

# **THE ROLE OF INTERNET TOWARD EXPORTING PERFORMANCE UNDER INTER-COUNTRIES POLITICAL CONFLICT CONDITIONS: A CASE OF TURKEY**

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## **Abstract**

*This study aims to explain the effects of firm's internet marketing capabilities, export information availability and business network relationships on its export performance. The survey was conducted on exporter firms which were registered to Chamber of Commerce and Industry in Hatay/Turkey. The sample consists of 101 firms obtained by random sampling method. Findings show that the impact of internet marketing capabilities, export information availability and business network relationships on the export market growth are significant and positive. In particular, export information availability and business network relationships mediate the relationship between internet marketing capabilities and export market growth. On the other hand, the type of doing business of firm with customers and the type of firm's course of action to respond political conflict are significant indicators (moderators) of export market growth. The study suggests export managers on how to be more effective in their internet marketing activities and practices.*

**Keywords:** *Internet marketing capabilities, export information availability, business network relationships, export performance, political conflict, Turkey*

## INTRODUCTION

Emerging political conflict between Turkey and Russia in 2015 and applied some economic sanctions by Russia against Turkey have reflected negatively to performance of Turkish exporting firms in Hatay. These firms have begun looking for new markets for their products. Emre Alkin (2016), Vice Rector of Kemerburgaz University, said at the meeting in Hatay that "the most important problem living by firms in that days is to insufficient communication with foreign customers. Limited communication results in bankruptcy of many firms". From perspective of this argument, the study aims to investigate the role of internet marketing capabilities in firms' exporting performance under inter-countries political conflict conditions. The study also presents an experience from Turkey.

The internet is becoming rapidly useful tool for export firms by offering many opportunities in foreign market entry (Rodgers and Sheldon, 2002). There are various studies in the literature focus on the importance of internet in international activities (e.g. Bianchi and Mathews, 2016; Moen, Madsen and Aspelund, 2008). The internet can help exporting firms by means of increasing access to foreign markets and lowering transaction costs (Kontinen and Ojala, 2010). It is also improve communication between buyer and seller and provide more healthy information exchange (Gabrielsson and ManekKirpalani, 2004). The internet is a significant tool for both large sized firms and small-medium sized firms (Arnott and Bridgewater, 2002). Marketers may identify international potentials faster and respond to opportunities more effectively and difficult for competitors to imitate ( Bengtsson, Botter and Vanyusyn, 2007). "The internet can facilitate the development of marketing capabilities, such as marketing research capacity or customer relationship ability which are firm-specific and more difficult to duplicate across organizations" (Bauer et.al. 2002, p.155). This study focuses on internet marketing capabilities.

In the existing international marketing literature, two type of marketing capabilities are identified: a) The first type marketing capability refers to ability of gathering export information. The more a firm has ability for this process the more marketing managers receive knowledge about international markets which in turn use these insight to make relevant marketing decisions. Then, these capabilities are used to develop export marketing strategies. b) The second type marketing capability relates to the marketing strategy which includes export product, pricing, distribution and communication. Based on these ideas in literature, this study considers firm capabilities that relate to export information availability and business relationship networks in addition to internet marketing capabilities (Bianchi and Mathews, 2016).

Various research point out that the internet impacts positively on information availability and development of business networks in international markets (Samiee, 1998). However, most

of them explain this effect conceptually instead of empirically testing. Moreover, studies in the existing literature was conducted mostly in developed countries. Developing countries have different culture and the ways of doing business in global markets relative to developed countries. In these countries, relationships between buyer and seller establish mostly face to face, not digital field. As thus, the export performance of emerging market firms may require different capabilities, especially in the critical circumstances. This study examines the effect of the internet, as a useful marketing tool for challenging with negative conditions, on export market performance for Turkish firms timely. In addition to, it tests the relationships according to the type of firm's course of action under political conflict conditions because each firm prefers different way to respond to the conditions arising in political field. Cultural differences may cause different adaption behavior of communication technology for both firms and customers in emerging countries (Grandonet.al., 2011; Andrews and Bianchi, 2013). For example, Turkish export managers are likely to prefer to get market information from face to face relative to internet due to their collectivistic and risk-averse nature (Hofstede, 2001). Thus, this study considers to test effects of internet marketing capabilities, export information availability and business network relationships on export performance, according to the type of doing business with customers. The type of doing business with customers can be determined by three ways: mostly by internet, mostly face to face and both by internet and face to face.

