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**When and How Managerial Ties and Institutional Distance Matters For Export
Venture Performance In A Digital Age: An Emerging Market Perspective**

A thesis presented in fulfilment of
the requirements for the degree of

Doctor of Philosophy

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Marketing

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Abstract

Despite the recent research on export performance, research is still unclear about what and how drives export performance in the digital age, especially for firms from emerging markets. Given the unprecedented and rapid environmental changes globally, exporting firms from emerging markets have encountered serious strategic issues. To overcome the challenges caused by cross-market institutional environment distance, social networking theory suggests that emerging market export firms need to rely on different managerial ties (host market business and political ties, home market ties and intrafirm ties) when conducting business in foreign host markets. Drawing on resource integration and innovation, social networking theory, digital technology, social media, institutional theory and export venture performance literature, in this thesis I have developed a series of conceptual models that have addressed the key research gaps in the extant literature. This thesis consists of three papers. Paper 1 is a conceptual study that outlines the contingent role of managerial ties in the resource integration-export venture innovation framework concerning emerging market export ventures. Paper 1 provides a platform for further empirical exploration, in relation to resource integration, managerial ties and export venture innovation. In Paper 2, I explore and examine the contingent effect of managerial ties in the digital market technology-export venture performance framework. In Paper 3, I further uncover the contingent effect of the institutional environment in the social media platform-export venture performance framework. The studies in Papers 2 and 3 are conducted based on the empirical evidence of 251 Chinese manufacturing firms' export ventures. The results suggest that digital marketing technology has a direct impact on export venture economic and channel performance. In Paper 2, it is found that host market managerial ties (business and political) can positively impact the effect of digital marketing technology on export venture performance, whereas home market managerial ties either have no impact or have a negative contingent effect on digital marketing technology-export venture performance conceptualisation. In Paper 3, my research findings confirm that a firm's social media platform has a direct and significant effect on export venture economic and channel performance. The institutional environment has both dark and bright side effects in the social media platform-export venture performance framework. Collectively my empirical research offers substantial new and novel insights into social networking theory, institutional theory, digital marketing technology, social media platform, and export venture literature. The outcomes of my research also provide insightful managerial implications for export ventures, especially for those from the emerging markets operating in foreign host markets.

Keywords:

Managerial ties, export venture; economic and channel performance; institutional theory; marketing strategy; dark and bright side effect; digital marketing, social networking, home market managerial tie; host market managerial tie; innovation; resource integration; emerging market; social media platform.

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Other Research Achievements During my PhD Journey

This PhD journey has strengthened my research knowledge. It has created some great opportunities for me to apply my PhD knowledge to my academic research. I have achieved 2A* and 1A publications during my PhD journey. See the following publish record:

Kingshott, R. P., Chung, H. F., Putranta, M. P., Sharma, P., & **Sima, H.** (2021). Religiosity and psychological contracts in Asian B2B service relationships. *Industrial Marketing Management*, 98, 138-148.

Kingshott, R. P., Sharma, P., **Sima, H.**, & Wong, D. (2020). The impact of psychological contract breaches within east-west buyer-supplier relationships. *Industrial Marketing Management*, 89, 220-231.

Carrie, D. G., Mulla, P., Patterson, A., Kilkolly-Proffit, M., Brookes, R., **Sima, H.**, & Agee, T. (2017). Adding value to first-year undergraduate marketing education: team-based learning as a strategic response to changing modern educational environments. *Journal of Strategic Marketing*, 25(2), 138-151.

Chapter 1

INTRODUCTION

Exporting has remained the most popular approach for small to medium-sized enterprises (SMEs) to engage with international markets (Chung et al., 2019; Leonidou & Katsikeas, 2010; Morgan et al., 2004; Spyropoulou et al., 2010), particularly, for emerging markets. According to the International Monetary Fund (2021), emerging markets have accounted for 57% of total global GDP, and this trend is expected to continue to grow. Given the importance of exporting to the global economy, this topic has attracted extensive research in the export marketing literature. Scholars have called for a comprehensive understanding of exporting (Cavusgil & Zou, 1994; Chung, 2003; Chung, 2011; Chung & Ho, 2021; Lages et al., 2008; Morgan et al., 2004), especially in emerging markets.

Emerging market export ventures often face significant challenges when operating in a foreign host market due to limited knowledge and resources, and also massive changes in institutional environments (Chung, 2012; Chung & Kuo, 2018; Li et al., 2009; Wang & Chung, 2020; Yang et al., 2012; Zhou et al., 2006). According to Cavusgil and Zhou (1994) and Morgan et al. (2004), an export venture is defined as a single product or product line to a specific foreign host market. To better understand emerging market export ventures, extant literature suggests that a product-market (i.e., the export venture) conceptualisation can be a good approach to conducting this study (Cavusgil & Zou, 1994; Chung, 2012; Chung & Ho, 2021; Chung & Kuo, 2018; Morgan et al., 2004).

Prior exporting research suggests that exporting firms need to carefully consider various resources and knowledge, that influence a firm's innovation (Grant, 1996; Liebeskind, 1996; Nonaka, 1994). Studies from resource-advantage theory show that a firm's innovation is the outcome of a firm's ability to integrate various resources and knowledge (Gummesson & Mele, 2010; Hunt & Morgan, 1995; Hunt & Morgan, 1997; Madhavaram & Hunt, 2008). Knowledge-based theory also suggests that the degree of knowledge can drive a firm's innovation (Grant, 1996; Grant & Baden-Fuller, 1995). Through the resource integration process, firms can build up their strategic resources and innovate their products, systems and administration (Chung et al., 2019). However, the extant research has not explored how resource integration impacts emerging market export venture innovation (Gummesson & Mele, 2010; Kleinaltenkamp et al., 2012; Lusch & Nambisan, 2015; Mele et al., 2010).

Recent studies on digitisation recognise the revolutionary impact on firms' internationalisation process through digital marketing technology (Cassetta et al., 2020; Hamill & Gregory, 1997; Kanne & Li, 2017). Digital marketing refers to the technology-based process to collaborate with customers and partners for value creation (e.g., Email, website, weblink, and webpage) (Kanne & Li, 2017). Even though there are important benefits and huge potential in digital marketing technology, studies have not yet explored the impact of digital marketing technology on export performance in a Business-to-Business (B2B) context (e.g., exporters vs. foreign distributors) (Iankova et al., 2019; Luo et al., 2021), especially for export ventures. To overcome challenges faced by emerging market export ventures, many scholars suggest that emerging market export ventures should actively rely on managerial (e.g., business, political and professional) ties when operating in foreign host markets (Chung & Kuo, 2018; Chung et al., 2021; Chung et al., 2015; Li et al., 2009; Peng & Luo, 2000; Tsang, 1998; Zhou et al., 2014).

Prior exporting research also suggests that exporting firms need to carefully consider institutional distance when operating in a foreign host market (e.g., He et al., 2018; Katsikeas et al., 2006; Kostova et al., 2020; Wang & Chung, 2020; Yang et al., 2012). Institutional distance refers to the institutional environmental difference between the home and host markets (e.g., Cavusgil et al., 1993; Katsikeas et al., 2006). It includes the social-cultural, customer, infrastructure, competitive and political-legal environment (Bailey, 2018; Chung, 2005; Handelman & Arnold, 1999; Luo et al., 2008; Morgan et al., 2018; Skarmeas et al., 2019; Yang et al., 2012). Studies concerning the institutional theory point out that exporting firms should exercise caution in developing their marketing strategies and strategic choices when operating in a different marketing and institutional environment (e.g., Chung & Ho, 2021; Krammer et al., 2018; Liu & Atuahene-Gima, 2018; Luo et al., 2008; Paul, 2019; Yang et al., 2012). Studies on social media platforms recognise the important role social media platform can play in exporting ventures. However, extant studies have not explored the impact of social media platforms and/or the aligned effect of social media platforms and institutional distance on export venture performance in a business-to-business (B2B) context (Iankova et al., 2019; Luo et al., 2021).

The above discussion demonstrates that there is a need to conduct further research on export ventures' performance. This is in line with Morgan et al., (2004), Yang et al., (2012), Chung and Kuo (2018), and Chung et al., (2021), who have called for more rigorous theoretical and empirical development by integrating other explanatory factors such as managerial ties,

institutional environment, digital marketing technology, social media, and export venture performance. Therefore, this thesis aims to examine what drives the emerging market export venture performance in the digital age, and how this performance is driven

To achieve the goal of this thesis, I first conduct an extensive literature review and explore the role managerial ties play in the export venture's resource-integration-innovation conceptualisation. Details of this process are outlined in Chapter 2 (Paper 1) of the thesis. Second, I investigate the contingent effect of host and home market managerial ties' in the digital marketing technology - export venture performance framework (Chapter 3, Paper 2). Finally, I explore the moderation effect of the institutional environment in the social media platform-export performance framework (Chapter 4, Paper 3).

1.1 Research questions and contributions

1.1.1 Problem statement

The primary purpose of this thesis is to explore what drives the emerging market export venture performance in a digital age, and how it is driven (Cavusgil & Zou, 1994; Burgess & Steenkamp, 2006; Morgan et al., 2012; Sousa et al., 2010). This question remains critical for both academics and business practitioners.

A review of the extant literature on export venture performance shows that resources and knowledge play a critical role in firms' success (Grant, 1996; Grant & Baden-Fuller, 1995; Gummesson & Mele, 2010; Hunt & Morgan, 1995; Hunt & Morgan, 1997; Madhavaram & Hunt, 2008). From a resource-advantage perspective, Gummesson and Mele (2010) point out that resource drives innovation. In addition, from a knowledge-based perspective, Grant (1996) argues that knowledge can also influence innovation. Building from resource-advantage and knowledge-based theory, Gummesson and Mele (2010) suggest that a firm's ability to integrate various resources and knowledge can impact the firm's innovation. However, Khanna and Palepu (2000) highlight that gaining knowledge and resources for emerging market export ventures can be a challenge because, compared to firms from developed markets, emerging market export ventures face poorly functioning capital, labour, and information markets, among other resources. Given the resource constraints, international marketing scholars on social networking theory argue that emerging market export ventures can rely on their social networks (Chung & Kuo, 2018; Chung et al., 2012; Peng & Luo, 2000; Zhou et al., 2007).

Extant literature suggests that managerial ties play a critical role and can influence export venture performance (Boso et al., 2013; Chung, 2012; Chung & Ho, 2021; Chung & Kuo,

2018; He et al., 2018). However, prior research mainly focuses on the effect of managerial ties' impact on international competitive strategy and export performance (e.g., Chung & Kuo, 2018) and the moderation effect of managerial ties on the relationship between export market orientation and export performance (e.g., Chung, 2012). Recently, studies on international marketing strategies indicate that digital marketing technology can enhance marketing activities, augment communication and engage with foreign distributors (e.g., Glavas et al., 2017; Li & Ogunmokun, 2000; Racela & Thoumrungroje, 2020). Despite this development, it is still unknown whether managerial ties can impact the effect of digital marketing technology on export venture performance.

In addition, the institutional literature reveals that emerging market export ventures are constrained by a set of institutional environments including social-cultural norms, cognitive beliefs, infrastructure, and competitive and political-legal factors (e.g., Lin & Wang, 2008; Wang & Chung, 2020; Yang & Wang, 2011; Zhou et al., 2017). Therefore, it is crucial for emerging market export ventures to establish a sound understanding of when and how the institutional impact on the performance of emerging market export ventures will be felt. Moreover, recent studies on social media platforms point out that emerging market export ventures can improve communication, facilitate greater collaboration and sustain customer satisfaction and loyalty (Hughes et al., 2019; Liu et al., 2021; Sashi, 2012; Wang & Kim, 2017). However, it is unclear how social media platforms can enhance export venture performance when operating in a foreign host market (Bianchi & Mathews, 2016; Gregory et al., 2019; Lu & Julian, 2007; Rialp-Criado & Rialp-Criado, 2018). Taken all together, this thesis explores the role of key contingent factors such as managerial ties, and institutional environments and their impact on export venture performance.

Hence, the main research statement of this thesis is to examine:

What, and how do, managerial ties and institutional distance impact export venture performance in the context of emerging markets?

Specifically, the key research questions for this thesis are:

RQ1: Within the export venture's resource integration-innovation conceptualisation, what role do emerging market export ventures' managerial ties play?

RQ 2: When, and how, do home and host market managerial ties impact the relationship between digital marketing technology and emerging market export venture performance?

RQ3: When, and how, does institutional distance impact the relationship between social media platforms and emerging market export venture performance?

1.1.2 Contributions

This research will make substantial theoretical and managerial contributions to academics and business practitioners interested in the research field of export ventures, exporting strategies and emerging markets. It will specifically contribute to the discipline of international marketing, social networking, digital marketing technology, social media, institutional environment and export ventures. The contributions are spread out through three papers (Paper 1, Paper 2, and Paper 3)

Theoretical contributions from Paper 1 (Chapter 2)

My Paper 1 has made several novel theoretical contributions. First, by exploring the impact of resource integration on emerging market export venture innovation performance, I extend the recent research scope, which has mainly focused on developed market export ventures into emerging markets (e.g., Burgess & Steenkamp, 2006; Chung & Kuo, 2018; Gu et al., 2008; Sheth, 2011; Yamakawa et al., 2008). My study extends the existing research scope on export ventures to emerging market export venture's global operations. This approach offers a new theoretical insight to existing export venture research (e.g., Australasian export ventures to the Greater China region) (e.g., Chung, 2003; Chung & Kuo, 2018).

Second, Paper 1 also offers a comprehensive conceptualisation model consisting of resource integration, managerial ties, and innovation. This model shows how emerging market export ventures can use managerial ties to gain new knowledge and resources, and integrate these to improve their firms' innovation performance (Chung, 2012; Chung et al., 2016; Peng & Luo, 2000; Wang & Chung, 2013)

Third, to the best of my knowledge, I am the first to examine different managerial ties' (host, home-based, and intrafirm) impact on emerging market export ventures. This holistic view helps to compensate for previous studies which only focused on one or two managerial ties (e.g., host market business and political ties; Chung, 2012; Chung & Kuo, 2018; Sheng et al., 2011).

Fourth, this study also theoretically contributes to existing managerial ties literature by postulating both positive and negative impacts of managerial ties on emerging market export ventures' resource integration and innovation performance (Chung & Kuo, 2018; Chung et al., 2016; Wang & Chung, 2020). Specifically, the host market political ties are postulated to

negatively moderate the effect of resource integration on emerging market export ventures' innovation. However, the host market business ties, home-based managerial ties (e.g., business and political ties in China), and intrafirm ties are postulated to positively moderate the resource integration- export venture innovation framework.

Theoretical contributions from Paper 2 (Chapter 3)

My Paper 2 has also made a group of theoretical contributions. First, I contribute to the literature with a new theoretical foundation by considering digital marketing technology theorisation as a conceptual foundation for export venture exploration. This study extends the existing research which has only focused on resource and capabilities-export venture performance, adaptation strategy-export venture performance, and market orientation-export venture performance framework (Chung, 2012; Lages et al., 2008; Morgan et al., 2004)

Second, my study (Paper 2) sheds new light on social networking and organisational networking theory by examining how host and home market managerial ties moderate the effect of digital marketing technology on emerging market export venture performance (e.g., Chung, 2012; Chung & Kuo, 2018; Gu et al., 2008; Li et al., 2009; Park & Luo, 2001; Zhou et al., 2007).

Third, I also advance the social capital theory and literature by considering whether professional ties contribute to the digital marketing technology and export venture performance link. By integrating business, political and professional ties all at once, this study can make the extant managerial ties research and theorisation (e.g., social capital and networking theory) more complete and valuable (Chung & Kuo, 2018; Li et al., 2009; Geletkanycz & Hambrick, 1997; Park and Luo, 2001).

Theoretical contributions from Paper 3 (Chapter 4)

My Paper 3 has offered four theoretical contributions. First, this study extends the prior research on social media platforms from B2C (Business-to-Consumers) to B2B, particularly in the context of the emerging market export ventures (Chang et al., 2016; Hudson et al., 2015; Iankova et al., 2019; Luo et al., 2021).

Second, by examining the contingent effect of institutional distance in the social media-export venture conceptualisation, my study helps to advance the contemporary institutional distance theory, which is a core research element of export ventures (Chung & Ho, 2021; Deng et al., 2018; Rialp-Criado & Rialp-Criado, 2018; Yang et al., 2012).

Third, Paper 3 explores both the dark and bright sides of the institutional environment in the social media-export venture performance framework. Based on the empirical evidence, my study sheds light on the social media-export venture performance framework. Research can determine whether export ventures should consider both dark and bright side effects of the institutional environment, based on the outcomes of my study.

Fourth, I advance the export venture literature by exploring exporting businesses from an emerging market perspective. Through this focus, my research findings significantly extend the existing export research from organisational learning and decision-making governance strategies to social media, institutional environment and emerging export venture performance (e.g., Chung et al., 2019; Yang et al., 2012).

1.2 Outline of the thesis

This thesis examines the research questions across three research papers (one conceptual paper and two empirical papers) that are presented in Chapter 2 (Paper 1), Chapter 3 (Paper 2), and Chapter 4 (Paper 3). The first paper (Chapter 2) explores the role of the export ventures' managerial ties (host market business and political ties, home market ties and intrafirm ties) in the export venture's resource integration-innovation conceptualisation. This chapter is based on a comprehensive and in-depth literature review. Through exploring the literature extensively, I develop a new and comprehensive conceptualisation and build a foundation for the two subsequent studies (Paper 2 and Paper 3). This paper (Paper 1) was accepted by the Academy of International Business Southeast Asia, 2019 Chapter Conference, Cebu, the Philippines. This paper has also been presented at the AIB 2019 conference by myself. The second paper (Chapter 3) addresses the contingent effect of host and home market managerial ties on the relationship between digital marketing technology and export venture performance. Based on the data collected from 251 Chinese manufacturing firms' export ventures, this paper empirically explores the moderation effect of managerial ties on digital marketing technology and the export venture performance link. The paper's results are beneficial and interesting, as outlined in the Paper. This paper is prepared for submission to the top B2B journal, *Industrial Marketing Management* (A* journal in ABDC list). The third paper (Chapter 4) empirically explores the contingent effect of the institutional environment in the social media platform-emerging market export venture performance conceptualisation. Using data from 251 Chinese manufacturing firms' export ventures, I assess the dark and bright side contingent effect of institutional environmental distance between home and host markets on the social media platform-export venture performance framework. This paper is also prepared for submission

to *Industrial Marketing Management*. Finally, the last chapter of this thesis (Chapter 5) concludes and highlights managerial implications, as well as limitations and future research.

1.3 Chapter summary

This introductory chapter outlined the problem statement, research goal and the research contribution, thus providing an overview for the study under investigation. The thesis consists of five chapters, outlined as follows:

1. Introduction: a background to the research motivation, the problem statement, the research goal and the contribution of the research.
2. Paper 1: a conceptual paper building from a systematic literature review, providing foundational knowledge and highlighting major research concerns in the field, which leads to further empirical studies in the two subsequent chapters.
3. Paper 2: a presentation and analysis of the first empirical study.
4. Paper 3: a presentation and analysis of the second empirical study
5. A discussion of the research conclusions, managerial implications and limitations and future research.

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Chapter 2

RESOURCE INTEGRATION, MANAGERIAL TIES AND INNOVATION: THE CASE OF EMERGING MARKET EXPORT VENTURES

Abstract

The research on emerging market export ventures remains under development, and strong conceptualisation concerning emerging market export ventures is still very much needed. In this study, I focus on the main question – What role does the export venture’s managerial ties (host market business and political ties, home market ties and intrafirm ties) play in the export venture’s resource integration-innovation conceptualisation in the context of emerging market export ventures? Building on resource integration theory (e.g., resource advantage theory, knowledge-based theory), social networking theory, and innovation literature, this critical question is addressed by establishing a novel and comprehensive understanding of resource integration, managerial connections, and export venture innovation. Based on an extensive literature review, I postulate that managerial ties play a crucial moderation role in explaining the relationship between resource integration and emerging market export venture innovation. In this study, a series of propositions are theorised to explore the underlying logic behind the export venture’s resource integration, managerial ties and innovation, from the context of emerging markets. It is suggested that studies should examine the role of varied types of managerial ties separately in the resource integration-innovation conceptualisation so that each tie’s influence can be identified.

Keywords: Innovation, managerial ties, resource integration emerging market, export venture.

2.1 Introduction

Exporting has become one of the most popular ways for firms to engage in international markets (e.g., Chung et al., 2019; Leonidou & Katsikeas, 2010). According to the World Bank (2018), exporting from emerging markets accounted for more than 43% of the world's gross domestic product in 2017. This trend is expected to grow further in the future. Out of this total exporting from emerging markets, more than half of this trade occurs with other developing/emerging economies. Hence, a comprehensive understanding of exporting from emerging markets to foreign host markets is much needed by academics, managers and policymakers (e.g., Burgess & Steenkamp, 2006; Cavusgil & Zou, 1994; Morgan et al., 2012; Sousa et al., 2010).

Due to their limited resources and knowledge, emerging market export ventures often face significant uncertainty when exporting to a foreign host market. An export venture is defined by Cavusgil and Zou (1994) and Morgan et al. (2012) as the firm's effort to market a single product or product line to a specific foreign market. This product-market conceptualisation is widely used in research on export management (e.g., Chung & Ho, 2021; Morgan et al., 2004). It has been noted that innovation plays a key role in export ventures in improving their quality, reducing their cost of production, and also gaining a competitive advantage in the global marketplace (Bruns & Stalker, 1961; Damanpour, 1991). Moreover, research also suggests that resources and knowledge drive innovation. Extant research from resource-advantage theory (Gummesson & Mele, 2010; Hunt & Morgan, 1995; Hunt & Morgan, 1997; Hunt et al., 2006) and knowledge-based theory (Grant, 1996; Grant & Baden-Fuller, 1995) suggests that a firm's ability to integrate various resources and knowledge can influence the firm's innovation (Grant, 1996; Liebeskind, 1996; Nonaka, 1994). Therefore, a firm's innovation could be an outcome of integrating various resources and knowledge. Likewise, according to Khanna and Palepu (2000), emerging market export ventures face poorly functioning capital, labour, information markets, and other resources compared to firms from developed markets. Given the resource constraints, many emerging market export ventures have to rely on their social networks (Chung & Kuo, 2018; Chung et al., 2012; Peng & Luo, 2000; Zhou et al., 2007) and tap into varied resources in order to improve their competitiveness. When exporting to other foreign host markets, emerging market export ventures need to build up their strategic resources and innovate their products, systems, and administration (Chung et al., 2019) to maintain their competitive advantage in their exporting activities.

Research on emerging market export ventures has recently captured the interest of scholars (e.g., Chung & Kuo, 2018; Morgan et al., 2012). Despite this importance, research concerning

emerging market export ventures is still under development. For example, a review of the extant literature shows that, for the past 50 years, research on export marketing has covered several key areas, including export venture performance, marketing management, and export marketing strategy (Chung & Kuo, 2018; Gatignon & Robertson, 1985; Kotler & Zaltman, 1971; Mahajan et al., 1990; Morgan et al., 2012). A variety of theoretical perspectives and frameworks have been developed in the literature, including organisational learning (Lages et al., 2008), contingency theory (Zeithaml et al., 1988), and institutional theory (Luo et al., 2008). In summary, despite widespread academic investigation and representation in the literature, the emerging markets' export venture phenomenon remains under-explained and developed in the case of the emerging market to other foreign host markets (Cavusgil & Zou, 1994; Katsikeas et al., 2000; Morgan et al., 2012). A review of recent research shows that several gaps need to be filled.

First, to date, exporting research has primarily focused on developed market export ventures (Cavusgil & Zou, 1994; Chung & Kuo, 2018; Lages et al., 2008; Morgan et al., 2004). An influential stream of research based on developed market export ventures has argued that exporting marketing strategy implementation and export marketing capabilities can have a direct influence over export venture performance (Lages et al., 2009; Kaleka, 2011; Morgan et al., 2012). However, this argument is unlikely to be relevant for emerging market export ventures because the business environment is very different between developed and emerging markets. In addition, this argument simply assumes that the concept of "implementation" is the same as "integration". According to Paul (2019), implementation is about transforming a decision/plan into effect/execution, while integration requires more in-depth knowledge and skills, focusing on the business' success rather than the deployment of a plan. Thus, to fill this gap, research specifically focusing on the effect of the resource integration of export ventures is much needed.

Second, research focusing on emerging economies reveals that managerial ties play a moderation role in the marketing strategy and innovation linkage (e.g., Wang & Chung, 2013). Extant research has also identified the common issues faced by emerging market export ventures such as minimal capital markets, weak infrastructure, limited resources, and lack of market-supporting institutions when conducting business internationally (Johnson & Tellis, 2008; Peng & Luo, 2000; Sheng et al., 2011; Sheth, 2011). Despite this development, the existing literature has not explored how managerial ties can influence the relationship between resource integration and innovation. This lack is significant, as the integrative effect of

managerial ties and resource integration theories (e.g., resource-advantage and knowledge-based) on innovation can advance the theoretical conceptualisation of the extant literature (e.g., Gummesson & Mele, 2010; Hunt et al., 2006; Hunt & Morgan, 1995; Mele et al., 2010). Hence, in this study, I postulate the role of managerial ties in the organisational resource integration and innovation paradigm. The postulated conceptualisation can be examined empirically. Studies can determine when and how managerial ties matter in resource integration and export venture innovation based on the empirical outcomes.

