutional supports (government, bank, Associations, ECX, chambers, etc)

The study does not cover all the possible determinants due to the limited time and resources. The paper does not cover the export performance of coffee export at firm level; rather it focuses on the country level factors affecting the performance of coffee export industry. The result might not be representative to show the overall effect of internal and external marketing factors on export marketing performance.

### **1.8. Definition of Terms**

**Export:** The term export is to ship goods and services out of the port of a country. The seller of such goods and services is referred to as an exporter, who is based in the country of export whereas the overseas based buyer is referred to as an importer. In International Trade, exports refer to selling goods and services produced in home country to other markets. Any good or commodity, transported from one country to another country in a legitimate fashion, typically for use in trade (Edwards and Alves, 2006).

**Export performance:** is the relative success or failure of the efforts of a firm or nation to sell domestically produced goods and services in other nations and it can be described in objective terms such as sales, profits, or marketing measures or by objective measures such as distributor or customer satisfaction, (Allaro, 2010).

**Commodity Exchange (Exchange):** is a place where sellers and buyers meet to transact in an organized fashion, with certain clearly specified and transparent /rules of the game (Gabre-Madhin, Z., Eleni and I. Goggin, 2005).

### **1.8. Organization of the paper**

The paper is organized in five broad sections; the first chapter is the introduction part, where the object of study is presented. The second chapter is the literature review to the study. The third chapter is dealing with the research methodology and description of the area. In chapter four the study presents the data collected and analysis out comes, and finally in chapter five presents the conclusion of the study arrived and recommendations.

## CHAPTER -TWO

### 2. Literature Review

#### 2.1 Introduction

Many theoretical and empirical works of scholar whose focus of area is export performance are considered in this chapter. A theoretical literature review followed by empirical review, which deals with export performance and Ethiopia's coffee, which is closely connected with the study. The literature review and conceptual and theoretical frameworks share five functions: (a) to build a foundation, (b) to demonstrate how a study advances knowledge, (c) to conceptualize the study, (d) to assess research design and instrumentation, and (e) to provide a reference point for interpretation of findings (Merriam & Simpson, 2000).

Different scholars have identified and used different variables while investigating the determinants of export performance depending on the type of model they applied; it's also different from country to country.

#### 2.2. Theoretical Review

International marketing is the process of identifying goods and services that customers outside the home country are interested in and providing them at the right price and location. In the international marketplace, this process is similar to that carried out at home, but with some important modifications that can adapt marketing efforts to the needs of the specific country or geographic locality (Rugman, A.M., Collinson, S. &Hodgetts, R.M, 2006).

The initial export performance literature adopted an economic perspective using industrial organization theory or structural conduct performance. Such a framework suggests that competitive advantage and superior export performance are derived from a firm's ability to react successfully to the interplay of internal and external forces of the firm's objectives, by developing and implementing an appropriate marketing strategy (Aaby et al., 1989).

According to Anderson, (1993), International activities require both market specific and general knowledge of the operation; market specific knowledge is gained through years of experience in the market. A direct relation between market knowledge and market commitment postulated.

In terms of international completion, innovation to develop products with added-value, targeting specific and differentiated market segments, understanding customer demand and improving productivity as well as quality, has become increasingly important for agricultural businesses seeking to maintain their competitive advantage (Hawkins, 2010). Exporting is a most useful business activity for national economy because it significantly contributes to employment, investment, trade balance, and economic growth (Czinkota, 1994).

Exporting is a strategy in which a company, without any marketing or production organization overseas, exports a product from its home base. A lot of the time, the exported product is essentially the same as the one marketed in the home market. The main advantage of an exporting strategy is the simplicity in implementing the strategy and reduced risks because the company simply exports its excess production when it receives orders from abroad. As a result, its international marketing effort is casual at best and it is very likely the most common overseas entry approach for small firms. Further, many companies employ this entry strategy when they first become involved with international business and may continue to use it on a more or less permanent basis (Onkvisit and Shaw, 2007).

Investigation of the determinants of export performance has been an important topic of international marketing research, since exporting has been the most popular mode of international market entry. Therefore several reviews and meta-analysis studies synthesizing the determinants of export performance are available (Aaby et al, 1989).

Around 50 export performance related studies have been published between 1987 and 1997 as examined by Zou et al. (1998). They proposed the determinants of export performance were internal and external factors. The internal factors carry the 4p's, marketing strategy and firm/management attitude and perceptions. The external factor holds the industry characteristics, domestic market characteristics and the foreign market characteristics.

Export is an activity in which products are domestically produced or grown but shipped and sold abroad (Griffin & Ebert, 1995). Particularly over the past two decades, exporting has been one of the fastest growing economic growth, creates new jobs and improves living standards of the people on a large scale as well as increase the profitability and competitiveness of the firms at the micro-level. Exports play a very important role in contributing potential revenue to the country. Increased exports may have impact which is straight or indirect in increasing the domestic production, economic growth, declining unemployment rates, and generating foreign exchange rates to comply the requisite of import

costs. The proficiency of the state to compete successfully in world markets, maintaining a trade balance that provides benefits and controlling external payment situations, reflects the economic strength and marginal competence of other nations. Therefore, export activities and the proficiency to export are required by a country in order success in international trade, where the export performances (EP) needed approaches in broad perspective concept in the form of quantitative and qualitative variables (Sousa, 2004).

In export, export marketing performance has been widely studied (Sousa et al., 2008). Hence, appropriate export performance measurement has been discussed in the literature. The literature reflects remarkable inconsistency on explaining export performance and a wide variety of elements are adopted in export performance studies. Export performance is the relative success or failure of the efforts of a firm or nation to sell domestically produced goods and services in other nations and it can be described in objective terms such as sales, profits, or marketing measures or by objective measures such as distributor or customer satisfaction, (Allaro, 2010).

Export performance is a distinctive concept for each conceptualization; operationally and measures definition are tailored-made to the reality in study. According to reviews on the topic of export performance, the authors consider performance as a complex, multidimensional phenomenon, which comprises three main dimensions: effectiveness, efficiency, and addictiveness (Katsikeaset *al.*, 2000; Oliveira *et al.*, 2012; and Walker and Ruekert, 1987).

According to ICO report (2019), Coffee plants are now cultivated in over 70 countries, the origin of coffee is Ethiopia, Sudan, Madagascar, Comoros, Mauritius and reunion in the Indian oceans. Coffee is a plant bean, it is a brewed drink prepared from roasted coffee beans. Coffee has become a vital cash crop from many developing countries. Over one hundred million people in the developing countries have become dependent on coffee as their primary export and backbone for African countries like Uganda, Burundi, Rwanda, and Ethiopia, as well as many Central American countries.

Ethiopia's leading export commodity is coffee. Ethiopia is the biggest coffee producer and exporter in Africa and amongst the most successful in the world. In addition to its significance as a main export commodity it provides a means of livelihood for millions of people and plays prominent role in their socio-economic and cultural values. 90 percent of

the coffee in Ethiopia is produced by small farm holders and thus coffee is an important source of income and employment at farm level (Assefa, 2018).

According to ICO report (2015), the price of the coffee sold on the commodity market is determined by supply and demand. The supply of coffee is reliance on many factors including weather, trade relations and other market conditions. A freeze in Brazil can reduce supply, resulting in increased prices almost overnight, while the establishment of new coffee producing regions can cause price to fall. Ethiopia is the first country where coffee was sold according to the location from which it was produced. The known coffee types that are produced and exported from Ethiopia include Yirgacheffe, Sidamo, Limu, Teppi, Bebeke, Djimma, Lekempti, Kaffa and Harrar. These are found growing in the southern, south-western and eastern parts of the country. (Assefa, 2018)

Though Ethiopia exported a large volume of coffee to the international market, the revenue generated has not increased meaningfully as the result of reduced international market coffee prices. Therefore, in response to above problems and finally to develop the sector through changing the agricultural market, the Ethiopian government established the Ethiopian Commodity Exchange (ECX) in 2006 the vision driving the ECX is to completely change Ethiopian agriculture through a dynamic, efficient and orderly marketing system that serves all (ECX concept cited by Victor (2010).

Most researchers accept the multidimensionality of export performance, but there is a disagreement about which indicators to be used to measure the variable. Most researchers consider two different dimensions; economic (objective) and strategic (subjective). It is believed that objective and subjective measures are complementary in nature and it is advisable to make use of both in an interrelated way in order to provide a more comprehensive picture of export performance (Stoian, Rialp and Rialp, 2011).

Export marketing performance has been measured, principally, in three different ways. First, by measuring export marketing performance using the economic indicators of performance i.e. profit, sales, market share etc (Zou, Taylor and Osland, 1998).

Second, measurement of export marketing performance has also been via strategic outcomes i.e. expanding strategically into foreign markets; gain a foothold in the export market or

simply to increase the awareness of the product/company. The underlying theoretical justification here is that firms have a set of strategic goals as well as economic goals, in exporting (Cavusgil and Zou, 1994).

Finally, measurement of export marketing performance has been undertaken via perceptual or attitudinal measures. The theoretical perspective of using this approach is that being positively disposed toward exporting and/or satisfied with exporting operations is a strong indication of success in exporting. Studies adopting this perspective have measured a firm's export marketing performance either directly, such as perceived success or satisfaction with the venture (Cavusgil and Zou, 1994).

