

RESEARCH ARTICLE

THE EFFECT OF EXPORT PROMOTION PROGRAM TOWARDS SMALL-MEDIUM ENTERPRISES' EXPORT PERFORMANCE: A GOVERNANCE PERSPECTIVE

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ABSTRACT - This paper investigates the effectiveness of export promotion programs (i.e., information, experiential, and financial supports) towards small-medium enterprises (SMEs) export performance. The research framework is guided by the Research-Based View. A sample of 116 Malaysian small and medium size exporter firms was tested by using the model. The data were analyzed through a partial least square structural equation modelling approach. Study results show that all three supports in the export promotion program improve SMEs' export performance with the mediating effect of network role. The findings show that the implication of the impact of export promotion programs on export performance is justified. Besides, it also validates the importance of networking in using support from government agencies. The findings can also help SMEs engage with foreign buyers or trade organizations to profit from trade fairs and trade exhibits, promoting promotion programs on a global scale. Last but not least, government agencies can also strengthen international trade relations and foreign diplomacy for exporters to boost their trade competitiveness.

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INTRODUCTION

Many businesses seek opportunities to expand internationally in the current globalized world. Export is the simplest and most popular corporate engagement in foreign operations compared to other internationalization methods (Morgan et al., 2012). A learning process is driven by internal business processes and government support for exporters (Leonidou et al., 2011). As such, export promotion is essentially a trade promotion organization focused on the perspective of small and medium enterprises (SMEs). Depending on the support offered, this organization can directly or indirectly affect a firm's exporting process by boosting managers' perceptions of the international market (Crick & Lindsay, 2015). Depending on the specific program used, international activity can give numerous advantages to SMEs by allowing managers to obtain necessary global market access inside and beyond their own country (Leonidou et al., 2011). Exports have been shown to promote SME development, competitiveness, and survival by improving productivity, innovation, and performance (Wagner, 2013).

To support the export activities of SMEs, the Malaysian government has introduced several export support initiatives. Over the years, Malaysia's government has launched export promotion programs (EPP) to encourage and promote more SMEs to export and increase their presence in the country's total exports. In Malaysia, the Malaysian External Trade Development Corporation (MATRADE), established in March 1993, serves as the foreign trade promotion arm of the Ministry of Trade and Industry (MITI). MATRADE is a government agency that provides trade-related information for Malaysian exporters and foreign buyers. MATRADE aids Malaysian exporters in better positioning their products and services in the highly competitive international market by providing market research information and the support they need.

On their way to the global markets, SMEs encounter various hurdles, including a lack of expertise and resources for export activities (Paul et al., 2017). They have to rely on many types of decision-making (Cheah et al., 2022; Nalcacia & Yagcibl, 2014), as well as the distance barrier to realize the possibilities in the foreign market. SMEs are at a disadvantage if they opt to export due to the complexity and uncertainty of the worldwide market condition and a shortage of resources (Cavusgil et al., 2014). Most countries have an export promotion agency that assists SMEs in succeeding in export markets (Lederman et al., 2010). These programs aid firms in lowering variable or fixed trading expenses, such as locating a distributor, navigating international customs and product standards, or adapting the product to foreign demands. Most countries' foreign trade policies include elements of the EPP. Firms in both developed and undeveloped countries frequently seek assistance. Several quantitative studies have been undertaken over the last several decades to assess the efficiency of EPP in improving SMEs' resources and performance (Bonner et al., 2007; Sousa et al., 2009; Leonidou et al., 2011). According to Love and Roper (2015), there is much debate about which business networks have the most significant impact on export performance, especially in improving export performance. Through EPP, networking roles enhance partner access to resources or skills that can improve company performance (Wang et al., 2015). As EPP is

viewed as a supplementary resource (Leonidou et al., 2011), its impact on SMEs' export-related resources and capacities might be examined in more depth. In this regard, it has been accepted that creating and promoting networking opportunities is a crucial component of export promotion operations. As a result, the effectiveness of EPP may be demonstrated in their function in improving the quality of SMEs' relationships.

There has been a spike in interest in studying the efficacy of EPP at the firm level in recent years. The conclusions of the research into the direct relationship between EPP and export performance, on the other hand, are inconsistent. Some writers show a positive linkage (Jalali, 2012; Sousa & Novello, 2014; Sharma et al., 2018), and some are not statistically important (Faroque & Takahashi, 2015). As a result, the actual effects of EPP usage are not yet known or thoroughly investigated. Incorporating mediating variables within the study might help better understand the link between EPP and export performance.

Thus, this study constructs and evaluates a conceptual model theorized within EPP perspectives, which investigates networking's role as a mediating factor in export performance. In various areas, the findings add to the export literature. First, it shows and contrasts the hypothesis of EPP variables on the export performance of SMEs. Second, the study identifies the importance of such programs in networking in boosting EPP relationships, partnerships, and export performance. Policymakers could enhance and increase these programs' effectiveness if such a mechanism could be discovered. Then, in line with other studies on EPP (Leonidou et al., 2011), this study employs the resource-based view (RBV) (Wernerfelt, 2010). According to the RBV, EPP can impact international performance and a firm's resources (Faroque & Takahashi, 2012). According to the RBV, only relationships that provide value to the firm are considered strategic resources (Hormiga et al., 2011). Export assistance, which includes networking opportunities with potential prospects (ideally at the international level), is very beneficial to SMEs (Eurofound, 2012). The SME network promotes awareness of foreign opportunities, thus accelerating the implementation of global opportunities.