Third, a comprehensive study on managerial ties in emerging market export ventures is still needed. Prior research has mainly focused on host market business ties (e.g., Brazil) (Boisot & Child, 1988; Peng & Luo, 2000; Tsui & Farh, 1997; Yueng & Tung, 1996) and host market political ties (Hillman et al., 1999; Li et al., 2009; Park & Luo, 2001; Siegel, 2007). Yet other research indicates that more comprehensive research on managerial ties should also include the home market ties (e.g., China) (Zhou et al., 2007) and ties within the firm (e.g., intrafirm ties) (Tsai & Ghoshal, 1998). The need to examine the host market, home market, and intrafirm managerial ties is illustrated in the literature. Emerging market export ventures are a complex phenomenon, as emerging market export ventures are constantly facing the challenge of gaining access to resources within their firm, and in their home and host markets (Chung & Kuo, 2018; Zhou et al., 2007). Prior research already asserts that managerial ties may facilitate a firm's ability to improve its performance (Chung, 2011; Chung & Kuo, 2018; Li et al., 2009; Luo et al., 2008; Zhou et al., 2014). However, extant research has not explored how varied managerial ties of emerging market export ventures (host market business and political ties, home market ties and intrafirm ties) moderate the relationship between resource integration and emerging market export venture innovation (Gummesson & Mele, 2010; Kleinaltenkamp et al., 2012; Lusch & Nambisan, 2015; Mele et al., 2010).

To address these key gaps in the extant literature, I aim to make four key contributions. First, my study provides a new context (emerging market export venture) and construct (resource integration) by examining whether resource integration impacts innovation in the context of emerging market export ventures. By exploring the impact of resource integration, I extend the prior research scope, which narrowly focused on developed market export ventures' capability and implementation into resource integration (Gummesson & Mele, 2010; Kleinaltenkamp et al., 2012; Mele et al., 2010; Morgan et al., 2012). This contribution fills a key gap left in the existing research conceptualisation, which has mainly focused on developed market export ventures. Emerging market export ventures are an area of research that requires

much further investigation (e.g., Burgess & Steenkamp, 2006; Chung & Kuo, 2018; Gu et al., 2008; Sheth, 2011; Yamakawa et al., 2008). According to Burgess and Steenkamp (2006, p.338), “emerging markets’ institutional contexts present significant socioeconomic, demographic, cultural, and regulative departures from the assumptions of theories developed in the Western world and challenge my conventional understanding of constructs and their relations.” Therefore, I argue that theories derived from developed markets might not apply directly to emerging market export ventures due to the substantial difference between the developed and emerging markets. Hence, by focusing on the resource integration-export venture innovation framework of emerging market firms, my study will advance the body of knowledge on export ventures.

Second, I have developed a comprehensive conceptualisation model of resource integration, managerial ties, and innovation. This model helps to better understand how emerging market export ventures build their firms’ competitive advantage in other foreign host markets. This framework builds on existing export venture studies that have focused on organisational learning (Chung et al., 2019a), export market orientation (Chung, 2012) and innovation (Wang & Chung, 2013). Specifically, my study’s conceptualisation shows how emerging market export firms can use their home and host managerial ties to overcome resource constraints when competing internationally. Therefore, my study shows a way that emerging market export ventures can integrate their resources with their managerial ties to improve their firms’ innovation outcomes (Chung, 2012; Chung et al., 2016; Peng & Luo, 2000; Wang & Chung, 2013).

Third, this study contributes to the organisational networking, social capital, and resource integration and innovation literature by considering varied managerial ties at once (host market business and political ties, home market ties, and intrafirm ties). To the best of my knowledge, I am the first to examine and consider whether managerial ties – host, home-based and intrafirm – are equally important in their influence on the resource integration decision on the innovation of emerging market export ventures. This wider coverage of home and host managerial ties helps to compensate for the narrower approach of prior research, which has only focused on one or two managerial ties (e.g., host market business and political ties; Chung, 2012; Chung & Kuo, 2018; Sheng et al., 2011). Due to its shallower focus, prior research has limited our understanding of how emerging export ventures can utilise managerial ties to overcome their resource constraints when competing internationally. Therefore, my study is an attempt to provide a holistic view of the moderation role of a wider range of managerial ties.

Finally, this study also contributes to existing managerial ties literature by postulating both positive and negative impacts of managerial ties on emerging market export ventures' resource integration and innovation (Chung et al., 2016; Chung & Kuo, 2018; Wang & Chung, 2020). These two directions of effect can extend existing managerial ties research that has only focused on the relationship between export market orientation and export venture performance, and international competitive strategy and export performance (Chung, 2012; Chung & Kuo, 2018). Based on the extensive literature review, in my study, I postulate that host market political ties negatively moderate the effect of resource integration on an emerging market export venture's innovation, whereas the home market ties and intrafirm ties, as well as the host market business ties, are theorised to have a positive effect in the resource integration-export venture innovation framework.

In line with the theorisation of export ventures' international expansion as a process of resource configuration through networking strategies (Ellis, 2000; Harris & Wheeler, 2005; Zhou et al., 2007), I postulate a moderating mechanism of managerial ties underlying the relationship between firms' resource integration and innovation. I draw on the resource-advantage (Gummesson & Mele, 2010; Mele et al., 2010) and knowledge-based (Hunt et al., 2006; Hunt & Morgan, 1995) view of resource integration, and managerial ties literature to derive a novel conceptualisation of innovation implications of emerging market export ventures. The conceptualisation is depicted in Figure 1.

2.2 Theoretical background

Firms constantly seek new resources, build their capabilities, and integrate them into their practices to build a competitive advantage. Firms with stronger resources and capabilities are more likely to be more productive and innovative (Boehe & Cruz, 2010; Cassiman & Golovko, 2011; Love & Mansury, 2009). Resource integration has become an important concept in the marketing literature (Edvardsson et al., 2014; Gummerson & Mele, 2010; Kleinaltenkamp et al., 2012; Vargo & Lusch, 2004). From a resource-advantage theory perspective (Hunt & Morgan, 1995), Madhavaram and Hunt (2008) defined resources as tangible and intangible entities. In a similar vein, Vargo and Lusch (2004) recognise two types of resources: operand resources, which are typically physical; and operant resources, such as human, organisational, informational, and relational. Within a service-dominant (S-D) logic, Lusch et al. (2010) argue that resource integration is the key to firm performance. The resource integration view is supported by Zimmermann (1951). Through the resource integrating process, emerging market export ventures can build their competitive advantage in other host markets.

2.2.1 Resource integration

Emerging market export firms need to constantly integrate existing and new resources to create new or better products. Resource integration is recognised as key to business success (Gummesson & Mele, 2010; Vargo & Lusch, 2008). The resource-advantage theory suggests that a firm's resources include relational, physical, monetary, and non-monetary aspects (Hunt, 2002; Hunt & Madhavaram, 2006; Mele, 2010; Morgan & Hunt, 1994). It further claims that emerging market export ventures can enter into "relational resources" and boost their market competitiveness. This is in line with Tsai and Ghoshal (1998), who suggest that interpersonal networks can contribute to a firm's ability to create value in the form of innovation. However, from a knowledge-based view, Hunt and Morgan (1995) suggest that gaining existing and new knowledge is fundamental to improving firm performance. Furthermore, Mele et al. (2010) argue that emerging market export ventures can improve firm performance by integrating different knowledge and resources. Building on the existing literature (Gummesson & Mele, 2010; Hunt & Madhavaram, 2006; Mele, 2010; Vargo & Lusch, 2004) for this study, I define resource integration as the process and forms of interaction and collaboration through integrating different resources such as knowledge, skills, financial, legal, informational and relational. This definition offers a distinct perspective by focusing on interaction and collaboration with a diversity of other resources. Most emerging market export ventures are constrained by limited knowledge and resources about their foreign host markets. When operating in a foreign host market, to build a competitive advantage, emerging market export ventures need to constantly interact and collaborate with other partners in order to integrate resources and knowledge. This resource integrating process will enhance emerging market export ventures' performance.

2.2.2 Innovation

Innovation is considered a critical source of competitive advantage for firms' internationalisation (Crossman & Apaydin, 2010; Dess & Picken, 2000; Tushman & O'Reilly, 1996). It becomes extremely important for emerging market export ventures as, compared to their counterparts (e.g., firms from developed markets), emerging market export ventures tend to face more challenges to access and acquire different types of resources (e.g., human, money and social capital) (Jiang et al., 2016). For the purpose of this study, I follow the definition in the latest literature on innovation, which defines "enterprise innovation as the combination of product, process, and administrative innovation" (Chung et al., 2019b, p.3). Innovation includes radical (breakthrough innovation) and/or incremental changes (product modification

and improvement) (Atuahene-Gima, 1996; Robertson, 1971), or the adoption of any new product, process or administrative changes (Damanpour, 1991; Jimenez-Jimenez & Sanz-Valle, 2011). As limited strategic resources constrain most emerging market export ventures, this type of innovation becomes extremely weak (Hobday, 1995). To compete with firms from developed markets, emerging market export ventures need to consider all sorts of innovative activities; for example, constant new product and process development and improvement, and new administrative systems' refinement and restructuring. This broad focus helps deepen export ventures' understanding of the impact of resource integration on innovation.

2.2.3 Managerial ties

In this study, I have postulated that managerial ties include the host market business ties, host market political ties, home market ties and intrafirm ties (Chung, 2012; Peng & Luo, 2000; Tsai & Ghoshal, 1998; Zhou et al., 1997). The host market business ties are defined as executives' personal connections and ties with business communities (Chung, 2012; Peng & Luo, 2000). The host market political ties are regarded as export managers' social networks and connections with governmental officials at various levels of the local and central government in the host and home markets (Chetty & Holm, 2000; Chung, 2012; Chung et al., 2016; Li et al., 2009; Johanson & Mattsson, 1988; Wang & Chung, 2013). Apart from managerial ties from the host market, two other types are available in the social network context. The home market ties are home-based social networks (Zhou et al., 2007), representing the informal structure of personal connections and networks bounded by geographical, social, or institutional space within the domestic market (Hitt et al., 2002; Sorenson, 2005). The last type of managerial tie is referred to as intrafirm ties (Lester, 2013; Tsai & Ghoshal, 1998). It focuses on the internal social connections among export managers from different business units/departments within the same organisation (Tsai & Ghoshal, 1998). The social interaction between units has a significant effect on export performance and product innovation.

2.2.4 Emerging market

Academics and practitioners recognise the growing importance of emerging markets. This has become a popular research topic in recent years. Many publications have appeared to accelerate this research area, including journal articles and books; for example, Cavusgil et al. (2012), Estrin and Meyer (2004), Hooker (2004), Mathews (2002), and Peng (2000). According to Hoskisson et al. (2000, p.249), an emerging market is defined "as a country that satisfies two criteria: a rapid pace of economic development, and government policies favouring economic

liberalization and the adoption of a free-market system”. Examples of countries meeting this definition are China, India, Brazil, South Africa, Saudi Arabia, Thailand, Vietnam, and the Philippines.

To advance academic disciplinary knowledge and enhance practical relevance, it is essential to conduct more research into emerging market export ventures (e.g., Dekimpe, 2009; Sheth, 2011). Compared to developed markets, the key characteristics of emerging markets’ export ventures include institutional and infrastructural deficiencies (Arnold & Quelch, 1998; Hoskisson et al., 2000; Li et al., 2008; Roth & Kostova, 2003), limited human, financial or other resources (Chung et al., 2019b; Peng & Heath, 1996), weak communication and lack of technological development (Miller, 1998).

2.3 Conceptual Framework & Research Propositions

2.3.1 The influence of resource integration on export venture innovation

Studies on export management suggest that resource integration can positively affect the export venture innovation of emerging market firms (Barki & Pinsonneault, 2005; Gummesson & Mele, 2010; Mele et al., 2010; Storbacka, 2019; Wang & Ma, 2018). Resource integration refers to the process and forms of interaction and collaboration by integrating different resources such as knowledge, skills, financial, legal, informational and relational (Findsrud et al., 2018; Gummesson & Mele, 2010; Hunt et al., 2006). The resource-advantage theory, the main theory of resource integration, argues accessing relational resources from other firms, customers, suppliers, and employees can boost a firm’s ability to integrate resources. This can be achieved via “dialogue”. According to Ballantyne (2004), a dialogue is an interactive process that plays a critical role in export ventures. People involved in the process exchange information and make and create new knowledge. This is in line with Grönroos (2004), who states that people can benefit from the process not only for themselves but also for others. Dialogue fosters constructive interaction and resource integration. In turn, this leads to superior innovation. By utilising these advantages, the resource integration of emerging market export ventures is likely to result in superior innovation in the host market.

Another aspect of resource integration is resource transfer. By interacting with other members of the network, emerging market export ventures can access money, technology, and both tangible and nontangible resources (Hunt et al., 2006). Through the transferring process, emerging market export ventures will be able to analyse, evaluate, and select the proper knowledge and resources to fit their strategic purpose. In a similar vein, studies on

configuration fit perspective (Coreynen & Matthyssens, 2017; Das et al., 2006; Storbacka & Nenonen, 2011) also note that “the more precise the potential matching of resources, actions and aims within and among these processes, the greater will be the potential value” (Andreu et al., 2010, p.244). Hence, transferring and sharing resources shapes export ventures’ social capital, which becomes a source for resource integration. In sum, the resource transferring process can lead to a product, process, and administrative innovation for emerging market export ventures.

P1: Resource integration has a positive effect on emerging market export ventures’ innovation in the host market.

2.3.2 Resource integration, home market ties and export venture innovation

Extant social networking literature suggests that home market ties can enhance resource integration in emerging market export ventures’ innovation (Adler & Kwon, 2002; Bjorkman & Kock, 1995; Chen, 1994; Chung, 2012; Chung & Kuo, 2018). According to Zhou et al. (2007), home market ties refer to a web of social relationships and connections embedded in the home market’s geographical, social or institutional space (e.g., ties with home market business associations, home market political entities). They argue that home market ties are vital for emerging export ventures to identify market opportunities and obtain new knowledge of foreign host market opportunities. New knowledge gained will enhance emerging market export ventures to integrate existing and new knowledge together to innovate their product or process in the host market. These home market ties are particularly important for Chinese export ventures operating in foreign host markets that are also emerging markets (Luo, 2000; Redding, 1990; Zhou et al., 2007), as export ventures are vulnerable to the host market’s turbulent environment. Such constraints can be a daunting challenge to most Chinese export ventures. Therefore, home market ties offer an alternative approach to overcome resource and capabilities deficiencies. This process can enhance Chinese export ventures’ resource integration. As a result, Chinese export ventures’ innovation in the host market is enriched.

In addition, home market business ties can also enhance emerging market export ventures’ exploitative learning (Chung et al., 2015; Kim & Atuahene-Gima, 2010; March, 1991). Exploitative learning refers to the acquisition and learning of marketing intelligence, and experiences of others within current market boundaries (Levitt & March, 1988). The extant organisational learning literature notes that exploitative learning can help export ventures refine and extend their existing knowledge, technologies and competencies (March, 1991). When

home market business ties are strong, emerging market export ventures can enhance their learning capabilities internationally. This occurs because emerging market export ventures can learn from other suppliers and competitors in the home market to avoid any mistakes when operating in the same or similar foreign host market. Through home market business ties, emerging market export ventures can integrate their resources and knowledge to refine their system and marketing strategies incrementally. This finding is endorsed by Luo et al. (2008) and Chung et al. (2015). According to these studies, a close relationship/network with home market business ties means that emerging market export ventures can better integrate their resources and knowledge for their export marketing strategy and administrative system. Collectively, I propose that home market business ties can positively moderate the effect of resource integration on emerging market export venture innovation.

P2: Home market ties positively moderate the effect of resource integration on emerging market export ventures' innovation in the host market.

2.3.3 Resource integration, intrafirm ties (ties with internal department heads) and emerging market export venture innovation

Studies on social capital theory suggest that intrafirm ties can positively moderate resource integration and emerging market export venture innovation links (Lester, 2013; Tsai & Ghoshal, 1998). Intrafirm ties are defined by Tsai and Ghoshal (1998) as the social connections and relationships among department heads or strategic business units' managers. Emerging market export ventures can benefit from positive intrafirm ties. Extant literature suggests that trust can be built through positive intrafirm ties. As outlined by Uzzi (1996), trust reflects relational social capital. When the two managers of each department have trust in each other, they can share their knowledge and resources without worrying that the other manager might take advantage of this. Such trust relationships built from intrafirm ties can enhance cooperative activities among departments. Integration of knowledge and resources will drive new ways of exchanging and combining resources. Tsai and Ghoshal (1998) posited that this trust relationship among department heads could stimulate product innovation.

The cognitive social capital theory also suggests that positive intrafirm ties can facilitate and enhance a shared vision among intrafirm managers (Lester, 2013; Singh, 2005; Tsai, 2014; Tsai & Ghoshal, 1998). Shared vision refers to the collective goals and aspirations of the participants within the firm (Tsai & Ghosha, 1998). A shared vision allows participants to develop a trusting relationship. Ouchi (1983) noted that a shared vision including values and

beliefs provides positive guidelines and reduces the possibility of opportunistic behaviour. Several studies have shown that members of the firm can minimise possible misunderstandings in their communication and gain more opportunities to share ideas or resources when they share the same vision (Ghoshal et al., 1993; Lester, 2013; Orton & Weick, 1990; Tsai & Ghoshal, 1998). Furthermore, a shared vision enables them to see the potential value of their resource integration. This would subsequently increase the emerging market export venture's innovation in the host market. Hence, I postulate that a shared vision arising from intrafirm ties can positively moderate the effect of resource integration on emerging market export venture innovation.

P3: Ties among the internal department heads (i.e., Intrafirm ties) positively moderate the effect of resource integration on emerging market export ventures' innovation in the host market.

2.3.4 Resource integration, host market business ties and emerging market export venture innovation

Host market business ties may have a positive impact on emerging market export venture innovation. Host market business ties refer to export ventures' managers' social connections with their partners such as suppliers, distributors and industry customers (Peng & Luo, 2000). A strong connection with host market business ties can provide an excellent opportunity for emerging market export ventures to overcome the liability of foreignness. According to Zou and Cavusgil (2002) and Yang et al. (2012), the liability of foreignness means additional costs when operating in a foreign host market. Institutional theory research suggests that the institutional distance can create the liability of foreignness for emerging market export ventures in the host market (He et al., 2016; Kostova et al., 2020; Wang & Chung, 2020; Yang et al., 2012), as emerging market export ventures are not familiar with the host market business and institutional environment. To overcome the liability of foreignness, emerging market export ventures can build strong business ties with the host market business institutions because such business ties can enhance emerging market export ventures to gain local knowledge, share learning and exchange resources (Chung, 2012; Chung & Kuo, 2018; Wang & Chung, 2020). This knowledge gaining, sharing, and resource exchange will enable emerging market export ventures to better integrate their firms' resources for the host market. Subsequently, this will enhance emerging market export ventures' innovation (e.g., product innovation or process innovation) in the context of emerging market export ventures.

Furthermore, the extant literature on international marketing strategy suggests that host market business ties may strengthen emerging market export ventures' competitive positions (Chung, 2012; Chung et al., 2021; Chung & Kuo, 2018; Wang & Chung, 2020). Operating in another foreign host market can be challenging for export ventures because of unfamiliarity with the host market environment (Zaheer, 1995). The lack of host market knowledge and resources can limit emerging market export ventures' resource integration and innovation. When emerging market export ventures have intrinsic deficiencies in resources, information, market intelligence and capabilities, this can constrain their capability to develop the right products for the host market, which will affect their competitiveness in the host market. To overcome this issue, social networking theory argues that host market business ties can enable emerging market export ventures to gain insightful knowledge about the host market, and access to valuable resources from the host market. The new knowledge and resource will enhance emerging market export ventures' ability to integrate their resources more efficiently (Chung & Kuo, 2018; Li et al., 2009; Sheng et al., 2011; Zhou et al., 2007). In turn, this can lead to more resource integration and innovation.

P4: Host market business ties positively moderate the effect of resource integration on emerging market export ventures' innovation in the host market.

2.3.5 Resource integration, host market political ties and emerging market export venture innovation

Extant literature suggests that host market political ties can negatively moderate the effect of resource integration on emerging market export venture performance in the context of emerging market export ventures (Chung et al., 2016; Gu et al., 2008; Sheng et al., 2011). Li et al. (2009) suggested that a high level of dependence on host market political ties might demotivate emerging market export ventures from being more innovative in their operations. Emerging market export ventures might sacrifice their independent decision-making and tolerate government officials' rent-seeking activities to access scarce resources controlled by the government (Sheng et al., 2011). The degree of government intervention can reduce export ventures' management incentives to effectively communicate (Chen & Wu, 2011). Poor communication might lead to the wrong interpretation of market needs. Consequently, this can impact emerging market export ventures' ability to integrate resources. The lack of incentives through resource integration will consequently lead to poor innovation, such as wrong product design or inefficient administration processes.

Moreover, previous studies on political ties also reveal that a strong connection with host market political ties might negatively impact the hiring quality of employees (Barney, 1991; Chung et al., 2016). When there is a robust host market political tie, the local or central government might interfere with the recruitment of export ventures. For example, the local or central government might recommend unqualified staff to join the emerging market export venture. Under organisational resource theory, Barney (1991) states that a high-quality management firm influences the quality of the internal communication system. A lack of fully qualified staff can be a detriment to the internal management capacity (Nahapiet & Ghoshal, 1998). Without fully qualified staff, emerging market export ventures cannot successfully integrate resources (Li et al., 2007; Luo et al., 2008). This will result in poor resource integration. Accordingly, a negative impact on export ventures' innovation can result.

P5: Host market political ties negatively moderate the effect of resource integration on emerging market export ventures' innovation in the host market.

2.4 Concluding remarks

Research concerning emerging market export ventures has received wide attention over recent years. Yet, the research has established inconsistent empirical results. Extant research concerning emerging market export ventures can benefit from a comprehensive conceptualisation that captures the complexity of how emerging market export ventures obtain and integrate resources through their social networks and achieve their firms' innovation goals in a foreign host market (Chung et al., 2016; Park & Luo, 2001; Tsai & Ghoshal, 1998; Zhou et al., 2014; Zhou et al., 2007).

To advance the conceptualisation that is postulated in this study, an empirical investigation is required. To achieve this, it is crucial to acquire and assemble data from multiple sources, including multiple respondents, archival data and other essential information, to fully maximise reliability and triangulate my findings. As emerging market export ventures face unprecedented market and institutional changes, they should focus their attention on network-based resources (e.g., managerial ties). Due to the complexity of the exporting business, emerging market export ventures can draw resources from multiple channels such as external and internal networking. To fully capture and understand the process of resource integration, a robust data collection process needs to be established. It might involve clarification with firms to develop detailed narrative histories of how they access resources. According to Campbell (1975) and

Yin (1994), it is necessary to involve qualitative research, which can match theory and data. In this way, research will be able to evaluate the conceptual model that is described here.

Emerging market export ventures' contribution to a nation's employment and wealth generation is well documented (e.g., OECD, 2018). However, the mainstream research has solely focused on the phenomenon from the developed to emerging markets, and emerging to developed market perspectives. It is rare to find studies investigating emerging market export ventures from the emerging market perspective. In particular, emerging market export ventures are often constrained by resource poverty that limits strategic options. Ghemawat (2011) points out that emerging market export ventures confront a world that has already witnessed dramatic improvements in communications, technology and infrastructure. Emerging market export ventures face even more intense competition than export ventures from developed markets (Luo & Tung, 2007). Burgess and Steenkamp (2006) have argued how research in emerging markets advances marketing science and practice. Therefore, Chabowski et al. (2018) have called for more research on the impact of resource integration on emerging market export venture innovation. A well-founded conceptual model that can be successfully operationalised to capture the complexity of the resource integration processes of emerging market export ventures is required. The present conceptual model in this paper is based on the resource integration and managerial ties theory (e.g., resource advantage, social networking) and literature to derive a novel conceptualisation of innovation implications of emerging market export ventures. This new conceptualisation is in line with the theorisation of export ventures' international expansion as a process of resource configuration through networking strategies (Chung & Ho, 2021; Morgan et al., 2004).

2.5 Limitations and future research

This study has various limitations that may encourage future research. First, although the moderation role of managerial ties is recognised here, it is premature to theorise about the link with firm performance. The current study has only focused on the moderation effect of managerial ties on resource integration and emerging market export ventures' innovation link. It remains unknown whether it can be extended into export venture economic and channel performance (Chung et al., 2021; Chung & Kuo, 2018; Yang et al., 2012). Thus, it is worth conducting empirical studies on the effect of resource integration and managerial ties on emerging market export venture performance.

Second, in this study, I have only focused on emerging market export ventures to other host markets by exploring the moderation role of managerial ties (Chung & Kuo, 2018; Chung et al., 2016; Zhou et al., 2014). It is still unknown whether the managerial ties can influence co-creation/engagement in emerging market export ventures (e.g., how managerial ties enhance the co-product development between Chinese exporters and their customers in Middle-East and South-East Asian markets) (Chung et al., 2019b). These initiatives might be interesting and fruitful areas for further research (Chung & Kuo, 2018; Li et al., 2009; Sheng et al., 2011; Yang et al., 2012).

Finally, this study has explored the impact of resource integration on emerging market export ventures' innovation. However, recent studies on digitalisation suggest that firms can benefit from the application of digitalisation (Kannan & Li, 2017; Lu & Julian, 2007; Prasad & Ramanurthy, 2007; Rialp-Criado & Rialp-Criado, 2018). Digital-related technology is also viewed as an important element for export ventures' resource integration. Whether different forms of digitalisation such as digital marketing technology and social media have any impact on emerging market export ventures' performance is worth exploring. It is also important for future research to explore the effect of resource integration, managerial ties and innovation from a business-to-business (B2B) context because of the increasingly important role of B2B in exporting business (e.g., Chung et al., 2021; Chung & Kuo, 2018; Kahiya, 2018; Katsikeas et al., 2018; Sharma et al., 2020). This focus is echoed by recent research on the importance of B2B; "the nature of change, the impact of business relationships and the problem identification related to these changes require appropriate theoretical lenses fine-tuned for a B2B context" (Pagani & Pardo, 2017, p.185). Collectively, research findings on the effect of digitisation of resource integration on emerging market export ventures will be a very interesting addition to the body of literature in this field. Researchers may also consider the B2B context in their investigation scopes.

