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Effect of Standardized Marketing Strategies on Export Performances of Turkish Jewellery Exporters

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Abstract

Objective of this study is to identify the role of standardization on the export performance of the companies in Jewellery industry in Turkey. In achieving this aim, positivist and deductive approach was used and exploratory type of examination was carried out. Whole population was targeted in this study and questionnaires were sent out to all 676 companies through emails. Nevertheless, only 450 questionnaires were returned. Among the received questionnaires 34 of them were eliminated since they were not fully filled by the respondents. Therefore, a total of 416 questionnaires were included in to the analysis. It was found in this study that standardization is not a good option in the case of Jewellery industry since all 4ps affects the export performance negatively. However, it was seen that promotion standardization can increase the export figures positively. In addition, it was also found out that despite having a negative effect on the export performance, pricing has a very small negative effect on the export performance compared to others. Therefore, in some cases pricing can be standardized in order to save cost and increase the performance. However, place subject was found as having the most negative effect on export performance. Therefore, it is not advice companies to standardize their distribution activities. Products should also be adopted in most cases in order to increase the performance in Jewellery industry. According to results, the best strategy can be combining standardization and adoption in exporting.

Keywords: *standardization, adoption, exporting, exporting performance, jewellery industry*

1. INTRODUCTION

For a company that intends to grow internationally, it is critically important to decide if national or international marketing campaigns will be used; expressed differently whether a localised or standardised approach will be adopted. No matter which strategy is selected, the aim is to fit the market. Despite the fact that the fundamental requirements and wants of people are similar across the world, how these wants or needs will be fulfilled may change in different countries.

In the decision of the appropriate sort of marketing, the decision of standardization and localisation of the marketing has been debated among academics widely. From this perspective, some academics including Melewar and Vemmervik (2004) argue that marketing has to be exactly the same in different markets in order to be considered as standardised. However, some argues that since it is not possible to have thorough information on every market of the world, it is essential to use the help of local subsidiaries or distributors and the local marketing companies and it can be useful for the company to decentralise the task entirely and make every





national business to develop its own marketing campaigns (Terpstra and Sarathy, 2000). In line with the debate in the literature, this study aimed to identify the role of standardization on the export performance of the companies in Jewellery industry in Turkey. This industry is chosen for this study since it is one of the best industries which contribute to country's exporting figures and overall economy.

2. LITERATURE REVIEW

In this study, in order to determine the standardization level, marketing mix elements are used. Therefore, at beginning of this part, first, brief information will be provided about marketing mix elements. Despite the fact that several academics offered 7ps in defining marketing mix elements, in this study, 4p elements will be used.

2.1. Marketing and Marketing Mix

Kotler et al. (2005) define marketing mix as the collection of manageable strategic marketing instruments and involves all the actions that a company can take in order to have an impact on the demand for its offerings. These instruments are referred to as "4Ps", standing for Product, Price, Promotion and Place (Kotler et al., 2005).

Product represents everything that a company has to offer to the market for interest, purchase, functioning or consumption which can fulfil a requirement or want. This definition comprises material items, services, people, places, institutions and ideas (Kotler et al., 2005). For a company that aims growth as the main concern, there are various available strategies. When a company encounters a prospect for growth and has the aptitude to use these opportunities, it can choose from a number of alternative ways. The Product-Marketing Mix of Ansoff (1957) is a helpful outline when evaluating the link between the marketing strategy and the strategic direction that a company selects.

As a four-cell matrix, several different combinations of product and market alternatives are taken into regard in the product-marketing mix of Ansoff (1957). In this, every different cell stands for different opportunities, threats, needs for investment, as well as risks and returns (Brassington and Pettitt, 2000). When market penetration is in course, the purpose is boosting the sales figures within the markets that the company is already operating in through a more aggressive marketing strategy. When market development is in process, the company intends to sell from the current product to new markets in higher quantities through new geographic segments or launching new segments. Product development stage suggests the sales of utterly new or enhanced products into current markets. When diversification is in course, new products are offered and new markets are chosen, indicating a growth outside the value chain (Brassington and Pettitt, 2000).