### **2.3. Empirical Review**

According to Julian and Ocass, (2004), studies on the antecedents of export marketing performance and Australian perspective, Data were collected through a mail survey of firms exporting from Queensland, Australia. The firms consisting of the sample came from a wide cross section of industries including agriculture, mining, light industries, metal-working, electronics, chemical and the services industries. The outcome support the contention that export marketing strategy, firm-specific characteristics and market characteristics were the significant determinants of export marketing performance.

In Ethiopia, there have been few studies conducted on export performance. According to Tadese G (2015) conduct study on Determinants of Coffee export performance in Ethiopia and investigating the major determinants of coffee export supply in Ethiopiaduring1980-2011(using VAR model). The findings of the study showed that the real export price of coffee, domestic production of coffee, physical infrastructure and world supply of coffee affects coffee export supply significantly. The ratio of export plus import to GDP which is a proxy for openness to trade affects coffee export supply only in the long run. Ultimately the study discovered that the impact of real exchange rate in the long run as well as in the short run is not statistically significant.

Studies on Determinants of Export marketing performance, in Addis Ababa (2019): the case of Ethiopian pulses, oilseeds, and spices exporters. the factors studied using mixed research approach, and the findings are only institutional support related factors were found statistically significant in affect export performance while characteristics of export marketing,

characteristics export product, presence and use of export market strategy, firm/managerial characteristics are insignificant.

According to Mengistu.G (2018), conduct a study on Determinants of oil seeds and pulse export performance in Ethiopia, using multiple linear regressions employed SPSS 20 software and from 565 oilseed and pulses exporters using simple random sampling collect 130 exporters primary data were collected and the finding implied that the foreign price level' production/productivity, quality of the product and real effect exchange rate were found to be positively and significantly affect export performance. Whereas, and Infrastructure/rural feeder road were found not to be as such influential factors to deter performance of oilseeds and pulse export in Ethiopia.

### **2.3.1 Product specific characteristics and Export marketing performance**

Product characteristic influences many of the marketing decisions, including what kind of marketing strategy to follow (Julian and O'cass, 2004).The export market performance is positively affected by the quality of coffee. The export will get competitive advantage when the quality is high. Quality is often indicated as one of the most important conditions for entering and remaining in today's international market.

According to Cavusgil and Zou,1993), Product characteristics were measured via product patent protection strength, the amount of training a sales force required to handle the product, the uniqueness of the product, culture-specificity and the service/ maintenance requirement of the product.

Ethiopian coffee is being exported to almost all part of the world, the organic nature and wide variety of testes makes it preferable this uniqueness will help the exporters to sell on premium price (ICO reports, 2015).

### **2.3.2 Marketing characteristics and Export marketing performance**

Understanding the very characteristics of the export market inside out enable the firm carefully sail through the market and sell its products. Yet, usually the export market factors makes domestic marketing practices of a firm incompatible with the foreign market (Julian and Ahmed, 2005).

According to Cavusgil and Zou, (1994), the marketing characteristics in the sense of the foreign market show the opportunity and treat for the exporting firms. So understanding the

international market characteristics will help the firms to react for the treat and opportunity they face.

### **2.3.3 Firm/Managerial characteristics and Export marketing performance**

In the discussion of corporate competence, both with regard to international competence and the whole business competence (eg, strong market position, strong human resources, and strong functional capability) seems to be important impact to export performance.

This finding is aligned with the study by Aaby and Slater (1998). However, in the research, it still needs to consider others supporting research that explains the competence of the company In regard to support the improvement of export performance (Sofyan, 2017).

### **2.3.4 Export market stagey and Export marketing performance**

In order to organise and focus export research efforts we argue that current export knowlwdge should be synthesised at two broad levels. The exteranl envirnment level and the firm business strategy and functional level. The enviromental level includes macro-economic, social, physical, cultural and political aspects whichinfluence export management, behaviour and performance. The individual exporter can only to a very limited extent influence this environment and in most situations must consider the macro-paramters as given constraints. (Aaby and Slater, 1989).

### **2.3.5 Institutional support related factors and Export marketing performance**

Exports is a specialized economic activity in any country that requires continuous government support at different stages such as support in selection of export products, identification of overseas markets, identifying market segments, setting up distribution channels, providing financial support and organizing sales and support services. Therefore, the government policies and institutions should provide the exporting community with facilitating and motivating environment at domestic as well as international level.

Governments are expected to provide policy guidance to institution in the export value chain process and the level of tone at the highest level determines the service delivery of such institutions. Government policy was considered as one the major barriers influencing the export performance of Australian firms where lack of government assistance in overcoming export barriers mentioned as detrimental (Julian and Ahmed, 2005).

Various institution are involved in the export process, in our case, like Ministry of Agriculture (MOA) specific support in certification, Chamber of Commerce in facilitating

Country of origin Certification and providing external market linkages, banks providing tailored credit facilities at a reasonable price, etc.

According to Jayne (2014), Commodity exchanges can reduce the costs and risks of transacting. They also provide price and volume of trade to the public, they promote financial sector that invest in agriculture value chain development, improve frames market access and reduce market margins and encourage agriculture productivity.

Under Ethiopia commodity exchange proclamation No. 550/2007, Ethiopian Commodity exchange (ECX) was established targeting to provide a fair and equitable market place for agriculture commodities. This firm provides a mechanism of facilitating the contact between buyer and seller by reducing transaction cost, by discovering the price and simplifying the contracts with standard methods, ensuring the contracts are enforceable and that create trust and integrity in the market. Ethiopian commodity exchange will enable the exporters to get a standard graded commodity relatively from the previous purchase that will help them to be computable in the international market. This institution supports the exporters significantly.

According to Gabra-Mahdhin (2001), establishing such kind of grain exchange institution will reduce transaction cost like, cost of searching, cost of time, and cost holding working capital during searching etc..

The role of banks in the export business is very significant in so many aspects, banks provide financial transaction channel with buyer and seller(payment terms and documents), provide different kind of loan with low interest rate relatively to other loans, and they provide fast hard currency to the exporters from the exporters hard currency gain. And other incentives like pre-shipment loan that solve short term exporters financial shortage with less interest. And banks are one of exporters support institutions.

Ethiopian government support the export sector in so many ways, such as promoting the exporters product local and abroad by opening fairs and trades, by creating bi-lateral policies with other countries to create opportunity to the exporters, amending policies that encourage exporters such as removing some kind of taxes (duty tax, value added tax, turn over tax, etc) to promote the export sector. And the government and their policy is one of the supportive parts in the institutional support related factors. Still the government control if the coffee exporters hoard a stock more than the limit or if they fail to meet a contract, because it will create unsatisfied buyers and create problem in short and long term.

Chamber of commerce are mainly do have a common objectives, those are providing difference service for the business community, safe guard the overall rights and benefits of its members, promote and publicize the product and service of the country, and serving the business community and the government as a bridge. Chamber of commerce's are one of the exporters support institutions.

The Ethiopian Coffee Exporters' Association (ECEA) was formed in 1963 with the primary aims of promoting a better understanding among exporters, help in the development of the coffee trade and act as a liaison between exporters and National Coffee Board (National coffee board, 1972).

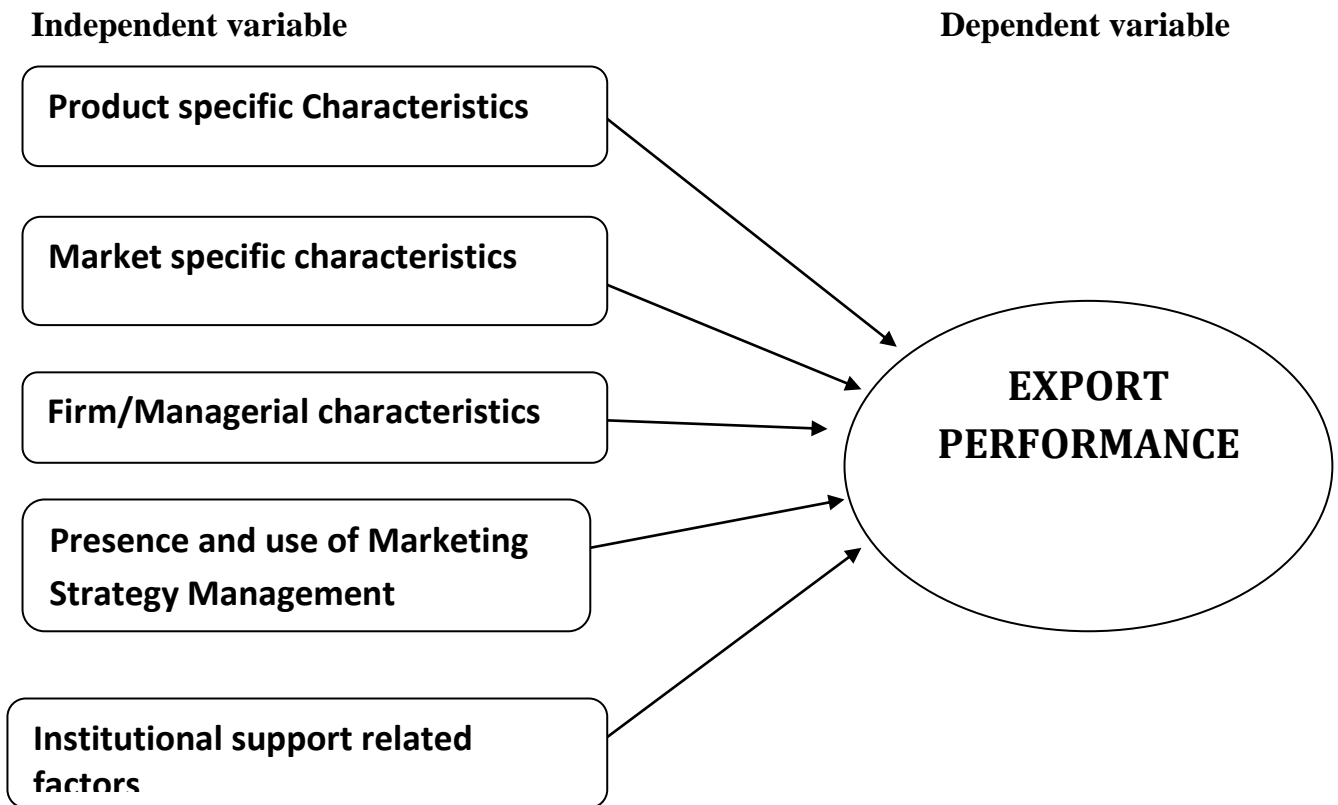
Ethiopian Coffee Exporters' Association (ECEA) is the voice of Ethiopian coffee exporters, almost all exporters are active members and they pay membership fee to the association yearly believing the association will solve exporters' problems and give guidance. In addition to this the association facilitates the links with foreign buyers and foreign buyers associations.