2.6 Chapter Summary

Based on a review of the literature, this chapter provides some foundational knowledge for further empirical studies. The research put forwards that managerial ties (host and home market business and political ties, and home market intrafirm ties) can help explain how emerging market export ventures overcome challenges when they operate in a host market. Building on resource integration, social networking and innovation literature, the study proposes that home market business, political and intrafirm (i.e., ties with the internal department head) ties can positively moderate the effect of resource integration on emerging market export ventures'

innovation in the host market; host market business ties can also positively moderate the effect of resource integration on emerging market export ventures' innovation in the host market. From a resource-advantage perspective, Gummesson and Mele (2010) suggest that a firm's integration capability of various resources and knowledge can impact the firm's innovation performance. In addition, scholars like Grant and Baden-Fuller (1995), and Grant (1996) have, from a knowledge-based perspective, argued that gaining existing and new knowledge from the market is fundamental to improving firm's performance. Building on social networking theory, resource integration theory and innovation literature, this study postulates a moderating mechanism of managerial ties underlying the relationship between firms' resource integration and innovation. However, host market political ties might negatively moderate the effect of resource integration on emerging market export ventures' innovation in the host market. This study further suggests that emerging market export ventures need to examine the role of different types of managerial ties separately and identify their impact on the resource integration-innovation conceptualisation.

However, as we know, research is a constantly evolving process. After I completed my conceptual paper, to better understand my research direction, I engaged with five emerging market export venture managers. Through my interaction with them, I have gained some valuable advice. Based on their practical experience, they suggested that I provide some insightful information about export venture performance rather than innovation performance. As an export venture operates in a foreign host market, how to survive becomes a paramount question. Export ventures often face significant uncertainty when exporting to a foreign host market due to the lack of knowledge and resources. As well as this, exporting ventures need to consider the effect of cross-market institutional environmental distance because it can greatly affect export venture performance. To establish their business in a host market, export ventures need to focus on building economic and channel performance at an early stage. Their suggestion is consistent with existing literature. Hence, the economic and channel performance in the host market has become the key consideration.

Based on their advice, I have conducted a further literature review. Extant literature suggests that export venture performance is recognised as a key research topic for a stream of exporting literature (e.g., Cavusgil & Zou, 1994; Morgan et al., 2004). According to Morgan et al. (2004) and Yang et al. (2012), export performance can be measured by economic and channel performance. Studies on export venture performance have focused on the direct impact of export venture marketing strategy (Cavusgil & Zou, 1994). In addition, Morgan et al. (2004)

further empirically examined how export ventures' resources and capabilities affect export venture strategic choices, subsequently affecting export venture performance. To overcome the challenges faced by export ventures from an emerging market, from a social networking perspective, scholars like Chung (2013), Chung et al. (2016) suggest that managerial ties can overcome the key challenges faced by export ventures when operating in a foreign host market.

However, recent studies on digitisation recognise that digital marketing technology and social media play a revolutionary impact on export venture economic and channel performance (Cassetta et al., 2020; Kanne & Li, 2017). Although, digital marketing technology and social media have changed the business landscape. Scholars and business practitioners recognise the key benefits and huge potential to collaborate with industry partners. However, the existing studies have not explored the impact of how digitisation (including digital marketing technology and social media) impacts export venture performance.

Based on their suggestions, I have shifted my original proposal from innovation performance to economic and channel performance. To conduct my empirical investigation, therefore, I have adopted export venture economic and channel performance as my measurement in Chapters 3 and 4.

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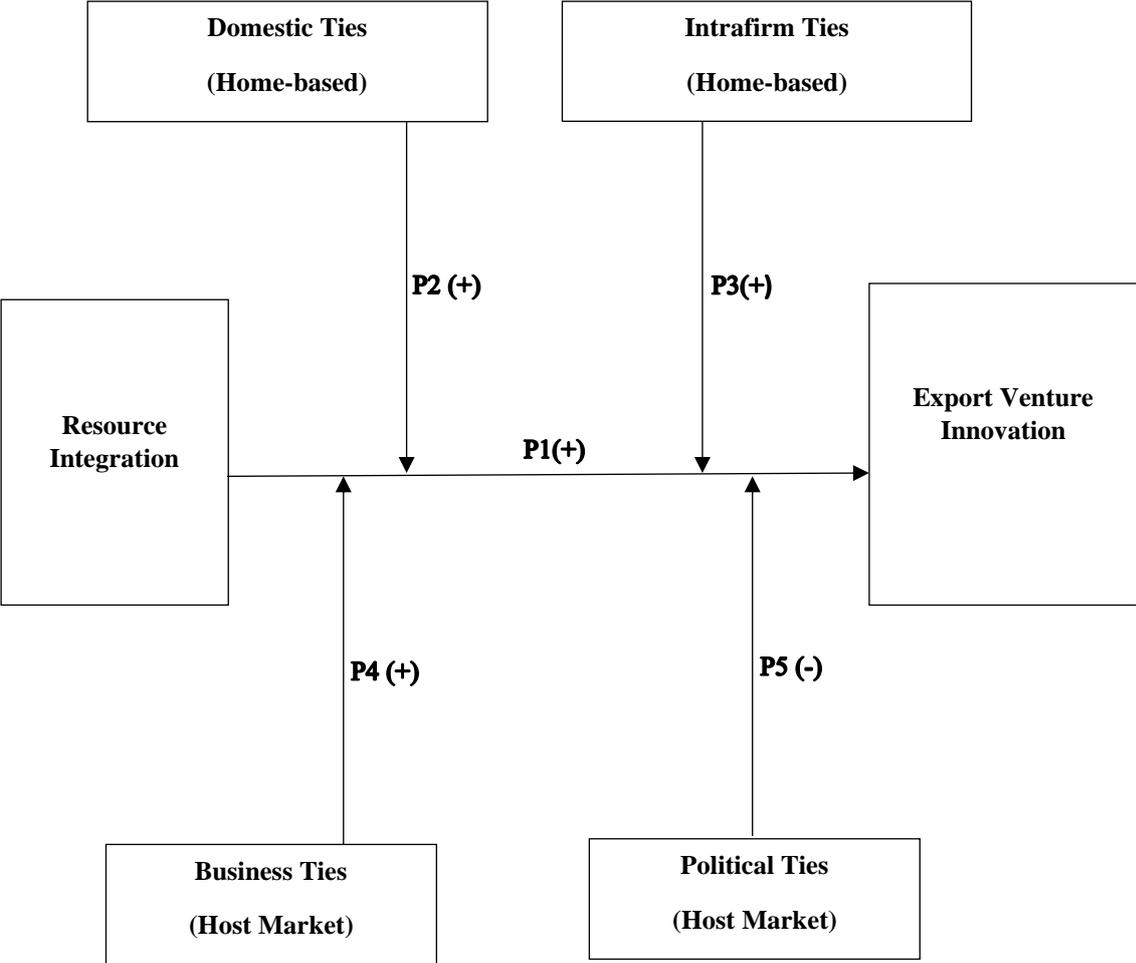
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Figure 1: Resource Integration, Managerial Ties and Innovation



Chapter 3

DIGITAL MARKETING TECHNOLOGY AND EXPORT VENTURE PERFORMANCE: THE CONTINGENT EFFECT OF HOST AND HOME MARKET MANAGERIAL TIES

Abstract

Though export performance has been widely researched over the last decade, the explanatory factors for export performance are still not conclusive. In particular, the extant literature remains unclear on what drives export venture performance in the digital age. Building on digital marketing technology, social networking, export management theories and the existing literature, I take a contingency perspective and develop a new and comprehensive conceptualisation concerning digital marketing technology, managerial ties (business, political and professional) and export venture performance (economic and channel performance) in the foreign host market. Digital marketing technology is postulated to play a crucial role in explaining export venture performance in the host market. In addition, host (e.g., Indonesia) and home (China) market managerial ties may have a different moderation role in the relationship between digital marketing technology and export venture performance in the host market. The results of a survey of 251 Chinese manufacturing firms' export ventures operating in a large variety of host markets through local distributors show that digital marketing technology has a positive and significant effect on both export venture economic and channel performance. The host market managerial ties (business and political) can positively enhance the effect of digital marketing technology on both export venture economic and distribution channel performance. In contrast, the home market managerial ties (i.e., managerial ties in China) either do not enhance the effect of digital marketing technology on export venture performance, or they have a negative contingent effect on digital marketing technology-export venture performance conceptualisation. This study sheds new light on the extant literature and has implications for marketing managers concerning digital marketing, managerial ties and export performance.

Keywords: Digital Marketing, Export Performance, Managerial Ties, Social Networking, Home Market Managerial Tie, Host Market Managerial Tie

3.1 Introduction

With the steady rise in globalisation, firms are encouraged to explore new opportunities in foreign markets. Exporting has remained the most popular entry mode for small to medium enterprises (SMEs) (e.g., Leonidou & Katsikeas, 2010; Zhao & Zou, 2002), in particular for firms from emerging economies (e.g., China; Yang et al., 2012). This strategic option offers firms from emerging economies the opportunity to penetrate their business with relatively low cost and a high degree of flexibility. According to the International Monetary Fund (2021), emerging markets have accounted for 57.8% of the total global GDP. Hence, a comprehensive understanding of exporting from emerging markets is much needed by academics, managers, and policy makers (e.g., Cavusgil & Zou, 1994; Chung & Kuo, 2018; Burgess & Steenkamp, 2006; Morgan et al., 2012; Sousa et al., 2010). Over the last four decades, research on export performance has received significant attention among academics (Cavusgil & Zou, 1994; Lages et al., 2008; Leonidou & Theodosiou, 2004). One useful method for investigating export performance is export venture conceptualisation (Chung, 2012; Chung & Ho, 2021; Lages et al., 2008; Morgan et al., 2004). As defined by Cavusgil and Zou (1994) and Morgan et al. (2012), an export venture refers to a firm's effort to make a single product or product line for a specific foreign market. Extant export venture performance research has mainly focused on examining internal factors (e.g., firm size), external factors (e.g., institutional environment) and other antecedents (e.g., decision-making structure) in their investigation scopes (e.g., Cavusgil & Zou, 1994; Morgan et al., 2004). Recently, Chung and Kuo (2018) and Chung and Ho (2021) have called for integrating other explanatory factors, such as social networking, in conjunction with international marketing strategies to explain export venture performance.

This study focuses on the theoretical and empirical gaps involving four key issues in the extant literature concerning export venture management. The first issue is related to the effect of digital marketing technology (to be defined below) on export venture performance. Recent research from the technology literature recognises that the benefits of digital marketing technology have a revolutionary impact on firms' internationalisation process (Cassetta et al., 2020; Hamill & Gregory, 1997). Digital marketing technology can provide the means to improve communication, facilitate greater coordination (Kannan & Li, 2017; Lamberton & Stephen, 2016), increase high-quality sales leads (Järvinen & Taiminen, 2016), and sustain customer satisfaction and loyalty (Kingshott et al., 2020). However, despite these benefits, it is unclear how digital marketing technology can help export venture firms obtain competitive advantages when operating in a foreign host market. Even with increased interest in this topic,

export marketing literature has not explicitly considered the effect of digital marketing technology on export venture performance (Bianchi & Mathews, 2016; Gregory et al., 2019; Lu & Julian, 2007; Rialp-Criado & Rialp-Criado, 2018). This lack needs to be fulfilled as the international business environment is becoming more turbulent and additional resources such as digital marketing technology need to be integrated into export venture management (Chung & Ho, 2021; Lages et al., 2008).

Second, the extant literature suggests that managerial ties can enhance export venture performance (Boso et al., 2013; Chung, 2012; Chung & Ho, 2021; Chung & Kuo, 2018; He et al., 2018). However, the primary attention of the existing research has mainly focused on selected scenarios such as how managerial ties impact international competitive strategy and export performance (e.g., Chung & Kuo, 2018), and how managerial ties moderate the relationship between export market orientation and export performance (e.g., Chung, 2012). Although managerial ties may enhance the effectiveness of digital marketing technology on firms' performance (e.g., Glavas et al., 2017; Li & Ogunmojun, 2000; Racela & Thourunroje, 2020), it is still unknown how managerial ties can influence the effect of digital marketing technology on export venture performance (Glavas et al., 2017; Li & Ogunmojun, 2000; Racela & Thourunroje, 2020). Research has indicated the significant role digital marketing technology plays in international marketing activities, such as enabling exporters to monitor changes in foreign markets, and communicating, connecting and engaging with their foreign distributors. Even though managerial ties are likely to enhance these functions, their role in the digital marketing technology-export venture performance link is still not examined in the research.

Third, prior research mainly focuses on the effect of the *host* market managerial ties (e.g., host market's managerial ties and international low-cost strategy), but dismisses the effect of the *home* market managerial ties in the export venture investigation (e.g., Chung, 2012; Chung & Kuo, 2018; Yang et al., 2012). For example, Chung and Kuo (2018) revealed that managerial ties in the host market (e.g., managerial ties in the European host market) can assist exporting firms in formulating their international competitiveness and business strategies, based on the critical intelligence obtained from the host market managerial ties. This alignment leads to superior performance. However, though studies have provided some insightful knowledge in the marketing literature, the effect of home market managerial ties has been neglected in the existing exporting literature (e.g., Chung, 2012; Chung & Kuo, 2018). This limitation needs to be addressed because research has argued that home market managerial ties (e.g., Chinese

exporting firms' ties in China) play a significant role in firms' internationalisation process and their performance in the host market (e.g., Zhou et al., 2007). The strategic decision of exporting firms' market entry and exporting strategies can be influenced by the intelligence that is provided by their home market managerial ties (Li et al., 2009). Taken all together, researchers need to consider both host and home market managerial ties in digital market technology and export venture performance investigations.

Lastly, the scope of managerial ties in the existing research needs to be improved. Extant literature has mostly focused on the business and political managerial ties (e.g., Chung, 2012; Chung & Kuo, 2018; Li et al., 2009). In addition to these two forms of managerial ties, the literature suggests that professional ties also need to be considered in the research of managerial ties (e.g., Geletkanycz & Hambrick, 1997). The extant literature has defined professional ties as the relationship between senior management and external professional people (e.g., lawyer, accountant) or bodies (e.g., Business Roundtable, Chamber of Commerce) (Geletkanycz & Hambrick, 1997). It is suggested that professional ties can shape managerial views and enhance firms' performance. Professional ties can help senior management to make better strategic choices by providing information on the environment and offering professional knowledge (e.g., DiMaggio & Powell, 1983; Geletkanycz & Hambrick, 1997; Haunschild, 1994). Moreover, Granovetter (1973) suggests that professional ties constitute important channels for transferring information and social influence, which affects the policies and practices adopted by the firm. These advantages will impact firms' performance. Collectively, although the importance of professional ties has been well recognised by scholars, the effect of professional ties is not included in extant empirical export venture performance investigations (e.g., Chung, 2012; Chung & Kuo, 2018; Yang et al., 2012).

Considering the growing importance of export markets and the role of digital marketing technology in export ventures, this study focuses on understanding the impact of digital marketing technology on export performance from a business-to-business (B2B) context. By drawing on social networking, digital marketing technology, and export venture theory and literature, I aim to make three key contributions.

First, I respond to the recent calls by Morgan et al., (2004), Yang et al. (2012), Chung, Wang, and Huang (2012) and Chung and Kuo (2018) that the development of more rigorous theoretical and empirical knowledge of export ventures is needed. By extending existing research scopes that have mainly focused on resource and capabilities-export venture performance, adaptation strategy-export venture performance, and the market orientation-

export venture performance framework (Chung, 2012; Lages et al., 2008; Morgan et al., 2004), my study focuses on the critical elements of digital marketing technology and export venture performance. By doing this, my study offers a new research conceptualisation for export venture investigation. Together with those aspects already revealed in the research, the literature can now consider using the resource-based view (e.g., Morgan et al., 2004), standardisation/adaptation strategy (e.g., Lages et al., 2008), market orientation (e.g., Chung, 2012) and/or digital marketing technology theorisation as a conceptual foundation for export venture exploration. Thus, my study provides a new theoretical foundation for export research and offers new insights for export venture managers and policymakers.

Second, my study provides new evidence on how *host* and *home* market managerial ties matter in the digital market technology-export venture performance framework. Unlike previous studies, which tend to focus primarily on the *host* market managerial ties (Chung, 2012; Chung & Kuo, 2018), my results can offer new guidance on whether exporting firms should consider both *host* and *home* market managerial ties in their digital market technology formulation and export venture management (Li et al., 2009; Zhou et al., 2007). In this study, the varied effect of host and home managerial ties in the digital market technology-export venture performance conceptualisation is highlighted. Based on the outcomes of my study, export ventures can decide how their firms would need to allocate their resources to their host, as well as home, market managerial ties development. By revealing the different roles of host and home managerial ties, my study can provide a new research direction for social networking and organisational networking theory (e.g., Chung & Kuo, 2018; Gu et al., 2008; Li et al., 2009; Park & Luo, 2001).

Third, I also advance the social capital theory and literature by exploring whether professional ties can contribute to digital marketing technology strategies and export venture performance, together with those of business and political ties (e.g., Chung, 2011; Geletkanycz & Hambrick, 1997). As outlined, the extant research has focused mainly on business and political managerial ties (e.g., Chung, 2012; Sheng et al., 2011) and has ignored the effect of professional ties (Chung, 2011). Due to this omission, the role of professional ties in export ventures is still unknown (Chung & Kuo, 2018). To address this key research gap, I intend to explore the role of business, political and professional ties (host and home market scenarios) in the digital marketing technology-export venture performance framework together in one study. By doing this, my study can offer guidance on whether firms should consider all three forms of managerial ties in their digital marketing technology and export venture performance

framework postulation. By revealing the role of business, political and professional ties at the same time in one study, my research can make the extant managerial ties research and theorisation (e.g., social capital and networking theory) more complete and useful (Chung & Kuo, 2018; Geletkanycz & Hambrick, 1997; Li et al., 2009; Park & Luo, 2001).

To address the above research gaps, I organise my paper into three sections. First, I introduce the theoretical background of digital marketing technology, social networking managerial ties and export venture performance. In this way, the current research gaps and my research contributions can be revealed. Second, based on an extensive literature review, I develop a set of hypotheses that are derived from the theoretical conceptualisation. The conceptualisation is depicted in Figure 2. Specifically, I start with the direct effect of digital marketing on export venture performance, then I explore the interactive effects of the three types of managerial ties (business, political and professional ties) and digital marketing technology on export venture performance (economic performance and channel performance). Following this, I outline how my samples are drawn and how the data is analysed. Lastly, I discuss the key findings of the analyses and provide theoretical and managerial implications, limitations, and directions for future research.

3.2 Theoretical background

3.2.1 Digital marketing technology

The rapidly emerging digital economy has changed the landscape of existing marketing practices. Managers rely heavily on digital marketing to communicate and engage with their customers, develop and build their business brands, and gain and improve their knowledge. Building a “digital relationship” with customers becomes the key focus for firms (Phillips, 2015; Veira et al., 2019). The extant literature suggests that digital marketing technology can be an extremely useful tool for marketers to gain international competitive advantages. According to Kannan and Li (2017, p.23), digital marketing is defined as “an adaptive, technology-enabled and process by which firms collaborate with customers and partners to jointly create, communicate, deliver, and sustain value for all stakeholders”. This definition is built on the American Marketing Association. It has incorporated adaptability and includes all stakeholders. Various digital marketing technology can enhance a firm’s online performance by increasing customer attention, developing stronger relationships, and enabling a firm’s visibility to their existing and potential customers. Moreover, digital technologies, such as email, websites, weblinks, and webpages are transforming and re-shaping the process and

strategy of marketing practices – e.g., email can share information, build and maintain relationships, and guide customers to websites (Berthon & Pitt, 2019; Shree et al., 2021; Simmons, 2007).

Additionally, digital marketing technology can also be used to implement firms' 4Ps (product, price, promotion and distribution) marketing strategies (Kannan & Li, 2017; Shree et al., 2021; Veira et al., 2019). For example, research shows that digital marketing technology can be used to augment and transform the core product (Bakos & Brynjolfsson, 2000; Hildebrand et al., 2014). It also indicates that pricing can be enabled by digital marketing technology (Amaldoss & Jain, 2008; Hann & Terwiesch, 2003) and customers can be reached using digital marketing technology (Ansari & Mela, 2003; Hoban & Bucklin, 2015; Ilfeld & Winer, 2002). Studies also demonstrate how firms can use their digital marketing technology to identify the most appropriate avenue to contact their customers and enable them to make a purchase (Batra & Keller, 2016).

Collectively the digital marketing technology in this study is explored in terms of the 4Ps and social networking (e.g., how exporting firms build new relationships via digital marketing technology with their distributors and industrial customers), as outlined above.

3.2.2 Export venture performance

According to Cavusgil and Zou (1994, p.4), export venture performance is “the extent to which a firm’s objectives, both economic and strategic, with respect to exporting a product into a foreign market, are achieved through planning and execution of export marketing strategy”. This definition contains economic and channel performance (Lages et al., 2008; Morgan et al., 2004). When looking at economic performance, the measurements that often appear in the literature are return on investment (ROI), return on assets (ROA), sales volume and growth, profitability, and market share. The often adopted measurements for channel performance include distribution loyalty, brand awareness, customer satisfaction and customer retention (Cavusgil & Zou, 1994; Chung & Kuo, 2018; Chung et al., 2012; Katsikeas et al., 2006; Lages et al., 2008; Morgan et al., 2004; Morgan et al., 2012). Guided by the extant literature, I have measured my export venture performance through both economic and channel performance (Chung & Kuo, 2018; Morgan et al., 2004).

3.2.3 Managerial ties

Following the guidance of social capital and networking theory, managerial ties are postulated as an essential part of business practices. They are embedded in executives' personal

connections and ties with business communities, government officials, or professional institutions (Peng & Luo, 2000). Business exchanges are coordinated through social relationships and shared norms (Heide & John, 1992; Poppo & Zenger, 2002; Poppo et al., 2008). The function of relational governance is to facilitate transactions through relational norms. Interactions with professional institutions are also vital for firms' operations in the market.

Extant social capital and networking theory research suggest three forms of managerial ties; business, political, and professional ties (Peng & Luo, 2000; Sheng et al., 2011; Wang & Chung, 2013). Business ties refer to a firm's informal business-to-business network with their channel members, including suppliers, buyers, partners and other collaborators (Chung et al., 2015; Li et al., 2008; Sheng et al., 2011; Yang & Wang, 2011). In contrast, political ties represent a firm's senior managers' informal connections with varied government officials and institutions, such as industrial and tax bureaus, and regulatory and supporting organisations (Chung et al., 2016; Li et al., 2009; Peng & Luo, 2000). Political ties can be used by firms to obtain resources and facilitate business operations. Moreover, Child and David (2001) and Musteen et al. (2010) suggest that professional ties with professional accountants, lawyers, chambers of commerce and business roundtables should also be considered when firms expand their operations internationally. As outlined in the literature, extensive business ties create opportunities for managers to gain access to valuable market information and resources (Chung et al., 2016; Geletkanycz & Habrick, 1997; Uzzi, 1997). Consequently, networking with external business ties will allow firms to generate new ideas, develop new products, and explore new markets for their exporting business. Political connections offer firms preferential access to government strategic resources, special treatment, and access to policy and aggregate industrial information (Hillman et al., 1999). The intelligence provided by professional institutions can also help firms to obtain intelligence that is needed for export venture management (Geletkanycz & Hambrick, 1997).

To fully investigate the varied role of *host* and *home* market managerial ties in the digital marketing technology-export performance framework, I have attempted to include both groups of managerial ties in my study's framework. The host market business ties refer to informal social connections with the host market business organisations (e.g., business ties in the host market of India), host market political ties refer to the informal social connections with host market government officials (e.g., political ties in the host market of India), and professional ties refer to the informal social connections with professional organisations in the host market

(e.g., professional ties in the host market of India). The home market business ties refer to a firm's informal social connections with their home market business organisations such as channel members and industry users (e.g., business ties in the home market of China). Home market political ties refer to a firm's informal social connections with its home market government officials and agencies (e.g., political ties in the home market of China). Home market professional ties refer to firms' informal social connections with their home market professional organisations, such as lawyers and accountants (e.g., professional ties in the home market of China).

3.3 Conceptual Framework & Research Hypotheses

3.3.1 Digital marketing technology and export venture economic performance

The rise of digitalisation in the marketplace has shifted firms' focus from traditional marketing to digital marketing. Digital marketing technology has transformed how firms, customers and other stakeholders communicate with each other. However, the internet and online marketing are commonly used to describe how firms use digital technologies in their marketing activities. As noted by Wymbs (2011), digital marketing technology is not just about communication via the internet. It includes a wide range of digital channels such as websites, email, the internet, digital television, electronic billboards and mobile apps (Li et al., 2011; Shree et al., 2021).

Digital marketing technology is recognised as a key vehicle for improving export venture performance (Gregory et al., 2019; Racela & Thourunroje, 2020; Veira et al., 2019). Extant research suggests that digital marketing technology can be used to build efficient communication, enhance information sharing and facilitate transactions with foreign partners (Chelariu & Osmonbekov, 2014; Li & Ogunmokun, 2000; Alarcón-del-Amo et al., 2018). These advantages are particularly relevant to export ventures operating in foreign host markets. As revealed by Racela and Thourunroje (2020), to reduce foreign market uncertainty and sustain their economic performance in the host market, export ventures need to monitor business environmental changes in the foreign market, connect with their industry customers, and react quickly in their marketing strategy. Digital marketing technology can help export ventures to achieve these tasks as it can provide a close interaction between the firm and its customers. These findings are supported by Day (2011) and Zhang et al. (2013). For example, market knowledge gained through digital marketing technology can help the export venture to develop the right product for the host market. The right product for the right customer will enhance the export ventures' sales in the host market. This will lead to better economic

performance. Hence, I can propose that digital marketing technology can improve export venture economic performance.