As Kotler et al. (2005) indicate, price is the monetary value that is paid for a certain product or service or the total value that customers disburse in exchange of the given product or service's purchase. Kotler et al. (2005) also define promotion as the conducts of the company which aim to communicate the company offering and its laden value to the target audiences in order to instigate a purchasing behaviour. Place on the other hand represents the company activities for the delivery of the product or service to the target clients (Kotler et al., 2005).

4Ps measure will be used in this study to identify the level of standardization among the companies. Therefore, product, price, promotion and place standardization levels will be used as key determinants to identify the level of standardization and their effect on export performances of the Turkish companies.





2.2. Standardization or Localisation of Marketing

Melewar and Vemmervik (2004) state that marketing has to be exactly the same in different markets in order to be considered as standardised. However, this is a very rigid definition and not practical due to the fact that nearly none of the marketing can be considered as standardised; as an example, according to this definition, marketing that only change the language cannot be included (Melewar and Vemmervik, 2004). Regarding the language of the marketing, it is claimed by Onkvisit and Shaw (1990) that it is firmly expressed that marketing can be considered as global in case the only thing that is changed in different countries is the language used.

In accordance with this, Harvey (1993) argues that promotional campaigns of companies need to be modified depending on the local market to a certain extent, should this be merely the translation of the language. Harvey (1993) argues that some of the marketing constituents may be standardised and some of them have to be tailored. They provide an example to back their statement by suggesting that it is necessary for a company to conform to the laws and regulations of the target market country which disallow standardization of some factors where they can also standardise some other aspects (Harvey, 1993). Taking this context into account, it is possible to state that international marketing involves two facets which are a) the degree that the marketing can be standardised, b) the geographical exposure of the marketing (Melewar and Vemmervik, 2004). Onkvisit and Shaw (1990) propose three paradigms in relation with the standardization of marketing. These are (Melewar and Vemmervik, 2004);

- **Standardization:** Supporters of standardization discipline argue that there is a more rapid pace in the overall communication which makes markets mingle and consumers to be more and more similar.
- **Individualisation (or adaptation):** Supporters of this school highlights the cultural divergences between countries and state that it is necessary to adapt the marketing based on the target market culture.
- **Compromise:** Supporters of compromise acknowledge the differences between markets while they also suggest standardization to a certain degree.

2.2.1. Advantages of Standardization

Melewar and Vemmervik (2004) propose that there are two main benefits related to standardization of marketing campaigns which are cost cutting advantages and a coherent brand image development. Scholars including Hite and Fraser (1988) suggest that standardization brings about cost decreasing advantages because of economies of scale and scope. Likewise, Kirpalani et al. (1988) propose that standardization of marketing topics creates a coherent brand image across the world.

In the decision regarding the standardization of the international marketing campaigns, it is necessary for the marketing professional to evaluate more than the probable cost reductions due to a high standardization degree. It is more important to contemplate how to position the product in the consumers' minds and the psychological courses in this phase. In this sense, standardization can merely decide on the content of the message delivered through the marketing, while the marketing media and copy should be executed by the local agencies. However, it is also possible that it may deal with the marketing copy and the media to be employed (Muhlbacher et al., 2006).

By means of globalising and standardising the marketing mix, a number of advantages can be exploited. Among the most widely referred advantages are the economies of scale in the manufacturing and marketing processes. As an example, Black & Decker (electrical hand tools, appliances and other consumer products) achieved remarkable manufacturing cost reductions





through the employment of a global strategy. The company managed to decrease the quantity of the motor sizes it used in the European market from 260 to 8 where it also reduced the model quantity from 15 to 8 (Ghauri and Cateora, 2006). Therefore, the cost reductions related to standardization can be extensive. Colgate-Palmolive launched its Colgate tartar-control toothpaste in more than 40 countries where each country could select from one of the two marketing. It is forecasted by the company that for each country that the standardised marketing is aired, there is a saving of €0.9-€1.8 million (\$1-2 million) in costs of manufacturing. On the other hand, in a short time it found out that the standardised marketing were not appropriate for several countries and did not function well. As a result, the company had to shift its strategy and adapted its earlier strategy to more editions/adaptations of the commercials (Ghauri and Cateora, 2006).