In line with explanations above, a conceptual model of this study is developed to test the effect of internet marketing capabilities on export performance by combining two additional capabilities: (1) the availability of export information and, (2) the development business network relationships. These two capabilities enable the firm to improve marketing research capacity and build effective customer relationships. These capabilities are firm-specific and more difficult to duplicate across organizations (Prasad et.al. 2001). The study will suggest export managers on how to be more effective in their internet marketing efforts and practices. Additionally, it presents meaningful lessons to academic field of marketing from a case of Turkey. The study also extends the findings by investigating how the type of doing business with customers and the type of firm's course of action to respond political conflict to further explain export performance.

## **THEORETICAL FRAMEWORK**

The conceptual model shows that internet marketing capabilities affect to either export information availability or business network relationships which influence the export performance (Figure 1). The model was adapted from Bianchi and Mathews (2016-"Internet marketing and export market growth in Chile", Journal of Business Research, 69, 426-434).

The study uses export market growth as a measure of firm export performance (Dhanaraj and Beamish, 2003).

The internet facilitates to improve marketing capabilities such as online sales, advertising, purchasing/procurement, obtaining feedback from customers, etc. These capabilities in turn have an impact on export performance, which consists of export sales in new markets (Bianchi and Mathews, 2016). Capabilities are defined as “bundles of skills and knowledge, not easily imitated by competitors, and exercised through organizational processes that create competitive advantages for a firm” (Day, 1994, p.37). This study suggests that internet marketing capabilities positively impact firms' exporting outcomes by activities such as market research and relationship/network development (Aspelund and Moen, 2004). Moon and Jain (2007) show that internet marketing capabilities positively impact international performance for exporters. Similarly, Hamill (1997) find that the internet can help improve export performance is by finding the right customers, gathering market knowledge to design export planning, and electronic communication to support networks. Thus, the hypothesis can be formulated as:

*H1: Internet marketing capabilities affect positively to export market growth.*

In international context, a firm's capability relate to gather information about markets and customers leads to higher export performance (Hart, Webb and Marian, 1994). Firms which can obtain market information may aware of export market opportunities and develop a marketing knowledge capability (Li and Calatone, 1998). As foreign markets are complex and uncertain (Welch and Luostarinen, 1988), the internet can help a firm in identifying new customers and distributors, learn about market trends, tract research and technological developments, and make more informed decision (Teo and Choo, 2001). Thus, the hypothesis can be formulated as:

*H2: Export information availability affect positively to export market growth.*

Firms can develop marketing capabilities by internet applications, such as online surveys, web visitor tracking, advertising measurement, customer identification systems and e-mail marketing lists (Quelch and Klein, 1996). The internet serves as a tool for collecting information with lower costs and wider reach particularly for small and medium sized firms. Therefore, the internet develops marketing capabilities by an efficient medium for collecting high quality market information for more informed decision. Thus, the hypothesis can be formulated as:

*H3: Internet marketing capabilities affect positively to export information availability.*

Export information availability may mediate the relationship between internet marketing capabilities and export market growth. Internet marketing capabilities increase available information relating to export markets, which in turn lead to improve export performance. Thus, the hypothesis can be formulated as:

*H4: Export information availability mediates the relationship between internet marketing capabilities and export market growth.*

Relationships development and network establishment capabilities impact positively a firm's performance in international context. Loane and Bell (2006) suggest that business networks are valuable resources for internet-enabled small firms in their internationalization process. The basis of networks is to exchange relationships, which evolve with mutual knowledge and trust, leading to greater international market action and growth (Coviello and Munro, 1995). Personal contact, networks, and social interaction also play an important role in the development and growth of international markets (Wu, Mahajin and Balasubramanian, 2003). Thus, the hypothesis can be formulated as:

*H5: Business network relationships affect positively to export market growth.*

Internet marketing is an easy way to reach customers anywhere in the world, regardless of a country's remoteness. It is also critically important for establishing and maintaining international business relationships with customers. Internet marketing capabilities can help other relational capabilities, such as development business networks, by lowering transaction costs, decreasing the time to reach international markets, and improving communication (Kontinen and Ojala, 2010). Thus, the hypothesis can be formulated as:

*H6: Internet marketing capabilities affect positively to business network relationships.*

The internet helps to building international business networks, which in turn leads to the identification and finding of export market opportunities. Business network relationships may mediate the relationship between internet marketing capabilities and export market growth. Thus, the hypothesis can be formulated as:

*H7: Business network relationships mediates the relationship between internet marketing capabilities and export market growth.*

Differences may exist in terms of the use and acceptance of internet technology for building and maintaining business relationships in emerging country firms (Grandonet.al. 2011). In high-context and collectivistic cultures, such as Turkey, people have high involvement relationships

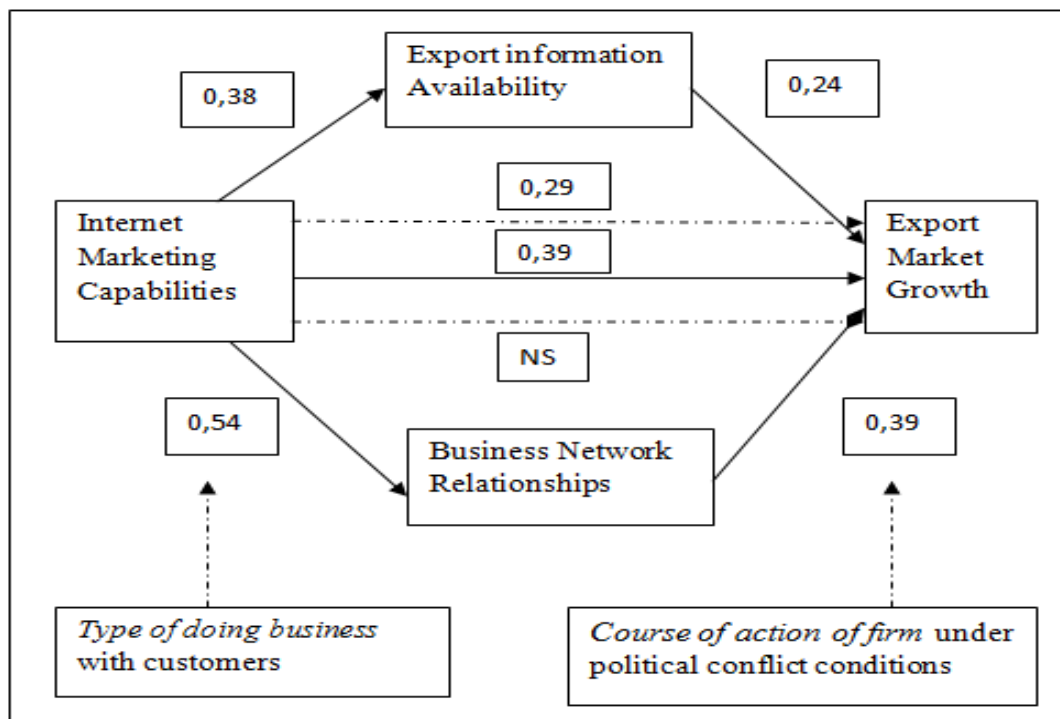
with one another. The bonds between people start with the family and extend to friends, colleagues, business partners, community, and society in general. Studies find that businesses in high-context cultures depend on more connections and relationships (Kim, Pan and Park, 1998). Thus, the hypothesis can be formulated as:

*H8: Effects of internet marketing capabilities, export information availability and business network relationships on export market growth are different for firm groups which are classified according to their type of doing business with customers as moderator.*

With similar idea, differences may exist in terms of the type of firm's response against political conflict living between own country and another country. Thus, the hypothesis can be formulated as:

*H9: Effects of internet marketing capabilities, export information availability and business network relationships on export market growth are different for firm groups which are classified according to their type of course of action to respond political conflict as moderator.*

Figure 1: Proposed Conceptual Model: Effects of internet marketing capability, export information availability, and business network relationships on export performance



Source: The model was adapted from C. Bianchi, S Mathews (2016), "Internet marketing and export market growth in Chile", Journal of Business Research, 69, 426-434.