H1: Use of digital marketing technology has a positive effect on export venture economic performance.

3.3.2 Digital marketing technology and export venture channel performance

Export firms with expertise in digital marketing technology are more likely to build up their distribution and communication capabilities and achieve a higher degree of channel performance (Alarcón-del-Amo et al., 2018; Gregory et al., 2019). Digital marketing communication encompasses market-related competencies. These competencies include market sensing, customer connection and retention. Therefore, export firms equipped with advanced digital marketing technology will achieve better channel performance.

Existing research indicates that interactivity is a critical characteristic of digital marketing technology (Wang, 2020). Export firms with advanced digital marketing technology can communicate efficiently with their channel distributors (e.g., Gregory et al., 2019; Veira et al., 2019; Wang, 2020). This is in line with the findings revealed in the literature that have stressed the importance of principal-distributor interactivity. Deighton and Sorrell (1996) suggest that firms would need to better understand channel members' needs, enquiries and behaviour to have a higher channel performance. It is indicated that firms would develop a superior collaborative relationship with their channel distributors once a mutual understanding has been achieved. McMillan and Hwang (2002) further note that digital marketing technology can help firms gain market intelligence such as how customers search for information, how to gain their feedback, and how to engage with customers through different marketing activities. These benefits would enhance the interactivity between exporting firms and their host market distributors and industrial customers. As a result, the degree of interactivity via digital marketing technology can advance channel performance such as through greater brand learning and achieving customer loyalty (Erdem et al., 1999).

In a similar vein, Smith (2012) reveals that digital marketing technology can effectively influence channel members' behaviour, grab their attention and encourage repeat visits. Digital marketing technology can also help export ventures gain market-related competencies such as market sensing, retention and engagement. This finding is supported by several other studies. For example, McAlexander et al. (2002), Venkatesan and Kumar (2004) and Shree et al (2021) reveal that digital marketing technology can positively impact customer loyalty. Moreover,

Edlman and Singer (2015) suggest that interactive decisions via digital marketing technology can influence channel members' decision-making in online shopping environments. Therefore, it is concluded that channel members can influence other potential buyers through online web reviews or other digital marketing technology. Hence, I propose that:

H2: Use of digital marketing technology has a positive effect on export venture channel performance.

3.3.3 Digital marketing technology, host market business ties and export venture economic and channel performance

Social networking theory research provides useful guidance on the role of the host market business ties in digital marketing and export venture economic performance (Chung, 2012; Chung & Kuo, 2018). According to social networking theory research, host market business ties can enhance sales growth and improve economic performance for exporting firms (Chung & Kuo, 2018; Gu et al., 2008; Li et al., 2009; Sheng et al., 2011). Host market business ties refer to the social ties of a firm's managers' connections with their distributors, industry customers, and other channel members in the host market (Chetty & Holm, 2000; Chung et al., 2015; Johanson & Mattsson, 2015; Luo et al., 2008). The extant literature suggests that host market managerial ties can offer export ventures important and new market information (e.g., contemporary trading trends) that may not be openly available (Heide & John, 1992; Sheng et al., 2011). By integrating this new knowledge, export ventures can gain a holistic understanding of the host market trading situation. This knowledge enables the export ventures to adjust their digital marketing technology strategies, such as website promotional messages and selling approaches, for the host market. Recent research echoes this finding. It is reported that a strong host market business tie can provide new knowledge and feedback for export ventures to formulate an international differentiation strategy that truly reflects the market needs. These findings suggest that host market business ties are likely to enhance digital marketing technology's selling and marketing functions in the host market (Cheng & Yang, 2017; Pagani & Pardo, 2017).

Moreover, recent social ties research suggests that host market business ties are an important source for exporting firms' innovation capabilities in the host market (Chung et al., 2016; Chung & Kuo, 2018; Wang & Chung, 2013). Innovation is the outcome of a firm's capability to question organisational and industry practices, and challenge existing assumptions by integrating internal and external knowledge to provide solutions to customers (Cohen &

Levinthal, 1990; Lages et al., 2009; Wang & Chung, 2013; Wang & Chung, 2020). Export ventures' innovation is closely linked with their firms' host market business ties. When the export venture operates in a foreign host market, close business ties with host market industry customers can help the export venture obtain crucial innovation development intelligence - e.g., how to attract new customers, and how to encourage existing customers to conduct repeat purchasing (Chung, 2011; Luo et al., 2008; Wang & Chung, 2020). With this valuable host market intelligence, the export venture can create innovative digital marketing technology that can sell and promote their firms' products to new customers, as well as retain existing customers, in the host market. By selling products to both new customers and existing customers, export ventures are likely to have a superior economic performance in the host market. Based on the aforementioned reasoning, I propose that the combination of host market business ties and digital marketing technology will enhance the export venture's economic performance in the host market.

Apart from the economic performance, existing studies have also reported that host market business ties can have a positive impact on export venture channel performance (Donget al., 2013; Gu et al, 2008; Kemper et al., 2011). A strong, positive relationship with the host market business associations can obtain critical business legitimacy and endorsement for the export venture's products in the host market. Business legitimacy is defined as "the endorsement of an organization by social actors such as business associations" (Deephouse, 1996, p.1025). When operating in an unfamiliar business environment, it can be challenging for export ventures to gain host market recognition. Dacin et al. (2007) suggest that legitimacy and endorsement from the host market business network can be a solution to overcome this challenge in the host market. Through the support of established and respected host market business entities, foreign export ventures and their products can be better accepted in the host market. This view is supported by a number of other studies. Chung (2003), Katsikeas et al. (2006), and Chung (2012) reveal that host market business ties can be used to gain business legitimacy for the export venture in the host market. With recognition and endorsement from the host market business ties, export ventures' digital marketing technology can be more quickly, and better, accepted by the host market distributors and industrial customers. Hence, this will enhance the export ventures' channel performance.

Moreover, the host market business ties can help export ventures to achieve quality improvement. Quality improvement is the outcome of knowledge-based activity through organisational learning (Choo et al., 2007). Extant literature recognises that quality

improvement can help export firms attract new customers and distributors. To strengthen quality standards, explorative learning literature outlines exploring new skills and knowledge, and encouraging novel ideas and solutions are the keys for export ventures (March, 1991; McGrath, 2001; Schildt et al., 2008). Close networking with host market business partners can assist the export ventures to acquire resources, information and knowledge, which can be used to facilitate the explorative learning process (Atuahene-Gima & Murray, 2007; Chung 2011; Chung et al., 2015). Through the explorative learning process, export ventures can improve their firms' digital marketing technology quality in the host market distribution channel (e.g., timely responses to channel members' requests). Consequently, it is expected that the integration of host market business ties and digital marketing technology will boost the export venture's distribution performance in the host market.

H3a: Host market business ties enhance the positive effect of digital marketing technology on export venture economic performance.

H3b: Host market business ties enhance the positive effect of digital marketing technology on export venture channel performance.

3.3.4 Digital marketing technology, host market political ties and export venture economic and channel performance

Host market political ties may also positively impact export ventures' economic performance in the host market. Host market political ties represent managers' social connections with host market central and/or local government officials, or government agencies such as tax bureaus (Peng & Luo, 2000). This positive impact might be achieved through preferential treatment from host market political ties. As pointed out by Peng (2003), Sheng et al. (2011), Ambler and Witzel (2016), and Chung and Kuo (2018), it is crucial for export ventures to build strong connections with government officials in the host market, especially in countries where central and local government hold power for guiding economic activities and allocating strategic resources. Host market political ties enable export ventures to receive preferential treatment such as obtaining key regulatory resources (e.g., land, money, human resources), and access to policy and aggregate industrial information (Hillman et al., 1999; Li et al., 2009; Sheng et al., 2011). In turn, this special treatment will enable export ventures to achieve lower-cost selling and production in the host market. Thus, it is expected that the special treatment affiliated with the host market political ties will enhance the efficiency of digital marketing technology in the host market. As a result, the export venture's economic performance is enhanced.

Additionally, host market political ties can also improve export ventures' political legitimacy in the host market (Sheng et al., 2011; Suchman, 1995). Political legitimacy refers to the degree to which government officials perceive focal firms' actions and behaviours as desirable (Suchman, 1995). Gaining political legitimacy through host market political ties can lead to exclusive government endorsement in the host market (Peng et al., 2004). Extant research highlights that a major challenge for export ventures operating in a foreign host market is the liability of foreignness (Peng & Luo, 2000; Zou & Cavusgil, 2002). In a host market, host market industry customers might have never heard the brand names of the foreign export ventures. This liability of foreignness would make host market customers doubt if it is safe to use the foreign venture firms' products. Hence, building ties with government officials in the host market provides important political endorsement for overcoming this major challenge. Political legitimacy will make it easier for the host market to accept the products sold through the export venture's digital marketing technology. The endorsement received from host market political ties is likely to boost an export venture's sales in the host market and lead to superior economic performance.

Besides their role in export venture economic performance, host market political ties can enhance the long-term commitment of the distribution channel members (Dong et al., 2013; Peng & Luo, 2000; Zhang et al., 2021). According to Lages and Montgomery (2005), export commitment refers to a firm's willingness to allocate managerial and organisational resources to exporting ventures. When export ventures receive scarce resources from host market political ties, this will encourage export ventures to make a strong commitment to their operation in the host market. Consequently, when the export ventures demonstrate a strong commitment to the host market, this may attract host market distributors to equally commit their resources to distribute products in the host market. Substantial support from host market political ties is a commitment guarantee for all distribution channel members in the host market. Thus, host market political ties can support digital marketing technology to distribute export ventures' products in the host market. This will result in positive channel performance.

The extant literature on export venture performance also reveals that host market political ties can enable export ventures to build loyal industry customers in the host market (Chung et al., 2016; Wang & Chung, 2020). As pointed out by Jiang et al. (2016) and Chung et al. (2020), export ventures are encouraged to establish strong ties with host market government officials or agencies when operating in a new, uncertain, and vulnerable host market. With the help of host market political ties, export ventures can access strategic resources such as special tax

incentives (Li et al., 2008; Li et al., 2009). Such incentives received from host market political ties can encourage export ventures to build their competitive advantage, and better serve their distributor and industry customers (Chung, 2005; Chung, 2012; Chung et al., 2016; Sheng et al., 2011). Export ventures can pass on tax rebates to their distributor and/or industry customers. This will place export ventures in a very competitive position and obtain strong customer loyalty from their channel members in the host market. With the incentives received from the host market political ties, export ventures' digital marketing technology would be more competitive and better perceived by the host market distributors and industry customers. Hence, this will lead to positive channel performance.

H4a: Host market political ties enhance the positive effect of digital marketing technology on export venture economic performance.

H4b: Host market political ties enhance the positive effect of digital marketing technology on export venture channel performance.

3.3.5 Digital marketing technology, host market professional ties and export venture economic and channel performance

Apart from business and political ties, recent studies also reveal that host market professional ties play a crucial role in export ventures' economic performance (e.g., Chang & Webster, 2019; Chung et al., 2019; Nason et al., 2019; Tajeddini et al., 2020). According to Sharma (1997), professional ties include networks with accountants, lawyers, banks, business forums/roundtables, chambers of commerce and other professional bodies. Host market professional ties can provide expert knowledge and validate market intelligence for export ventures' operations in the host market (Chua et al., 2008; Cohen & Levinthal, 1990; Johannisson, 1990; Mariotti & Delbridge, 2012; Uzzi, 1997). For example, lawyers and business roundtable members from the host market can provide legal advice to export ventures. Their advice will help the export venture to formulate products that can meet the host market's legal requirements (Zahra et al., 1997). With accurate product and market information from the host market, export ventures' digital marketing technology can more easily sell and market products that have met the required host market standards and safety requirements. Hence, the combination of host market professional ties and digital marketing technology (Shree et al., 2021; Veira et al., 2019) will lead to increased sales and improve these firms' economic performance.

The host market professional ties can also assist an export venture to overcome the liability of

foreignness (Johanson & Vahlne, 2009; Mithani, 2017; Zaheer, 1995; Zeng & Xu, 2020). According to Zaheer (1995), the liability of foreignness refers to the costs of doing business in a foreign market. In general, the liability of foreignness can result in an export venture being in a position of competitive disadvantage, which can lead to lower sales and poorer profitability (Ghoshal & Nohria, 1989; Johanson & Vahlne, 2009; Zaheer, 2015). However, host market professional ties research reveals that expert knowledge from host market professional ties can reduce export ventures' learning processes about the host market, and help shape their digital marketing technology strategies for the host market (Broschak & Block, 2014; Kumar et al., 2013). By gaining knowledge from the host market business ties, export ventures can promptly and properly use their digital marketing technology to promote their marketing programmes in the form that the host market demands (Lages et al., 2008). This will enhance export ventures' economic performance.

Extant literature suggests that an effective way to distribute products in a foreign host market is through positive word-of-mouth (WOM) (De Matos & Rossi, 2008; Patel et al., 2021). WOM is defined by Arndt (1967, p.190) as "oral, person-to-person communication between a perceived non-commercial communicator and a receiver concerning a brand, a product, or a service offered for sale". A positive WOM can lead to customer loyalty (Jones & Taylor, 2007; Zeithaml et al., 1996). Extant research indicates that a key advantage of host market professional ties is to provide positive WOM for the export venture's operation in the host market (Kahiya, 2013; King et al., 2014; Pinho & Martins, 2010). Professional entities and contacts such as accountants, lawyers and bankers are considered experts in their professional field (Geletkanycz & Hambrick, 1997). Their positive WOM can enhance the loyalty of host market distributors and industry users. The positive images can also boost the effectiveness of digital marketing technology because the firm's credibility has been increased. An increase in loyalty and positive relationships between export ventures and their channel members in the host market would lead to superior channel performance.

Furthermore, the host market professional ties can enhance credit checks on their host market distributor and industry customers. A credit check can lead to trust-building. Trust is defined as "a willingness to rely on an exchange partner in whom one has confidence" (Moorman et al., 1993, p.82). Extant literature on export venture studies suggests that forming a trust relationship with foreign host market partners can be a challenge for export ventures because of institutional distance (Luo et al., 2008; Yang et al., 2012; Zhou et al., 2014). To overcome this challenge, the export venture can rely on their host market professional ties. For example,

a close association with host market banks and lawyers can help the export ventures to conduct thorough credit checks on the host market distributor and industry customers. After the credit checks, both export ventures and their host market distributors can better trust each other. As a result, credit checks that are conducted with the help of the host market professional ties can stimulate cooperation between the foreign principal and its host market customer. Positive cooperation will certainly enhance digital marketing technology's effectiveness in the host market distribution system and lead to a high degree of distributor satisfaction and loyalty. Hence, this can result in better channel performance.

H5a: Host market professional ties enhance the positive effect of digital marketing technology on export venture economic performance.

H5b: Host market professional ties enhance the positive effect of digital marketing technology on export venture channel performance.

3.3.6 Digital marketing technology, home market business ties and export venture economic and channel performance

Despite their advantages to business operations (e.g., Chung, 2011; Luo et al., 2008), recent research also reveals a number of negative effects of home market business ties. These dark side effects can hinder the economic performance of export ventures' digital marketing technology in the host market (Chung, 2012; Chung & Kuo, 2018; Gu et al., 2008; Sheng et al., 2011). The negative impact of home market business ties on an export venture's economic performance might be caused by home-host market cultural-cognitive distance and market ambiguity (Scott, 2008; Yang et al., 2012). As reported in the literature, cultural-cognitive distance refers to shared knowledge among the society, which is accumulated and developed over many years of social interactions (DiMaggio & Powell, 1983; Kostova & Roth, 2002; Scott, 2008; Yang et al., 2012). Although strong home market business ties can assist export ventures in obtaining business practice knowledge in the home market this knowledge may not be helpful for overcoming the cultural-cognitive distance between the home and host market. For example, in traditional Chinese culture, white is associated with death and used in funerals. However, for Muslims in Saudi Arabia, white represents peace and purity and is often worn for prayers and sacred rites. Therefore, an export venture's digital marketing technology that is formulated based on the advice of its home market business ties may not truly reflect the host market's cultural and cognitive environment. An incorrectly designed digital marketing technology would not boost an export venture's economic performance in terms of sales and

return on investment.

Studies on home market business ties also suggest that the competitive environment can create market ambiguity (Chung, 2003; Katsikeas et al., 2006; He et al., 2018; Martinez & Dacin, 1999). Market ambiguity refers to the degree of difficulty in obtaining and understanding market intelligence in the foreign host market (Scott, 2008). The competitive environment can put pressure on export ventures to fully understand the nature of causal connections between marketing strategy and their economic performance in the host market (Lippman & Rumelt, 1982; Reed & Defillippi, 1990). To minimise the market ambiguity, export ventures might attempt to adopt standardised marketing strategies for achieving economies of scale. By doing this, it can make it difficult for export ventures to gain a holistic understanding of the host market intelligence, and this strategy can create significant barriers to communicating market information correctly (Brouthers et al., 2008; Kostova & Zaheer, 1999; Sirmon et al., 2007). Although the home market business ties can assist exporting firms to reduce the degree of market ambiguity, this is limited to the home market, as home market intelligence cannot truly reflect genuine market situations in the foreign host market because of the different competitive environment (Chung, 2012; Chung et al., 2016; Chung & Kuo, 2018). Consequently, when operating in a foreign host market, the lack of correct market intelligence will make it harder for exporting firms to use digital marketing technology effectively to sell their products in the host market. It is anticipated that export venture economic performance (e.g., sales and return on investment) will be affected in the host market.

Prior research also postulates that home market business ties might dampen export venture channel performance (Bello et al., 2003; Crowston, 1997). This might be caused by incompatible promotional practices between the home and host markets. Though strong home market business ties can help the export venture to develop an appropriate promotional strategy in the home market, the benefits of the home market business ties on promotion strategies may not be extended to the host market. For example, based on the advice of their home market business ties, export ventures may have designed a digital marketing technology that does not reflect the promotion environment in the host market. The promotion information/message provided by the digital marketing technology, based on the home market business ties' suggestions, may not reflect the needs of the host market (e.g., messages, content of advertisements). The host market distributors and customers may not appreciate the promotion information that is formulated based on the experience of a different market. Lacking genuine promotional practice knowledge can obstruct the formulation of an effective distribution

strategy for the host market because customer satisfaction and loyalty have not been obtained there (Chung & Kuo, 2018; Li et al., 2009; Sheng et al., 2011; Yang et al., 2012). Hence, the interplay of the home market business ties and digital marketing technology is unlikely to contribute to a superior export venture channel performance in the host market.

Moreover, the dark side effect of home market business ties on channel performance can be associated with normative distance (Xu & Shenkar, 2002; Yang et al., 2012). Normative distance defines the goals and objectives of the firm, which influence and determine the firm's behaviour in society (Xu & Shenkar, 2002). As argued by Selznick (1984), and Kostova (1999), to avoid societal and professional sanctions, firms are pressed to gain normative legitimacy in society. In addition, the extant literature suggests that a close relationship with home market business ties can assist export ventures to overcome barriers to normative legitimacy (Chung, 2012; Chung & Kuo, 2018; Sheng et al., 2011; Xin & Pearce, 1996). When export ventures operate in a foreign host market, the normative distance between the host and home market environments might influence whether export ventures can successfully transfer their practices (e.g. universal product approach). Studies on international marketing strategy suggest that a standardised product and price approach can make it easier and more cost-effective for distribution purposes in a foreign host market. This strategy can help the export ventures gain economies of scale and cost-saving advantages (Chung, 2011; Lages et al., 2008). However, previous studies argued that critical information and market intelligence cannot be easily accessed in a foreign host market when there is a large normative distance between the home and host markets. Simply taking a standardised product to a host market based on home market knowledge and feedback, will limit the functionality and effectiveness of digital marketing technology in the host market. Product and distribution information that is delivered by digital marketing technology might not be able to reflect the host market's needs. Hence, this will affect the host market distributor's satisfaction and loyalty. Therefore, this can impact the export venture channel performance.

H6a: Home market business ties are unlikely to enhance the positive effect of digital marketing technology on export venture economic performance.

H6b: Home market business ties are unlikely to enhance the positive effect of digital marketing technology on export venture channel performance.

3.3.7 Digital marketing technology, home market political ties and export venture economic and channel performance

Though home market political ties may help export ventures to gain endorsement in their home market, the dark side of home market political ties may be that they hamper firms' operations in the host market (Chung et al., 2015; Sheng et al., 2011). Prior research has suggested that home market political ties can offer firms special treatment and exclusive government endorsement concerning their operation in the home market (e.g., the Chinese home market) (Chung & Kuo, 2018; Hillman et al., 1999; Peng et al., 2004). However, the preferential treatment from home market political ties may not be extended to a foreign host market because of different legal and political systems between the home and host markets (Kostova & Zaheer, 1999; Scott, 2008; Yang et al., 2012). In particular, the political legitimacy that export ventures have received from their home market political ties cannot be transferred to the foreign host market (Scott, 2008; Yang et al., 2012). For example, Chinese government officials can provide powerful endorsement for firms in the Chinese market, but they cannot do the same for the Chinese firms operating in other countries such as India. In short, the political endorsement and legitimacy that firms receive from their home market political ties cannot be extended to the foreign host markets. Without influential endorsement in the host market, export ventures face difficulty in using digital marketing technology to promote their products in the host market. This also means that export ventures would need to spend more time and money on their digital marketing technology, to compensate for the political legitimacy and endorsement lacking in the host market. As such, this will impact the export venture's economic performance.

In addition, the extant literature also recognises that home market political ties might hinder the effect of market orientation (MO) on innovation. (Chung et al., 2020; Park & Luo, 2001; Sheng et al., 2011; Wang & Chung, 2013). MO is defined as "the organization generation of market intelligence pertaining to current and future customer needs, dissemination of the intelligence across departments, and organization wide responsiveness to it" (Kohli & Jaworski, 1990, p.6).

MO can be influenced by home market political ties. Social networking theory recognises that export ventures can benefit from home market political ties such as access to valuable market information, and monetary and non-monetary benefits (Geletkanycz & Hambrick, 1997; Luo et al., 2008; Wang & Chung, 2013). However, such benefits cannot be transferred to another foreign host market. Too much dependency on home market political ties might be harmful to export ventures' innovation because this might hinder the implementation of market orientation and subsequently impact sales and trade (e.g., products might not be suitable for the foreign

host market). The lack of a market orientation approach will constrain export ventures' digital marketing technology to market products in the foreign host market. Hence, this will negatively impact the export venture's economic performance in the host market.

Studies on home market political ties have observed the dark side effect on firms' channel performance (Chung & Kuo, 2018; Gu et al., 2008; Sheng et al., 2011; Wang & Chung, 2013; Zhang et al., 2021). These dark side effects include political ties being time-consuming, having high maintenance costs and involving frequent changes of key contacts (Chung, 2011; Gu et al., 2008; Sheng et al., 2011). As pointed out by Chung (2011, p.524), "political guanxi takes time and effort to build, developing strong political ties might draw away effort and resources needed to establish a firm's competitive advantages". By devoting most of their firms' resources to the development of home market political ties, export ventures would be in a vulnerable position as they would have fewer resources for the development of their vital distribution and digital marketing technology strategy in the host market (Chung, 2012; Chung & Kuo, 2018; Park & Luo, 2001; Tsang, 1998). This situation would not enhance venture firms' channel performance in the host market.

Home market political ties can even become a liability for a firm's international operations (Siegel, 2007). When an export venture has a close connection with home market politicians, it may create a negative perception for the host market channel distributors and industry users. Due to the political ideology difference between home and host markets, this can arouse some suspicion from the host market. For example, a Chinese firm with strong home market political ties operating in another host market can be perceived as presenting potential security threats, even if such fears are groundless (Li et al., 2019). For example, in 2020, Indian activists urged Indians to boycott Chinese products because of Hua Wei's connection with the Chinese government (Philip & Khan, 2020). This type of negative impact will make it harder for an export venture to use digital marketing technology to promote and distribute their products in the host market. As a result, close ties with home market politicians do not support a superior export venture channel performance in the host market.

From the above discussion, I present the following hypotheses:

H7a: Home market political ties are unlikely to enhance the positive effect of digital marketing technology on export venture economic performance.

H7b: Home market political ties are unlikely to enhance the positive effect of digital marketing technology on export venture channel performance.

3.3.8 Digital marketing technology, home market professional ties and export venture performance

Previous studies suggest that home market professional ties are considered important channels for the transfer of informational and social influences that can shape firms' strategic decisions and performance in the home market (e.g., Galaskiewick, 1985; Geletkanycz & Hambrick, 1997). However, extant research reveals that home market professional ties have some limitations for exporting businesses (Leonidou et al., 2007). For instance, home market professional ties might increase market competition in the host market. A close association with home market professional ties might take exporters' valuable information and knowledge, and then transfer them to the firm's potential competitors in the host market (Li et al., 2010). This is supported by the findings of prior research, which has revealed that firms might leak valuable market knowledge to their competitors via professional networking ties (Luo et al., 2008). This knowledge leakage to the home market professional entities (e.g., China) might subsequently affect the export venture's sales in the host market as competitors may offer a similar product in the host market (e.g., Vietnam). The leakage of valuable marketing intelligence to competitors may also make it difficult for the export ventures to promote the firm's product and marketing uniqueness in the host market by using their digital marketing technology in the host market. As a result, the economic effectiveness of the export ventures' digital marketing technology will not be visible.