Another advantage that globalisation generates is the transfer of experience and expertise between different countries by means of enhanced coordination and integration of marketing performances. As an instance, Unilever, NV managed to make a successful launch of two global brands which were initially developed by two subsidiaries. These are Impulse body spray, which was developed by the South African subsidiary of the company and a detergent that performed successfully in the European hard water, which was developed by a European branch. These can be considered as examples of the way coordination and transfer of expertise from a local market to the global market can be performed (Ghauri and Cateora, 2006).

The most significant advantage that can be achieved through standardization is a consistent global image. When a brand has a global acknowledgement its speed in launching new products increases while also the success of the marketing campaigns intensifies. A consistent brand image gains importance since satellite communications extend across the world. Brands including Sony, Volvo, Shell, IBM and Ericsson can be cited as good examples. Philips International, which is an electronics manufacturer, achieved an extensive effect through a global product image when it was the sponsor of football World Cup. During this campaign, the same marketing was aired in 44 countries with voiceover translations in six languages. Similarly, Adidas also accomplished the same advantages during its sponsorship for the football World Cup in 2002, which was watched in over 60 countries (Ghauri and Cateora, 2006).

3M also benefited from global marketing considerably to speed up the introduction of a 3M product across the world. As an instance, a high-grade super VHS videotape was launched in Japan and in United States with three months interval while the same product was introduced in Europe only six months after its launch in Japan. Previously, it would not be possible to achieve such successful media coverage and launch a newly developed 3M product in all of these markets in such a short period (Anwar, 2003). Likewise, Microsoft's Windows XP was introduced at the same time across the world covering an area from Chicago to Singapore. It is quite understandable that divergences between markets including political rules or approaches, trade barriers, usability of different media, distinctions between the interests and reaction outlines of consumers and the overall variations in terms of culture rarely allow for an utter standardization (Ghauri and Cateora, 2006).

The above statements indicate that there are mainly two benefits that can be achieved through standardising marketing, which are making cost savings and sustaining the brand acknowledgement. Decreasing costs through standardization takes place through economies of scale and scope.

2.2.2. Disadvantages of Standardization

Kirpalani et al. (1988) argue that brand images that are consistent across the world are developed by means of the standardization of marketing campaigns. In addition to this, a coherent and reliable positioning throughout the world can be achieved by standardization. It is





also suggested by the academics that standardization offers a number of benefit including the usage of a developed expertise, distribution of marketing budget productively, delivery of consistent messages, ensuring the sales of the offerings as well as reducing the exertion of developing campaigns from several numbers to a single one (Kirpalani et al., 1988). Melewar et al. (2000) also support the views of the scholars and suggest that the estimated advantages of standardization exceed its probable disadvantages. Nevertheless, there are also opponents of standardization who argue that concentrating on cost savings would result in overseen demands of the target audiences. Besides, standardization is based on the assumption that market segments are alike and when different circumstances occur, the campaign cannot succeed (Onkvisit and Shaw, 1990). Apart from the determined fundamental advantages, standardization of marketing campaigns offer several other advantages including transfer of experience, successful employment of marketing budget, delivery of coherent messages, less energy requirement and sales of the company offerings in advance (Kirpalani et al., 1988). Despite the fact that the given advantages are listed as a result of standardization, opponents of standardization propose that difference should be made regarding the message communicated to different cultures. In fact, according to Onkvisit and Shaw (1990), concentrating on merely the savings on costs can disrupt the consequential messages which should be delivered to various target audiences. Hence, it is suggested that standardised marketing should be applied in case segments are actually homogenous.

In this sense, it is possible to argue that savings on costs does not necessarily reflect higher profit margins due to the fact that standardization may cause the marketing to be unattractive by the audiences and result in decreased sales figures (Onkvisit and Shaw, 1990).

In the view of Solomon (2004), marketers do not have the luxuries to oversee the striking multiplicity of cultures which change the typical society. The scholar argues that ethnic minorities make purchases exceeding \$600 billion every year on products and services and in this sense; marketers need to pay attention to the needs and wants of these groups when developing products and services as well as communication strategies (Solomon, 2004).