Research Objective and Questions

One objective of EPP might be to improve the performance of SMEs, allowing owners to capitalize on their strengths in export markets. However, there is still disagreement over the advantages of implementing EPP (Williamson et al., 2011). Benefits, for example, may differ according to the sort of assistance offered by a specific EPP (Crick & Lindsay, 2015). EPP will help expand the product and service reach through international trade and exhibitions in foreign markets. Sousa et al. (2008) discovered that government-supported programs aiding trade could improve a firm's export performance. Furthermore, participation in EPP is believed to be associated with networking roles that report high-performance satisfaction.

Three key research questions are proposed to fully delve into the role of EPP: (1) Can SMEs' export performance be enhanced with different supports? (2) What kind of relationship does this foster? (3) Which relationship will improve the export performance of SMEs? This study constructs and analyzes a theoretical conceptual model that investigates the influence of EPP implementation on export performance via the networking role. In various areas, the study adds to the export research. First, it investigates and analyses the informational, experiential, and financial implications of EPP on the export performance of SMEs. Second, the research identifies and investigates the networking role of such programs in boosting relationships, collaboration, and export performance. These contributions would give a more thorough understanding of the process through which EPP functions to improve the export performance of SMEs.

Significance of the Study

A review of the literature on export performance found EPP to be an essential factor influencing export performance (Sousa et al., 2008). In recent years, there has been growing interest in analyzing the effectiveness of EPP at the corporate level. On the other hand, the results of the analysis of the direct relationship between EPP and export performance are contradictory. Some publications indicate a favorable relationship (Jalali, 2012), while others report statistically insignificant findings (Faroque & Takahashi, 2015). Different outcomes may emerge due to the research's use of varying export performance indicators (Gençturk & Kotabe, 2001).

This study adds to the literature in several ways. The results of this study can enhance knowledge of export performance measurement and provide insights for developing countries in the area of international business. Furthermore, this study contributes to a better understanding of the processes through which EPP influences export performance, as well as evidence of what motivates firms to become more active in EPP. The results of this study support the government initiatives and investment in EPP. The results of this study are significant for SMEs as they show how important it is to use EPP to expand their knowledge base, establish international contacts, and improve managers' export skills.

LITERATURE REVIEW

EPP recognizes that exporting is a challenging activity in which SMEs face more restraints and higher international market entrance costs than their bigger counterparts (Bernard & Jensen, 2004). Even though firms can enter the market through various channels, including licensing, franchising, and subsidiaries (Lehrer & Celso, 2017), exporting remains a primary international penetration strategy (Pukall & Calabro, 2014).

Overview of Export Promotion Program (EPP)

SMEs are more constrained than large companies due to their limited resources and skills to acquire knowledge and are less likely to export without support from the government (Durmusoglu, Apfelthaler, Nayir, Alvarez, & Mughan, 2012). The government establishes export promotion organizations in many countries with the core idea that export programs contribute significantly to the country's social and economic growth. As a result, EPPs are generally targeted at SMEs, and SMEs often have a more substantial impact on export performance. In the early 1970s, MITI established EPP. MATRADE is a national export promotion organization that has enabled many Malaysian companies to break new ground in the global market. Other government entities that provide technical and financial aid to firms include the Malaysia Industrial Development Finance (MIDF), the Industrial Technical and Aid Fund (ITAF) and the Credit Guarantee Corporation (CGC).

EPP may be divided into three types of support: informational, experiential, and financial. Examples of informational support include export advisory, export information resources, seminars and workshops, online information on export markets, international market research, publications encouraging companies to export, foreign market research, and how to enter the global market. As an outcome, informational support tends to assist businesses in acquiring capabilities such as enhancing management impression, attitude, and commitment to export, as well as exporting skills and knowledge, eventually impacting firm export strategy and performance.

Experiential support includes services that help small businesses reach new markets and customers. Trade fairs assist in identifying foreign agents and intermediaries, promotional events, and the introduction of buyer representatives in import organizations (Durmusoglu et al., 2012). Trade shows are an excellent way to obtain international recognition quickly and in one shot, and they undoubtedly increase the possibility of forming new business partnerships (Wilkinson & Brouthers, 2006). It is also to showcase the product/service to all participants and visitors, whether they are importers, distributors, wholesalers, promoters, or others, and maybe to do export business with new prospects. Trade missions, in general, comprise a closer interaction with market players, enabling the formation of economic links to be established more promptly. Trade fairs serve as a marketing and information platform that allows firms to grow and spread worldwide (Jordana et al., 2010).

In terms of financial support, it covers loans, subsidies, guarantees, and insurance for export activities. Loans are limited to the whole amount of equity. Subsidies are typically used to fund consultancy missions (market research, legal analysis), translation (websites, paperwork), or the hire of their first export staff (Catanzaro et al., 2018). Financial assistance is also offered through the exchange rate, tax benefits, and value-added tax (VAT) exemption (Chen et al., 2006). In Malaysia, financial assistance includes credit consultation, finance management, and incentives tax provided by SMECorp and CGC. As a result of these economic advantages, SMEs may get funds at a lesser cost, frequently without the requirement for collateral guarantees, allowing them to fund more ambitious and riskier international ventures (De Maeseineire & Claeys, 2012).