Furthermore, the home market profession ties may offer poor advice for firms' exporting business in the host market. Research indicates that a successful international marketing strategy needs to be closely related to the host market's institutional environment (Chung et al., 2012). Due to the different institutional environment, the advice obtained from the home market professional ties might not be relevant to the host market (Ghemawat, 2001; Ellies, 2006; McDermott & Corredoira, 2010). For example, based on the home market professional ties' advice, Chinese export ventures may formulate their digital marketing technology for their Indian host market (e.g., emphasise the high quality of the Chinese-made products). Due to the different institutional environments, the message and information provided by digital marketing technology might not accepted by the Indian host market. Under this situation, the cost of building digital marketing technology cannot be easily uncovered in the host market. Collectively, it is concluded that the interplay of home market professional ties and digital marketing technology is not likely to enhance export ventures' economic performance.

Besides the impact of home market professional ties on export venture economic performance,

the dark side effect of home market professional ties may also influence the export venture's channel performance in the host market. The reciprocal obligations feature is often associated with the home market professional ties (Chung et al., 2016; Gu et al., 2008; Tsang, 1998; Villena et al., 2011; Wang et al., 2015). This feature can cause some dark side effects because members in the home market professional network are expected to return the favour after they have received it from their network members (Chung, 2011; Chung et al., 2021; Tsang, 1998). This can put a party in a susceptible situation. For example, giving and receiving a gift is considered an acceptable practice in China. However, receiving a gift is an illegal and uncommon practice in many foreign host markets (e.g., Brazil) (Jones Day, 2013). If the export venture follows the advice from home market professional ties about the concept of reciprocal obligation, this will impact the export venture's reputation in the host market. In turn, this will impact the relationship development between the Chinese export ventures and their channel members in the host market (e.g., Brazil). Consequently, this will handicap the effectiveness of export ventures' digital marketing to promote their products in the host market. In turn, the effect of digital marketing technology on export venture channel performance is not likely to be enhanced by the home market professional ties.

A strong tie with home market professionals may cause a disadvantage in knowledge transfer in the home and host markets. Due to the institutional distance (He et al., 2018; Wang & Chung, 2020; Yang et al., 2012), the operational knowledge can be very different between home and host markets (Corredoira & McDermott, 2014). Although the knowledge gained from home market professional ties can help export ventures' operation in the home market, the home market professional ties' knowledge may not be trusted by host market channel members. For instance, the accounting system information that is provided by the Chinese home market professional ties may not be useful for the export ventures' operation in the host market of Turkey, as the Chinese accounting system is not internationally recognised and its standard may be viewed as unreliable and untrustworthy. This negative view can impact the credibility of the information that is provided by the home market professional ties in the host market. Therefore, a lack of trust in the home market professional ties will cause difficulties for digital marketing technology that is built based on the home market professional ties. Under this circumstance, the credibility of digital marketing technology in the host market is likely to be doubted. As a result, the alignment of home market professional ties and digital marketing technology is unlikely to enhance the export venture channel performance in the host market.

H8a: Home market professional ties are unlikely to enhance the positive effect of

digital marketing technology on export venture economic performance.

H8b: Home market professional ties are unlikely to enhance the positive effect of digital marketing technology on export venture channel performance.

3.4 Research method

3.4.1 Sample and data collection

I have selected Chinese manufacturing firms' export venture operations in foreign host markets as my empirical setting because of the significant contribution of Chinese exporting firms to the world economy. According to the World Bank (2020), exporting accounts for 43% of global GDP. China has become the largest exporter of goods in the world since 2019. The total exporting value of Chinese firms is still growing. Respondents in the sampling frame of my study were collected from highly creditable data sources such as the Import and Export Bureau of China, China Industry and Commerce Federation, and the Chinese Enterprise Yellow Pages (Chung et al., 2015; Chung et al., 2019). Most manufacturing firms operating internationally are listed in these databases. I have randomly selected a sample of 700 Chinese manufacturing exporting firms from these comprehensive databases.

To make my selection without any bias, I have followed the following 3 selection criteria: a) Size of the manufacturing exporting firms (less than 10,000 workers); b) only a product/product line is marketed in the foreign host market (the product-market/export venture approach) and the product/product line has only a single foreign distributor in the foreign host market. The same product/product line is also marketed domestically in the home market (i.e., China market) and host market (Bello & Gilliland, 1997; Chung & Kuo, 2018; Morgan et al., 2004); and c) the number of years the firm has been involved in exporting (longer than 2 years). This product-market guidance is widely recommended in the extant literature, and it provides robustness and consistency in sampling frame formulation (Cavusgil & Zou, 1993; Chung et al., 2012; Lages & Lages, 2004; Morgan et al., 2004; Morgan et al., 2012; Yang et al., 2012). The manufacturing-based export venture practice is widely accepted by academic scholars when conducting research concerning exporting firms (e.g., Morgan et al., 2004; Yang et al., 2012). By taking this research design, researchers can effectively control for potential confounding factors associated with the export venture performance of a particular export venture market (Bello & Gilliland, 1997; Morgan et al., 2004). Therefore, I only focused on the study of manufacturing firms' export ventures in my research design.

In line with prior export marketing studies, my sample only contains Chinese manufacturing

firms which export products to overseas markets through foreign distributors (e.g., Dutta et al., 1999; Morgan et al., 2004; Yang et al., 2012). This approach is consistent with the practice of the extant research because exporting through foreign distributors is the easiest and most economical export market entry strategy (e.g., Bello & Gilliland, 1997; Peng & York, 2001). As outlined, following the guidance of the literature, I have instructed the respondents to provide information relating to an export venture of the firm. This means that the export venture's product is marketed by only one foreign distributor in the host market (Morgan et al., 2004; Yang et al., 2012). This single foreign distributor approach is justified, as this strategy can allow exporters to conduct close relationship building when operating in the foreign host markets (e.g., Kalwani & Narayandas, 1995).

In this study, a survey method is used to collect my primary data. To fully understand how they make their marketing strategy decisions, respondents were informed that the survey was to be completed by two senior executive staff of the firm (e.g., the first senior executive staff member is the CEO/Managing Director and the other staff member is the Marketing Director/CFO) (Li et al., 2009; Sheng et al., 2011). These staff members are the key informants directly responsible for overseeing their firm's export venture operation in the host market. This approach is consistent with that of the extant literature. Prior studies suggest that managers in these positions are most knowledgeable about their firm's operation in the host market (Chung & Kuo, 2018; Li et al., 2009).

In terms of questionnaire design, I have undertaken a very robust process. I developed my questionnaire based on the guidance in the literature (e.g., Morgan et al., 2004). The questionnaire was written in *English*. After formulating the questionnaire, I asked five senior academics, who have conducted many years of research in China, to review my questionnaire. Based on their feedback, I revised some of the questions in the survey questionnaire. Then, I asked ten senior managers of Chinese manufacturing exporting firms to conduct the preliminary study (five CEOs and five Marketing Managers/CFOs). They had no problems in understanding and completing the survey questionnaire. This pilot study helped me to improve the wording and content of the survey questionnaire. As a result of these appraisals, the quality of my survey study was dramatically improved.

After the finalisation of the survey questionnaire, I sent out 700 questionnaires with cover letter (**See 5.7 Appendix**) to Chinese manufacturing exporting firms via email/WeChat in mid-2020. The survey was completed in late 2020. The respondents were well informed of the purpose and conduct of the study (e.g., the survey is completed by two senior staff members). Due to

the pandemic lockdown, all correspondence with the respondents was via email, WeChat and telephone. These are very common forms of digital technology used by firms in China. Despite my substantial follow-ups, 285 questionnaires were returned from my respondents. However, there were 34 incomplete questionnaires. These are excluded from the study's analysis. In the end, I obtained 251 usable questionnaires. This yielded a response rate of 35.8% (e.g., Li et al., 2008; Yang et al., 2012).

Out of the 251 exporting respondents, more than 67% of firms had employees numbering between 100 and 1000, and 76% had international experience of between 3 and 14 years. In addition, 72% had annual total sales revenues of more than US\$5 million. Furthermore, more than 75% firms had operations in 6 or more foreign host markets. On average, the respondents had been operating in the host markets for 6 years. The respondents were operating in a wide range of manufacturing sectors such as electrical (e.g., fans, air condition), electronics (e.g., computers, audio & video), lighting, machinery (e.g., food processing, power generators), building panels, bathrooms, gardening, wallpaper, flooring, roofing, windows, doors, and so on. This wide range of manufacturing sectors helped to improve my observed variance and has enhanced the generalisability of the study's findings (Bello & Gilliland, 1997; Morgan et al., 2004; Samiee & Anckar, 1998). In this study, my respondents operated in a wide range of host markets such as Vietnam, Jordan, Saudi Arabia, Thailand, Malaysia, Iran, Iraq, India, Brazil, Argentina, South Africa, and Zimbabwe, among others.

3.4.2 Measurement scales

The measurement items of my study are guided by the practices of the extant literature. All items are measured by a seven-point Likert scale (e.g., 1= strongly disagree; 7= strongly agree) (Li et al., 2009), unless otherwise indicated. In line with previous studies (Morgan et al., 2004), export venture performance was measured in two significant aspects; economic performance (e.g., ROI, ROA, Profitability, Profit growth), and channel performance (e.g., distributor loyalty). The economic performance is measured by a seven-point Likert scale (1=much worse; 7=much better in comparison to main direct competitors). The channel performance is measured by seven-point Likert scale (1=not satisfied at all; 7=completely satisfied). Channel performance includes a relationship with the distributor, distributor loyalty, end-user customer loyalty, satisfaction, and retention. Details concerning these measurement items are listed in Table 1c.

Two scales are used to measure digital marketing technology (4Ps and social networking). The

extant literature suggests that it is important to understand digital marketing technology and its impact on business, particularly how firms can use digital marketing technology to generate new product or service ideas, new processes/promotions/distribution and pricing (Kannan & Li, 2017; Ozer, 2000). In addition, digital marketing technology can help firms build relationships with their channel members and build brand relationships (Confos & Davis, 2016; Yasmin et al., 2015). Both items were measured by a seven-point scale (1=strongly disagree; 7=strongly agree). Digital marketing technology is a second-order factor. Details concerning these measurement items are also listed in Table 1b.

Managerial ties were measured as relating to the firm's operation in their host and home country. Host market business ties represent ties with the key business buyer, supplier, competitor, distributor, and other key firms in the host market (Kalwani & Narayandas, 1995; Morgan et al., 2004). Host market political ties include ties with political leaders at various levels of the government, officials in various industrial bureaus, and officials in regulatory and supporting organisations such as tax bureaus, banks, commercial administration bureaus and the like (e.g., Wang & Chung, 2020; Yang et al., 2012). Host market professional ties include ties with lawyers, accountants, banks, chambers of commerce and business roundtables (e.g., Galaskiewicz, 1985; Geletkanycz & Hambrick, 1997). Home market business ties (ties in China) include ties with the key business buyer, distributor, supplier, competitor, and other key firms in the home market (Li et al., 2008; Luo et al., 2008; Peng & Luo, 2000). The home market political ties include ties with political leaders at various levels of the government in the home market, and the home market professional network ties are the ties with lawyers, accountants, banks, chambers of commerce and business roundtables in the home market. These measurements were derived from, and validated by, the extant literature (e.g., Chung et al., 2015; Li et al., 2009; Sheng et al., 2011; Wang & Chung, 2013). Managerial ties were measured by a seven-point scale (1=very little; 7=very extensive) (Chung & Kuo, 2018; Peng & Luo, 2000).

3.4.3 Control variables

There are several control variables; including firm size, international business experience, host market potential, customer turbulence, technology turbulence, competition turbulence, and industry type; that might have a potential effect on export venture performance. For example, previous studies suggest that a firm's size can be determined by the firm's number of employees in the home market (Chung et al., 2015; Gu et al., 2008; Narver & Slater, 1990). In addition, the international business experience can also affect export venture performance (Lages et al.,

2008; Morgan et al., 2004). I measured the international business experience as the number of years the firm has been operating internationally, and the number of foreign markets the firm has operated in. Moreover, the extant literature also suggests that customer, technology, and competition turbulence might affect export venture performance (Chung, 2011; Chung et al., 2016; Lages et al., 2008; Morgan et al., 2004). According to Jaworski and Kohli (1993) and Chung (2012), market turbulence is determined by preference changes of customers (1=strongly disagree; 7=strongly agree), technology turbulence is measured by the degree of change of technology (1=strongly disagree; 7=strongly agree), and competition turbulence is measured by the competition intensity (1=strongly disagree; 7=strongly agree).

Research also indicates that firms operating in a consumer product sector or industrial product sector (1=CP, 0=IP, CP=Consumer product, IP= Industrial product) may relate to their export venture performance in the host market (e.g., Chung & Kuo, 2018; Peng & Luo, 2000). Furthermore, the host market's potential (1=not important at all; 7=very important) may also influence export venture performance (e.g., Chung, 2012; Chung et al., 2019; Leonidou et al., 2002).

3.4.4 Common method bias assessment

In this study, I have adopted the practices that are recommended by the extant literature to reduce the effect of common method variance (e.g., Chang et al., 2010; Podsakoff et al., 2003). First, I have adopted the double-respondent technique to complete the survey questionnaire (e.g., Chung et al., 2021; Foss et al., 2013; Podsakoff et al., 2003). This practice is suggested as a key method for reducing common method bias in a survey study (Chung et al., 2020; Podsakoff et al., 2003). As mentioned earlier, these two respondents directly oversee the firm's exporting venture operation in the host market. The first respondent holds positions such as CEO/Managing Director, while the second respondent holds positions such as Marketing Director/Financial Controller/CFO. Having the first respondent answer the independent and control variables, and the second respondent complete the dependent variables questions helps to reduce the common method bias issue (e.g., Chung & Ho, 2021; Foss et al., 2013). Second, to avoid any confusion, vagueness, and issues with terminology, I pretested my questionnaire and consulted with five very experienced and senior academic researchers who have a large amount of knowledge concerning research in China. An independent review of the survey questionnaire can ensure that the survey is error-free. This practice also helps minimise common method bias influences. Third, I have presented my questions logically by grouping questions together based on the designed research constructs. This practice has assisted the

respondents in easily following the questions. I also used a different answering format for managerial ties (1=very little; 7=very extensive) and digital marketing technology factors (1=strongly disagree, 7=strongly agree). These different answering formats may also reduce the effect of common method bias (Podsakoff et al., 2003). Fourth, I have assured all respondents that there are no right or wrong answers to the survey questions (Chung et al., 2019). They can freely answer all questions in the survey. More importantly, the survey study is approved by Massey University's ethical committee, and the research conduct is supervised by the Committee and the project supervisors (See Appendix for Ethical Approval). All participation in the study is completely voluntary and participants can cease participation at any time in the study. The information collected is also purely used only for this research purpose and will not be used for any other purposes. These practices minimise the effect of common method bias (Chung et al., 2021; Podsakoff et al., 2003).

3.4.5 Reliability and validity

To evaluate the reliability and validity of my data, I used AMOS statistical analysis to check the goodness-of-fit statistics of the study. The model with managerial ties and export venture performance has a desirable goodness of fit in its statistics: $\chi^2(464)=788$ ($p<0.01$), CFI=0.92, IFI=0.92, TLI=0.89, RMSEA=0.05. The model with digital marketing technology and export venture performance has sound goodness of fit statistics: $\chi^2(204)=386$ ($p<0.01$), CFI=0.94, IFI=0.94, TLI=0.92, RMSEA=0.06. The model with digital marketing technology, managerial ties, and export venture performance has also shown reasonable goodness of fit in its statistics: $\chi^2(1014)=1700$ ($p<0.01$), CFI=0.89, IFI=0.89, TLI=0.87, RMSEA=0.05. These results suggest a sound reliability and validity. These results are also consistent with those reported in the previous research (e.g., Anderson & Gerbing, 1988; Chung & Ho, 2021; Chung & Kuo, 2018; Li et al., 2009).

In addition, the study followed the approach recommended by Nunnally (1978), which suggests that there is high reliability of the constructs when their Cronbach's alpha values are greater than 0.5. As shown in Table 1a, the Alpha values of my study are also appealing (most of them exceed 0.7). Hence, a reliability issue is unlikely to exist in this study. Furthermore, my individual items' factor loadings are also confirmed to have a value greater than 0.5. The composite reliability (CR) values are also greater than 0.7. This test is aligned with the previous studies conducted by Chung and Kuo (2018), Fornell and Larcker (1981) and Hair et al. (2010). In addition, the largest VIF value is 4.966, which is lower than the required standard (10.0) (Hair et al., 2010). The results shown in Table 2 suggest that multicollinearity is not an issue

for this study because all the correlation coefficients among all of the independent variables are relatively low. Taken together, it is confirmed that the dataset in this study has no multicollinearity issue (Chung & Ho, 2021; Hair et al., 2010; Li et al., 2009). Therefore, adequate validity and reliability are supported by the measurements in this study.

3.4.6 Results

In this study, I have employed hierarchical regression analysis to test my research hypotheses. This approach aligns with the extant literature (Aiken et al., 1991; Chung et al., 2015). I have used the mean-centred method to reduce the possible inflation of interaction items (Chung & Ho, 2021; Hair et al., 2010). This method enabled my studies to reduce the effect of multicollinearity when examining the interaction outcomes. As seen in Tables 3 and 4, the variance-inflating factor (VIF) values among the variables studied are smaller than 4. These results also confirm that there is no multicollinearity issue in my study.

My findings suggest that digital marketing technology has a positive effect (H1 and H2) on export venture economic and channel performance. All business ties from the host market (H3a, H3b) and political ties from the host market (H4a, H4b) can enhance the positive effect of digital marketing technology on export venture economic and channel export venture performance. However, the host market professional ties (H5a, H5b) do not enhance the impact of digital marketing technology on both export venture economic and channel performance. Nevertheless, home market managerial ties show some mixed, but consistent, results. My results reveal that home market business ties (H6a, H6b), home market political ties (H7a, H7b), and professional ties (H8a, H8b) either have no enhancement on the effect of digital marketing technology on export venture performance, or they have a negative contingent effect in the digital marketing technology on export venture performance. Collectively, business executives in the emerging markets need to pay close attention to both host and home market managerial ties.

With H1 and H2, I consider the direct effects of digital marketing technology on economic and channel performance. As demonstrated in Tables 3 and 4, digital marketing technology relates positively to economic performance ($\beta=0.548$, $p<0.01$), in support of H1. Digital marketing technology also has a significant and positive effect on channel performance ($\beta=0.300$, $p<0.01$). These results also suggest that H2 is supported.

In H3a and H3b, I have considered the alignment effects of digital marketing technology and host market business ties on economic and channel performance. The results are consistent

with my predictions; both interactions have a positive impact on economic ($\beta=0.231$, $p<0.05$) and channel performance ($\beta=0.433$, $p<0.01$). Both H3a and H3b are supported. Likewise, H4a and H4b assess the moderation role of host market political ties in the digital marketing technology and export venture performance relationship. The interactions between digital marketing technology and host market political ties are positively associated with both economic ($\beta=0.133$, $p<0.05$) and channel ($\beta=0.215$, $p<0.01$) export venture performance. Thus, H4a and H4b are also confirmed. With H5a and H5b, I assess the moderation effect of host market professional ties in the digital marketing technology and export venture performance relationship. My study reveals that the aligned effect of digital marketing technology and host market professional ties does not have a significant effect on economic ($\beta=0.018$, $p>0.1$) and channel ($\beta=-0.026$, $p>0.1$) performance. Based on these results, H5a and H5b are not supported.

H6a and H6b evaluate the moderation role of home market business ties in the digital marketing technology and export venture performance relationship. The interaction of home market business ties and digital marketing technology is negatively associated with economic performance ($\beta=-0.259$, $p<0.05$). The interaction between home market business ties and digital marketing technology is insignificantly and negatively associated with channel performance ($\beta=-0.026$, $p>0.1$). These results suggest that H6b is supported. H6a is also viewed as supported because the interaction of home market business ties and digital marketing technology has a negative effect on economic performance (Chung & Ho, 2021).

In H7a and H7b, I have attempted to explore the moderation role of home market political ties. The result shows that the interaction effect between home market political ties and digital marketing technology is significantly and negatively associated with economic ($\beta=-0.308$, $p<0.01$) and channel ($\beta=-0.358$, $p<0.01$) performance. These outcomes are also consistent with H7a and H7b. Based on these results, H7a and H7b are also supported (Chung & Ho, 2021).

Finally, H8a and H8b focus on the moderation effect of home market professional ties. The results indicate that the interaction between home market professional ties and digital marketing technology is negatively, but insignificantly, associated with both economic ($\beta=-0.013$, $p>0.1$) and channel ($\beta=-0.146$, $p>0.1$) performance. In light of these results, H8a and H8b are supported.

3.5 Discussions and conclusion

The main purpose of this research is to examine the contingent role of *host* and *home* market managerial ties (business, political and professional ties) in the digital marketing technology-export venture performance framework. My study reveals when and how the interaction of managerial ties and digital marketing technology matters for export venture performance (economic and channel performance). Social networking, digital marketing technology and export venture performance theories and literature have been used as the underpinned theoretical foundation for my research conceptualisation (Chung et al., 2015; Li et al., 2009; Park & Luo, 2000; Morgan et al., 2004; Sheng et al., 2011). This study's outcomes shed new light on the theoretical development of the underlying theories and provide guidance for exporting managers from emerging markets when conducting business internationally. My research has a number of theoretical and managerial implications. These are discussed below.

3.5.1 Theoretical implications

The study has advanced the theoretical development of social networking theory, digital marketing technology and export venture performance literature in several ways. First, I have revealed that host market business and political ties can enhance the relationship between digital marketing technology and exporting performance. In particular, my study suggests that good relationships with businesses, government officials and institutions in the host market can be very useful, especially, when exporting firms have adopted advanced digital marketing technology to reach their exporting performance goals in the host market (Chung & Kuo, 2018; Morgan et al., 2004). The alignment of these host market managerial ties and digital marketing technology can enhance exporting firms' economic and channel performance. The outcome extends the findings that have been revealed in the extant literature on social networking theory (e.g., Chung, 2012; Chung & Kuo, 2018; Sheng et al., 2011; Yang et al., 2012). When operating in foreign host markets, strong social networking ties with host market channel members and business managers, equipped with advanced digital marketing technology can help exporting firms from an emerging market to collect host market intelligence. Exporting firms from the emerging market can also benefit from their close ties with host market governmental officials (Sheng et al., 2011). A close affiliation with these political institutions can help exporting firms acquire useful information such as the latest regulations and tariffs on export items. Collectively, the knowledge they have gained from the host market's business and political ties can assist exporting firms in accelerating value creation for their customers in the host market (Acquaah, 2007; Chung et al., 2015; Chung & Kuo, 2018; Luo et al., 2008). As a result, the interaction of host market managerial ties and digital marketing technology can help exporting

firms achieve their economic (e.g., ROI, ROA) and channel performance (e.g., loyal customers, good relationships with distributors) in the host market. These findings imply that research on export ventures, especially those from emerging markets, needs to include an examination of the joint effect of managerial ties and digital marketing technology on export venture performance (e.g., Chung et al., 2019; Yang et al., 2012). These results have successfully extended the existing research scope, which has only focused on explanations of social networking theory in relation to export venture performance (e.g., Chung & Kuo, 2018; Yang et al., 2012). By advancing the existing theoretical foundation, my study suggests that integrating social networking and technology theory may even create a stronger effect on export venture performance (Cavusgil & Zou, 1994; Morgan et al., 2004). In light of my research outcomes, future studies should consider incorporating social networking and technology theory into their export venture performance investigation (e.g., managerial ties-financial/strategic export venture performance; Chung & Kuo, 2018; relational governance-export venture performance; Yang et al., 2012). In sum, my new research significantly advances the extant research on social networking and exporting management (Chung, 2012; Chung & Kuo, 2018; Lages et al., 2008).

Second, my findings also indicate that, in comparison to host market business and political ties, the contingent effect of host market *professional* ties in the digital marketing technology-export venture performance is less evident. Though the function of professional ties has been reported in the extant literature (e.g., DiMaggio & Powell, 1983; Geletkanycz & Hambrick, 1997; Haunschild, 1994), this factor's moderation effect is not supported in this study. Thus, research needs to be cautious of using professional ties in their digital marketing technology-export venture performance conceptualisation in the host market. This result may occur because social networking with host market professional institutions may not be able to truly reflect the customers' needs in the host market due to the fast-changing environment in the market. As a result, they are less effective in helping exporting firms to formulate an effective digital marketing technology for their operation in the host market.

Third, my study suggests that the coalignment of home market managerial ties and digital marketing technology does not lead to any superior export venture performance (economic and channel performance). This result is likely due to the relationship with home market suppliers, distributors, government officials and professional organisations not truly reflecting the customers' needs in the host market (Chung, 2011; Chung et al., 2015; Sheng et al., 2011; Tsang, 1998). Due to its distance from the host market, it is difficult for a firm to gain valuable

and prompt market intelligence about its host market through the home market network. Hence, home market networking does not enhance the formulation of effective digital marketing technology for the foreign host market. Moreover, the extant literature also suggests that the cultivation of home market business, political, and professional institutions often require a huge amount of resources and time commitment (e.g., Chung et al., 2016). When exporting firms commit too much to the home market's business, political and professional institutions, they may not have sufficient time and resources for their operation in the host market.

The outcomes concerning the home market managerial ties in the digital marketing technology-export venture performance framework may also extend existing research scopes relating to digital marketing technology, managerial ties and export performance. Research should be cautious of using a universal conceptualisation for their home/host market managerial ties, digital marketing technology and export venture performance. My study suggests that exporters should avoid using the home market social networking in the digital marketing technology-export venture performance framework. This suggests that research should examine social networking theory in the context of the home and host markets separately before reaching a definite conclusion. This separation has significantly advanced existing social networking theory research, which tends to focus on either the home market (Gu et al., 2008; Li et al., 2009; Sheng et al., 2011) or the host market context only (Chung, 2012; Chung & Kuo, 2018). Moreover, my study advances recent research that has postulated a dark side of managerial ties conceptualisation. For example, Chung et al. (2021) have focused on the dark side of business ties in the dynamism and B2B firm performance. Chung et al. (2016) report that business and political ties may inhibit the effect of organisational capabilities on business performance. My study extends this stream of the research by revealing that the dark side combination can also occur in the home market managerial ties (business, political ties), digital marketing technology and export venture performance conceptualisation. Accordingly, research should now consider this new dark side effect theoretical foundation in addition to those already examined in the literature (e.g., dynamism, capabilities and business performance; Chung et al., 2021).