The majority of companies have realised the significance of culture and have started ethnic marketing schemes. As an instance, AT&T undertakes the sponsorship of the Chinese Dragon Boat Festival races and Cuban folk festivals. Besides, it launches marketing in 30 different cultures to deliver messages in various languages including Tagalog, spoken by Filipinos and Twi, a West African dialect (Solomon, 2004). As indicated by McCarroll (1993), director of multicultural marketing at AT&T suggests that currently marketing is a component of anthropology. In line with this, Tam (2002) states that ethnic media members acquire a considerable degree of their product information through dedicated ethnic media. As an instance, 63 per cent of the Californians watch native-language TV on a daily basis and also one third of them read an ethnic newspaper as frequently as once a week.

2.3. Factors Affecting the Decision to Standardise or Adapt Marketing

Harvey (1993) suggests six issues that influence the degree of standardization or adaptation of marketing, which are listed as follows:

- **Product parameters-** the degree that the product being consumed by all people;
- **Competitive parameters-** the features of the settings in which the company operates;
- **Corporate execution and control parameters-** the level of corporate execution inside the company;
- **Infrastructure parameters-** the degree of media infrastructure concerning media, marketing bureaus and production services;
- **Political parameters-** restrictions concerning mass communication and;





- **Cultural and public parameters-** present cultural divergences between domestic and foreign markets.

In fact, three parameters are shown by the model, which are product parameters, competitive parameters and corporate parameters have an effect on the decision of the company regarding whether to standardize marketing or to adapt it. In addition to this, legal setting and local culture are also other factors that the company has to contemplate about.

According to Melewar and Vemmervik (2004), for establishing the level of standardization, which is a requirement for each element, it is necessary for companies to determine the influence of these parameters on the fundamental factors of the marketing campaign. Grein and Gould (1996) offer a contingency model for Globally Integrated Marketing through a series of horizontal factors, suggesting within a country, and vertical factors, meaning between branches. Melewar and Vemmervik (2004) list the horizontal factors are target market, market position and corporate factors. The scholar lists the vertical factors as promotion mix, marketing result and public relations.

Papavassiliou and Stathakopoulos (1997) brought forward a system regarding the standardization or adaptation of the marketing strategy based on three areas of influence, which are domestic setting, corporate setting and internal aspects of influence. The degree of standardization depending on several internal as well as external factors can be understood through the contingency view. Nevertheless, three contingency parameters which are regarded more important can be listed as follows:

- Factors linked to the products;
- Consumer segments;
- Corporate factors.

2.3.1. Product related factors

Several scholars suggest that the product parameter is the most important variable and it defines the standardization degree of marketing. As an instance, Boddewyn et al. (1986) indicate that while standardising the marketing processes, these are based on the type of the product. Likewise, Harvey (1993) states that the strongest influent in the decision for determining if standardization of the marketing campaign is feasible or not is the features of the product. There are three categories of products; namely consumer durable products, consumer non-durable products and industrial type products.

Industrial products are considered to be more suitable for higher levels of standardization, which is followed by consumer durable products and non-durable consumer products (Boddewyn et al., 1986). Cavusgil et al. (1993) also support this statement and suggest that it is necessary to make more adaptation for consumer products in comparison to industrial products.

2.3.2. Customer segments

A main reason for using standardization or adaptation of the marketing mix including the advertising part is the existence of global as well as local market segments. A number of scholars do not accept the statement that there is a global market segment.

The presence of several aspects including customs, laws and regulations, likings, and industrial needs in the national level disputes the postulation of Levitt (1983) in terms of a homogeneity of markets which also limits the degree of standardization (Boddewyn et al., 1986). Shoham (1999) argues that in countries which are similar to each other in terms of culture, there are minute differences among consumers and developed countries are in a phase of divergence rather than merging.





2.3.3. Corporate factors

Several scholars have investigated the topic covering the link between the level of concentration of marketing campaigns and the degree of standardization in advertising. Liability for marketing can be maintained at head offices or it is also possible to distribute it to the subsidiaries. Moreover, it is possible to manage decentralised marketing independently or in synchronisation with one another.

According to Hite and Fraser (1990), MNCs should better adapt their marketing processes through a number of both centralised and decentralised activities due to the fact that complications of standardization as well as economies of scope and scale demonstrate variations among marketing performances. Kirpalani et al. (1988) propose a significant link between the head office management and the level of standardization in terms of marketing processes. The scholars argue that the degree of headquarter management is determined by the home country of the head office. As a result, corporate rules have a significant impact on the process that the degree of standardization or adaptation is identified.