EPP with strategies was discovered to be an excellent technique for building and nurturing cooperative SME relationships. They would not exist if the government did not support the formation and development of such organizations, as firms are generally unaware of the benefits of collaborative practices. In terms of EPP, they may gain an advantage from physical meetings with potential foreign buyers, which will help them better assess their needs and offer relevant products (Leonidou et al., 2011). In the United States, trade missions and exhibitions allowed managers to explore and meet possible foreign clients and distributors and establish early international commercial ties (Wilkinson & Brouthers, 2006). They are going to global marketplaces in person to surge the number of participants. To summarize, offering partnerships the chance to meet often through, for example, training sessions, conferences, or trade exhibits is a technique to enhance relationships between partners.

Export Performance

EPP comprises seminars for potential exporters, export consultancy, export finance, market development programs necessary for managing distribution to local firms, market analysis, export newsletter and participation in international trade exhibitions (Gençtürk & Kotabe, 2001). EPPs can be built with extensive resources to provide information and training to exporters regarding global market operations. As a result, a well-designed EPP that can be well integrated into a company's export process can improve export performance (Durmuşoglu et al., 2012). EPP can be a driving factor in the performance of SMEs' exports. Nonetheless, available research indicates that combining diverse types of services is related to improved export success, demonstrating that services complement one another.

As a result, more proof is required to persuade senior management, especially about how EPP impacts export performance. Otherwise, EPP may be viewed as excessive or impractical. Table 1 displays the six relevant past research on EPP and SME export performance and their key findings.

Table 1. Previous studies on export promotion programs and export performance

Author (Year)	Main Findings
Catanzaro et al., (2021)	The degree of use of export promotion programs shapes the export capabilities and the risk management practices toward internationalization and positively influences the international performances of the SME.
Faroque et al., (2015)	The value of export promotion resources, especially the programs about experiential knowledge, is tied to early internationalizing firms' commitment to international markets.
Quaye e al., (2017)	There was a positive correlation between export promotion programs and export performance. This result confirms the important role of export promotion in export performance and stresses the effects of export promotion on export performance.
Haddoud et al., (2017)	Government export promotion program indirectly impacts export performance by enhancing SMEs' relationship quality and uncovering the network promotion mechanism whereby export assistance increases SMEs' export performance.
Han et al. (2019)	SMEs are informed about the competitors, markets, consumers, possible partners, logistics and export processes through different export promotion programs and indicate that information- and operation-focused EPPs indirectly affect sustainable export performance.
Durmuşoğlu et al., (2012)	Export promotion support use improves all four export performance dimensions considered, namely, financial, stakeholder relationship, strategic, and organizational learning goal achievement

Network Role

SMEs evolved through diverse business relationships and networking opportunities. Relationships resulting from such connections can be essential in improving a firm's export performance (Cheah & Lim, 2023; Lavie, 2006). Resources can be developed significantly and often depend on the extent of collaboration among those firms. Additionally, entrepreneurs typically use their networks to look for business opportunities in other countries (Felzensztein et al., 2015).

It was observed that firm and institutional networks impacted export performance (He & Wei, 2013). According to Singh (2009), networking benefits corporate group stakeholders to support companies in emerging markets. These networks enhance the firm's unique resources and capabilities.

Firms working with complementary local suppliers improve the quality of input and enhance international competitiveness. Furthermore, through their local networks, foreign entrepreneurs typically look for business opportunities in other markets (Felzensztein et al., 2015). SMEs can gain an empowered position and boost networking, allowing them to identify and capitalize on relational possibilities. With the knowledge and information received through EPP, SMEs may facilitate the value of their chain-network engagement by researching relational prospects. Enterprises can then pursue networking opportunities, such as a network position in partnerships. This research believes EPP provides firms with external information resources based on the facts provided. The long-term export performance will improve due to information utilization for networking opportunities. Furthermore, link networks tend to accelerate the internationalization process even when implemented in stages.

Research-based View (RBV)

The approach is based on the firm's resource-based view (RBV), which emphasizes the importance of the firm's resources and capabilities in understanding business success. Developing and implementing a given strategy necessitates a wide range of resources and talents critical to creating a sustainable competitive advantage. These attributes are the foundation for developing and implementing strategies that, in turn, assist the company in achieving long-term competitive benefits and improving efficiency and effectiveness (Barney, 1991).

THEORETICAL FRAMEWORK

Export is a challenging activity that is impacted by a variety of circumstances. Exporting firms encounter several challenges. The higher the intensity of these hurdles, the lower the country's development level (Arvis et al., 2013). EPP was formed to enhance local firms' international competitiveness (Shamsuddoha et al., 2009) and to help firms overcome export barriers (Leonidou et al., 2015). Due to a lack of human resources and finances and the knowledge and skills necessary to correctly appraise complex international business contexts, they are primarily aimed at SMEs (Leonidou et al., 2015). The literature recommends the resource-based view (RBV) theory (Gençtürk & Kotabe, 2001; Faroque & Takahashi, 2015). The approach aims to comprehend how export agencies and EPP assist firms with their internationalization process, whether they are transitioning from one stage to another or increasing their exposure to international markets and strengthening export performance. EPP's primary goal is to increase export performance by improving capabilities, strategies, resources, and competitiveness.