Finally, my research also sheds light on the study of exporting ventures from emerging markets. Extant research on the emerging markets' exporting firms has primarily focused on the effect of organisational learning on export venture performance (Chung et al., 2019) and institutions-governance-export venture performance (Yang et al., 2012). By focusing on the role of managerial ties in the digital marketing technology-export venture performance framework, my study extends the existing research on emerging market exporting firms. In light of my

research findings, besides those aspects that have already been revealed in the extant literature (e.g., organisational learning, institutional environment), research should now consider social networking/capital theory, digital marketing technology and export venture performance literature in their exploration of export ventures from emerging markets. Only then can the research on the emerging market exporting business be more complete.

3.5.2 Managerial implications

My study provides several managerial implications for exporting firms from emerging markets. This is the first study to integrate social networking ties and digital marketing technology in the context of export ventures from an emerging market. The results demonstrate that positive host market business and political ties can be used to enhance the effect of digital marketing technology on both export venture economic and channel performance. However, the professional networking ties from the host market do not seem to have a contingent influence on the relationship between digital marketing technology and export venture performance. Therefore, managers of exporting firms should consider building up their host market business and political ties when they formulate their digital marketing technology in the host market. The integration of social networking ties and digital marketing technology can result in superior export venture performance. Managers of exporting firms can consider placing a higher resource commitment into their relationship with host market business affiliations and political institutions. The investment in these ties will help managers to obtain crucial and prompt market intelligence about the host market. This information and knowledge will enhance firms' economic and channel performance. However, managers need to be cautious of investing in the host market's professional ties because these ties may not help formulate the digital marketing technology for the host market.

Second, my study reveals some interesting results about the home market ties. The home market business ties are suggested to have a negative moderation effect on digital marketing technology-export venture economic performance, but no significant effect on digital technology-export venture channel performance. These results suggest that managers of exporting firms should avoid committing too many resources and time to the home market's business networking. A high commitment to these ties will only inhibit the firm's operation in the host market.

Lastly, the home market political ties are suggested to negatively moderate the digital marketing technology-export venture economic/channel performance. These outcomes also

indicate that managers of exporting firms from the emerging market should avoid committing too much to home market political ties. As demonstrated in the dark side managerial ties literature (e.g., Chung et al., 2016; Chung et al., 2021), home market political ties often require substantial commitment and maintenance. These requirements will severally inhibit exporting firms' operation and success in the host market. Equally, the commitment to the home market's professional ties is not encouraged. My study suggests that home market professional ties are also not helpful in designing and formulating an effective digital marketing technology for the foreign host market. Exporting firms from the emerging market should avoid placing much commitment on their home market professional institutions, in their exporting strategy formulation for the host market.

3.5.3 Limitations and future research

Like any other studies, my study has several research limitations. First, my study has mainly examined the contingent effect of host and home market managerial ties on the impact of digital marketing technology on export venture performance. As demonstrated in the literature, similar to digital marketing technology, social media has also changed the landscape of business practice. Therefore, it might be worth conducting further research on the contingent effect of host and home market managerial ties on the impact of social media technology on export venture performance (e.g., Mahmoud et al., 2020; Prasad et al., 2001; Racela & Thoumrungroje, 2020; Shree et al., 2021).

Second, research should consider the proposed conceptualisation in other contexts. For example, future research should consider replicating the study's conceptualisation to exporting firms from other emerging markets such as Russia, Brazil and Vietnam. Comparing this current study's findings with those of other emerging markets (e.g., Russia, and Brazil) will enhance the theoretical development concerning social networking, digital marketing technology and export venture performance. Only then can the generalisation of this study's findings be better obtained.

Third, via the assistance of the respondents, I have obtained a modest response rate in my survey. To get rich and insightful data, it might be worth conducting additional qualitative interview research. This research methodology can be more effective when conducting research on Chinese firms (Chung et al., 2019; Li et al., 2009).

Finally, my study has mainly focused on export venture economic and channel performance. Prior exporting literature suggests that strategic export venture performance should be

considered as a key element of export venture performance (e.g., Cavusgil & Zou, 1994; Chung & Kuo, 2018). Future research should consider including this key export venture performance component in their research conceptualisation postulation. Only then will the export venture performance measurement be more complete.

3.6 Chapter summary

This chapter presented the first empirical study of the research, using hierarchical regression analysis to address the research question of when, and how, do home and host market managerial ties impact the relationship between digital marketing technology and emerging market export venture performance. The variables and hypotheses are extracted from an extensive literature review. A comprehensive dataset is collected through questionnaire survey of 251 Chinese manufacturing exporting firms. The data analysis suggests that digital marketing technology (e.g., email, website) plays a crucial role in explaining export venture performance in the host market. However, this study also proposes that export ventures need to carefully consider their host and home market managerial ties, in terms of the impact of digital marketing technology on export venture economic and channel performance. The host and home market managerial ties (business and political ties) might have a completely different impact.

Whether the other forms of digital marketing technology, such as social media, can impact export venture performance also needs to be addressed. In the subsequent chapter, a further empirical study is carried out by examining the dark and bright side effects of institutional distance on the relationship between social media platforms and export venture performance.

3.7 References

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Figure 2: Digital Marketing Technology and Export Venture Performance: The Contingent Effect of HOST and HOME Managerial Ties

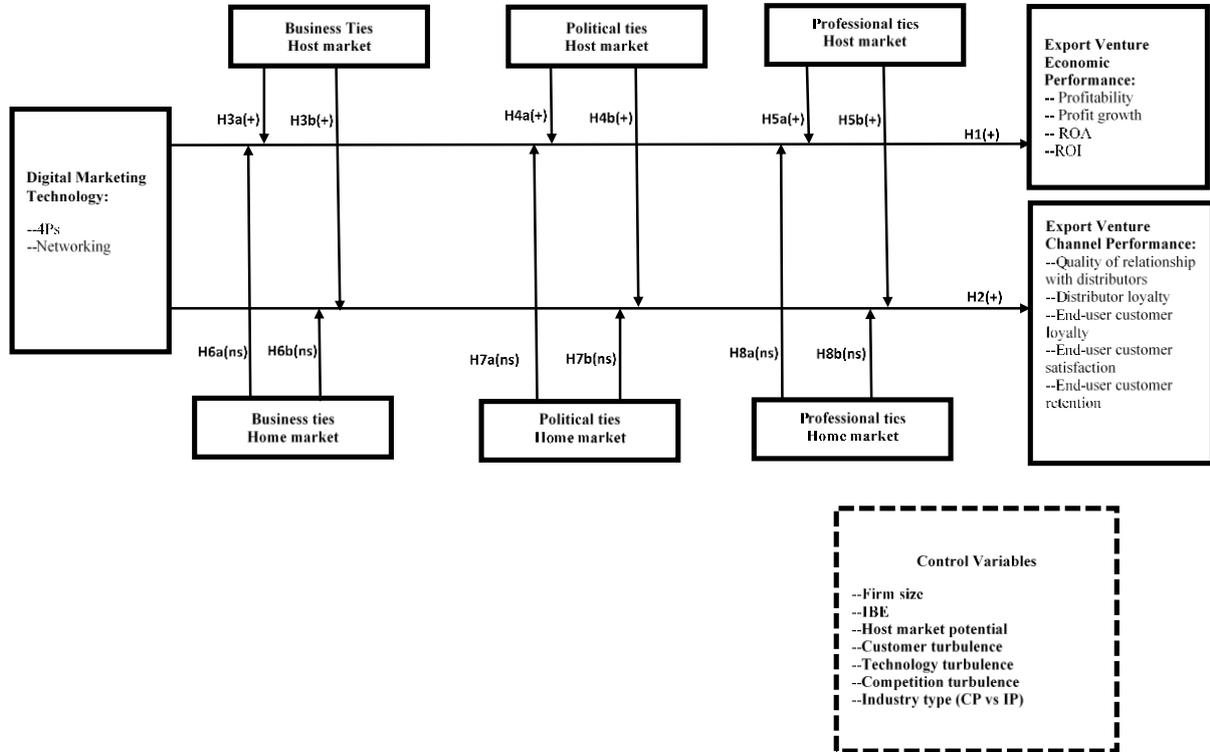


Table 1a: Measurement - Managerial Ties

Relating to your firm's operation in this host country/home country, to what extent do you utilise personal ties, networks and connections with: (1=Very little; 7=Very extensive). Note: home country ties are related to the export venture's operation in the host country.

Measurement items	Loading	Alpha and CR value
<i>Host market business ties</i>		Alpha=.71; CR=.81
Senior managers at key buyer firm	.773	
Senior managers at key supplier firm	.748	
Senior managers at this distributor firm	.611	
Senior managers at key competitor firm	.630	
Senior managers of other key firms (i.e., other than the above) within your industry	.629	
<i>Host market political ties</i>		Alpha=.64; CR=.81
Political leaders in various levels of the government	.788	
Officials in various industrial bureaus	.723	
Officials in regulatory and supporting organizations such as tax bureaus, banks, commercial administration bureaus and the like	.780	
<i>Host market professional network ties</i>		Alpha=.71; CR=.81
Chamber of commerce	.720	
Business roundtables	.577	
Lawyers	.694	
Accountants	.657	
Banks	.730	
Measurement items	Loading	Alpha and CR value
<i>Home market business ties</i>		Alpha=.71; CR=.81
Senior managers at key buyer firm	.722	
Senior managers at key supplier firm	.706	
Senior managers at key distributor firm	.740	
Senior managers at key competitor firm	.529	
Senior managers of other key firms (i.e., other than the above) within your industry	.683	
<i>Home market political ties</i>		Alpha=.59; CR=.78
Political leaders in various levels of the government	.694	
Officials in various industrial bureaus	.807	
Officials in regulatory and supporting organizations such as tax bureaus, banks, commercial administration bureaus and the like	.718	
<i>Home market professional network ties</i>		Alpha=.71; CR=.81
Chamber of commerce	.692	
Business roundtables	.630	
Lawyers	.713	
Accountants	.674	
Banks	.680	

Table 1b: Measurement - Digital Marketing Technology

How would you rate the following digital marketing technology (e.g., email, website) factors concerning your firm's operating in the host country? (1=Strongly disagree; 7=Strongly agree)

Measurement items	Loading	Alpha and CR
<i>Digital Marketing Technology—Second Order</i>		Alpha=.87; CR=.91
<i>Digital marketing technology- 4P</i>		Alpha=.83; CR=.87
We gain new product ideas via digital marketing technology	.787	
We gain new process ideas via digital marketing technology	.619	
We gain new promotion ideas via digital marketing technology	.788	
We co-design new promotion material via digital marketing technology	.630	
We gain new distribution ideas via digital marketing technology	.683	
We gain new knowledge about pricing via digital marketing technology	.756	
We co-price with business partners via digital marketing technology	.650	
<i>Digital marketing technology -Networking</i>		Alpha=.82; CR=.86
We have encouragement from management to use digital marketing technology	.655	
We constant investment on digital marketing technology	.679	
We constant exchange ideas via digital marketing technology	.681	
We conduct information sharing via digital marketing technology	.605	
We develop new market knowledge via digital marketing technology	.716	
We build new relationships via digital marketing technology	.657	
We enhance business relationships via digital marketing technology	.628	
We enhance personal relationships via digital marketing technology	.699	

Table 1c: Measurement - Export Venture Performance

Measurement items	Loadings	Alpha and CR
How would you rate your firm's performance, as compared to the main direct competitors in this host country? (1=Much worse; 7=Much better)		
<i>Export Venture Economic performance</i>		Alpha=.80; CR=.87
Profitability as a percentage of sales	.784	
Return on investment (ROI)	.748	
Profit growth	.770	
Return on asset (ROA)	.867	

Measurement items	Loadings	Alpha and CR
To what extent would you rate your satisfaction concerning your firm's operation in this host country? (1=Not satisfied at all; 7=Completely satisfied)		
<i>Export Venture Channel performance</i>		Alpha=.83; CR=.88
Quality of your firm's relationship with distributor	.823	
Distributor loyalty to your firm	.827	
End-user customer loyalty to your firm	.724	
End-user customer satisfaction	.711	
End-user customer retention	.763	

Table 2: Correlation Matrix

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Firm size (1)	1.000															
IBE (international business experience) (2)	.311**	1.000														
Number of other host countries (3)	.341**	.469**	1.000													
Industry type CP vs IP (4)	-0.072	-0.015	0.078	1.000												
Customer turbulence (5)	0.055	0.028	0.052	.162**	1.000											
Competition turbulence (6)	0.028	0.057	0.053	0.005	.164**	1.000										
Technology turbulence (7)	-0.045	-0.040	-0.076	.150**	0.037	.106*	1.000									
Host market potential (8)	-0.038	0.033	0.017	0.017	.345**	.112*	0.042	1.000								
Digital marketing technology (9)	-0.021	-0.004	-0.056	.154**	.218**	.279**	.268**	.200**	1.000							
Host business tie (10)	-0.029	-0.014	-0.058	0.034	.123*	.218**	.201**	.220**	.451**	1.000						
Host political tie (11)	-0.012	-0.002	-0.013	.205**	.196**	.163**	.239**	0.093	.454**	.248**	1.000					
Host professional tie (12)	-0.013	-0.030	-0.033	0.069	.173**	.236**	.285**	.158**	.460**	.426**	.414**	1.000				
Home business tie (13)	-0.052	0.014	-0.062	0.097	.168**	.170**	.223**	.246**	.434**	.467**	.322**	.388**	1.000			
Home political tie (14)	-0.031	-0.040	-.100*	0.101	.135**	.162**	.272**	.169**	.479**	.443**	.385**	.428**	.381**	1.000		
Home professional tie (15)	0.025	0.018	-0.067	0.007	.168**	.176**	.244**	.190**	.456**	.402**	.325**	.444**	.411**	.380**	1.000	
Export venture economic performance (16)	0.019	0.048	0.025	.229**	0.026	.178**	.315**	0.000	.431**	.232**	.322**	.296**	.225**	.285**	.341**	1.000
Export venture channel performance (17)	-0.051	0.012	-0.016	.225**	.168**	.148**	.218**	0.000	.354**	.250**	.305**	.250**	.251**	.327**	.279**	.374**

**p<0.01, *p<0.05, note: CP: Consumer products, IP: Industrial Products

Table 3: Regression Results for Export Venture Economic Performance

	Export Venture Economic Performance					
	M1	VIF	M2	VIF	M3	VIF
<i>Control variables</i>						
Firm size	.009	1.548	-.089	1.620	-.030	1.748
International Business Experience (IBE)	.055	1.667	.030	1.717	.026	1.780
No of other host countries	.059	2.227	.116	2.275	.105	2.352
Industry type CPvs IP	.098	1.134	.101	1.205	.108*	1.235
Customer Turbulence	-.109	1.240	-.235	1.322	-.242**	1.394
Competition turbulence	.055	1.022	-.007	1.069	.056	1.144
Technology turbulence	.397**	1.029	.177	1.232	.143*	1.389
Host market potential	.018	1.231	-.087	1.400	-.087	1.460
<i>Direct effect variables</i>						
Digital marketing technology (H1, s)			.548**	3.208	.503**	3.304
Host Business Tie			-.038	2.637	-.054	2.791
Host Political Tie			-.031	1.569	-.068	1.736
Host Professional Tie			.150+	2.614	.084	2.772
Home Business Tie			-.052	2.098	.048	2.314
Home Political Tie			-.046	1.986	.045	2.166
Home Professional Tie			.104	2.593	.157*	2.735
<i>Interactions</i>						
Host Business Tie× Digital Marketing Technology (H3a, s)					.231*	5.032
Host Political Tie × Digital Marketing Technology (H4a, s)					.133*	1.814
Host Professional Tie × Digital Marketing Technology (H5a, ns)					.018	3.421
Home Business Tie× Digital Marketing Technology (H6a, s)					-.259*	4.609
Home Political Tie × Digital Marketing Technology (H7a, s)					-.308**	3.567
Home Professional Tie× Digital Marketing Technology (H8a, s)					-.013	4.390
R ² value	.191**		.481**		.559*	
Adjusted R ² value	.161**		.445**		.515*	
R ² value change	.191**		.291**		.078*	
F value	6.454**		13.115**		12.456**	

All beta values are standardized. , +: p<0.1; *: p<0.05; **: p<0.01.

Table 4: Regression Results for Export Venture Channel Performance

	Export Venture Channel Performance					
	M1	VIF	M2	VIF	M3	VIF
<i>Control variables</i>						
Firm size	-.010	1.554	-.097	1.641	-.097	1.772
International Business Experience (IBE)	-.003	1.688	.007	1.729	.003	1.779
No of other host countries	.084	2.235	.121	2.277	.134	2.355
Industry type CPvs IP	.076	1.131	.099	1.193	.107+	1.216
Customer Turbulence	.141+	1.245	.053	1.330	.006	1.394
Competition turbulence	-.009	1.021	-.075	1.070	-.007	1.145
Technology turbulence	.227**	1.029	.047	1.244	.061	1.388
Host market potential	-.124+	1.229	-.222**	1.403	-.187**	1.465
<i>Direct effect variables</i>						
Digital Marketing Technology (H2, s)			300**	3.192	.264*	3.288
Host Business Tie			-.071	2.592	-.088	2.747
Host Political Tie			.028	1.570	-.036	1.736
Host Professional Tie			.033	2.687	.028	2.827
Home Business Tie			.023	2.088	.052	2.270
Home Political Tie			.194*	1.979	.235**	2.157
Home Professional Tie			.074	2.574	.118	2.698
<i>Interactions</i>						
Host Business Tie × Digital Marketing Technology (H3b, s)					.433**	4.966
Host Political Tie × Digital Marketing Technology (H4b, s)					.215**	1.815
Host Professional Tie × Digital Marketing Technology (H5b, ns)					-.026	3.478
Home Business Tie × Digital Marketing Technology (H6b, s)					-.026	4.525
Home Political Tie × Digital Marketing Technology (H7b, s)					-.358**	3.554
Home Professional Tie × Digital Marketing Technology (H8b, s)					-.146	4.371
R ² value	.087**		.267**		.349*	
Adjusted R ² value	.053**		.215**		.282*	
R ² value change	.087**		.180**		.082*	
F value	2.589**		5.129**		5.232**	

All beta values are standardized. +: p<0.1; *: p<0.05; **: p<0.01.

3.8 Appendix

Ethical Approval Letter

From: humanethics@massey.ac.nz <humanethics@massey.ac.nz>

Sent: Monday, 12 March 2018 2:04 p.m.

To: Lindsay, Alice; Jing.Ma.2@uni.massey.ac.nz; Chung, Henry; Balasubramanian, Ravi; Croucher, Stephen

Cc: Thomas Vincent, Miralie

Subject: Human Ethics Notification - 4000019046

12 Mar 2018 – Herbert Sima- Ethical Approval

HoU Review Group

Dr Ravi Balasubramanian

Prof Stephen Croucher

Ethics Notification Number: 4000019046

Title: How institutional environment, marketing strategies, social media and technology affect innovation and export performance of emerging market exporting firms.

Thank you for your notification which you have assessed as Low Risk.

Your project has been recorded in our system which is reported in the Annual Report of the Massey University Human Ethics Committee. The low risk notification for this project is valid for a maximum of three years.

Please note that travel undertaken by students must be approved by the supervisor and the relevant Pro Vice-Chancellor and be in accordance with the Policy and Procedures for Course-Related Student Travel Overseas. In addition, the supervisor must advise the University's Insurance Officer.

A reminder to include the following statement on all public documents:

“This project has been evaluated by peer review and judged to be low risk. Consequently it has not been reviewed by one of the University's Human Ethics Committees. The researcher(s) named in this document are responsible for the ethical conduct of this research. If you have any concerns about the conduct of this research that you want to raise with someone other than the researcher(s), please contact Associate Professor Tracy Riley, Acting Director (Research Ethics), email humanethics@massey.ac.nz”

Please note that if a sponsoring organisation, funding authority or a journal in which you wish to publish require evidence of committee approval (with an approval number), you will have to complete the application form again answering yes to the publication question to provide more information to go before one of the University's Human Ethics Committees. You should also note that such an approval can only be provided prior to the commencement of the research.

You are reminded that staff researchers and supervisors are fully responsible for ensuring that the information in the low risk notification has met the requirements and guidelines for submission of a low risk notification. If you wish to print an official copy of this letter, please login to the RIMS system, and under the Reporting section, View Reports you will find a link to run the LR Report.

Yours sincerely

Associate Professor Tracy Riley, Dean Research
Acting Director (Research Ethics)

Chapter 4

SOCIAL MEDIA PLATFORM AND EXPORT VENTURE PERFORMANCE: THE DARK AND BRIGHT SIDE EFFECT OF INSTITUTIONAL DISTANCE

Abstract

Social media platforms have been widely used by firms to reach and engage with customers. Despite the increasingly powerful influence of social media platforms, researchers have paid little attention to how it impacts export venture performance, particularly export ventures' economic and channel performance in foreign host markets. Moreover, the extant literature has been silent about the contingent effect of the cross-market institutional environmental distance in the social media platform-export venture performance paradigm. An export venture represents a firm's product/product line that is marketed in a foreign host market. A cross-market institutional environmental distance denotes the extent of the environmental difference between the home and host market. Based on the institutional theory, social media and export literature, I postulate a conceptualisation that depicts the effect of social media (e.g., Wechat, QQ) on export venture performance (economic and channel) and the aligned impact of cross-market institutional environmental distance and social media on export venture performance. Based on the empirical evidence of 251 Chinese manufacturing firms' export ventures, I have found that social media platform has a direct effect on economic and channel export venture performance. The institutional environmental distance has dark (and bright) side contingent effects on the social media platform-export venture performance framework. The findings of this research offer new and novel insights into the extant institutional theory, social media and exporting literature. The outcomes of this study have implications for managers when formulating their vital marketing and social media strategies for exporting businesses.

Keywords:

Social media platform; Export venture performance; Economic and Channel performance; Institutional theory; Marketing strategy; Dark and bright side effects.

4.1 Introduction

Over the past decades, social media platforms have been widely used by firms to connect, reach and engage with their domestic and international customers. Social media platforms (e.g., Wechat, QQ) have become the defining technology for our lives. Due to the significant impact, there has been a growing interest in investigating the relationship between social media and firm performance (Hoffman & Fodor, 2010; Wang & Kim, 2017). Though a significant amount of research has revealed a positive relationship between social media platforms and firm performance (e.g., Foltean et al., 2019; Kim & Ko, 2012; Pratono, 2018; Wang & Kim, 2017), other research suggests that the effect of social media platform on performance is not direct, but instead is via customer engagement, brand building and effective marketing communication (Hughes et al., 2019; Liu et al., 2019; Sashi, 2012; Wang & Kim, 2017). The findings of the latter group are particularly relevant for research focusing on social media platforms and export performance. Prior exporting research suggests that exporting firms often need to consider the effect of cross-market institutional environmental distance because it can greatly affect export venture performance in the host market (e.g., He et al., 2018; Katsikeas et al., 2006; Kostova et al., 2020; Wang & Chung, 2020; Yang et al., 2012). Institutional distance represents the extent of institutional environmental difference between the home and host market (e.g., Cavusgil et al., 1993; Katsikeas et al., 2006). Key environmental factors include social culture, customer, infrastructure, competitive, and the political-legal environment (Bailey, 2018; Chung, 2005; Handelman & Arnold, 1999; Luo et al., 2008; Morgan, 2018; Skarmeas et al., 2019; Yang et al., 2012). Indeed, the institutional theorists reveal that firms should exercise caution in their use of marketing strategies and strategic choices in the different institutional and market environments (e.g., Chung & Ho, 2021; Krammer et al., 2018; Liu et al., 2019; Luo et al., 2008; Yang et al., 2012). Thus, in this study, I postulate that the effect of social media platforms on export performance is likely to be conditioned by the cross-market institutional distance. In line with the extant literature concerning social media, institutional environment and export venture performance (to be defined below), this study focuses on the theoretical and empirical gaps involving three key issues.

First, prior studies have tended to examine the influence of social media platforms in the business-to-consumer context. For example, prior research has focused on the effect of social media platforms on consumer purchase decisions (Klein et al., 2020; Pookulangara & Koesler, 2011), customer engagement (Liu et al., 2019; Sashi, 2012), word-of-mouth (Chang et al.,

2016; Hudson et al., 2015) and brand engagement (Hoffman & Fodor, 2010; Hughes et al., 2019), as well as how social media platforms can be used to generate market intelligence (Itani et al., 2017; Rapp et al., 2013). Despite its increasing influence in both practice and theory, very limited studies have explored the impact of social media platforms on export performance in a Business-to-Business (B2B) context (e.g., exporters vs foreign distributors) (Iankova et al., 2019; Luo et al., 2021), especially for export ventures. An export venture represents a firm's product/product line that is marketed in a foreign host market. The venture is also distributed by a single distributor in the foreign host market (Chung & Kuo, 2018; Morgan et al., 2004; Yang et al., 2012). Although extant studies reveal that social media platforms facilitate the creation of business relationships among channel members (e.g., distributors, industrial customers) (Arnone & Deprince, 2016) and has an impact on firm performance (Wang & Kim, 2017), the influence of social media platforms in export venture management still remains uncovered (e.g., Chung & Ho, 2021). Hence, due to the vital role of technology strategy in business and marketing management, it is important to determine whether social media platforms impact export venture performance.