#### **2.4. Conceptual framework of the study**

The literature review and conceptual and theoretical frameworks share five functions: (a) to build a foundation, (b) to demonstrate how a study advances knowledge, (c) to conceptualize the study, (d) to assess research design and instrumentation, and (e) to provide a reference point for interpretation of findings (Merriam & Simpson, 2000).

The study mainly focuses on the following conceptual framework and tries to show how these independent variables affect the dependent variable (export marketing performance).

Export Performance: This dependent variable is going to be explained by product characteristics, market characteristics, firm/managerial characteristics, the presence and use of marketing strategy management, and institutional support related factors.



**Figure 1: Conceptual framework**

Source: Adapted from Julian and O’cass,(2004)

- Export product characteristics have a significant positive effect on the export marketing Performance of Ethiopian coffee.
- Export market specific characteristics have significant positive effect on the export marketing Performance of Ethiopian coffee.
- Firm/ Managerial characteristics have significant positive effect on the export marketing Performance of Ethiopian coffee.
- Presence and use of export marketing strategy in the exporting firm have significant positive effect on the export marketing Performance of Ethiopian coffee.
- Institutional support related factors have significant positive effect on the export marketing performance of Ethiopian coffee.

## CHAPTER -THREE

### 3. Research Design and Methodology

#### 3.1. Introduction

This chapter is focused on how the research has been conducted in relation to research methods used, tools and approaches to collect, analyze the data then, interpret and draw conclusions.

This paper investigates the factors that affect the export marketing performance of Ethiopian coffee, and the researchers had set 5 independent variables based on previous studies and with the assumption that these variables have statistically significant effect on export performance of coffee for Ethiopian exporters.

#### 3.2. Research Approach

There are three different research approaches: Qualitative research, quantitative research and mixed research approach. Quantitative research approach is an approach for testing objective theories by examining the relationship between variables. These variables, in turn, can be measured, typically on instruments, so that numbered data can be analyzed using statistical procedures.

Qualitative research is an approach for testing subjective theories by examining the relationship between variables.

Mixed methods approach is an approach to inquiry involving collecting both qualitative and quantitative data, interpreting the two forms of data and using distinct designs that may involve assumptions and theoretical frameworks.

This study employed Quantitative approach; the researcher will collect primary data by using questioner and analyze the data using SPSS version 24 and will provide the pure result of the data analysis and draw conclusion and recommendation.

#### 3.3. Research design

There are mainly three research design approaches, explanatory, descriptive and exploratory design. Explanatory research is blueprint of the procedure that enables the researcher to control the factors that may affect the result of an experiment. Descriptive research is focused on answers to the questions of who, what, where, when and how related to the topic.

Exploratory research is an approach of conducting research problem when there are few or no previous study related with the topic.

This research design is Explanatory and mainly revolves on examining Export marketing performance of Ethiopian coffee. Here both internal and external factors will be examined in detail.

### **3.4. Population and sampling**

#### **3.4.1. Population**

Population refers to all the members of a real or hypothetical set of people, events or objects to which we wish to generalize the results of the research.

The target population is identified on the basis of the survey of existing international trade literature and while a list of active exporters were drawn from Ethiopian coffee exporters Association (ECEA) because of there are many coffee export license holders who are not exporting actively.

There is an association of coffee exporters “Ethiopian coffee Exporters Association (ECEA), whose main objective is protecting the interest of its members, finding exporters through their association is a time saving mechanism for this study. According to the ECEA website, they do have more than 160 active members which represents over the 85% of the country’s coffee export share.

#### **3.4.2. Sample size determination**

Coffee exporters are the primary target of this study and most of them are member under Ethiopian coffee exporters association, the sample frame was the list of this association members. Considering this are the most active players of the coffee export business, it’s assumed that they will represent the population.

Currently Ethiopian coffee exporters Association have 160 members and these active members are the major players in the export of Ethiopian coffee to the world. The researcher use non-probability sampling technique with consideration of the size of the population and the objective of the study. Data to 50 exporters were disseminated applying purposive sampling techniques and 44 collected which is 88% and the researcher reduced one filled

questionnaire during data clearing. Collecting data from all the 160 exporters was the initial plan but Ethiopia is in a state of emergency due to a pandemic (COVID19), the sample was reduced to 50. The informants are selected because they are active exporters and the researcher believes the samples are the reflection of the population.

### **3.5. Data collection methods**

There are two types of data collection methods; primary and secondary data collection methods. Primary data collection method is when the information was gathered from primary source or we can call it firsthand approach (collected by the researcher himself) and secondary data collection method is when the information already available and need only to analyze the information to our study (data was available for the same or purpose).

The research used primary data. As part of primary data, the data will be collected by using questionnaire; the researcher will select those respondents to be amongst the top management level and expert level in each firms get the useful data. Once the researcher list the exporter firms and other stockholders, and attempted make the selection as representative of the whole population.

Before the actual data was collected through a questionnaire, first the questionnaire was pre-tested then it will be revised as needed. Collecting data by questionnaires had its own disadvantages; the method also has its own advantages like; low cost and has reduced bias.

The research used survey questionnaires to collect primary data which are structured using a five-point Likert scale on a number of variables.

### **3.6. Data Analysis methods**

Almost all statements in the questionnaire will rate on a 5-point Likert scale (strongly agree, agree, neutral, disagree, and strongly disagree). Numbers were assigned to this scale i.e., strongly agree = 5, agree = 4, neutral = 3, disagree = 2 and strongly disagree = 1, except the demographical questions and opinion asked at the last part of the questioner.

Data was analyzed using a Statistical Package for Social Sciences (SPSS) version 24. Cronbach's alpha ( $\alpha$ ) was used to analyze data. Instruments that are valid and reliable to measure such constructs are crucial components of research quality (Kimberlin and Winterstein, 2008).

The questionnaires were filled by the exporter firm's top management, marketing department employees and experts related to coffee export. The questionnaires also involved both open ended and close ended questions.

To maintain the validity of the instruments most of the questionnaire is adopted from previous researches. Some the questionnaire developed on careful review of literature.

Reliability is the degree to which assesses the variables are consistency. On the below table, with the Cronbach's Alpha value of the study is 0.749, which is good. Cronbach's Alpha more than 0.7 is reliable.

<b>Reliability Statistics</b>	
Cronbach's Alpha	N of Items
.749	29

Source: Research Survey, 2020

### **3.7. Ethical Consideration**

All data collected from informers by using questionnaire will be analyzed in accordance to the Addis Ababa University ethical and academic research guideline. Ethical clearance was obtained from the ethical committee of school of commerce. Informed written consent will be obtained from the study participants after the necessary explanation about the study is made. The study kept confidentially by using codes the names to identify the participants.

## CHAPTER- FOUR

### 4. RESULTS AND DISCUSSION

#### 4.1. Introduction

In this chapter, the results of the descriptive and inferential statistical for the data obtained from the survey questionnaires will be displayed in detail, alongside a thorough discussion based on the results of this quantitative study.

#### 4.2. Background Information

##### 4.2.1. Respondent profile

Participants were asked how they identified themselves in relation to background information, relevant to the problem under investigation. The following table will show the frequency of the respondents and their job position, gender, age, education and the respondents' experiences in the export business.