Export Promotion Program and Export Performance

Research has been undertaken to assess the impact of EPP and its varied methodologies on emerging export performance (Jalali, 2012). Export assistance is the support gained from three different sources that may increase a firm's exporting capabilities. The discovery of how to deploy export support to get positive outcomes is a significant task for researchers, public policymakers, and management. Unfortunately, prior studies on export assistance have had little impact on managers and public policymakers since they focus on export support measures (e.g., awareness, knowledge) that are only of limited benefit. To that end, this study examines the influence of the quantity of assistance received on export performance improvement. Following previous research by Leonidou et al. (2015), several contributing factors were mapped to a single measure of export performance. Improving export performance is critical for developing-country firms that see the international markets as a method of ensuring development, competitiveness or survival (Matanda & Freeman, 2009).

Therefore, this study aims to gain a more comprehensive understanding of the export promotion program and its impact on Malaysian SMEs' export performance. This study complemented the current state of knowledge in international business by assessing the relationship between export promotion and performance. Most export promotion studies focus on specific export aid programs (Brouthers & Wilkinson, 2006). Although firms can join the market through many routes, such as franchising, licensing, overseas offices, and subsidiaries, exporting remains a popular international entrance option (Pukall & Calabro, 2014).

Mediator: Network Role and Export Performance

EPP assists in forming partnerships and actively participates in their maintenance and quality assurance. EPP is also an effective networking tool for identifying possible customers and other business partners. They also discovered that trade exhibitions give a long-term chance to create and sustain vertical and horizontal partnerships. Thus, missions and trade exhibitions build trust capital among networks, increasing commitment (Evers & Knight, 2008).

In addition, networking can be coordinated to bring each customer together. For example, in collaboration with the Enterprise Europe Network and the French-German Business Network, the French Chamber of Commerce organizes B2B events to facilitate exchanges and cooperation between French and German companies. Additional measures were added to the general strategy to target these firms explicitly. Denmark's "Born Global Measure" or the "1, 2, 3 GO" are some services that attempt to connect SMEs with the leading players in overseas markets. To summarize, offering partners the chance to interact regularly via training sessions, conferences, or trade exhibits, for example, is an approach to promote partner networking (Catanzaro et al., 2015). According to a Brazilian study, connecting to a local network can improve corporate accessibility (through personal recommendations), increase recognition in the international market, and open up significant new opportunities (Boehe, 2013). Zucchella and Siano (2014) observed in Italy that supplier partnerships significantly improved export performance through innovation and research and development skills.

Hypotheses Development

The goals of EPP are to assist SMEs in overcoming market access, information, and operational barriers in foreign markets; ramping up the level of commitment to export activities and global expansion (Shamsuddoha et al., 2009); promoting the process of acquiring experience and market knowledge; and competing in international markets (Ayob & Freixanet, 2014). As a result, the strong relationship between EPP and trade mobility activities such as trade fairs, trade shows, and support from foreign trade offices is measured (Leonidou et al., 2011). In addition, EPP influences the involvement and development of SMEs' export-related resources through their networking role (Shamsuddoha et al., 2009).

H1: Informational Support has a positive effect on Export Performance through Network Role

Informational support, such as provided through training programs and workshops or seminars, connects local and international companies to promote new connections and partnerships. Export promotion resources, like experiential programs, are related to the involvement of early internationalized firms in international markets and help develop long-term networks. People exchange business cards, compare strategies and methods, and discuss future business opportunities. These events serve dedicated firms as a tool for expanding their networks and establishing new business relationships. It is also suitable for building long-term relationships (Crick, 2014). Furthermore, it shows that prospecting missions benefit experienced exporters but much more so enterprises entering new markets. These efforts may positively impact the networking between corporations and international organizations and lead to higher export performance.

H2: Experiential Support has a positive effect on Export Performance through Network Role

According to Leonidou et al. (2011), the EPP study should look into the impact of various programs. To address this limitation, the research focused on trade missions and trade fairs, which are components of trade mobility (Leonidou et al., 2011). Both activities allow management to conduct market research, meet buyers and dealers, discuss exports with experienced participants, and establish international business relationships early on (Wilkinson & Brouthers, 2006). Studies show that EPP can significantly impact experiential support and improve export performance (Haddoud et al., 2017). Marketing refers to interacting with a foreign company in the export market (Haddoud et al., 2017). In this way,

companies can also contact potential importers directly, learn about the needs of international customers and partners, and provide related products and services (Leonidou et al., 2015). As a result, the circle’s networking can be strengthened.

H3: Financial Support has a positive effect on Export Performance through Network Role

As defined by Bellock and Dimaio (2011), financial support is the policies and programs aimed at helping current and potential exporters enter foreign markets. For instance, the provision of export subsidies reduced tax rates for exporting firms’ revenues, favourable insurance rates, favourable financial circumstances, or variations in exchange rates. Developed countries have had access to financial business help since the beginning of the century. As a result, from an economic point of view, financial assistance should help companies improve their performance, which is characterized by overall performance, export sales, export market share, and satisfaction with export monetary growth (Lages & Lages, 2005). When analyzing export success, relationships with various stakeholders should be evaluated in addition to competitor-focused and other strategic indicators.