3. METHODOLOGY

The main of this study is to identify the role of standardization on the export performance of the companies in Jewellery industry in Turkey. In achieving this aim, positivist and deductive approach was used and exploratory type of examination was carried out.

The reason behind this was related to possible changes in the consumers' behaviour in the future and exploratory type studies enable researchers to take current picture of the situation. It was identified that between the December 2013 and December 2014 there are 676 registered companies which makes Jewellery export in Turkey (JTR - Mucevher Ihracatçileri Birliği - <http://www.jtr.org.tr/Tr/statistics.aspx>, 2015). Therefore, whole population was targeted in this study and questionnaires were sent out to all 676 companies through emails. Nevertheless, only 450 questionnaires were returned. Among the received questionnaires 34 of them were eliminated since they were not fully filled by the respondents. Therefore, a total of 416 questionnaires were included in to the analysis. In designing questionnaire, two types of measurement tools were used. The first one is the form for identifying the standardization level of the companies. In this one 4ps model was taken as a base and 35 questions were asked to respondents to obtain the standardization level of their international operations. In the second one, 4 questions were asked to the respondents (satisfaction, perception, comparison to rivals and changes in export figures) in order to identify the performance of their international operations. In the analysis, regression analysis was used and the results were also controlled and confirmed by structural equation modelling by using the Lisrel program. Figure 1 provides the model of this study.

(Figure 1 is located on the next page.)

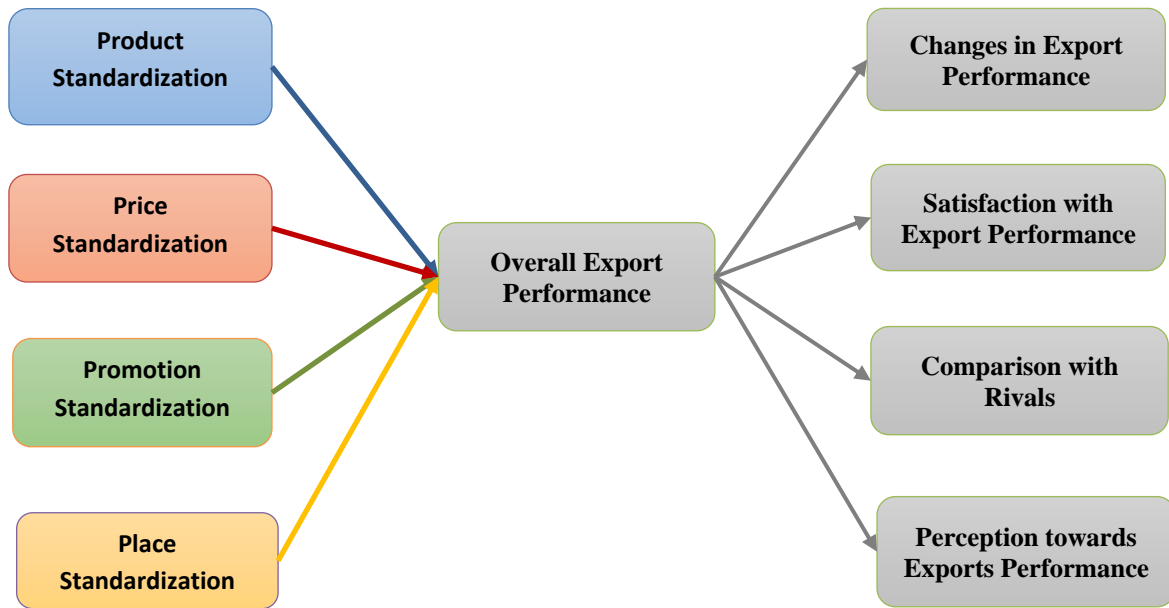


Figure 1. Model of the study.

4. ANALYSIS AND FINDINGS

According to the results, except than promotion standardization, price, place and product standardization decreases the export performance figures' changes. In fact, any single increase in product standardization decreases the export performance by -.070. Similarly, any single increase in price standardization decreases the export performance by -.075. Nevertheless, the most significant impact was found in the place standardization case as it was found that any single increase in the place standardization decreases the export performance by -.210. However differently, it was found that any single increase in promotion standardization can increase the export performance by .223.