**Table 1: respondents profile**

		Frequency	Percent
Job position	General Manager	7	16.3%
	Export Manager	18	41.9%
	Expert in exp Dept.	14	32.6%
	Other	4	9.3%
Gender	Male	33	76.7%
	Female	10	23.3%
Age	Below 25	2	4.7%
	25-45	32	74.4%
	46-65	9	20.9%
Education	12 grade complete	1	2.3%
	college Diploma	7	16.3%
	1st Degree	31	72.1%
	Post graduate and above	4	9.7%
Experience	less than 3 years	5	11.6%
	3-5 years	21	48.8%
	5-10 years	15	34.9%
	10-15 years	1	2.3%
	Greater than 15 years	1	2.3%

Source: survey Data (2020)

According to the table shown above, out of the 43 respondents who were included in this study; the majority (41.9%) of the respondents are in an export managerial position, while 32.6%, 16.3% and 9.3% of the respondents accounted for expert in export department, general manager and other positions, respectively. More than 74.5% of the respondents are major actors and their answers in the surveys questioner will be assumed as a professional opinion.

The table also demonstrates the educational background of the respondents. Over 72.1% of the respondents are undergraduates and 9.7 % of them are postgraduates, thus they are expected to give strong response on the matter at hand. In addition to this, the majority (48.8%) of the respondents' experience in the export business is 3-5 years, while 11.6%, 34.9%, 2.3% and 2.3% of the respondents had less than 3 years, 5-10 years and 10-15 years of experience respectively.

#### 4.2.2. Firm profile

The table below shows the frequencies and relative percentages of firm profile including the firm year of experience, registered capital, number of employees, number of destination of their product and additional business the firm engaged.

**Table 2: company profile**

		Frequency	Percent
Firm year Experience	Less than 3 years	3	7%
	3-5 years	7	16.3%
	5-10 years	21	48.8%
	10-15 years	10	23.3%
	Greater than 15 years	2	4.7%
Registered Capital	5-10 million	8	18.6%
	Over 10 million	35	81.4%
Number of Employees	less than 5 employees	19	44.2%
	6-15 employees	19	44.2%
	16-50 employees	3	7%
	more than 50 employees	2	4.7%
Number of Export Destination countries	1-5 countries	29	67.4%
	6-10 countries	14	32.6%
Additional business the firm engaged in	Trading	11	25.6%
	Import	14	32.6%
	Service	2	4.7%
	Other	2	4.7%
	More than 1 business sector	14	32.6%

Source: survey Data (2020)

The table shown above establishes that, most respondents have worked for more than five years at their firm, thus strengthening the outcome of this study.

81.4% of the respondents' firms have a registered capital of 10million birr. And most of the firms have employees less than 15 and 67.4% of the respondents are exporting coffee to only five counties. Consequently, we can understand that the business doesn't require numerous workforces as well as numerous destination counties to export to, in order to yield the capital mentioned.

The respondents were also asked whether or not their firms have a website and an email address to facilitate their business, and 68.8% of the respondents' firms' don't have websites but most of them have free domains like Gmail and Yahoo, but few of them do have active websites which is advantageous since most business transactions are facilitated online these days. The table below shows the frequencies and percentages extrapolated from their responses.

Table 3: ownership of firms' websites and email

<b>Website and Email</b>					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	30	69.8	69.8	69.8
	No	13	30.2	30.2	100.0
	Total	43	100.0	100.0	

Source: survey Data (2020)

#### 4.3. Determinants of export market performance

The independent variables survey results, the frequency and the descriptive statistics of each variable are showed in the next few tables and paragraph.

##### 4.3.2 Export product characteristics (EPC)

Table 4: Export product characteristics

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
We usually adapt product quality requirement as per importers request. (EPC1)	-	-	7%	74.4%	18.4%
Our products get better price than other countries similar products. (EPC2)	-	-	30.2%	51.2%	18.6%
Our products have never been a subject of reject, renegotiation, re-pricing, or other things due to quality issues raised by import.(EPC3)	-	-	4.7%	67.4%	27.9%
We always strive to provide quality products beyond the quality specification, requirements and/or expectations of our customers.(EPC4)	-	-	4.7%	48.8%	46.5%

Source: survey Data (2020)

According to the export product frequency table, 92.8% of the respondents usually adapt product quality requirement as per the importers request while 69.8% of the respondent disagree and have never been a subject of reject, renegotiation, re-pricing and the like, due to quality issues and 4.7% of the respondent rank neutral on this statement.

Out of the total 43 respondents, 95.3% (41 respondents) come to an understanding on that the issue that their firm always strive to provide quality products beyond the quality specification, requirements and/or specifications of their customers.

Table 5: descriptive statistics of export product characteristics

<b>Descriptive Statistics</b>					
	<b>N</b>	<b>Minimum</b>	<b>Maximum</b>	<b>Mean</b>	<b>Std. Deviation</b>
<b>Export product characteristics</b>	<b>43</b>	<b>3.00</b>	<b>4.8</b>	<b>4.2279</b>	<b>.42220</b>
<b>Valid N (listwise)</b>	<b>43</b>				

Source: survey Data (2020)

According to the table above, export characteristics minimum value is 3 and the maximum is 4.8, while mean and standard deviation is 4.2279 and 0.42220 respectively. The mean is around to 4, meaning that most responses agreed with the statements.

#### 4.3.2 Export market specific characteristics (MSC)

Table 6: export market specific characteristics (MSC)

	<b>Strongly Disagree</b>	<b>Disagree</b>	<b>Neutral</b>	<b>Agree</b>	<b>Strongly Agree</b>
We have a strong connection with foreign buyers and agents. (MSC1)	-	-	7%	74.4%	8%
We understand the structure of the foreign market and how they operate. (MSC2)	-	-	-	62.8%	37.2%
Our firm keeps track of our competitors found in other foreign countries and their marketing activities. (MSC3)	-	7%	46.5%	46.5%	-
We actively promote our products by participating in local and international fairs, sending e-mails to possible buyers, etc.(MSC4)	-	-	18.6%	72.1%	9.3%
Language and cultural difference with our buyers has been managed successfully. (MSC5)	-	-	16.3%	53.5%	30.2%
Overall, we are satisfied by our marketing efforts. (MSC6)	-	-	16.3%	55.8%	27.9%

Source: survey Data (2020)

As shown by the frequency table of the export market specific characteristics, 82.4% of the respondents completely agreed with the fact that their firms have a strong connection with their buyers and agents while 7% of the respondents are neutral for this statement. 100% respondent also agreed on understanding the foreign market and how they operate. 46.5% of respondents agreed with the question regarding tracing their foreign country competitors and their market activity while 46.5% the respondents neutral. 81.4% of the respondents agree, they actively promote their product in local and international affairs and communicate with possible buyers online. 83.7% of the respondent established that they successfully manage the culture and language barriers. Generally most respondents have responded that they are satisfied by their overall marketing efforts, 27.9% ranked strongly agree, 55.8% agree and 16.3% neutral.

Table 7: Descriptive Statistics for exporting marketing characteristics

<b>Descriptive Statistics</b>					
	<b>N</b>	<b>Minimum</b>	<b>Maximum</b>	<b>Mean</b>	<b>Std. Deviation</b>
<b>Export market Characteristics</b>	<b>43</b>	<b>3.33</b>	<b>4.50</b>	<b>4.000</b>	<b>.40172</b>
<b>Valid N (list wise)</b>	<b>43</b>				

Source: survey Data (2020)

According to the above descriptive table about export marketing characteristics, the respondent in general agreed with Mean of 4 and standard deviation of 0.40172 values.

#### 4.3.3 Firm/managerial characteristics (FC)

Table 8: firm/managerial characteristics (FC)

	<b>Strongly Disagree</b>	<b>Disagree</b>	<b>Neutral</b>	<b>Agree</b>	<b>Strongly Agree</b>
We have competent and experienced management team. (FC1)	-	-	<b>18.6%</b>	<b>53.5%</b>	<b>27.9%</b>
The management is highly motivated to achieve its export target. (FC2)	-	-	-	<b>72.1%</b>	<b>27.9%</b>
Our company has the physical and financial resources needed for effective export management. (FC3)	-	-	-	<b>44.2%</b>	<b>55.8%</b>
Information exchange between our trading partners and us is reliable. (FC4)	-	-	<b>7%</b>	<b>65.1%</b>	<b>27.9%</b>
The management believes in expanding the foreign market destination. (FC5)	-	-	-	<b>72.1%</b>	<b>27.9%</b>

Source: survey Data (2020)

According to the above table, almost all the statements under the firm characteristics are agreed by the respondents. On the firm competent and experience in management team related statement, only 18.6% of the respondents rank neutral, while the rest agrees.

More than 81% of the respondents agree and strongly agree that, the management is highly motivated to achieve export target, and that the company has a physical and financial resources for effective export management and reliable information flows within the trading partners as well as the fact that management believes in expanding the foreign market destinations.

Table 9: Descriptive statistics of firm/managerial characteristics

<b>Descriptive Statistics</b>					
	<b>N</b>	<b>Minimum</b>	<b>Maximum</b>	<b>Mean</b>	<b>Std. Deviation</b>
<b>Firm characteristics</b>	<b>43</b>	<b>3.80</b>	<b>4.80</b>	<b>4.2837</b>	<b>.38602</b>
<b>Valid N (listwise)</b>	<b>43</b>				

Source: survey Data (2020)

This table shows us the descriptive statistical analysis for firm/managerial characteristics, the minimum is 3 and maximum is 4.8, the mean is 4.2837 while the standard deviation is 0.38602. Meaning that, the respondents agree with the statements in the table shown above.