H4: Network Role has a positive effect on an Export Performance

According to RBV, the EPP will act as an external resource for companies to fill the gaps in internal resources. As a result, there is a good rationale for assuming that EPP improves export performance. Examining how EPP affects export performance is one way to understand this relationship better. Some authors, recognizing the indirect impact of EPP on export performance, include numerous intermediaries in their research framework (Leonidou et al., 2011; Jalali, 2012; Haddoud et al., 2017). Studies demonstrating the networking mediator’s role in the link between EPP and export performance are relevant for developing hypotheses in this study. Jalali (2012) shows that EPP affects export performance through networking. Correspondingly, Leonidou et al. (2011) found that networking significantly mediated the connection between EPP and export performance. The summary of the hypothesis’s development is shown in Figure 1.

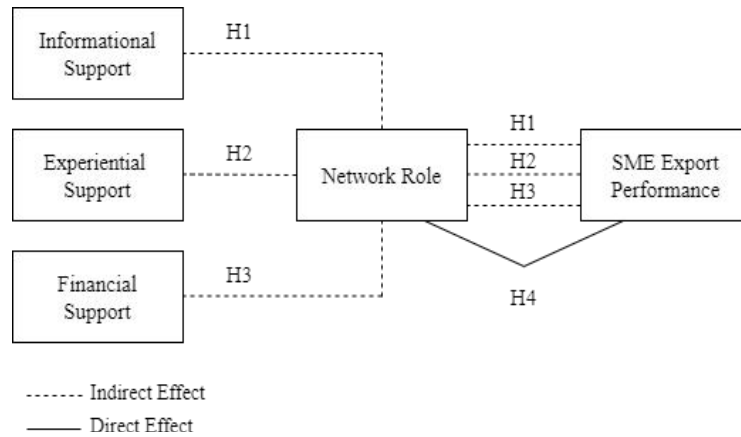


Figure 1. Summary of hypotheses development

RESEARCH METHODOLOGY

The suggested theoretical framework and hypotheses were examined using partial least squares structural equation modelling (PLS-SEM). According to the recommendations of Hair et al. (2017), PLS-SEM, a two-step analytical process, was used, including measurement and structural models. Before structural modelling, this study tested the latent measurement model’s dimensions, validity, and reliability.

Research constructs, dimensions, and measurement items

The questionnaire items used for the export promotion program (EPP) comprised five items measuring informational support, which were adopted from Han et al. (2019), five items measuring experiential support from Faroque et al. (2015) and Catanzaro et al. (2019), three items measuring financial aid. Four items were adopted from Durmusoglu et al. (2012) for the network role construct. The scale for measuring SMEs’ export performance was adapted from Quaye et al. (2017). There were seven items in total. All 23 items were rated using a five-point Likert scale (1 representing “Strongly Disagree” and 5 representing “Strongly Agree”). Table 2 shows the research constructs and items for this study.

Table 2. Research constructs and items

A) Export Promotion Program	
a)	Informational Support (Han et al., 2019)
IS1	I get information on foreign market entry information provision (economic, political and market information).
IS2	I get information on general knowledge on potential foreign partners.
IS3	I get information on international marketing information and methods.
IS4	I get information on exporting and logistical process information.
IS5	I get information on export publications and general literature.

Table 2. (cont.)

b)	Experiential Support (Faroque et al., 2015)
ES1	I get assistance in establishing contact with foreign buyers.
ES2	I get assistance in getting information about market, global trends, major international trade agreements and WTO guidelines.
ES3	I get assistance in international trade fairs organized by the government.
ES4	I get assistance on trade missions to export markets supported by the government.
ES5	I get assistance on local trade fairs of international standards organized by the government.
c)	Financial Support (Catanzaro et al., 2019)
FS1	I acquire loans to cover international investment or costs of setting up abroad.
FS2	I acquire loan subsidies to cover international investment or costs of setting up abroad.
FS3	I acquire loan guarantees against economic risk in other countries' prospection insurance.
B)	Network Role (Durmusoglu et al., 2012)
NR1	My company has achieved better customer satisfaction through export.
NR2	My company has achieved better relationships with official bodies in my home country through export.
NR3	My company has achieved better relationships with official bodies in the host country through export
NR4	My company has achieved better relationships with suppliers and buyers through export.
C)	SMEs Export Performance (Quaye et al., 2017)
EP1	Participating in export promotion programs has improved my firm's export sales.
EP2	My firm receives orders from customers after each export promotion program.
EP3	Participating in export promotion programs has improved my firm's gross profit.
EP4	My firm has experienced an increase in net profits over the past five years. EP5 Export promotion has increased the number of markets my firm exports.
EP6	When my firm participates in export promotion programs, we receive export orders.
EP7	Export promotion has given my firm access to enter difficult markets.

Research population and sampling method

A quantitative method was used in this study. The units of analysis were Malaysian small and medium enterprises (SMEs), and a convenience sampling method was employed. The respondents were picked from the Malaysia External Trade Development Corporation (MATRADE) database as the organization that helps promote SMEs to export. The proposed questionnaire was distributed to each targeted firm via email. This study also used social media to boost the response rate. Reminder messages were also sent over WhatsApp to increase response rates.