\*\* NS: Not significant

## METHODOLOGY

To test the hypothesized associations, the survey was conducted on exporter firms which were registered to Chamber of Commerce and Industry in Antakya/Hatay. Manager responsible for exporting in firm was selected as key informant. Simple random sampling was used. Sampling framework was obtained from the current list of exporter firms in database of the chamber. Sample size was determined by following formula:

$$n = p \cdot q / (e/z)^2 = 0.50 \cdot 0.50 / (0.10/1.96)^2 = 96 \text{ firms. (Confidence level: 0.95, tolerance level: 0.10, max.variance } p=q: 0.50).$$
 Finally, the sample consists of 101 firms ( $n=101$ ).

Business owners were asked to allow their manager to participate in the study. Personal interview was used for communication, and survey questionnaire was self-administered. Questionnaire includes 16 questions relate to the scales of three structures and export performance. These are adapted from existing literature. Other six questions in the questionnaire are developed by authors.

The measure of "*export information availability*" is a four-item scale which is adapted from Hamill and Gregory (1997), Petersen et.al. (2002), and De la Torre and Moxon (2001). Respondents rate on five-point scales the amount of available information their firm has on: international markets, international competitors, international customers and international suppliers. "*Business network relationships*" scale is adapted from Wu et.al. (2003). Respondents evaluate on five-point scales the extent to which their firm uses business networks to maintain international customer relationships, strengthen existing relationships, develop longer lasting relationships, and acquire new customer relationships. As thus, the scale covers four items. Participants also rate their perceptions on five-point Likert scales about "*internet marketing capability*". They indicate the degree to which their firm applies the internet to marketing activities, such as online advertising, sales to customers, after-sales service and support, market research, and purchasing/procurement. The scale is adapted from Aspelund & Moen, (2004); Gibbs & Kraemer (2004) and Hamill, (1997). To measure "*export market growth*", we adapt the scale which was developed by Ansoff (1965), Gibbs and Kraemer (2004). This measure considers perceptions of growth of new customers in new international markets, new customers in existing international markets and, existing customers in existing international markets. Respondents indicate on five-point Likert scale the degree to which export market growth (1) significantly decreased, to (5), significantly increased sales over the last 12 months. In addition, three questions related to behaviors of firms are included in questionnaire: (1) what way does your firm do business with customers? (internet, face to face, both internet and face to face), (2) What main way does your firm lead to solve your exporting problems after political conflict raising between Turkey and Russia? Respondent's rate on four ways: We search new

markets via internet, we visit foreign markets, we request from government to solve crises immediately and, we do nothing. (3) What direction of exporting volume does your firm occur? (Decreased, increased, no changed). Finally, to acquire some descriptive knowledge about firms, we include extra three questions in questionnaire. These are about the number of workers and their export markets and kind of industry.

## ANALYSES AND FINDINGS

### Descriptive statistics of the sample

The data indicate that 47,5% of the firms is micro sized. Within the sample, small sized of the firms represented 42,6%, and, medium sized firms only 9,9% . Firm size was measured based on definition of Official Gazette, the governmental organ, published with 2012/3834-28457 number. According its classification, micro sized firm refers one which has less 10 workers, small sized firm, 10-50 workers and, medium sized firm, 150-250 workers. Sectors of firms were identified in basis of the definition developed by Republic of Turkey Ministry of Development (<http://www.kalkinma.gov.tr>). Distribution of sectors of firms is shown as below (Table 1).

Table 1. Sectors of firms

Sectors	Code	Frequency (n)	Percent (%)
Undefined	0	4	4,0
Agriculture and Forestry	1	2	2,0
Fishing	2	1	1,0
Mining and Quarrying	3	3	3,0
Manufacturing	4	70	69,3
Others	7	21	20,8
Total		101	100,0

The data also record the number of exporting markets of firms. 26,7% of the firms has one market, 37,6% of them has three or four markets and, 15,8% of them has two markets. The type of doing business is defined by three alternatives: by internet, face to face and both of internet and face to face ways. 51,5% of the firms uses mostly internet and face to face way to establish and maintain relationships with customers and marketing efforts. 36,6% of the firms uses directly face to face way and, 11,9% of the firms do business using the internet.