Table 1. Participated Companies.

Companies		
Gender	Frequency	Percent (%)
Female	87	20,9
Male	329	79,1
Total	416	100,0
Age	Frequency	Percent (%)
20 - 30	148	35,6
31 - 40	160	38,5
41 - 50	89	21,4
51 +	19	4,6
Total	416	100,0
Marital Status	Frequency	Percent (%)
Married	299	71,9
Single	117	28,1



Total	416	100,0
Education	Frequency	Percent (%)
Primary	4	1,0
High	79	19,0
College	31	7,5
University	274	65,9
MBA	28	6,7
Total	416	100,0
Foreign Lan.	Frequency	Percent (%)
0	1	0,2
1	186	44,7
2	190	45,7
3	34	8,2
4	5	1,2
Total	416	100,0

Table 2. effect of standardization on export performance changes.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.184 ^a	.034	.024	.97233

a. Predictors: (Constant), Product Standardization, Price Standardization, Promotion Standardization, Place Standardization

ANOVA^b

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	13.566	4	3.391	3.587	.007 ^a
	Residual	388.567	411	.945		
	Total	402.132	415			

a. Predictors: (Constant), Product Standardization, Price Standardization, Promotion Standardization, Place Standardization

b. Dependent Variable: Changes in Export Performance

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.462	.263		9.346	.000
	Product Standardization	-.070	.101	-.039	-.688	.492
	Price Standardization	-.075	.053	-.072	-1.422	.156
	Promotion Standardization	.223	.091	.141	2.455	.014
	Place Standardization	-.210	.085	-.131	-2.471	.014



Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.462	.263		9.346	.000
	Product Standardization	-.070	.101	-.039	-.688	.492
	Price Standardization	-.075	.053	-.072	-1.422	.156
	Promotion Standardization	.223	.091	.141	2.455	.014
	Place Standardization	-.210	.085	-.131	-2.471	.014

a. Dependent Variable: Changes in Export Performance

Table 3. Effect of standardization on satisfaction with export performance.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.239 ^a	.057	.048	1.08284

a. Predictors: (Constant), Product Standardization, Price Standardization, Promotion Standardization, Place Standardization

ANOVA^b

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	29.097	4	7.274	6.204	.000 ^a
	Residual	481.914	411	1.173		
	Total	511.011	415			

a. Predictors: (Constant), Product Standardization, Price Standardization, Promotion Standardization, Place Standardization

b. Dependent Variable: Satisfaction with export performance

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.851	.293		16.539	.000
	Product Standardization	-.187	.113	-.094	-1.662	.097
	Price Standardization	-.085	.059	-.072	-1.444	.149
	Promotion Standardization	-.138	.101	-.077	-1.366	.173
	Place Standardization	-.192	.095	-.106	-2.034	.043

a. Dependent Variable: Satisfaction with export performance

According to the results, all price, place, promotion and product standardization decreases the satisfaction with export performance. In fact, any single increase in product standardization decreases the satisfaction with export performance by -.187. Similarly, any single increase in



price standardization decreases the satisfaction with export performance by -.085. In addition, it was also found that any single increase in promotion standardization can decrease the satisfaction with export performance by -.138. It was also found that any single increase in the place standardization decreases the satisfaction with export performance by -.192.

Table 4. Effect of standardization on comparison with rivals.

Model Summary

Model	R	R Square	Adjusted Square	R	Std. Error of the Estimate
1	.231 ^a	.054	.044		1.06000

a. Predictors: (Constant), Product Standardization, Price Standardization, Promotion Standardization, Place Standardization

ANOVA^b

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	26.105	4	6.526	5.808	.000 ^a
	Residual	461.802	411	1.124		
	Total	487.908	415			

a. Predictors: (Constant), Product Standardization, Price Standardization, Promotion Standardization, Place Standardization

b. Dependent Variable: Comparison with rivals

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.767	.287		16.602	.000
	Product Standardization	-.152	.110	-.078	-1.378	.169
	Price Standardization	-.111	.058	-.096	-1.924	.055
	Promotion Standardization	-.072	.099	-.042	-.733	.464
	Place Standardization	-.216	.093	-.123	-2.339	.020

a. Dependent Variable: Comparison with rivals

According to the results, all price, place, promotion and product standardization decreases the export performance compared to rivals. In fact, any single increase in product standardization decreases the export performance compared to rivals by -.152. Similarly, any single increase in price standardization decreases the export performance compared to rivals by -.111. In addition, it was also found that any single increase in promotion standardization can decrease the export performance compared to rivals by -.072. It was also found that any single increase in the place standardization decreases the export performance compared to rivals by -.216.