The EPP was based on the three forms of assistance identified in the literature: informational, experiential, and financial support (Lederman et al., 2010; Catanzaro et al., 2015). The data was collected over two months. A total of 142 questionnaires were collected, and 116 were used for data analysis after excluding missing data, unclear or inconsistent answers, or those that did not correspond to the desired profile. G*Power program was used to calculate the range of sample performance. As shown in Table 3, half of the population was dominated by small firms at 67.24%, while others were between medium and micro companies. Most firms have been established for 6 to 10 years (32.76%). 58.62% are involved in manufacturing, and 40.52% in services and others. The top three regions are central (28.45%), south (20.69%), and north (19.83%). Regarding respondents' backgrounds, 50.86% are male, and 49.14% are female—the majority at 31 to 40 years old at 43.10%. Middle-level managerial level dominates at 41.38%, showing that the middle-level or export managers of SMEs preferred to answer the questionnaire themselves. Thirty-four respondents, representing 43.97%, have attained at least a professional education with a bachelor's degree.

Table 3. Respondents' profile (N=116)

a) Company Background		
Demographics	Frequency	Percentage (%)
Size of Company		
Medium	27	26.72
Small	60	67.24
Micro	28	6.03
Age of Business		
More than 20 years	9	9.48
16 to 20 years	16	18.10
11 to 15 years	24	23.28
6 to 10 years	37	32.76

Table 3. (cont.)

5 years and below	29	16.38
Business Nature		
Manufacturing	59	58.62
Services and others	56	40.52
Annual Revenue of Company		
3 million to less than 20 million	24	24.14
300,000 to less than 3 million	55	57.76
Less than 300,000	36	18.10
Region		
Central	35	28.45
East	25	18.97
North	22	19.83
South	20	20.69
East Malaysia	13	11.21
b) Personal Background		
Demographics	Frequency	Percentage (%)
Gender		
Male	60	50.86
Female	55	49.14
Age		
20 or below	3	2.59
21 to 30	30	21.55
31 to 40	46	43.10
41 to 50	28	26.72
51 and above	8	6.03
Managerial Level		
First Level (e.g., leader, supervisor)	21	21.55
Middle Level (e.g., manager)	42	41.38
Executive Level (e.g., owner, director)	52	37.07
Education		
Diploma	22	20.69
Undergraduate	34	43.97
Postgraduate	55	32.76
Others	4	2.59

Validity and Reliability

For data analysis, partial least squares structural equation modelling (PLS-SEM) was applied (Hair et al., 2014). PLS-SEM analysis was performed by running a PLS algorithm with bootstrapping and blindfolding. PLS-SEM, in particular, allows for the estimation of various causal links between exogenous and endogenous variables. PLS-SEM relaxes the critical assumptions about variable distribution, scale measurement variances, and sample size limits. The reliability and validity of the measurement model were assessed before testing the hypotheses.

Discriminant validity refers to the extent to which the composition differs empirically. It also evaluates how different the overlapping configurations are (Hair et al., 2014). Cross-loading of indicator, Fornell & Larcker Criterion can be used to assess discriminant validity. This approach compares the square root of the extracted average variance (AVE) to the latent correlation. Composite reliability (CR) should be above 0.7, and the average variance extracted (AVE) should be above 0.50 for reflective constructs.

Variance inflation factor (VIF) values were assessed, confirming that all values were below 5 (Diamantopoulos & Winklhofer, 2001). According to Kleinbaum et al. (1988), multicollinearity problems can only occur if VIF statistics reach or exceed 5. Therefore, this study does not show the problem of multicollinearity. Overall, the measurement model met the requirements to proceed with the structural model evaluation. Because their outer loadings in indicators are more than 0.7, the convergent validity is upheld, and no item has to be eliminated (Hair et al., 2016). Table 4 and Table 5 are shown below.

Table 4. Reliability and validity

Indicator	Construct	Convergent Validity	Internal Consistency		Collinearity
		Outer Loadings (>0.7)	AVE (>0.5)	CR (>0.7)	VIF (<5.0)
IS1	Informational Support (IS)	0.807	0.647	0.942	1.901
IS2		0.825			2.045
IS3		0.753			1.688
IS4		0.842			2.201
IS5		0.792			1.918
ES1	Experiential Support (ES)	0.788	0.689	0.917	1.872
ES2		0.809			1.964
ES3		0.869			2.727
ES4		0.829			2.189
ES5		0.851			2.526
FS1	Financial Support (FS)	0.919	0.835	0.938	3.207
FS2		0.897			2.374
FS3		0.926			3.410
NR1		Network Role (NR)			0.858
NR2	0.779		1.955		
NR3	0.788		1.875		
NR4	0.875		2.464		
EP1	SMEs Export Performance (EP)	0.816	0.698	0.896	2.542
EP2		0.794			2.274
EP3		0.835			2.608
EP4		0.799			2.418
EP5		0.866			3.570
EP6		0.835			2.685
EP7		0.897			4.703

Note: AVE: Average Variance Extracted; CR: Composite Reliability; VIF: Variance Inflation Factor