After political conflict lived, in sanction times, the main course of actions of the firms are identified as four alternatives: finding new markets via internet (9,9% of the firms), visiting foreign markets to find new markets (29,7% of the firms), negotiations with political authorities to

solve the crises (16,8% of the firms), and waiting by doing nothing (43,6% of the firms). Direction of exporting performance of firms after political conflict emerged is determined as three alternatives: decrease, increase, and unchanged. Exporting performance of 92,1% of the firms decreases, 2,0% of the firms increases and, others' (5,9%) performance doesn't change.

### Reliability of the scales

Internal consistency of the instruments was tested via reliability analysis. Reliability estimates (Cronbach's alpha) for the scales are found as follows: for internet marketing capabilities scale,  $\alpha = 0,90$ ; for export information availability scale,  $\alpha = 0,93$ ; for business network relationships,  $\alpha = 0,91$  and, for export market growth scale,  $\alpha = 0,91$ .

The results of exploratory factor analysis for model structures show satisfactory statistics (Table 2). Four factors were identified based on the rule of Eigenvalues greater than one and Screen test. Principle Components Method and Varimax Rotation were used in the analysis. The factors explain 81% of the variance. A value of KMO (Kaiser-Meyer-Olkin measure of sampling adequacy) test is found as 0,83 and obtained a  $\chi^2$  of 1387,33 (df=120, sig.= 0,000) for Bartlett's test.

Table 2. Exploratory factor analysis

Factors	Items	Factor Loadings	Cronbach's alpha
<b>Capability</b>			0,90
Online advertising	1	0,801	
Online sales	2	0,836	
Online after sale service	3	0,865	
Market research	4	0,726	
Purchasing/procurement	5	0,770	
<b>Information</b>			0,93
International markets	1	0,846	
Competitors	2	0,844	
Clients	3	0,919	
Suppliers	4	0,898	
<b>Network</b>			0,91
Maintain existing customer relationships	1	0,846	
Strengthen existing relationships	2	0,877	

Table 2...

Develop long-term relationships	3	0,881
Acquire new customer relationships	4	0,658
<b>Export growth</b>		<b>0,91</b>
New customers in new export markets	1	0,816
New customers in existing export markets	2	0,892
Existing customers in existing export markets	3	0,903
KMO = 0,83; Bartlett's test, $\chi^2 = 1387,33$ ; df=120, sig.= 0,000		

### Mediating effect of export information availability toward export market growth

For total sample, mediating effect of export information availability on relationship between internet marketing capabilities and export market growth was tested by multiple regression analysis. Baron and Kenny (BK) procedure (1986) was also implemented (Table 3).

Based on correlation matrices, the level correlations between independent variables lower than 0,70. As thus, there is not a colinearity problem for regression analyses. The set of independent variables explains 0,15% of the variance for model 1, 0,14% for model 2 and, 0,20% for model 3. All regression models are useful for exploring the relationship between "export information availability", "internet marketing capabilities" and, "export market growth". There is no autocorrelation problem in three regression models because Durbin-Watson coefficients are found at the accessible level.

In model 1, capability affect positively on export market growth ( $\beta = 0,39$ ,  $p = 0,00$ ). In model 2, the result shows that there is significant relationship between *capability* and *inform* ( $\beta = 0,38$ ,  $p = 0,00$ ). In model 3, *capability* and *inform* together are included in the analysis as independents variables, while export market growth is dependent variable. The result of the regression analysis shows that both *capability* and *inform* impact on export market growth ( $\beta = 0,29$ ,  $p = 0,09$  ;  $\beta = 0,24$ ,  $p = 0,01$ ). As thus, four conditions suggested by BK procedure for justification mediating effect are provided. As also seen in Table 5, the result is to show that export information availability plays a partial mediating role between internet marketing capabilities and export market growth because the relationship between *capability* and *growth* decreases from 0,39 to 0,29 when *capability* and *inform* are included together in the analysis. Therefore, H1, H2, H3 and H4 are supported.

Table 3. Mediating effect of export information availability

Model	Variables	Beta	t	Sig.
1	(Constant)		8,404	0,000
	Capability	0,393	4,253	0,000**
*Dependent variable: Export market growth R <sup>2</sup> = 0,15 F= 18,084 Sig.F = 0,00 Dur.W. = 1,770				
2	(Constant)		6,781	0,000
	Capability	0,383	4,129	0,000**
*Dependent variable: export information availability R <sup>2</sup> = 0,14 F= 17,049 Sig.F = 0,00 Dur.W. = 1,735				
3	(Constant)		5,700	0,000
	Capability	0,298	3,058	0,003**
	Inform	0,248	2,549	0,012*
*Dependent variable: Export market growth R <sup>2</sup> = 0,20 F= 12,792 Sig.F = 0,00 Dur.W. = 1,916				

For total sample, mediating effect of business network relationships between internet marketing capabilities and export market growth was also tested.