Table 5. Effect of standardization on perception towards export performance.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.209 ^a	.044	.034	1.00906

a. Predictors: (Constant), Product Standardization, Price Standardization, Promotion Standardization, Place Standardization

ANOVA^b

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	19.054	4	4.764	4.678	.001 ^a
	Residual	418.484	411	1.018		
	Total	437.538	415			

a. Predictors: (Constant), Product Standardization, Price Standardization, Promotion Standardization, Place Standardization

b. Dependent Variable: Perception towards export performance

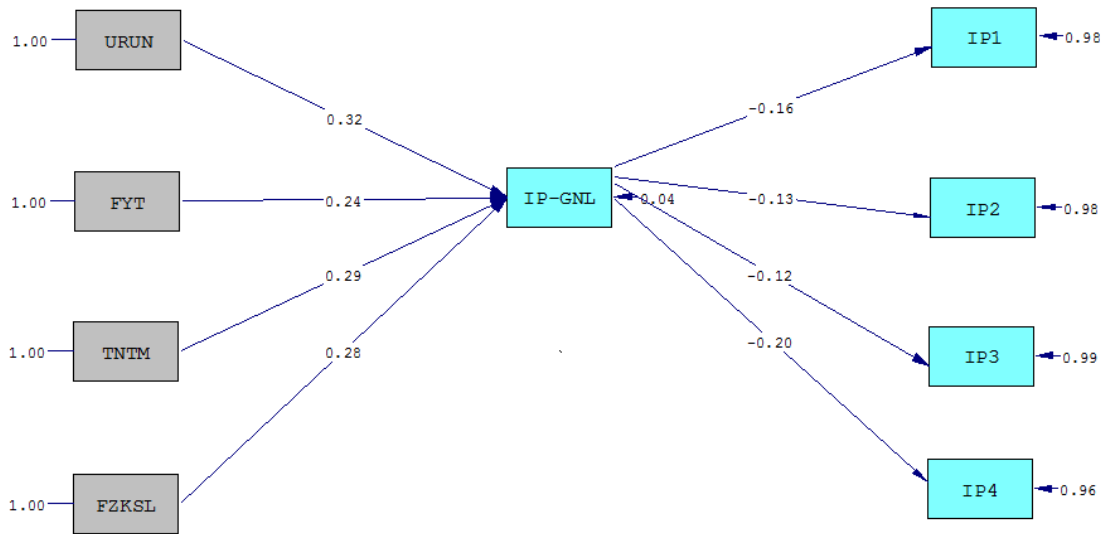
Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.557	.273		16.672	.000
	Product Standardization	-.117	.105	-.064	-1.118	.264
	Price Standardization	-.065	.055	-.059	-1.181	.238
	Promotion Standardization	-.074	.094	-.045	-.782	.435
	Place Standardization	-.218	.088	-.130	-2.473	.014

a. Dependent Variable: Perception towards export performance

According to the results, all price, place, promotion and product standardization decreases the perception towards positive export performance. In fact, any single increase in product standardization decreases the perception towards positive export performance by -.117. Similarly, any single increase in price standardization decreases the perception towards positive export performance by -.065. In addition, it was also found that any single increase in promotion standardization can decrease the perception towards positive export performance by -.074. It was also found that any single increase in the place standardization decreases the perception towards positive export performance by -.218.

In order to find out whether the model is right, structural equation modelling was also applied in this study. Figure 2 presents the equation.



Chi-Square=134.78, df=25, P-value=0.00000, RMSEA=0.103

Figure 2. Structural equation modelling.

Table 6. Determinants in the figure.