Table 5. Fornell & Larcker Criterion

	EP	ES	FS	IS	NR
EP	0.835				
ES	0.741	0.830			
FS	0.592	0.654	0.914		
IS	0.730	0.859	0.663	0.804	
NR	0.796	0.800	0.663	0.781	0.826

Note: EP: SMEs Export Performance; ES: Experiential Support; FS: Financial Support; IS: Informational Support; NR: Network Role

RESULTS AND DISCUSSION

The PLS-SEM approach is used to evaluate the presented hypotheses. There is significant evidence that PLS-SEM is a more practical approach than correlation coefficients in structural equation models for determining the strength and direction of correlations among study variables (Henseler et al., 2016). Furthermore, it eliminates frequent estimating biases in a regression study (Henseler et al., 2016). PLS-SEM has also been used in research on international commerce (Richter et al., 2016). A bootstrapping technique was carried out with a sample size of 1,000 to determine the strength and direction of the relations.

Specifically, IS positively affects EP through NR at (Mean: 0.231, SE: 0.101, p-value: 0.028, t-value: 2.206 and CI: +/+) respectively. Thus, a positive change in informational support will lead to a positive change in export performance with the strength in networking roles in the business. Thus, informational support helps EPP improve their export performance, contributing to improved economic international performance and expanding overseas markets independent of financial assistance. The result provides support for H1.

Hypothesis 2 (ES -> NR -> EP) states that experiential support is positively related (Mean: 0.339, SE: 0.091, p-value: 0.000, t-value: 3.792 and CI: +/+). As a result, exporters use EPP to achieve the goals of empirical support, enhance

export engagement, and ultimately generate awareness of the export market environment that impacts the firm's export strategy and performance. The regression coefficient of the positive causal relationship between export knowledge and export performance is significant at $p < 0.05$.

Hypothesis 3, which states that financial support has a positive and significant influence on export performance through network role, is supported (Mean: 0.151, SE: 0.059, p-value: 0.009, t-value: 2.613 and CI: +/-). Financial support helps governments and policymakers efficiently allocate the time and resources they lack to improve their export development programs. Gençtürk and Kotabe (2001) conclude that the direct cost reductions realized by consumers through programs such as subsidies, below-market rates, and transport costs are supported by the financial advantages of export promotion aid.

Ismail et al. (2014) found that the network role quality between the sellers and buyers significantly increases the exporters' competitive advantages. The finding shows that Hypothesis 4 is also supported. (Mean: 0.796, SE: 0.034, p-value: 0.000, t-value: 23.156 and CI: +/-). Exporters that communicated information with their importers saw an improvement in their export performance. Information sharing helps exporters eliminate uncertainty connected to international markets and may constitute a competitive advantage (Ural, 2009). When SMEs have close ties and a high level of engagement with their clients, they benefit from their international expertise and experience. This networking is important because it provides SMEs with important information and know-how for internationalization. Such connections often help SMEs overcome barriers to entry into foreign markets by giving them access to cross-cultural, technical and commercial skills (Kim & Hemmert, 2016). The summary of hypothesis testing is shown in Table 6.

Table 6. Summary of hypothesis testing

Hypothesis	Relationship	Mean	Std Error	t-value	p-value	Confidence interval	Supported
H1	IS-> NR -> EP	0.231	0.101	2.206	0.028	0.028 0.435	Yes
H2	ES -> NR -> EP	0.339	0.091	3.792	0.000	0.161 0.523	Yes
H3	FS -> NR -> EP	0.151	0.059	2.613	0.009	0.027 0.269	Yes
H4	NR -> EP	0.796	0.034	23.156	0.000	0.724 0.859	Yes

Note 1: IS: Informational Support; ES: Experiential Support; FS: Financial Support; NR: Network Role; EP: SMEs Export Performance

Note 2: Significant level of 5% ($p < 0.05$) and 1% ($p < 0.01$)

This research helps to clarify the relationship between EPP and export performance. A research framework that focuses on the drivers of EPP adoption was established. The main contribution of this study is the empirical examination of the connections between EPP, network roles, and export performance. The research undertaken provided some intriguing insights into how EPP influences export performance. The data indicated that EPP has a significant and positive influence on export performance, implying that an increase in EPP leads to an increase in the quantity of exports among Malaysian SMEs. This research reveals that exporting SMEs who attempt to establish network connections through government assistance have raised their exporting levels. Furthermore, the findings suggest that when exporting SMEs use all of the EPP designed for them, their export performance improves. Moreover, the results indicate that exporting SMEs who join overseas trade fairs and exhibits to meet potential partners increase the percentage of contributions provided by abroad activities (Belso-Martinez, 2006).

Exporters looking to expand globally may benefit from direct interactions by participating in trade exhibitions, increasing their opportunities to establish efficient, reliable, trustworthy, and long-term partnerships (Freixanet, 2012; Leonidou et al., 2011; Wilkinson & Brouters, 2006). Export promotion organizations may give their users vital knowledge about foreign nations' rules, business practices, and cultures, reducing the chance of disagreements and confrontations between exporters and their overseas clients. Participants in educational and experiential promotion programs may also benefit from more robust contacts with local and international businesses. In addition to formal collaboration, these programs can be seen as a platform for SMEs to establish informal relationships through the exchange of information and social contact (Kontinen & Ojala, 2011).