#### 4.3.4 Presence and use of Export Marketing Strategy (EMS)

Table 10: Presence and use of export marketing strategy

	<b>Strongly Disagree</b>	<b>Disagree</b>	<b>Neutral</b>	<b>Agree</b>	<b>Strongly Agree</b>
We don't have written strategy, yet there are set of activities that are clearly communicated to all staffs. (EMS1)	-	-	<b>7%</b>	<b>55.8%</b>	<b>37.2%</b>
We do have a number of customers and distributors whose profiles are kept. (EMS2)	-	-	<b>25.6%</b>	<b>74.4%</b>	-
We target our markets ahead of budget year. (EMS3)	-	-	<b>18.6%</b>	<b>62.8%</b>	<b>18.6%</b>
Customers are provided with samples, field stock visits, other supports to help them in their buying decision. (EMS4)	-	-	<b>9.3%</b>	<b>72.1%</b>	<b>18.6%</b>
We usually forecast our sales in our target markets. (EMS5)	-	-	<b>18.6%</b>	<b>55.8%</b>	<b>25.6%</b>

Source: survey Data (2020)

The table above illustrates the frequency of the export marketing strategy. Most of the respondents agree that, they don't use written strategy yet they have a set of activities that are clearly communicated to all staff members. According to response given statement about keeping profile of customers and distributors, 74.4% responded that they agree, while 25.6% of the respondents respond neutral.

On the other hand, regarding the statement about the target market ahead of budget year, the respondents' response neutral, agree and strongly agree with 18.6%, 55.8% and 25.6% respectively. 90.7% of the respondent agrees that they provide customers with samples, field stock visit, and other supports to increase their decision to buy, while the other 9.3% neutral with the statement. 81.4% of the respondents agree with the statement; firms usually forecast their sales in their target market while 18.6% respondents are neutral on this statement. In general all the export marketing strategy related statements are agreed with the respondents.

Table 11: Descriptive statistics of export marketing strategy

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Export marketing strategy	43	3.20	4.80	4.0419	.40605
Valid N (listwise)	43				

Source: survey Data (2020)

According to the table above, the descriptive statistics of export marketing strategy, the average response is partially agreed with a mean 4.0419; minimum 3.20, maximum 4.80 and standard deviation of 0.40605 indicating the agreement of the statement.

#### 4.3.5. Institutional Support Related Factors (ISRF)

Table 12: institutional support related factors

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Ethiopian Government supports the sector by giving us priorities in the economy and giving recognition for our achievement, but doesn't give enough support. (ISRF1)	-	-	-	72.1%	27.9%
Ethiopian Government supports the sector but doesn't involving us on policy consultation and providing easy bureaucracy.(ISRF2)	-	-	9.3%	72.1%	18.6%
Ethiopian coffee & tea Authority service on certificates delivery is trouble free and non-bureaucratic. (ISRF3)	-	-	16.3%	74.4%	9.3%
ECEA voices our concerns in the government policy corridors. (ISRF4)	-	-	-	72.1%	27.9%
ECEA provides us with abroad networking events and up-to-date market information. (ISRF5)	-	-	-	37.2%	62.8%

We enjoy prioritized and low interest loan from bank. (ISRF6)	-	7%	67.4%	25.6%	-
Chamber of commerce provides us with abroad networking events and up-to-date market information. (ISRF7)	-	-	37.2%	62.8%	-
Ethiopian commodity Exchange (ECX) affect positively the Export Performance of Ethiopian coffee (ISRF8)	-	37.2%	55.8%	7%	-

Source: survey Data (2020)

The Export sector is getting several trade incentives due to its ability to generate foreign currency. The Ethiopian government applies a zero rate export duty tax for so many export sectors, and banks are providing finance with very a relatively low interest rate. Ministry of agriculture, coffee and tea authority provides certificates for export purposes. And ECX also provides a fair market place with warehousing and grading, making the export process more secured and competitive. However there are so many problems that should be solved in order to achieve a rapid growth in the coffee export sector. 100% of the respondents agree on this statement,

Ethiopian government supports the sector by giving it priorities in the economy and giving recognition for their achievement but doesn't involving them on policy and easing the bureaucracy, this statement agreed by 81.7 % of the respondents while 9.3% of the respondents neutral with the statement.

The statement, "ECX supports the sector by involving us in policy consultation and providing easy bureaucracy", 7% of respondent agreed, 55.8% neutral, 37.2% of respondents disagreed.

The Ethiopian Coffee exporters association has given a statement " ECEA voices our concerns in the government policy corridors "and "ECEA provides us with abroad networking events and up-to-date market information, both statements supported by the whole respondents.

Regarding bank low interest financial loan incentives enjoyment, 25.6% of the respondents agreed with the statement and 67.4% of the respondents rank neutral and 7% of the respondents disagree with the statement.

According to the support of chamber of commerce with abroad network event and update the international market information statement is supported by 62.8% of the respondent and 37.2% of respondents' response neutral.

Table 13: Descriptive Statistics of institutional support related factors

<b>Descriptive Statistics</b>					
	<b>N</b>	<b>Minimum</b>	<b>Maximum</b>	<b>Mean</b>	<b>Std. Deviation</b>
<b>Institutional support Factors mean</b>	<b>43</b>	<b>3.13</b>	<b>4.25</b>	<b>3.5640</b>	<b>.30905</b>
<b>Valid N (listwise)</b>	<b>43</b>				

Source: survey Data (2020)

According to the descriptive statistics for Institutional support related factors, respondents partially agreed with a Mean 3.5640, minimum of 3.13 and maximum 4.25, with standard deviation of 0.030905, which indicates the agrees with the statements.

#### 4.4. Export Marketing Performance

**Table 14** Frequency statistics for Export Marketing Performance

	<b>Strongly Disagree</b>	<b>Disagree</b>	<b>Neutral</b>	<b>Agree</b>	<b>Strongly Agree</b>
Our firm exports achieved rapid sales growth. (EMP1)	-	-	<b>44.2%</b>	<b>55.8%</b>	-
Our exporting has improved firm's international competitiveness. (EMP2)	-	-	<b>44.2%</b>	<b>44.2%</b>	<b>11.6%</b>
Our exporting has significantly increased the firm's international market share. (EMP3)	-	-	<b>51.2%</b>	<b>48.8%</b>	-
Overall, our exporting performance resulted in our firm growth. (EMP4)	-	-	<b>14%</b>	<b>76.7%</b>	<b>9.3%</b>
Overall, firm's export venture has been successful. (EMP5)	-	-	<b>4.7%</b>	<b>76.7%</b>	<b>18.6%</b>

Source: survey Data (2020)

From the above table, 55.8% of the respondent agrees with the firm export achievement on rapid sales growth, and 44.2 of the respondent neutral with the statement. The statement about exporting has significantly increased the firm international market share have agrees with 48.8% and 51.2% response neutral. Overall, firms export performance resulted firm growth statement supported by 86% of the respondents and 14% responses neutral. 4.7% of the respondents rank neutral for the statement 'overall firms export has been successful', while the rest agrees.

Table 15: Descriptive statistics for export marketing performance

<b>Descriptive Statistics</b>					
	<b>N</b>	<b>Minimum</b>	<b>Maximum</b>	<b>Mean</b>	<b>Std. Deviation</b>
<b>Export market performance Mean</b>	<b>43</b>	<b>3.33</b>	<b>4.17</b>	<b>3.6899</b>	<b>0.31619</b>
<b>Valid N (listwise)</b>	<b>43</b>				

Source: survey Data (2020)

According to the descriptive statistics for dependent variable/export marketing Performance, respondents partially agree with Mean of 3.6899 minimum of 3.33 and maximum 4.17, with standard deviation of 0.3169 which indicate the respondents agree on the statements.

#### 4.5. Correlation

From the below table shows us the correlation between the variables association, and the researcher used Pearson correlation analysis using SPSS version 24. According to Marczyk, Dematteo and Festinger (2005), correlation is the most basic and useful for measuring the association between two or more variables.

As a guide line of correlation categorized the output values, small, moderate and large and very large correlation when values are (0.1-0.3), (0.3-0.7), (0.7-0.9) and (0.9-1.0) respectively.

Table 16: correlation between independent and dependent variable

Correlations							
		Export_market _characteristic s	Export_Produ ct_characteristi cs	Firm_charac terstics	Export_mar keting_Strat egy	Institutional _support_rel ated_factor	EXPORT_M ARKET_PE RFORMAN CE
Export_market_c haracterstics	Pearson Correlation	1					
	Sig. (2-tailed)						
	N	43					
Export_Product_c haracterstics	Pearson Correlation	.337 <sup>*</sup>					
	Sig. (2-tailed)	.027					
	N	43	43				
Firm_charactersti cs	Pearson Correlation	.041	.359 <sup>*</sup>	1			
	Sig. (2-tailed)	.794	.018				
	N	43	43	43			
Export_marketing _Strategy	Pearson Correlation	.019	.337 <sup>*</sup>	.035	1		
	Sig. (2-tailed)	.901	.027	.823			
	N	43	43	43	43	43	43
Institutional_supp ort_related_factor	Pearson Correlation	.080	.178	.273	.234	1	.350 <sup>*</sup>
	Sig. (2-tailed)	.610	.253	.076	.130		.021
	N	43	43	43	43	43	43
EXPORT_MARK ET_PERFORMA NCE	Pearson Correlation	.604 <sup>**</sup>	.019	.478 <sup>**</sup>	.193	.350 <sup>*</sup>	1
	Sig. (2-tailed)	.000	.905	.001	.214	.021	
	N	43	43	43	43	43	43
*. Correlation is significant at the 0.05 level (2-tailed).							
**. Correlation is significant at the 0.01 level (2-tailed).							