Second, according to the institutional theory, firms doing business across borders are constrained by a set of institutional environments, including social-cultural norms, cognitive beliefs, infrastructure, and competitive and political-legal factors (e.g., Lin & Wang, 2008; Morgan et al., 2019; Wang & Chung, 2020; Yang & Wang, 2011; Zhou et al., 2017). Hence, it is critical for firms to establish a sound understanding of the impact of the institutional environment in export venture management (e.g., Cavusgil & Zou, 1994; Chen et al., 2016; Deng et al., 2018; He et al., 2018; Lages et al., 2008; Spyropoulou et al., 2018; Zhou, 2017). Through this aspect, the existing literature has mainly examined various issues such as the impact of institutional distance on exporting firms' legitimacy (Handelman & Arnold, 1999; Yang et al., 2012), international marketing strategies (Luo et al., 2010), and business networking and innovation (Wang & Chung, 2020). Despite this useful guidance, the contingent effect of the institutional environment on social media platform-export venture performance has not been explored. As a result, when and how the institutional environment matters in the social media-export venture performance paradigm remains unguided.

Lastly, existing export venture studies can be sub-grouped into two main categories. The first group largely focuses on export ventures from the context of developed markets such as the USA (Cavusgil & Zou, 1994; Morgan et al., 2004), Portugal (Lages et al., 2008) and Australia and New Zealand (Chung et al., 2012). A key limitation of this sub-group research is that their

findings have not reflected the behaviour of export ventures from emerging markets. This underdevelopment is significant because “research on emerging markets is not just a ‘nice thing to do’; it is increasingly becoming a necessity” (Sheth, 2011, p.180). In contrast, the second sub-group explores the issues relating to emerging markets’ export ventures (e.g., Chung et al., 2019; Yang et al., 2012). The findings of this sub-group are vital for export venture management because research suggests that knowledge of emerging markets’ export venture management can enhance the understanding and development of theories and constructs that are based on the international expansion of firms from developed markets (e.g., Burgess and Steenkamp, 2006; Khan et al., 2015; Malca et al., 2020; Wright et al., 2005; Zou et al., 2010). However, although the second group may have examined the export venture performance of emerging market firms, their studies have focused on issues such as the integrated effect of institutional environments and governance strategy on channel performance (Yang et al., 2012), and the role of organisational learning theory in the preceding performance-current performance linkage (Chung et al., 2019). Collectively, though useful, prior research has not examined the effect of social media platforms on export venture performance or explored the contingent effect of the institutional environment on the social media platform and export venture performance link, in the context of emerging markets.

To fill these key research gaps, I have focused on exploring the contingent effect of the institutional environment in the social media platform-export performance framework. My contributions to the literature are as follows.

First, as shown in Figure 3, I explore the direct effect of social media platforms on the export venture’s economic performance (e.g., return on assets) and channel performance (e.g., distributor loyalty). By exploring the impact of social media on export performance in the B2B context, I extend the prior research scope, which tends to study social media platforms and performance, from a business-to-consumer (B2C) context to a new research dimension (B2B) (Iankova et al., 2019; Luo et al., 2021). By focusing on social media platforms’ effect on export venture performance, I have provided specific B2B guidance on how firms should utilise social media platforms (e.g., 4P strategies, social networking) when conducting their export venture management with foreign distributors.

Second, I contribute to the extant institutional distance, social media and export venture theory and literature by examining the contingent effect of institutional distance in the social media-export venture conceptualisation. In particular, I intend to uncover when and how the institutional environment moderates the relationship between social media platforms and

export venture performance (Chung & Ho, 2021; Deng et al., 2018; Rialp-Criado & Rialp-Criado, 2018; Yang et al., 2012). Thus, together with those aspects already revealed in the literature (e.g., international marketing strategy, decision-making governance, legitimacy and institutional distance; Chung et al., 2012; Yang et al., 2012), research on the institutional distance theory can be more complete as the existing research scope has now been extended to social media strategies and export venture performance.

Third, I intend to explore both the dark and bright side effects of the institutional environment in the social media-export venture performance framework. The dark side is also called the negative effect; for example, the cultural difference between home and host countries might constrain the knowledge recipient firm's access to their local partner's knowledge base (e.g., Chung et al., 2016; Gu et al., 2008). Though prior research has mainly explored the dark side effect of institutional distance on the export venture's business and marketing strategies (i.e., environmental home-host differences negatively affect the adoption of standardisation strategies; Chung, 2003; Katsikeas et al., 2006), it is still unknown whether these results can be equally applied to the relationship between social media platforms and export venture performance. The empirical evidence of my study can provide confirmation on whether the dark side effect of institutional distance holds in the social media platform-export venture performance framework. Based on my investigation of the interactive effect of institutional environment and social media platforms on export venture performance, I intend to shed new light on the extant institutional theory research in terms of its dark (and bright) side effects (e.g., Aykol & Leonidou, 2018; Bahoo et al., 2020; Chung & Ho, 2021; Chung & Kuo, 2018; Kim & Cavusgil, 2020; Yang et al., 2012). In light of my study's findings, research on social media platforms can determine if they should consider both dark and bright side effects of the institutional environment in their social media platform-export venture performance conceptualisation.

Finally, I also advance the export venture literature by exploring export ventures from an emerging market perspective (e.g., China). By focusing on Chinese manufacturing firms' export ventures, my study may also offer new research directions on social media, institutional environment, and export performance theory and literature from an emerging market perspective. Although useful, marketing scholars who have examined the export ventures of emerging markets have mainly focused on the issues from a non-technology perspective (e.g., Chung et al., 2019; Yang et al., 2012). My research findings can significantly extend the extant

export research from governance strategies and organisational learning theory to social media, institutional environment and export venture performance in the context of emerging markets.

I have organised the article into three sections. One, I introduce the theoretical background of the three research areas; social media, institutional environment, and export performance. Two, I draw on a literature review and develop a set of hypotheses that are derived from the theoretical conceptualisation. Three, I then report my empirical testing of the hypotheses based on a sample of 251 Chinese manufacturing firms operating internationally. Lastly, I discuss the findings and provide theoretical and managerial implications and limitations of the study, and shed light on future research directions.

4.2 Theoretical background

4.2.1 Social media platform

Social media is a collection of online applications, platforms, and media that can facilitate communications, collaborations, interactions, and sharing of content (Kim & Ko, 2012; Richter & Koch, 2007). There are varied forms of social media platforms such as WeChat, QQ, Facebook, Instagram and LinkedIn (Li et al., 2021; Yu et al., 2020). Billions of people around the world widely use social media. For example, there are 902 million WeChat users every day around the world (Li et al., 2021) and 574 million QQ users worldwide (Global Social Media Stats, 2021). With the rapid development of smart mobile technology and the prohibition of using Facebook in China, WeChat is the most influential social media platform, and QQ is one of the earliest and most popular social media platforms in China (Plantin & De Seta, 2019; Zhao et al., 2019). WeChat and QQ are widely used by businesses for carrying out precision marketing activities (Wang et al., 2016; Yanes & Berger, 2017; Yu et al., 2020; Zhu & Chen, 2015). This trend is still growing. Hence, this study focuses on these two forms of social media. Using a social media platform (e.g., WeChat, QQ), firms can enhance their marketing communications with much less cost and effort (Kim & Ko, 2012), and boost internal creativity and innovation (Mortara et al., 2013).

Given the importance and huge potential of social media platforms, they have attracted enormous interest among academics. Extant literature has explored the factors that influence the effectiveness of social media on firm performance. For example, Bharadwaj et al. (2013) and Neirotti et al. (2017) suggest that social media platforms can create opportunities for small and medium-sized enterprises (SMEs) to make new connections and compete internationally. However, Fournier and Avery (2011) argue that the role of consumers might influence the

effectiveness of social media on firm performance. Furthermore, Ardito et al. (2021) argue that digital and environmental orientations also have an impact on SMEs. This is supported by Corstjens and Umblijs (2012), and their study has shown that the industry environment moderates the effect of social media marketing on firm performance.

The present study focuses on understanding social media platforms in terms of the 4Ps (product, price, distribution and promotion); for example, how export ventures can gain new product/process ideas, co-design new promotional material, gain new distribution ideas, and co-price with business partners via social media platforms and networking and social networking; or for example, how export ventures build new relationships, conduct information sharing, enhance business relationships, and enhance personal relationships via a social media platform.

4.2.2 Export venture performance

Export performance is one of the most studied constructs in export marketing research (Chung & Kuo, 2018; Morgan et al., 2004; Zou & Cavusgil, 2002). Export performance is defined as “the extent to which a firm’s objectives, both economic and strategic, concerning exporting a product into a foreign market, are achieved through planning and execution of export marketing strategy” (Cavusgil & Zou, 1994, p.4). It includes both economic and channel performance (Morgan et al., 2004). The key aspect of economic performance is a financial outcome, while channel performance focuses on the efficiency of distribution through local distributors (Lages et al., 2008; Yang et al., 2012). Frequently used export performance measurements include financial performance measures such as Return on Investment (ROI), Return on Assets (ROA), profit, market share, and sales growth; and non-financial measurements such as brand awareness, product awareness, and customer satisfaction (Cavusgil & Zou, 1994; Chung et al., 2012; Katsikeas et al., 2000; Lages et al., 2008; Morgan et al., 2004). In line with extant empirical research, this study adopts the suggestion of Park and Luo (2001), Li et al. (2009), Sheng et al. (2011), Chung (2012) and Ju et al. (2018) by focusing on economic performance measures such as sales volume, sales revenue, profitability, profit growth and ROI. The channel performance includes the quality relationship with distributors, distributor loyalty, overall satisfaction with the product/service offering, industry user loyalty and satisfaction, and quality channel member relationships (Lages et al., 2008; Morgan et al., 2004; Yang et al., 2012). Due to the complexity of the cross-market institutional environmental differences, the extant literature suggests that export ventures need to build and develop cooperative relationships with local channel members (Eden & Miller, 2004; Lages et al., 2008; Yang et al., 2012). This helps

export ventures to fully understand the local market factors and build cooperative relationships with local channel members (Eden & Miller, 2004; Yang et al., 2012).

4.2.3 Institutional environment

In order to capture the growth opportunities in a foreign market, export firms are required to gain access to, and obtain knowledge from, their channel members/industrial users in the host market. However, the exchange and sharing process is constrained by environmental uncertainty and the institutional environment. According to institutional theory, institutions determine the rules of the game and affect economic activities and firm behaviour in a society (North, 1990; Scott, 1995; Sheng et al., 2011; Wang & Chung, 2020; Yang et al., 2012). There are two forms of institutions; formal (e.g., rules, regulations, laws), and informal (e.g., cultures, norms). Formal institutions refer to the political and legal environment, such as laws and regulations that maintain societal order. Informal institutions include cultures, values, norms and belief systems embedded in society. The extant institutional literature suggests that the degree of disparity of institutional distance between the home and host market environments determines organisational and marketing strategies (Kostova & Zaheer, 1999; Yang et al., 2012). Kostova and Zaheer (1999) suggest that institutional distance can be measured by the extent of similarity or difference between two countries' regulatory, cognitive, and normative institutions. From the international marketing strategy perspective, Chung (2003) and Chung et al. (2012) reveal that social-cultural, customer, infrastructure, competitive and political-legal environments can impact an export venture's strategy in the host market. To be in line with the practice of recent research, I have also captured the institutional environment in terms of the social-cultural, customer, infrastructure, competitive and political-legal environment (Chung, 2003; Chung et al., 2012; Katsikeas et al., 2006; Sheng et al., 2011).

4.3 Conceptual Framework and Research Hypotheses

4.3.1 The influence of social media platform on export venture economic and channel performance

Using social media platform has become a common practice in all businesses (Zhang et al., 2017). The commitment to social media could empower firms to engage with their customers anytime, from anywhere (Chen et al., 2011). Social media can also generate market intelligence, facilitate information sharing and enable rapid communications (Kim & Johnson, 2016). Moreover, social media can impact brand engagement, customer purchasing decisions, and channel distribution (Nisar & Whitehead, 2016; Tajvidi & Karami, 2021). Through the

interconnectivity between business and channel members, export ventures can take advantage of networking activities, for example, gaining new product/process ideas, designing promotion material, expanding distribution and co-pricing; hence, these strategic decisions can lead to superior export performance (Siamagka et al., 2015). Studies conducted by Okazaki and Taylor (2013) and Stelzner (2011) suggest that firms can positively extend their global reach and improve customer engagement and relationships using social media platforms. By examining the use of social media platforms for marketing purposes, Trusov et al. (2009) and Stephen and Galak (2012) also reveal that social media platforms' interactions with their customers can affect firms' economic performance, such as sales volume, revenue, profitability, ROI and profit growth.

The commitment to social media could potentially increase exporting firms' competence to make new connections in their international activity. From a networking perspective, scholars argue that export ventures can use social media platforms to form strong connections with channel members and industry users (Harrington & Ottenbacher, 2011; Ladkin & Buhalis, 2016; Watson, 2007; Zhang et al., 2017). Through social media, export firms can exchange market information, share market knowledge, gain new ideas, and build and enhance business relationships with their foreign customers. New knowledge gained from the process can help export ventures make informed marketing strategic decisions. This will lead to new product design and attract more potential sales in the foreign host market. Therefore, exporting firms' adoption of social media platforms in their international activity can result in superior exporting economic performance (del Carmen Alarcón et al., 2015).

H1: Social media platform has a positive effect on host market export venture economic performance.

Extant technology literature suggests that social media platforms can enable firms to interact with their channel customers more effectively and efficiently (Coviello et al., 2001). Firms can capture customer information, respond to customers' requests, and provide more tailor-made solutions (Jayachandran et al., 2005). With a high degree of engagement with their customers, firms will be able to build and nurture business relationships with their channel members (Quinton & Wilson, 2016; Rapp et al., 2013).

Social media platforms can help export firms become more informed about their target market in terms of needs, issues, expectation, and future trends. According to Ardito et al. (2021), social media platforms enable export firms to gather, analyse and exploit data about their target

market. By incorporating social media platforms, export firms can build better relationships with their suppliers and customers. For example, social media platforms allow exporters to make just-in-time deliveries to, and supply, their suppliers and customers in a timely manner. As a result, export channel members can plan their resources much more effectively and efficiently. Thus, social media platforms are likely to have an impact on supply chain capabilities and channel firm performance. This is supported by Moeuf et al. (2020, p.11), who state that “technology-oriented data generation seems to be available with lower financial resources while showing improvement in the industry performance of SMEs”. Therefore, export firms can use social media platforms to impact information sharing with their customers and distributors and improve their satisfaction with, and loyalty to, the firm. Hence, I propose:

H2: Social media platform has a positive effect on host market export venture channel performance.

4.3.2 Social-cultural environmental distance, social media platform and export venture economic and channel performance

When expanding to foreign markets, firms need to fully understand and constantly evaluate the institutional environment because every country has a unique social-cultural institutional environment. According to North (1990), the social-cultural environment (e.g., a customer’s values, beliefs, attitudes, preferences, education levels and product usage patterns) as an informal institution consists of a way of thinking, feeling and reacting. Research suggests that the social-cultural environment is difficult to change over time in society (Garrido et al., 2014) because it is embedded in the structure of human interactions (Sousa & Bradley, 2006) and has typically remained unchanged for centuries (Kogut & Singh, 1988; Wang et al., 2015). Given its natural characteristics, a social-cultural environmental distance can impose significant challenges for export ventures (Chung et al., 2019; Yang et al., 2012). This challenge is evidenced in a cross-country knowledge transfer. Knowledge-based view theory researchers have pointed out that the social-cultural environment can negatively affect knowledge transfer (e.g., Ho, 2015; Mowery et al., 1996) because “different cultural preferences, national tastes and standards, and business institutions are vestiges of the past” (Levitt, 1983, p.96). This can constrain the knowledge recipient firm’s access to their local partner’s knowledge base.

In addition, Zaheer (1995) reveals that the liability of foreignness can arise when a firm operates in a foreign market because the host market distributors/industry users might have completely different preferences and values, beliefs and attitudes. In order to fully understand

the social-cultural differences of the distributors/industry users in the host market, export ventures need to spend more time on, and allocate more resources to, this task (Azar & Drogendijk, 2016; Zeng & Xu, 2020; Zhou & Guillén, 2015). For example, export firms may need to design different social media based on distributors'/industry users' specific social-cultural requirements. To fulfil these requirements, additional costs and resources are needed for formulating an effective social media platform strategy for the foreign host market. This costing leads to lower profitability and return on investment (Magnusson et al., 2013). Therefore, I postulate that social-cultural environmental distance is likely to have a negative impact on the relationship between social media and export venture economic performance.

H3: The interaction of the home-host market social-cultural environmental distance and social media platforms has a negative effect on host market export venture economic performance.

In addition to its effect on the relationship between social media and export venture economic performance, studies also suggest that the effect of the social-cultural environment may also have an effect on export venture channel performance (Chung, 2005; Hill & Still, 1984; Leonidou et al., 2013; Steenkamp, 2019; Taherdangkoo et al., 2017). When the social-cultural distance is high between the home and host markets, it is harder for an export venture to generate, disseminate, and respond to market intelligence within the firm and its distribution channel in the host market. As noted by Hill and Still (1984) and Yang et al. (2012), an industry's customers' values, beliefs, attitudes and educational level are keys to determine a firm's international marketing strategies, such as whether to choose standardisation or adaptation. This is consistent with the studies conducted by Theodosiou and Leonidou (2003) and Katsikeas et al. (2006), which find that export ventures tend to take an adaptation approach in a host market when the social-cultural environment is significantly different between the home and host markets. In order to meet the needs of the local host market, it will take more time for the export venture to modify their product. Subsequently, this will hinder the marketing of the export venture's product by channel members, which will result in poor channel performance.

In addition, a number of studies have pointed out that knowledge acquisition can be an issue when there is a major social-cultural distance between the home and host markets (Chung, 2005; Ho, 2015; Leonidou et al., 2013; Mueller, 1991). The export venture might have very limited access to its local distributor's knowledge and market intelligence, which can affect the export venture's ability to judge the local channel member's market actions and behaviour. It

is reported that a large social-cultural distance will result in unsuccessful knowledge acquisition (Ho, 2015). The disparity of home-host market social-cultural environments will make it hard for the export venture to gain local knowledge, which in turn will impact their channel performance (Casillas et al., 2015; Johanson & Vahlne, 1990). To overcome this issue, the export venture will need to constantly modify their social media strategy. Therefore, the greater the social-cultural environment distance, the harder it can be for the export venture to use social media to overcome the difference (Goodrich & de Mooij, 2014). It takes longer for the export venture to digest the market intelligence from the host market's channel members when the cross-market social-cultural distance is large. As a result, the effectiveness of the social media strategy is compromised. Hence, it is expected that the alignment of social-cultural distance and the social media platforms can negatively impact the export venture's channel performance.

H4: The interaction of home-host market social-cultural environmental distance and social media platforms has a negative effect on host market export venture channel performance.

4.3.3 Customer environmental distance, social media platforms and export venture economic and channel performance

Customer environment refers to the target market, customers' requirements, and purchase habits. According to Albaum et al. (2008), the target market segment is central to the success of export firms' marketing strategy formulation and development. Extant research suggests that differences in customer environment were a key barrier to the adoption of a standardised international marketing programme (product, price, promotion, and distribution) strategy (Chung, 2005; Theodosiou & Leonidou, 2003). A standardisation strategy only works when the cross-market customer environment is similar in both markets (Chung, 2005; Lages & Montgomery, 2005; Muller, 1991; Wang & Chung, 2020). When a customer environment is different, exporters would need to use a customised strategy. In other words, to cater to the varied needs of the cross-market target segments, export ventures need to spend more money and allocate more resources to design a social media platform strategy that meets the specific host market's needs. This reduces export venture economic performance.

Additionally, social networking literature on export venture performance offers another complementary viewpoint on the role of the customer environment in the social media platform-export venture framework. This stream of the literature posits that universal

standardised relationship development can be an issue when the customer environment differs between the home and host markets (Chung, 2005; Chung, 2012). Ambler and Styles (2000) argue that social network relationship development is an important strategy for the success of export ventures. Despite this importance, Chung and Kuo (2018), Lee and Griffith (2019), and Mandler et al. (2021) point out that an export venture would have difficulty building a standardised cross-market social network relationship model when the customer's requirements, product evaluation criteria and purchasing habits differ in the home and host markets. These findings suggest that a universal standardised social media platform strategy may not be workable when the customer environment is different between the home and host markets. Due to customer differences, export ventures require more resources to formulate and adjust their social media platform strategies. As a result, customer environmental distance is anticipated to negatively affect the social media platform and export venture economic performance relationship.

H5: The interaction of home-host market customer environmental distance and social media platforms has a negative effect on host market export venture economic performance.

Organisational learning researchers have argued that market environment differences can cause knowledge ambiguity. A cross-market customer environmental distance may increase knowledge ambiguity and dampen the export venture's channel performance. Knowledge ambiguity is defined as "a similar lack of understanding of the logical linkages between marketing actions and outcomes..." (Simonin, 1999, p.467). Prior research reports that cross-market customer environmental distance is positively associated with the extent of knowledge ambiguity (Chung, 2012; Chung & Ho, 2021; Li et al., 2009; Luo et al., 2008; Stoian et al., 2018). In other words, it would be difficult for export ventures to establish a shared action and objective with their distributors and industrial customers when the cross-market customer environmental distance is large. To minimise the misunderstanding of export market intelligence, export ventures are required to invest more time and resources in order to fully understand their host market's customer behaviour and features. This lowers the efficiency of the distribution channel.

Moreover, customers' brand loyalty may also influence an export venture's channel performance when the home-host customer environment distance is substantial. Brand loyalty refers to a customer's positive attitude towards a brand and always being willing to repeatedly purchase the brand's product or services (Aaker, 1995). Studies on brand loyalty have noted

that customers express themselves through the brand they like (Hur et al., 2011). It takes longer for customers to accept a new brand. This conceptualisation suggests that when the home-host customer environment distance is large, it would be more difficult for the host market customers to accept foreign brands which are new to the host market. Under this circumstance, export ventures and their channel members would need to educate, and promote the brand to, the local market in order to acquire market acceptance (Jang et al., 2008). During the brand acceptance period, it is difficult for export ventures to establish a strong principal-customer relationship, as well as acquire a strong commitment and loyalty from their channel members. It is suggested that channel members are less likely to have strong loyalty and satisfaction toward their foreign principal when their principal's brands are new to the host market. Hence, the larger the cross-market customer environment difference, the longer it takes for the channel member to use their social media channel to build brand loyalty in the host market. In this situation, export venture channel performance would be compromised. Therefore, I propose that:

H6: The interaction of home-host market customer environmental distance and social media platforms has a negative effect on host market export venture channel performance.

4.3.4 Infrastructure environmental distance, social media platforms and export venture economic and channel performance

International marketing literature suggests that export ventures' marketing strategy decisions are closely related to the host country's marketing infrastructure (Chung, 2005; Chung, 2012; Gregory et al., 2019; Mandler et al., 2021). Marketing infrastructure includes media availability, competencies of marketing research agencies, functions of distributors and agencies, and distribution infrastructure (Akaah, 1991). A common cross-market strategy can be achieved only when the home-host market's infrastructure environment is similar or the same (Jain, 1989; Papavassiliou & Stathakopoulos, 1997). When a discrepancy in market infrastructure between the home and host markets exists, export ventures would need to modify their marketing strategies for the host market (Goedhuys & Sleuwegen, 2016; Lages et al., 2008; Venaik & Midgley, 2019). For example, research has reported that export ventures need to allocate higher resources in order to conduct more thorough market research on the host market when a large disparity exists in the home-host infrastructural environments. This would facilitate the export ventures to fully understand the nature of the host market and determine the type of social media strategy that should be used there. Therefore, a large home-host

infrastructural environmental difference may inhibit the employment of a common cross-market social media platform strategy. This is supported by recent research findings. It is suggested that export ventures might need to redesign their social media platform in order to fit into the unique host market infrastructure; for example, response time to customer inquiries (Samiee & Chirapanda, 2019). Customisation would increase the cost of the social media platform strategy and reduce its impact on the export venture's economic performance.

A large cross-market infrastructure environmental difference may also prevent export ventures from gathering correct market intelligence from their customers and competitors. When the cross-market infrastructure environmental difference is large, the information collected from the marketing infrastructure facilities may have a compatibility issue. In this situation, export ventures may need to inject additional resources in order to correctly interpret the information they have collected because of the data collection method differences (Jean & Tan, 2019). Although social media platforms might assist export ventures in gaining host market intelligence, the cross-market infrastructure environmental difference may reduce the proficiency of the social media platform strategy in the host market. It is likely that export ventures would need to provide an additional resource to overcome the deficiency and variations of the home-host market infrastructure. This also impacts export venture economic performance.

H7: The interaction of home-host market infrastructure environmental distance and social media platforms has a negative effect on host market export venture economic performance.

Studies of international channels suggest that a trust-based relationship is an important factor for export venture channel performance (Fram and Ajami, 1994; Arnold, 2000; Skarmeas & Katsikeas, 2001; Grewal et al., 2018; Wang et al., 2019). In export venture management, the differences stemming from incongruent market infrastructure may hinder channel efficiency (Lusch & Brown, 1996). When doing business in a host market, exporters need to recognise the infrastructure difference between the home and host markets and trust their foreign distributor's ability to distribute their products. Styles et al. (2008) and Chung (2012) argue that a trust relationship takes time to build from a relational perspective. This suggests that it usually takes a considerable amount of time to establish a desirable principal-customer trust when this can then lead to superior channel performance. The longer it takes to form a trust relationship, the more costly it will be for the export venture to form a social media strategy to improve their channel performance. An attractive principal-customer trust relationship is

difficult to establish when the cross-market infrastructure difference is large due to the varied channel feedback and assessment system (Chung, 2005; Chung et al., 2012).