Based on correlation matrices, the level correlations between independent variables lower than 0,70. As thus, there is not a collinearity problem for regression analyses. The set of independent variables explains 0,15% of the variance for model 1, 0,29% for model 2 and, 0,26% for model 3. All regression models are useful for exploring the relationship between "business network relationships", "internet marketing capabilities" and, "export market growth". There is no autocorrelation problem in three regression models because Durbin-Watson coefficients are found at the accessible level.

In model 1, capability affect positively on export market growth ( $\beta = 0,39$ ,  $p = 0,00$ ). In model 2, the result shows that there is significant relationship between *capability* and *network* ( $\beta = 0,54$ ,  $p = 0,00$ ). In model 3, *capability* and *network* together are included in the analysis as independents variables, while export market growth is dependent variable. The result of the regression analysis shows that *network* impacts significantly on export market growth ( $\beta = 0,39$ ,  $p = 0,00$ ) while *capability* effect on export market growth is not significant ( $\beta = 0,17$ ,  $p = 0,09$ ). As thus, four conditions suggested by BK procedure for justification mediating effect are provided.

As seen in Table 4, the result is to show that business network relationships plays a full mediating role between internet marketing capabilities and export market growth because the relationship between *capability* and *growth* is found insignificant when *capability* and *network* are included together in the analysis. Therefore, H5, H6 and H7 are supported.

Table 4. Mediating effect of business network relationships

Model	Variables	Beta	t	Sig.
1	(Constant)		8,404	0,000
	Capability	0,393	4,253	0,000**
*Dependent variable: Export market growth $R^2 = 0,15$ $F = 18,084$ $\text{Sig.} F = 0,00$ $\text{Dur.} W. = 1,770$				
2	(Constant)		5,595	0,000
	Capability	0,546	6,482	0,000**
*Dependent variable: Business network relationships $R^2 = 0,29$ $F = 42,012$ $\text{Sig.} F = 0,00$ $\text{Dur.} W. = 1,310$				
3	(Constant)		5,937	0,000
	Capability	0,177	1,710	0,090
	Network	0,396	3,831	0,000**
*Dependent variable: Export market growth $R^2 = 0,26$ $F = 17,630$ $\text{Sig.} F = 0,00$ $\text{Dur.} W. = 1,968$				

### Testing of the model's relationships based on firm groups which are discriminated according to their "*ways of doing business*": Regression analyses

Sample was divided three groups based on their type of doing business: Group 1: firms which use mostly internet to establish relationships with customers and marketing efforts, Group 2: firms which use mostly face to face way to establish relationships with customers and marketing efforts, Group 3: firms which use mostly either internet or face to face way to establish relationships with customers and marketing efforts.

The relationships among "export information availability", "internet marketing capabilities" and "business network relationships" considered in the conceptual model were tested separately for each group and assessed by multiple regression. Export market growth (dependent variable) was regressed on the three variables (independent variables). Based on correlation matrices, the level correlations between independent variables for three groups are found lower than 0,70. As thus, there is no colinearity problem for regression analyses. The set of independent variables explains 0,77% of the variance for group 1, 0,34% for group 2 and, 0,29% for group 3 in the export market growth. All regression models are useful for exploring the relationships among "export information availability", "internet marketing capabilities", "business network relationships and, "export market growth". There is no autocorrelation problem in three regression models because Durbin-Watson coefficients are found at the accessible level. As can be seen in Table 5, for the group 1, only internet marketing capability is found significant indicator of export market growth ( $\beta = 0,79$ ,  $p = 0,00$ ). While *capability* influences export market growth in a positive sense, *inform* and *network* are insignificant. For the group 2, export information availability is found significant indicator of export market growth

( $\beta = 0,58$ ,  $p = 0,00$ ). While *inform* influences export market growth in a positive sense, *capability* and *network* are insignificant. For the group 3, export information availability is also found significant indicator of export market growth ( $\beta = 0,43$ ,  $p = 0,00$ ). While *inform* influences export market growth in a positive sense, *capability* and *network* are insignificant. Consequently, H8 hypothesis is supported. The way of doing business of firm plays a role as moderator.