Source: survey Data (2020)

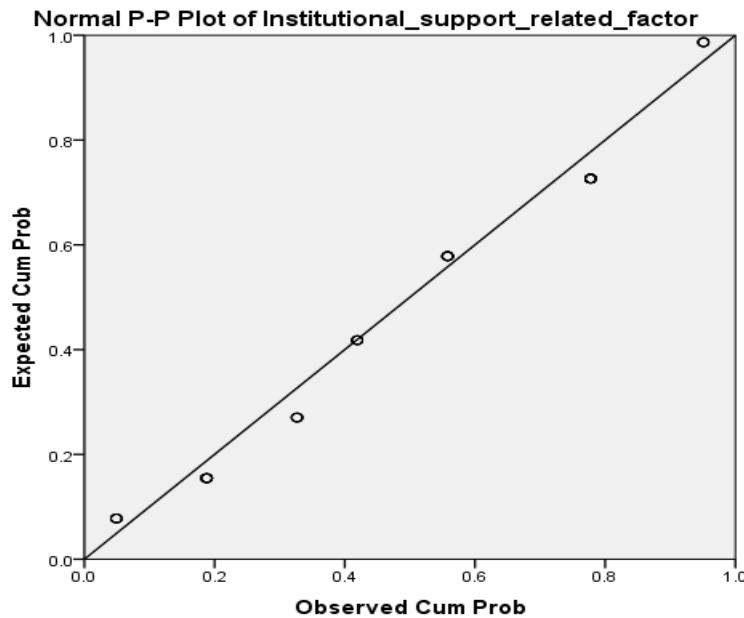
As results, some independent variables are significant and positive correlation with dependent value, these variables are; export marketing specific characteristics ( $r=0.604, 0.01$ ), firm/managerial characteristics ( $r=0.478, 0.01$ ) and Institutional support related support factor ( $0.35, 0.05$ ). While the other two (Export product characteristics and export market stagey) are less correlation with dependent variable (Export Marketing Performance).

#### 4.6. Assumption Test

##### 4.6.1 Normality test

According to Ruth (2017), data normality test is to determine the distribution of the data in the variable that used in the study. The result of the normality data is labeled below and based on the P-P plot, all the points are clearly lie on the diagonal line from the from the bottom left

to the top right. This would suggest that there is no major unconventionality from the normality test.



**Figure 2: Normal P-P plot of regression standardized residual**

#### 4.6.2. Multicollinearity Test

In order to determine whether multi collinearity exist or not, we can see from the tolerance and variance inflation factor (VIF) values from the below table. When the tolerance value is 0, it indicates the variables perfectly correlated, and when tolerance value is close to 1, the variables are not correlated.

From the below table, values listed in the tolerance column are above 0.5 and close to 1, there is no significant correlation.

According to the variance inflation factor, all variables values are less than 2, variance inflation factor (VIF), so there is no multi collinearity problem in this study.

The larger the value of VIF the more trouble or collinear the variables and as rule of thumb a VIF greater than 10 is unacceptable (Gujarati, 2009).

Table 17: collinearity

Coefficients <sup>a</sup>			
Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	Export market characteristics	.846	1.182
	Export Product characteristics	.511	1.959
	Firm characteristics	.654	1.529
	Export marketing Strategy	.681	1.468
	Institutional support related factor	.685	1.461

a. Dependent Variable: EXPORT\_MARKET\_PERFORMANCE

Source; survey result (2020)

### 4.6.3. Linearity test

Linearity of the relationship between the dependent and independent variable represent the degree to which the change in dependent variable is associated with independent variables. The figure below supports the linearity.

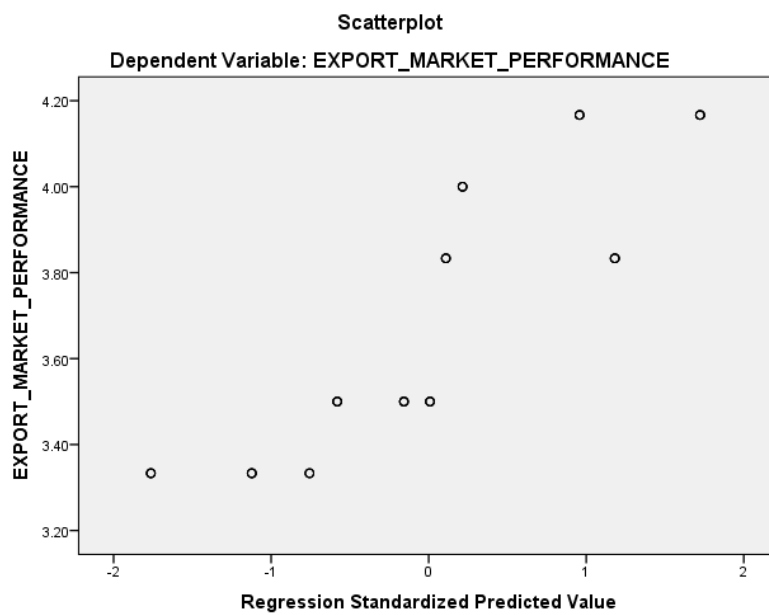


Figure 3: Linearity scatter plot of regression standardized residual

#### 4.7. Multiple Regressions

Multiple regressions are the correlation between the observed values of Y and the value of predicted by multiple regressions. Large value on the correlation shows that, those variables are highly associated.

On the previous table, three variables relatively are moderate correlation with their dependent variable, those variables are; **Export marketing characteristics, Firm/Managerial characteristics and Institutional Support Related Factors** are moderate correlation.

The coefficient of determination R square is a measure of how good a prediction of the explanatory variables/ dependant.

Table 18 Model Summary

Model Summary					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.873 <sup>a</sup>	.763	.731	.16408	1.607
a. Predictors: (Constant), Institutional support related factor, Export market characteristics, Export marketing Strategy, Firm characteristics, Export Product characteristics					
b. Dependent Variable: EXPORT_MARKET_PERFORMANCE					

The above table shows the summary of the model and the model summary shows R square value is 0.763, which indicates 76.3% of the factors that affect the export performance of coffee are included in this variables (Export market specific characteristics, export product characteristics, presence and use of export marketing strategy, Firm/managerial characteristics, and institutional support related factors). And according to Durbin-Watson value is 1.607 which means, the independent variables are less correlation among them. In other word the explanatory variables and the dependent variable are Exogenous. These indicate that the regressions are not biased.

Table 19 ANOVA

ANOVA <sup>a</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	3.203	5	.641	23.794	.000 <sup>b</sup>
	Residual	.996	37	.027		
	Total	4.199	42			
a. Dependent Variable: EXPORT_MARKET_PERFORMANCE						
b. Predictors: (Constant), Institutional support related factor, Export market characteristics, Export marketing Strategy, Firm characteristics, Export Product characteristics						

Source; survey result (2020)

One- way ANOVA is useful for determining if significant differences in mean scores on the dependent variable exist across two or more groups.

The above table shows us, the regression analysis is observed that significant level is less than 0.05 ( $p < 0.05$ ) meaning there is significant linear regression. This implies determinants have significant effect on the export marketing performance of Ethiopian coffee.

Table 20: coefficient for the multiple regressions

Coefficients <sup>a</sup>								
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	.206	.498		.415	.681		
	Export market characteristics	.557	.069	.707	8.124	.000	.846	1.182
	Export Product characteristics	.236	.084	.315	2.811	.008	.511	1.959
	Firm characteristics	.403	.081	.492	4.969	.000	.654	1.529
	Export marketing Strategy	.088	.076	.113	1.161	.253	.681	1.468
	Institutional support related factor	.248	.099	.242	2.502	.017	.685	1.461

a. Dependent Variable: EXPORT\_MARKET\_PERFORMANCE

Source; survey result (2020)

Out of the five dependent variables, Export market characteristics has highest beta coefficient, which is (beta=0.707). This shows the higher the beta value, the higher the level of sensitivity to the explanatory variable (Export performance). Firm/Managerial characteristics also has a higher beta (beta=0.492), and export product is 0.315 with strong significant.

#### 4.8 Discussion Findings

This study was carried out to answer the five main questions which were listed in chapter one, (1) Do the export product characteristics affect the export market performance of Ethiopian coffee?, (2) Do the export market characteristics affect the export market performance of Ethiopian Coffee?, (3) Do firm/managerial characteristics affect the export market performance of Ethiopian Coffee?, (4) Does the presence and use of export marketing

strategy in the exporting firms affect the export market performance of Ethiopian Coffee?, and (5) Do institutional support-related factors affect the export market performance of Ethiopian coffee?