Determinants in the Figure	
Product: Urun	IP1: Percentage Changes
Price: FYT	IP2: Satisfaction
Promotion: TNTM	IP3: Comparison with Rivals
Place: FZKSL	IP4: Perception

Table 7. Results of structural equation modelling.

Index	Perfect Measure	Equation	Reasonable Equation Measure	Finding	Result
χ^2 / sd	0-3		3-5	5,39	Good Equation
RMSEA	.00 ≤ RMSEA ≤ .05		.05 ≤ RMSEA ≤ .10	.103	
CFI	.95 ≤ CFI ≤ 1.00		.90 ≤ CFI ≤ .95	.96	Perfect Equation
NNFI	.95 ≤ NNFI (TLI) ≤ 1.00		.90 ≤ NNFI (TLI) ≤ .95	.94	Good Equation
NFI	.95 ≤ NFI ≤ 1.00		.90 ≤ NFI ≤ .95	.95	Perfect Equation
SRMR	.00 ≤ SRMR ≤ .05		.05 ≤ SRMR ≤ .08	.08	Good Equation
GFI	.95 ≤ GFI ≤ 1.00		.90 ≤ GFI ≤ .95	.93	Good Equation
AGFI	.90 ≤ AGFI ≤ 1.00		.85 ≤ AGFI ≤ .90	.88	Good Equation



According to results, the model shows good equation (Chi Square (X^2) = 5.39. According to Kline (2005) the model shows good equation if the results are in between 3-5. In this study, 5.39 was found which is not too greater than 5 so that the model is accepted as having good equation.

RMSEA indicates the error and should be less than .10 in order for model to be acceptable (Steiger, 1990). In this study, .103 was found so that model is acceptable.

CFI indicates the model fit and the value should be in between 0.95 and 1 in order for model to be perfectly fit (Hu and Bentler, 1999). In this study CFI was found as 0.96 indicating perfect fit.

NFI which indicates the normative fit index was found as 0,95 which indicates the perfect normative fit between hypothesis and the model suggestion (Hu and Bentler, 1999).

GFI indicates how good the observation was carried out by the study. In this manner, if the results indicate the value as more than .90, it means that the model is good (Schumacker and Lomax, 1996). In this study, value of .93 was obtained.

SRMR indicates the standardized error value and if the model is reasonable and acceptable the value should be within the range of 0.05 and 0.08 (Hu and Bentler, 1999). In this study the value of 0.08 was achieved. Overall it can be said that model was good and confirmed by the findings.

5. DISCUSSION AND CONCLUSION

The main of this study was to identify the role of standardization on the export performance of the companies in Jewellery industry in Turkey. In achieving this aim, positivist and deductive approach was used and exploratory type of examination was carried out.

It was found in this study that standardization is not a good option in the case of Jewellery industry since all 4ps affects the export performance negatively. However, it was seen that promotion standardization can increase the export figures positively. This may be related to the fact that standardization of the promotional activities can decrease the cost significantly (Ghauri and Cateora, 2006).

In addition, it was also found out that despite having a negative effect on the export performance, pricing has a very small negative effect on the export performance compared to others. Therefore, in some cases pricing can be standardized in order to save cost and increase the performance. However, place subject was found as having the most negative effect on export performance. Therefore, it is not advice companies to standardize their distribution activities. Products should also be adopted in most cases in order to increase the performance in Jewellery industry. According to results, the best strategy can be combining standardization and adoption in exporting. Supporters of this view acknowledge the differences between markets while they also suggest standardization to a certain degree (Melewar and Vemmervik, 2004). In fact, Onkvisit and Shaw (1990) claimed that concentrating on merely the savings on costs can disrupt the consequential messages which should be delivered to various target audiences. Hence, it is suggested that standardised marketing should be applied in case segments are actually homogenous. In this sense, it is possible to argue that savings on costs does not necessarily reflect higher profit margins due to the fact that standardization may cause the marketing to be unattractive by the audiences and result in decreased sales figures (Onkvisit and Shaw, 1990). This means that combination of strategies (adoption / standardization) is needed when targeting international markets.

Despite having rather original results, the same study should be carried out by the researchers as further studies in different sectors. In fact, each and every product type may create a different





result and therefore; different industries should be examined in order to find a better strategy in the international markets.

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