Table 5. Determinants of export market growth based on the way of doing business of firm

Groups	Variables	Beta	t	Sig.
Group 1: Internet	Constant		0,248	0,810
	Inform	0,051	0,193	0,851
	Network	0,124	0,404	0,697
	Capability	0,794	3,746	0,006**
	$R^2 = 0,77$ F= 9,315 Sig.F = 0,00 Dur.W. = 1,254			
Group 2: Face to face	Constant		3,562	0,001
	Inform	0,586	3,111	0,004**
	Network	-0,201	-1,113	0,274
	Capability	0,195	1,264	0,215
	$R^2 = 0,34$ F= 5,757 Sig. F = 0,00 Dur.W. = 1,474			
Group 3: Both by internet and face to face	Constant		3,721	0,001
	Inform	0,438	3,155	0,003**
	Network	0,219	1,573	0,122
	Capability	-0,073	-0,544	0,589
	$R^2 = 0,29$ F= 6,758 Sig.F = 0,00 Dur.W. = 2,328			

\*Dependent variable: Export growth. \* 0,05 significance level, \*\* 0,01 significance level.

### Testing of the model's relationships based on firm groups which are discriminated according to their "course of action of firm": Regression analyses

Sample was divided four groups based on the course of action of firm: Group 1: firms which try to find new markets via internet, Group 2: firms which visit foreign markets to find new markets, Group 3: firms which try to negotiate with political authorities to be solved the crises), Group 4: firms which wait and not to do something.

The relationships among "export information availability", "internet marketing capabilities" and "business network relationships" considered in the conceptual model were tested separately for each group and assessed by multiple regression. Export market growth (dependent variable) was regressed on the three variables (independent variables). Based on correlation matrices, the level correlations between independent variables for four groups are found lower than 0,70. As thus, there is no colinearity problem for regression analyses. The set of independent variables explains 0,75% of the variance for group 1, 0,32% for group 2, 0,48% for group 3, and, 0,42% for group 4 in the export market growth. All regression models are

useful for exploring the relationships among "export information availability", "internet marketing capabilities", "business network relationships and, "export market growth". There is no autocorrelation problem in four regression models because Durbin-Watson coefficients are found at the accessible level. As can be seen in Table 6, for the group 1, internet marketing capability ( $\beta = 0,79$ ,  $p = 0,01$ ) and business network relationships ( $\beta = 0,50$ ,  $p = 0,04$ ) are found significant indicator of export market growth. While *capability* influences export market growth in a positive sense, export information availability is insignificant. For the group 2 and group 3, all variables are found insignificant. For the group 4, export information availability ( $\beta = 0,32$ ,  $p = 0,02$ ) and business network relationships ( $\beta = 0,61$ ,  $p = 0,00$ ) are found significant indicators of export market growth. While *inform* and *network* influence export market growth in a positive sense, *capability* is insignificant. Consequently, H9 hypothesis is supported. The course of action of firm plays a role as moderator.

Table 6. Determinants of export market growth based on the course of action of firm

Groups	Variables	Beta	t	Sig.
Group 1: Finding new markets via internet	Constant		0,713	0,503
	Inform	-0,503	-0,178	0,072
	Network	0,508	2,503	0,046**
	Capability	0,798	3,476	0,013*
	$R^2 = 0,75$ F= 6,219Sig.F = 0,02Dur.W. = 2,234			
Group 2: Visiting foreign markets to find new markets	Constant		2,852	0,008
	Inform	0,252	1,321	0,198
	Network	0,080	0,405	0,689
	Capability	0,344	1,655	0,110
	$R^2 = 0,32$ F= 4,142Sig.F = 0,01Dur.W. = 1,958			
Group 3: Negotiations with political authorities to solve the crises	Constant		0,879	0,396
	Inform	0,027	0,130	0,899
	Network	0,470	1,725	0,108
	Capability	0,284	1,060	0,309
	$R^2 = 0,48$ F= 3,999Sig.F = 0,03Dur.W. = 2,137			
Group 4: Waiting not to do something	Constant		3,162	0,003
	Inform	0,328	2,407	0,021*
	Network	0,612	3,636	0,001**
	Capability	-0,317	-1,933	0,060
	$R^2 = 0,42$ F= 9,718Sig.F = 0,00 Dur.W. = 1,932			

\*Dependent variable: Export growth. \* 0,05 significance level, \*\* 0,01 significance level.