Findings on the **Export product characteristics**, the study revealed that export product characteristics have significant positive effect on export market performance with a mean value of 4.2279. This result has been supported by different scholars.

Findings on the **Export marketing specific characteristics**, the study revealed that export marketing characteristics have positive significant on the export marketing performance with a mean of 4. This result has been supported by previous different scholars.

According to Cavusgil and Zou, (1994), export marketing performance tends to be conditioned by the market characteristics.

Findings on the **firm/managerial characteristics**, the study support that, firm managerial characteristics have a positive and significant affect on the export marketing performance with mean value 4.2837. This result has been supported.

Aaby and Slater (1989), suggest that marketing performance is directly influenced by a firm business Strategy.

Findings on the **export marketing strategy**, the study revealed that the marketing strategy do have a positive but not significant to the export marketing performance with a mean of 4.0419. Almost all respondents firm don't have a written strategy yet, there are set actives they usually forecast their sales in their target market.

The individual exporter can only to a very limited extent influence this environment and in most situations must consider the macro-parameters as given constraints. (Aaby and Slater, 1989).

Findings on the **Institution support related factors**, the study revealed that supporting institutions are significant and positive effect on export market performance with a mean 3.564. The Ethiopian government support but not enough, and the exporters are not involve on policy for consultation, 67.4% of the respondents rank neutral about the loan and less interest rate incentive from banks.

According to Addis A. (2019), the institutional support related factors are positively significant, while export product characteristics, export marketing characteristics, firm managerial characteristics, and marketing strategy are no significant to the explanatory variable export marketing performance.

#### 4.9 Hypothesis Testing

Table 21: hypothesis testing

Hypothesis	Beta value	P Value/Sig Value	Nature of Relationship	Discussion
H1: Export product specific characteristics have a significant positive effect on the export marketing Performance of Ethiopian coffee.	B=0.236	<b>.008</b> P<0.05	Positive	Supported
H2: Export marketing characteristics have significant positive effect on the export marketing Performance of Ethiopian coffee.	B=0.557	<b>.000</b> P<0.05	Positive	Supported
H3: Firm/ Managerial characteristics have significant positive effect on the export marketing Performance of Ethiopian coffee.	B=0.403	<b>.000</b> P<0.05	Positive	Supported
H4: presence and use of export marketing strategy in the exporting firm have significant positive effect on the export marketing Performance of Ethiopian coffee.	B=0.088	<b>.253</b> p>0.05	Positive	Unsupported
H5: Institutional support related factors have significant positive effect on the export marketing performance of Ethiopian coffee.	B=0.248	<b>.017</b> P<0.05	Positive	Supported

Source; survey result (2020)

According to the hypothesis table, Export product characteristics, Export market characteristics, Firm/Managerial characteristics, and Institutional support related factors significantly positively affect the Export market performance of Ethiopian coffee. But marketing strategy characteristics variables rejected even if there is a positive relationship with the dependant variable and but level of significant are above 0.05 of p value.

## CHAPTER- FIVE

### 5. SUMMARY, CONCLUSION AND RECOMMENDATION

#### 5.1. Summary

The main objective of this study is to analyze some selected factors that affect export marketing performance of Ethiopian coffee. This study examined five determinants factors; export product characteristics, firm characteristics, firm/management characteristics, presence and use of export market strategy, and institutional support related factors. The study used quantitative data to determine the factors.

In order to answers the questions, the researcher want to take all ECEA members, assuming the main coffee exporters are members of this association. But due to the pandemic infectious covid 19 disease, the researcher couldn't take all population. And 50 questionnaires were disseminated, 44 returned fast and 1 dropped during data clearing. From the entire respondents firm profile all of them do have additional business besides exporting coffee and the majority of the respondents send their product in less than 5 countries.

Summarized major findings that are related with factors affect export marketing performance are listed below;

- **Product characteristics**, exporters adopt quality requirement based the buyers request. Most of them don't have issues with quality problems and they have opportunity due to origin so they can sell better price. This will increase the export performance.
- **Export market characteristics**, they do have strong connection with their buyers and easily managed language and culture because of most of them export to some target markets. Some of them don't track their foreign competitors and their market activity. In general market characteristics positively affect the export market performance.
- **Firm/managerial characteristics**, most of them are experienced in the export business, and do have motivated management to meet the export target. They have physical and financial resource and almost all of them share the idea of expanding the market destination in a near future. And this characteristic also affects export marketing performance.

- **Presence and use of Export Market Strategy**, most of them doesn't have a written strategy yet, but do have a clear set of activities, they kept profile of their buyers and distributors address, to increase the buyers decision on buying, they provide sample and field stock visits. They also forecast their sales in their target market ahead of budget year. This characteristic do have a positive effect but not significant.
- **Institutional Support Related Factors**, this institutions are government (ministries of agriculture, ministries of trade, ministries of revenue, etc.,), ECX, banks, coffee exporters association, chamber of commerce, etc. Ethiopian government doesn't give enough support, and still had bureaucracy. Most of them believe, ECEA voice for them in the government policy corridor, and provide updates and abroad connections. Banks give loan and low interest incentives but still the exporters need more incentives (might be decreasing interest rate). The ECX process doesn't satisfy the exporters. In general institutional support related factors do a positive and significant effect to the export market performance.
- **Export marketing performance**; have been analyzed from financial, strategic achievement and overall satisfaction. Most respondents revealed they are in rapid sales growth and over all the exporting has increasing profitability to their firm directly or indirectly. Exporting has improved competitiveness and firm market share internationally. Overall the export performance resulted in their firm growth. Most of them respond their firm export venture has been successful.

## **5.2 Conclusions**

Ethiopia is one of the largest coffee exporters in the world, and coffee is the main source of foreign currency to the country and also create job for millions. Understanding this sector factors are very essential. This study revealed that the five independent variables are not the only factors. From the study, out of the five explanatory variables one is insignificant.

The concern of the study is to test if those five variables affect the export market performance positively and significantly, after analysis all of the variables have positive effect on the dependent variable. But presence and use of Export marketing strategy is insignificant. Export market strategy had been significant in other previous studies, like (eyelachew, 2018) and (Tesfom & Lutz, 2006). The other four variables (export product characteristics, export market characteristics, firm/managerial characteristics, and institutional support related factors) are significant and positive effect for export market performance. So the more positive adjustment to these variables will increase the export market performance.

From the empirical results obtained through questionnaire and policy documents, all the exporters are engaged in import business and other business areas. This shows most of exporters use export sector to gain a hard currency for their other business; this will make them a price taker in the market even if they realize loss anticipating they will get profit by importing high demanded products to the local market.

### 5.3 Recommendation

- The government has to support the sector more and involving the exporters in setting policy through Ethiopian coffee exporters association. Doing more bi-lateral and multilateral trade opportunities and aware the opportunities.
- Ethiopian coffee exporters Association playing a great role on supporting this sector, but still have to work on giving updates of regulations and information related to coffee, providing international trade opportunities, etc...
- Exporters should have to track their foreign competitors and understanding their market activity, so they will be proactive in the market rather than reactive.
- Most of the exporters do have Email and website, but they are not very active on this channel, they have to be accessible in online market to increase their market, the more they get buyer the more they have bargain power.
- This study area needs many detailed research, further research may elaborate the factors more.

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## APPENDIX-1 Questionnaire



Seek Wisdom, Elevate your Intellect and Serve Humanity

Addis Ababa University  
አዲስ አበባ ዩኒቨርሲቲ



**Addis Ababa University**  
**College of Business and Economics**  
**School of Commerce**  
**Marketing Management Department**

### **Dear respondent**

The main purpose of this questionnaire is to gather information or primary data in order to assess and examine “*Factors Affecting export marketing performance of Ethiopian Coffee*”. Your genuine information is highly valuable as it determines the success of this study. Therefore, the overall objective this questionnaire is to gather primary data only. I would like to assure you that, the information you are going to provide will be exclusively used purely for academic purpose and will kept confidential. Completing the questionnaire won't take more than fifteen (15) minutes. Your contribution to this research and Cooperation is much appreciated.

Thank you very much for your time and assistance!