The investigation also revealed that exporters usually interact directly with local enterprises during informational sessions, implying that formal and informal connections can only develop with local participants. On the other hand, firms participating in trade shows and missions can interact directly with possible overseas buyers, allowing them to make or maintain new relationships. These findings contribute to the existing research by highlighting the many roles that information and experiential programs play in the operations of SMEs. The results support the network approach regarding the impact of the quality of SMEs' ties on internationalization. It was discovered that the quality of SMEs' partnerships increases their export performance.

Furthermore, financial support is essential. Economic impacts provide new insights for SMEs seeking to go worldwide. On the other hand, exporters must maintain and expand their network contacts to gain more targeted marketing for the export market and the consequent prospects in these regions. As competitive funding requirements become more specific and individualized, shifting from reliance on network partners to state-sponsored financing can impact export

success (Bell, 2003). The positive restraining effect of competitive advantage on associations and export performance shows these processes for companies with various export subsidies (Purwanto et al., 2018). Building good ties with intermediaries and importers enables exporters to ensure consistent demand (Lages et al., 2005). Exporters can gain critical market insights from foreign brokers and distributors, providing a competitive advantage and improving performance. These findings give new insight into the impact of various types of partnerships.

Finally, the quality of the role of SME networks with foreign buyers partially mediates the impact on EPP export performance. Such effects are likely attributed to EPP, indicating that they come from the enhanced SME network efforts with international traders and importers. To conclude, EPP favours export performance more. Exporters frequently have an excellent opportunity to seek reputable consumers, meet them, and establish profitable and long-term connections through services identifying possible international buyers, trade fairs, and missions' programs (Catanzaro et al., 2021).

CONCLUSION

This study examined the impact of EPP on SME export performance and how this affects emerging market export performance. A good relationship was found between EPP and export performance, crediting previous studies showing comparable results. Furthermore, the study confirms the vital function of EPP in the export performance process and highlights the impact of EPP on export performance. Results show that using EPP to determine export success has a significant effect. The results show that a participatory high-level knowledge of the export market environment and export process helps managers navigate and overcome potential export process/market barriers and gradually develops a positive perception of the export market environment (Quaye et al., 2017). Exporting SMEs acquire knowledge through the usage of EPP, which aids in overcoming barriers to internationalization and developing optimistic perspectives among executives. The results of this study also show that when managers are more aware of the export markets that EPPs can affect, they are more likely to devote more resources to exports, as evidenced by the concept of the internationalization process.

Implications of the study

This study has several academic implications. First, it provides valuable empirical support for existing studies examining the effects of EPP on export performance (Gençtürk & Kotabe, 2001; Shamsuddoha & Ali, 2006). It justifies using EPP as a predictor by examining the mediating impacts of networking role, one of the most extensively explored internal drivers of export success. Next, on the methodological implication, this study contributes to the assessment of EPP by classifying it according to its offering objectives: information, experiential, or financial. As for the managerial implication, this research suggests that government agencies create EPP based on the individual needs of diverse SME exporters to assist them in addressing their export issues. Government agencies can also help SMEs engage with foreign overseas trade organizations to profit from such programs as trade fairs and exhibits, promoting EPP globally. Furthermore, these may be supported worldwide through engagement with international trade organizations, where exporters can network with possible clients.

When establishing programs of information, collaborative planning groups, and export platforms, the EPP should focus more on the international network function. Areas of cooperation might be discovered, promoted, and cultivated in coordination with international trade organizations programs. Government agencies in charge of international trade relations should strengthen foreign diplomacy to boost exporters' financial and tax advantages. Besides, government agencies must increase overseas offices' human resource capability to improve their lobbying and negotiating abilities, enhancing export performance (Quaye et al., 2017).

Limitations and future research

However, it should be emphasized that evaluating the data obtained has certain limitations. The number of companies participating in the survey is limited. In this regard, firms with substantial export resources can recognize the importance of additional support that may affect the development of EPPs. Second, the study included SMEs from various manufacturing, service, and other sectors to guarantee generalization. Thus, when exposed to international economies, SMEs from different sectors may react differently, and future studies might investigate this further. As a result, future studies can focus on various economic sectors. They can help institutions understand the differences between industries and what they can gain from the emergence of manufacturing and services exports.

Studying a specific industry in a country may limit the observation of research. Because this study was done primarily in one country, Malaysia, the extent to which our findings can be applied to all nations is debatable. Because EPP is relatively similar worldwide (Faroque et al., 2015), this study presents fresh insights that may be used in other nations. Global comparisons can bring us closer to a consensus on whether EPP impacts SME resources and performance. Moreover, other authors suggest that certain aspects of export activity may precede different types of export activity (Sousa et al., 2008), suggesting that more dynamic measures of export performance need to be explored (Leonidou et al., 2011). Specific performance parameters, such as the success of organizational learning goals and other types of export activity, such as achieving financial goals, need to be considered in future studies.

CONFLICT OF INTEREST

The author(s), as noted, certify that they have NO affiliations with or involvement in any organisation or agency with any financial interest (such as honoraria; educational grants; participation in speakers' bureaus; membership, jobs, consultancies, stock ownership, or other equity interest; and expert testimony or patent-licensing arrangements), or non-financial interest (such as personal or professional relationships, affiliations, expertise or beliefs) in the subject matter or materials addressed in this manuscript.

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