## DISCUSSION OF RESULTS

This study tests a conceptual model that considers the impact of internet marketing capabilities, export information availability and business network relationships on the export market growth in Turkey context. Findings show that all of three structures influence positively to export

performance. These findings are also supported by Bianchi and Mathews (2016) but they didn't find that the application of internet technology on international marketing activities has a significant direct effect on export market growth. Internet marketing capabilities play a role in improving other capabilities of information availability related to export markets, which in turn lead to export market growth. Similarly, internet marketing capabilities play a role in establishing of business network relationships related to export markets, which in turn lead to export market growth. These findings are also supported by Petersen et.al (2002). Furthermore, the results show that the face to face interactions are vital in establishing and maintaining business network relationships due to the collectivistic characteristics of export managers in Turkey context.

Survey's descriptive results show that half of exporting firms use both internet and face to face way to establish and maintain relationships with customers and marketing efforts while only 12% of them use internet. In sanction times, about 44% of the firms do nothing for increasing export performance, while some of them visit foreign markets and, some use internet for finding new markets. 17 percent of firms try to put pressure on politic authorities to solve the crises. Most of firms' exporting managers refer to that their exporting performance has decreased after political conflict.

The study argues that both business network relationships and export information availability have mediating effect between internet marketing capabilities and export market growth. The findings show that both of them play mediating role in relationship between internet marketing capabilities and export market growth. In particular, internet marketing capabilities influence positively to export information availability and business network relationships, which in turn increase export market growth.

The effects of export information availability, internet marketing capabilities and business network relationships related to type of doing business of firm on export market growth are also assessed. Sample was divided three groups according to their type of doing business with customers. The results show that only internet marketing capability effects on export market growth for group 1 (internet users). Export information availability is found only significant indicator of export market growth for group 2 (users face to face way) and group 3 (users both internet and face to face way).

The effects of export information availability, internet marketing capabilities and business network relationships related to type of firm's course of action to respond political conflict on export market growth are also assessed. Sample was divided four groups according to their course of action. The results show that internet marketing capability and business network relationships influence positively to export market growth for group 1 (firms which use internet to find new exporting markets and marketing efforts). All variables are found insignificant for group

2 (firms which visit foreign markets) and group 3 (firms which put the pressure on political authorities). Export information availability and business network relationships are found significant indicators of export market growth for group 4 (firms which do nothing).

### **THEORETICAL CONTRIBUTION**

This study's findings contribute to previous research which suggests that the internet has a positive impact on the international marketing activities of firm. The study extends previous research and identifies mediating and moderator roles as to how internet marketing capabilities influence export market growth. The study also strengthens earlier findings by highlighting the importance of internet marketing capabilities on information availability. The results are important because they empirically test theories under political conflict conditions timely. In addition, results show that effect of internet marketing capabilities on export market growth can change according to behavior of firm. Previous research assumes that all firms behave similarly.

### **MANAGERIAL CONTRIBUTION**

Crises always occur in life cycle of a firm. The important question in that days, what should firm do when face it. A firm can wait for government support or look for new opportunities such as; new markets, building relationships with new foreign customers, visiting foreign markets etc. The internet may help to achieve these objectives more easily. The results support the relevance of export managers moving ahead with adoption of internet and the development of internet marketing capabilities for connecting foreign markets. Therefore, personnel who has ability to perform internet marketing efforts should be employed. Practitioners can use these findings to formulate internet marketing strategies. Export managers consider personal and face to face interactions more appropriate for establishing and maintaining business network relationships in collectivist cultures.

### **LIMITATIONS AND FUTURE RESEARCH**

Some limitations may affect the generalizability of the results. First, sample size was small because of cost and time limitations. Second, export managers' perceptions were at single point in time. Future research can examine the constructs with longitudinal data. Future research could aim to validate the findings of this study in the other context. Additionally, one can extend the findings by investigating how other variables act as moderators or mediators to further explain export market growth.

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