**Part 1: - Respondent and Firm profile**

**Direction:** Please put a tick mark (✓) on the appropriate box of your answer.

1. position of the respondent: -

General Manager  Export Manager  Expert in Export department  Other

2. Gender:- Male  Female

3. Age:- Below 25  25-45  46-65  Above 65

4. Your highest level of experience :-

1. 12 grade complete  3. 1<sup>st</sup> Degree

2. College Diploma  4. Post graduate and above

5. Your Year of Experience in the export market :-

1. Less than 3 years  3.5-10 years  5. Greater than 15 years

2. 3-5 years  4.10-15 years

6. Company's Year of Experience in the export market :-

1. Less than 3 years  3. 5-10 years  5. Greater than 15 years

2. 3-5 years  4.10-15 years

7. Company's registered capital in Ethiopian currency(Birr) :-

1. Under 1 Million Birr  3. Between 5-6 Million Birr

2. Between 1-5 Million Birr  4. Over 10 Million Birr

8. Number of permanent/temporary employees in the company :-

1. Less than 5  3. Between 16-50

2. Between 6-15  4. More than 50

9. Total number Countries for whom the Company Export its products :-

1.1-5 Countries  3. 15-20 Countries

2. 10-15 Countries  4. Over 20 Countries

10. Does your company have official website and email address for export communication?

Yes  No

If you say 'yes' please write them here

---

11. In what additional business area(s) are you engaged in? (You may select more than one)

Trading  Import  Manufacturing  Service  Other

**Part -II: - Factors affecting export marketing performance of Ethiopian Coffee.**

**Instruction:** Please Rate your agreement to the following statements related factors affecting export performance on a five-point scale provided below by encircling the appropriate number.

where 1: Strongly Disagree 2: Disagree 3: Neutral 4: Agree 5: Strongly Agree

<b>1. Export market specific Characteristics</b>		<b>Strongly Disagree</b>	<b>Disagree</b>	<b>Neutral</b>	<b>Agree</b>	<b>Strongly</b>
1	We have strong connection with foreign buyers and agents.	1	2	3	4	5
2	We understand the structure of the foreign market and how the market operates.	1	2	3	4	5
3	Our firm keeps track of our competitors found in foreign countries and their marketing activities.	1	2	3	4	5
4	We actively promote our products by participating in local and international fairs, sending e-mails to possible buyers, etc.	1	2	3	4	5
5	Language and cultural difference with our buyers has been managed successfully.	1	2	3	4	5
6	Overall, we are satisfied by our marketing efforts	1	2	3	4	5
<b>2. Export product characteristics</b>		<b>Strongly Disagree</b>	<b>Disagree</b>	<b>Neutral</b>	<b>Agree</b>	<b>Strongly</b>
1	We usually adapt product quality requirement as per importers request.	1	2	3	4	5
2	Our products get better price than other countries on similar product.	1	2	3	4	5
2	Our products enjoy favorable image due to country of origin.	1	2	3	4	5

3	Our products have never been a subject of reject, renegotiation, re-pricing, or other things due to quality issues raised by import.	1	2	3	4	5
4	We always strive to provide quality products beyond the quality specification, requirements and/or expectations of our customers.	1	2	3	4	5
<b>3. Firm/ Managerial Characteristics</b>		<b>Strongly Disagree</b>	<b>Disagree</b>	<b>Neutral</b>	<b>Agree</b>	<b>Strongly</b>
1	We have competent and experienced management team.	1	2	3	4	5
2	The management is highly motivated to achieve its export target.	1	2	3	4	5
3	Our company has the physical and financial resources needed for effective export management.	1	2	3	4	5
4	Information exchange between our trading partners and us is reliable.	1	2	3	4	5
5	The management believes in expanding the foreign market destination.	1	2	3	4	5
<b>4. Presence and use of export marketing strategy</b>		<b>Strongly Disagree</b>	<b>Disagree</b>	<b>Neutral</b>	<b>Agree</b>	<b>Strongly</b>
1	We do have a written export marketing strategy	1	2	3	4	5
2	We don't have written strategy, yet there are set of activities that are clearly communicated to all staffs	1	2	3	4	5
3	We do have a number of customers and distributors whose profiles are kept.	1	2	3	4	5
4	We target our markets ahead of budget year.	1	2	3	4	5
5	Customers are provided with samples, field stock visits, other supports to help them in their buying decision.	1	2	3	4	5
6	We usually forecast our sales in our target markets.	1	2	3	4	5
<b>5. Institutional Support Related Factors</b>		<b>Strongly Disagree</b>	<b>Disagree</b>	<b>P Neutral</b>	<b>Agree</b>	<b>Strongly</b>

1	Ethiopian Government supports the sector by giving us priorities in the economy and giving recognition for our achievement, but doesn't give enough support.	1	2	3	4	5
2	Ethiopian Government supports the sector but doesn't involving us on policy consultation and providing easy bureaucracy.	1	2	3	4	5
4	Ethiopian coffee and tea Authority service on certificates delivery is trouble free and non-bureaucratic.	1	2	3	4	5
5	Ethiopian coffee export association voices our concerns in the government policy corridors	1	2	3	4	5
6	Ethiopian coffee export association provides us with abroad networking events and up-to-date market information.	1	2	3	4	5
7	We enjoy prioritized and low interest loan from bank	1	2	3	4	5
8	Chamber of commerce provides us with abroad networking events and up-to-date market information.	1	2	3	4	5
9	Ethiopian commodity Exchange (ECX) affects positively the export performance of Ethiopian coffee.	1	2	3	4	5

### **Part-III: Export Marketing Performance of Ethiopian Coffee.**

**Instruction:** Please Rate your agreement to the following statements related factors affecting export performance on a five-point scale provided below by encircling the appropriate number.

Where 1: Strongly Disagree 2: Disagree 3: Partially Agree 4: Agree 5: Strongly Agree

<b>Export market performance</b>		<b>Strongly Disagree</b>	<b>Disagree</b>	<b>Neutral</b>	<b>Agree</b>	<b>Strongly Agree</b>
	Our firm exports achieved rapid sales growth.	1	2	3	4	5

1						
2	Our exporting has improved firm's international competitiveness.	1	2	3	4	5
3	Our exporting has significantly increased the firm's international market share.	1	2	3	4	5
4	Overall, our exporting performance resulted in our firm growth.	1	2	3	4	5
5	Overall, firm's export venture has been successful.	1	2	3	4	5

1. From your practical experience in export marketing would you mention some other factors that can affect the export performance of your company?

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2. How does your company plan to improve its export performance in the next 5 years?

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***Thank you very much for your cooperation once Again!!***

## APPENDIX-2 Reliability test for individual variables

Item-Total Statistics					
	Scale Mean if Deleted	Scale Variance if Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Deleted
MSC1_we_have_Strong_connection_with_foreign_buyers_and_agents	130.19	45.060	.257	.	.798
MSC2_our_Firm_understand_foreign_market_and_how_operate	129.93	44.590	.336	.	.795
MSC3_our_Firm_track_foreign_country_competitors	130.91	44.277	.285	.	.797
MSC4_Actively_promote_local_and_international_affairs_and_emails	130.40	44.340	.344	.	.795
MSC5_Language_and_culture_difference_managed_successfully	130.16	43.330	.364	.	.794
MSC6_Generally_our_Firm_satisfied_by_our_marketing_efforts	130.19	44.346	.254	.	.799
EPC1_Adapt_product_quality_requirement_per_importer_request	130.19	44.822	.293	.	.797
EPC2_our_products_get_better_price_than_other_country	130.47	50.302	-.371	.	.828
EPC3_our_products_enjoy_favorable_due_to_country_of_origin	130.09	44.372	.314	.	.796
EPC4_our_product_never_reject_renegotiation_repricing	129.91	41.991	.576	.	.785
EPC5_always_striving_to_provide_quality_beyond_specific_requ	129.65	42.471	.688	.	.784
FC1_we_have_competent_and_experienced_mgmt_team	130.21	44.646	.209	.	.801
FC2_the_mgmt_is_highly_motivated_to_achieve_export_target	130.02	42.785	.679	.	.785
FC3_company_has_physical_and_financial_resources_needed	129.74	43.862	.437	.	.792
FC4_information_exchange_between_partners_is_reliable	130.09	44.372	.314	.	.796
FC5_mgmt_belives_in_expanding_foreign_market_destination	130.02	45.404	.231	.	.799
EMS1_dont_have_written_strategy_yet_clear_set_of_com_with_staffs	130.00	42.143	.582	.	.785
EMS2_we_kept_customers_and_distributors_profile	130.56	45.776	.176	.	.801

EMS3_we_target_our_markets_ahead_of_budget_year	130.30	44.073	.314	.	.796
EMS4_provide_samples_and_stock_vist_to_support_buying_decision	130.21	45.693	.148	.	.802
EMS5_we_usually_forecast_our_sales_in_our_target_market	130.23	47.992	-.153	.	.817
ISRF1_ET_govt_support_sector_by_giving_priority_and_recognition	130.02	44.404	.399	.	.794
ISRF2_ET_govt_support_sector_involving_policy_consultation	130.21	43.741	.432	.	.792
ISRF3_ECATA_service_certificates_trade_free_and_non_burecratic	130.37	44.334	.361	.	.795
ISRF4_ECEA_Voice_our_concerns_in_govt_policy_corridors	131.02	45.833	.161	.	.801
ISRF5_ECEA_provides_abroad_networking_event_and_update_info	130.67	45.272	.230	.	.799
ISRF6_we_enjoy_prioritized_and_low_interest_loan_from_bank	131.12	46.486	.032	.	.806
ISRF7_chamber_of_commerce_provide_networking_and_updates	130.67	44.177	.401	.	.793
ISRF8_ECX_affect_export_performance_of_Ethcoffee_positively	131.60	46.197	.058	.	.806
EMP1_firm_Export_achived_rapid_sales_growth	130.74	44.338	.364	.	.794
EMP2_Exporting_improved_firm_int_competitiveness	130.65	41.137	.616	.	.781
EMP3_exporting_has_significantly_increased_firm_int_market_share	130.84	42.520	.646	.	.784
EMP4_our_export_performance_resulted_in_firm_growth	130.40	45.245	.212	.	.800
EMP6_firm_export_venture_has_been_successful	130.19	44.917	.279	.	.797