Apart from trust, Kogut and Singh (1988) and Zhang et al. (2003) reveal that international business success depends on the commitment between the partners. The cross-market infrastructure environmental distance may reduce the foreign partners' commitments toward the distribution channel (Geyskens et al., 1996; Patterson, 2004). Foreign distributors and industry customers might carry many products from different exporters at the same time. Under this circumstance, it is difficult for host market channel members to commit equally to their foreign principals. Channel members may choose to place a higher commitment on products that have shared a similar home-host marketing infrastructure (e.g., similar advertising infrastructure and marketing intermediaries) to make selling in the market easier. A similar home-host marketing infrastructure would also increase the efficiency and effectiveness of social media platforms in the host market because customers can better appreciate the function and message that are conveyed through social media platforms (Fraccastoro et al., 2021; Katsikeas et al., 2019). Therefore, when the cross-market infrastructure environmental distance is high, the efficiency and effectiveness of social media in the channel are likely to be dampened because host market customers may have difficulty understanding and appreciating these messages. Hence, this leads to the following hypothesis:

H8: The interaction of home-host market infrastructure environmental distance and social media platforms has a negative effect on host market export venture channel performance.

4.3.5 Competitive environmental distance, social media platforms and export venture economic and channel performance

Firms often develop, seek and identify new opportunities overseas when their home market's competition becomes intensified. In this study, the competitive environment refers to the strengths of price competition, the place of new competitive moves in this product area, the frequency of promotion wars in this industry and the stage of the product life cycle in the foreign host market. Existing international marketing strategy literature suggests that the discrepancy in competitive environments is a barrier for firms to implement a uniform marketing programme (e.g., price) between the home and host markets (Chung, 2012; Chung, 2005; Jain, 1989; Walters, 1986). This view is supported by many marketing scholars (e.g., Cavusgi & Zhou, 1994; Chung, 2012; Morgan et al., 2008). For instance, Lisboa et al. (2013),

Cui et al. (2014) and Samiee and Chirapanda (2019) point out that, when countries are dissimilar in a competitive environment, export ventures often need to customise their pricing strategy in the host market. This would enable exporting firms to better compete with their competitors in the host market. This also means that export ventures need to adjust their social media strategy accordingly (e.g., revise prices in US\$ to local currency) (Paul, 2019; Wu et al., 2016). A customised social media strategy for the host market will increase time and cost. This suggests that competitive environmental distance is likely to have a negative effect on the social media platform-export venture economic performance relationship.

In line with the customisation theoretical foundation, some research indicates that product life cycle (PLC) theory may guide the role of a competitive environment in the social media platform-export economic performance relationship. A key finding of the PLC research is that the degree of price competitiveness can cause price wars in the host market when the market is at a different product life cycle (Hernandez & Guillén, 2018; Martin & Javalgi, 2016; Martin et al., 2017; Zou et al., 2003). When there is a price war, export ventures often need to adopt a more competitive social media platform strategy in order to better compete (e.g., sales promotions or price discounts). The findings of the product life cycle stream are consistent with those revealed in the literature. Morgan et al. (2004) argue that the level of competitive intensity can affect export venture performance when the export venture fails to correctly respond to its competitors' strategic actions. Taken together, the following hypothesis is proposed.

H9: The interaction of home-host market competitive environmental distance and social media platforms has a negative effect on host market export venture economic performance.

The degree of competitive intensity between the home and host markets can also impact brand identity. An export venture's brand identity is closely associated with its channel performance in the host market. According to Ghodeswar (2008, p.5), "brand identity is a unique set of brand associations implying a promise to customers and includes a core and extended identity". To be effective, a brand identity needs to be unique compared to the brand's competitors (Aaker & Joachimsthaler, 2000; Chung & Ho, 2021; Pyper et al., 2019). A strong brand identity can help a firm to build a competitive advantage. This can result in better channel performance. However, when the market is highly competitive, many brand choices are available for the industry customers and distributors in the host market. Under this circumstance, it will be harder for the export venture to build its brand identity. Subsequently, this might negatively impact channel performance.

Similarly, trust and commitment are critical success factors for cross-border transactions (Bello et al., 2003; Bianchi & Saleh, 2020; Gu et al., 2019; Leonidou et al., 2008), as outlined above. Trust plays a critical role in B2B relationships. In general, a trustworthy partner relationship can generate confidence and lead to a strong desire for commitment (Doney & Cannon, 1997; Morgan & Hunt, 1994). Its role becomes even more critical when a firm transcends cross-borders due to competitive environmental differences (Raven et al., 1994). When the cross-market competitive environmental difference is large, it is difficult for export ventures to obtain the trust and commitment that are needed for superior channel performance. In a highly competitive environment, foreign distributors and industrial customers find it difficult to commit to a particular principle as there are many choices in the host markets. Therefore, in order to obtain the trust and commitment of the channel partners, the export venture would need to place more valuable strategic resources and time into building a novel social media platform strategy, such as fixed-time responses (e.g., responses will be made to all requests within 24 hours) that can obtain trust and commitment from their distributors and customers in the host market.

The degree of competition might determine exporting firms' international marketing strategic choice. In a highly competitive environment, exporting firms can use social media to dampen the effect of competition. It is reported that firms can engage their customers via social media platforms and build stronger connections with their customers. The findings from Trainor (2012) indicate that social media platforms can significantly influence firm performance. It can help firms to attract customers (Lacoste, 2016), enhance collaboration networks (Agnihotri et al., 2016), and facilitate customer interaction (Jussila et al., 2014). However, some scholars have warned that social media platforms might create some tensions between firms and their customers. Cross-firm tensions can hinder the degree of collaboration and engagement (Tóth et al., 2018). Research indicates that cross-firm tensions can be caused by a lack of transparency, information asymmetry, contradictory goals, and multiple stakeholders' interests and preferences (Chowdhury et al., 2016; Schad et al., 2019). Cross-firm tension is particularly evident when firms operate in a significantly different and challenging home-host competitive environment. Taken together, I argue that the interaction of the competitive environment and social media is likely to have a negative effect on export venture channel performance.

H10: The interaction of the home-host market competitive environmental distance and social media platforms has a negative effect on host market export venture channel performance.

4.3.6 Political-legal environmental distance, social media platforms and export venture economic and channel performance

Firms engaging in foreign marketing activities are constrained by political-legal institutional distance. According to institutional theory, a political-legal environment includes a nation's laws, regulations and rules, which govern what organisations/society can or cannot do (Scott, 2008; Sheng et al., 2011; Yang et al., 2012). The extant literature suggests that political-legal environmental distance can be measured as laws and regulations concerning company/customer protection, environmental laws and regulations, technical standards and the political environment (Luo et al., 2008; Scott, 2008; Yang et al., 2012; Wang & Chung, 2020). To achieve market efficiency, export ventures need to be familiar with the foreign political-legal environment. Prior studies suggest that the inequality of government rules and regulations between the home and host market serves as a barrier to a unified product strategy (Chung, 2005; Walters, 1986). As outlined by Cavusgil et al. (1993) and Jain (2001), firms are often required to modify their product strategies to meet the requirements of a host market because of the different local regulations, product standards, taxes and tariffs. To meet the different host market's political-legal environment, exporting firms are also forced to revise their social media platform strategy, so it is accepted by the host market and its customers. As a result, the export venture's economic performance is likely to be compromised.

Furthermore, institutional theorists also suggest that another key function of the political-legal institution environment is related to the generation of institutional legitimacy from the political-legal network (Chaney et al., 2019; Wang et al., 2017). In a highly different political-legal environment, it is difficult for exporting firms to obtain institutional legitimacy endorsements from the host government networks (Bai et al., 2019; He et al., 2018; Hitt et al., 2016). A firm may wish to use its political-legal environment's legitimacy to design its social media platform strategy as this would facilitate its market acceptance. When operating in a highly different political-legal environment, the host market's networking practices are likely to be different from those in the home market. This variation would delay the political-legal environment's legitimacy on the marketing strategy acceptance. Therefore, it is likely to take longer for the host market political and legal entities to show their influence on the export venture's economic performance. As a result, the economic cost of social media platform formulation is increased. Based on this discussion, I can propose that:

H11: The interaction of the home-host market political-legal environmental distance and social media platforms has a negative effect on host market export venture economic performance.

In addition to the impact of political-legal environmental distance on economic performance, the influence of this factor on the channel performance is also evident. As outlined by Sheng et al. (2011), Tsukanova (2019) and Qi et al. (2020), the political-legal environmental distance can reduce the enforcement inefficiency. Enforcement inefficiency denotes the issue with the enforcement of legislation and regulations (Ho, 2001). When legal enforcement becomes problematic, export firms would need to find an alternative enforcement mechanism. A number of studies suggest that firms need to invest more money and allocate more resources to build a strong social networking strategy with the local channel members when legal enforcement inefficiency is lacking (Sheng et al., 2011; Shou et al., 2014; Wang et al., 2020; Yang et al., 2012). This means the export ventures need to utilise their social media platforms to gain more information about the local channel members that are needed in able to gain sufficient legal enforcement protection. In short, a cross-market political-legal environmental distance would increase the cost of enforcement efficiency in the export venture channel management. Subsequently, this would dampen the effect of social media platforms on an export venture's channel performance.

A high political-legal environmental distance may also make the export venture develop an extensive and robust interfirm communication strategy to safeguard their channel performance in the host market (Aykol & Leonidou, 2018; Kim et al., 2021; Yang et al., 2012). In a varied political-legal environment, host market governments may have adopted different regulations concerning the safety of the products, the messages that can be used in advertisements, and the role and functions of the distributors. Therefore, to obtain channel performance objectives and minimise the impact of political-legal disparity, exporting firms are often forced to conduct extensive social media platform communication to gain timely information about their local products and sales in the host market (Ju et al., 2018; Racela & Thoumrungroje, 2020). When committing extensive effort to communications, the efficiency of the channel performance is likely to be reduced. Hence, the political-legal environmental distance is likely to lead to an inefficient social media platform-export venture channel performance dyad. Therefore, I can propose that:

H12: The interaction of the home-host market political-legal environmental distance and social media platforms has a negative effect on host market export venture channel performance.

4.4 Research Method

4.4.1 Sample and data collection

To examine the hypotheses, I focus on Chinese manufacturing firms' exporting operations in foreign country markets. China is an interesting context owing to the importance of exporting business in the country and the world. In addition, exporting firms from emerging markets have a huge impact on the world economy. According to the World Bank (2020), the total exports account for 43% of world GDP. China is the largest exporter of goods in the world. The total volume and value of their exports are still growing. Based on highly credible data sources such as the Import and Export Bureau of China, China Industry and Commerce Federation, and Chinese Yellow Pages (Chung et al., 2019; Chung et al., 2015), I randomly selected a sample of 700 Chinese manufacturing exporting firms to form my study's sampling frame.

For this research, I have adopted 3 careful and thoughtful selection criteria: 1) Small to medium-size manufacturing exporting firms with less than 10,000 workers; 2) a single export venture meaning only a single product/product line is exported to a foreign host market by a single foreign distributor (the product-market approach) and also marketed domestically in the home market (i.e., China market) (Bello & Gilliland, 1997; Chung & Kuo, 2018; Morgan et al., 2004); and 3) a minimum of 2 years involved in exporting to the same foreign host market. In line with the extant literature, I have adopted product-market guidance that has been widely recommended by scholars (Cavusgil & Zou, 1994; Chung, 2003; Chung & Ho, 2021; Lages et al., 2008; Morgan et al., 2004; Morgan et al., 2012; Yang et al., 2012). This choice offers robustness and consistency in formulating the research sample (Cavusgil & Zou, 1994; Chung et al., 2012; Lages & Lages, 2004; Morgan et al., 2004; Morgan et al., 2012; Yang et al., 2012). To ensure effective control of potential confounding factors associated with export venture performance for a particular host market (Bello & Gilliland, 1997; Morgan et al., 2004), I only focus on the manufacturing firms' export ventures.

To be consistent with prior export marketing studies (e.g., Chung & Ho, 2021; Dutta et al., 1999; Morgan et al., 2004; Yang et al., 2012), I choose only Chinese manufacturing firms which export products to foreign markets using foreign distributors. Academic researchers highly recommend this approach (e.g., Bello & Gilliland, 1997; Lages et al., 2008; Peng & York,

2001) because exporting through foreign distributors is considered the most convenient and simplest export market entry strategy. By following the research guidance of Morgan et al. (2004) and Yang et al. (2012), the information I have collected from my respondents is only related to an export venture of the firm in which only one foreign distributor is used to market the firm's focal product in the host market. This single foreign distributor approach helps the firm to capture differences in the strategies executed by export ventures when they face various market requirements (Cavusgil & Zou, 1994). In addition, this approach provides insightful and specific information related to export performance when operating in the foreign host market (e.g., Kalwani & Narayandas, 1995).

To make my survey questionnaire easily understood by the respondents, I followed a robust process that is aligned with existing export marketing literature (e.g., Lages et al., 2008; Morgan et al., 2004). I designed my questionnaire in English, then I asked five senior academics to review my questionnaire. The five senior academics are very experienced researchers. They have many years of research experience, particularly in the context of the China market. With their constructive feedback, I have revised and modified some of my questions. After this, I invited ten senior managers from different Chinese manufacturing export firms to conduct the preliminary pilot study (five CEOs and five Marketing Managers/CFOs). All of them provided constructive feedback such as that it was easy to understand the questions in English and that the structure of the questions was easy to follow. They suggested some minor tweaks such as wording and the sequence of the survey questionnaire. This process was used to refine and enhance the quality of my survey questionnaire.

A sample of 700 firms was randomly selected from the government agency database (e.g., Import and Export Bureau of China, China Industry and Commerce Federation and Chinese Yellow Page). Individuals identified in the database were contacted via WeChat/email/phone to confirm their contact details and their position in the company. Then I sent out 700 questionnaires to the manufacturing exporting firms that were selected from the database via email/WeChat in mid-2020. Along with the questionnaire, a cover letter with detailed information about the purpose, process and conduct of the study was attached. Due to the covid-19 lockdown, all communications with my respondents were conducted via email/WeChat/telephone because they are the most commonly used communication methods by Chinese manufacturing exporting firms. After my substantial effort, I received 285 questionnaires, including 34 incomplete questionnaires, from my respondents. Despite huge

efforts to follow up with these 34 respondents, no further information could be acquired. Therefore, a total of 251 usable questionnaires were obtained, which represents a 35.8% response rate.

The Chinese exporting industry mainly consists of small to mid-sized manufacturing firms. Out of the 251 respondents, 67% have employees between 100 and 1000, 76% of them have more than 3 years of international experience, and 72% had annual exporting revenue total sales of more than US\$5 million. Furthermore, more than 75% operate in more than 6 host markets. On average, they have been operating in the same host markets for around 6 years. The samples in this study operate in a wide range of industrial sectors such as electronics, lighting, machinery, textile, communication equipment, building panels, bathroom, kitchen, furniture, gardening, wallpaper, curtains, arts & crafts, flooring, roofing, windows, and doors (Bello & Gilliland, 1997; Morgan et al., 2004; Samiee & Anckar, 1998). These companies export to a large variety of host markets such as Vietnam, Jordan, Saudi Arabia, Thailand, the Philippines, Malaysia, Yemen, Iraq, India, Indonesia, Brazil, Egypt, Nigeria, Syria, Argentina, South Africa, Zimbabwe, and Turkey.

4.4.2 Measurement scales

This study has adopted the practice of the extant literature when formulating all the measurement items. I used a seven-point Likert scale (e.g., 1= very similar; 7= very different) (Li et al., 2009) for all items. In terms of export performance, the measurement was aligned with the extant literature, including economic and channel performance (Cavusgil & Zou, 1994; Katsikeas et al., 2006; Hultman et al., 2009; Morgan et al., 2004; Peng & York, 2001). The economic performance (e.g., ROI, Sales volume, Sales revenue, Profitability, Profit growth) is measured by a seven-point scale (1=much worse; 7=much better as a comparison to main direct competitors). The channel performance is measured by a seven-point scale (1=not satisfaction at all; 7=completely satisfaction). Channel performance includes the firm's relationship with distributors; distributor loyalty to your firm, overall satisfaction with your total product/service offering, quality of your firm's end-user customer relationships, end-user customer loyalty to your firm, and end-user customer satisfaction. These measurement items are listed in Table 5a, 5b, and 5c.

In this study, social media (e.g., Wechat, QQ; Li et al., 2021; Plantin & De Seta, 2019; Yanes & Berger, 2017; Yu et al., 2020; Zhao et al., 2019) is explored in terms of the 4Ps (products, price, promotion and distribution) (e.g., we gain new product ideas via social media platforms)

and networking (e.g., we build new relationships via social media platforms). The extant literature suggests that social media can be used to improve customer relationships, and enhance distribution efficiency and firm performance (Hoffman & Fodor, 2010; Wang & Kim, 2017). The measurement is adopted from the recent studies conducted by Ardito et al. (2021). With respect to the 4Ps, they were measured by six sub-items including: have effective communication via social media platform, gain new product ideas via social media, gain new process ideas via social media, co-design new promotion material, gain new distribution ideas via social media, and co-price with business partners via social media. These items are measured by a seven-point scale (1= strongly disagree; 7=strongly agree). Prior studies also recognise that social media can be used to gain market intelligence, build a high degree of engagement, and nurture business relationships with their channel members (Quinton & Wilson, 2016; Rapp et al., 2013). Following this guidance, I have used six sub-items to measure social media networking, including exchanging ideas, conducting information sharing, gaining new process ideas, building new relationships, enhancing business relationships, and enhancing personal relationships via social media platforms. A seven-point scale is adopted for these items (1= strongly disagree; 7=strongly agree).

The measurement of the social-cultural environment (customs and traditions) is based on suggestions from previous research focusing on international marketing literature (Katsikeas et al., 2006; Morgan et al., 2004). The extant literature suggests that the social-cultural environment as an informal institution is embedded in the structure of human interactions (e.g., Sousa & Bradley, 2006; Yang et al., 2012). The social-cultural environment is measured by customers' preferences, values, beliefs, education level, and product usage patterns (Zaheer, 1995). The social-cultural environmental items were measured by a seven-point Likert scale (1= very similar; 7= very different).

Five items are used to measure the customer environment; customers' requirements, customers' purchasing habits, product evaluation criteria, customers' price sensitivity, and target market segments (Hultman et al., 2009; Katsikeas et al., 2006). Customer environment was measured by a seven-point scale (1= very similar; 7= very different) (Chung, 2003; Theodosiou & Leonidou, 2003). Five items were used to measure infrastructure, including competencies of marketing research agencies, competencies of distribution firms, availability of suitable advertising media, the structure of distribution channel, and functions performed by a middleman (Hultman et al., 2009; Katsikeas et al., 2006). Infrastructure environment was also measured by a seven-point scale (1= very similar; 7= very different). The measurement of

competitive environment was aligned with previous studies (Hultman et al., 2009; Katsikeas et al., 2006; Morgan et al., 2004). This factor was measured by four sub-items; the strength of price competition, pace of new competitive moves in this product area, frequency of promotion wars in this industry, and stage of the product life cycle. Competitive environment was measured by a seven-point scale (1= very similar; 7= very different). Four items were used to measure political-legal environment measures, including laws and regulations concerning company/customer protection, environmental laws and regulations, technical standards, and political environment (e.g., political interference by the government) (Sheng et al., 2011; Wang & Chung, 2020; Yang et al., 2012). The political-legal environment was measured by a seven-point scale (1= very similar; 7= very different).

4.4.3 Control variables

To improve the reliability of the proposed model, I have included the following control variables; firm size, international business experience, host market potential, customer turbulence, technology turbulence, competition turbulence, and industry type. Following Narver and Slater (1990), Gu et al. (2008) and Chung et al. (2015), firm size was determined by the number of employees in the firm, which might have implications for firm performance. Morgan et al. (2004) reveal that international business experience also affects business performance. International business experience was measured by the number of years the export venture has been operating internationally. Number of foreign countries operated in was also included as a control variable. Jaworski and Kohli (1993) suggested that customer turbulence and technology turbulence might also impact firm performance. Export venture performance may be influenced by host market potential (1=not important at all; 7=very important). Customer turbulence, technology turbulence and competition turbulence are all measured by a seven-point scale (1=strongly disagree; 7=strongly agree). Following Chung et al. (2015), I also included industry type as a control variable in my model (1=CP, 0=IP, CP=Consumer product, IP= Industrial product). Details of these variables are listed in Table 6.

4.4.4 Common method bias assessment

To reduce the effect of common method variance (Chang et al., 2010; Podsakoff et al., 2003), I introduced four measures into my study. First, I conducted a preliminary test of the questionnaire to avoid confusing, vague, unnecessary variables and terminology. In addition, my questionnaire was also reviewed by five very experienced and senior academic researchers. They have very sound academic research knowledge about the context of China. Their

independent assessment improved the quality of my questionnaire and reduced the common method bias influences.

Second, the double-respondent technique was adopted to complete the survey questionnaire (e.g., Chung et al., 2021; Foss et al., 2013; Podsakoff et al., 2003). This practice used as a key mechanism to reduce common method bias is recommended by existing marketing scholars (Chung et al., 2020; Podsakoff et al., 2003). Both respondents from each export venture held the top position of the firm, one person as the CEO/Managing Director, the other person as the Marketing Director/CFO. Both of them are directly responsible for managing the export venture operation in the host market. The first respondent answered the independent and control variables related questions. The second respondent answered the dependent variable-related questions. By recruiting two respondents to answer different questions, this approach can minimise the common method bias issue (Chung & Ho, 2021).

Third, I followed the guidance from existing research by reassuring all respondents that there are no right or wrong answers for this survey (Chung et al., 2020). They were able to make up their mind freely, and could withdraw from this study at any time. In addition, I also provided my respondents with very detailed information about the study approval from Massey University's ethical committee and highlighted that this study is supervised by the Committee and project supervisors (See Appendix for Ethical Approval). I also assured them that the data collected serves the purpose of this research project and will never be used for any other purposes.

Lastly, I grouped my questions logically based on the constructs designed and presented in this study. Presenting my questionnaire in a logical order has made it easier for my respondents to follow. I have also used a different answering format for institutional factors (1=very similar, 7= very different) and social media platform strategy (1=strongly disagree; 7=strongly agree). The different answering formats might also reduce common method bias (Podsakoff et al., 2003). Thus, I confirm no common method bias in my questionnaire design and data collection process.

4.4.5 Reliability and validity

To check the reliability and validity of my data, I followed the practice of Nunnally (1978). It is suggested that the high reliability of the constructs formulated can be confirmed when Cronbach's alpha values are greater than 0.5. The data from Table 5a, 5b, and 5c shows that the Alpha values are all greater than 0.7. Therefore, I can confirm the high reliability of my

constructs in this study. In addition, my measurement items' factor loadings are also greater than 0.5 and the composite reliability (CR) values exceed 0.7. This result is consistent with the studies conducted by Chung and Kuo (2018), Fornell and Larcker (1981) and Hair et al. (2010). All VIF values are smaller than 4.0. These results suggest that the models established in this study have no multi-collinearity issue (Hair et al., 2010; Li et al., 2009). Therefore, the results of my study indicate that the measures in this study produce adequate validity and reliability.

In addition, I have also conducted AMOS statistical analysis to check the goodness-of-fit of the statistics. The model with institutional environment and export venture performance has a desirable goodness of fit in its statistics: $\chi^2(424)=572$ ($p<0.01$), CFI=0.97, IFI=0.97, TLI=0.95, RMSEA=0.04. The model with social media and export venture performance has a sound goodness of fit in its statistics: $\chi^2(171)=298$ ($p<0.01$), CFI=0.96, IFI=0.96, TLI=0.96, RMSEA=0.05. The model with social media platform, institutional environment, and export venture performance has also shown a reasonable goodness of fit in its statistics: $\chi^2(839)=1360$ ($p<0.01$), CFI=0.91, IFI=0.92, TLI=0.90, RMSEA=0.05. These results further confirm the sound reliability and validity of my dataset in this study. These results are consistent with the results reported by other marketing scholars (e.g., Anderson & Gerbing, 1988; Chung & Ho, 2021; Chung & Kuo, 2018; Li et al., 2009).

4.4.6 Results

To test my research hypotheses, the commonly recommended hierarchical regression analysis method has been adopted (Aiken & West, 1991; Chung et al., 2015; Chung et al., 2021). To overcome the possible inflation of interaction items, I also take a similar approach by using the mean-centred method recommended by previous studies (Chung & Ho, 2021; Hair et al., 2010). The advantage of this method is to reduce the effect of multi-collinearity. As O'Brien (2007) outlined, the variance-inflating factor (VIF) provides a reasonable and intuitive indication of the possible inflation of interaction items. The VIF results can offer researchers solid statistical grounds. The VIF results (Table 7 and Table 8) are all less than 4. Hence, I can confirm that there is no multicollinearity issue in this study.

The main effects of the independent variable - social media platform (Hypothesis 1 & Hypothesis 2) - on economic and channel performance show a positive effect. As shown in Tables 7 and 8, Hypothesis 1, social media platform positively affects economic performance ($\beta=0.301$, $p<0.01$). For Hypothesis 2, social media platform also shows a positive result on

channel performance ($\beta=0.185$, $p<0.05$). Both results suggest Hypothesis 1 and Hypothesis 2 are supported.

In Hypotheses 3 and 4, I have analysed the interaction effect of the social-cultural environment and social media platform on economic and channel performance. The results confirm both hypotheses ($\beta=-0.279$, $p<0.01$, for economic performance; $\beta=-0.196$, $p<0.05$ for channel performance). Hypotheses 5 and 6 assessed the moderating effect of customer environment in the social media platform and export venture performance relationship. My study suggests a mixed result. The interaction of customer environment and social media platform (H5) shows a negative and insignificant effect on economic performance ($\beta=-0.091$, $p>0.1$). However, the interaction between customer environment and social media platform (H6) has a significant and positive effect on channel performance ($\beta=0.216$, $p<0.01$). Thus, Hypothesis 5 is not supported, while Hypothesis 6 is refuted.

Hypotheses 7 and 8 evaluate the contingent effect of the infrastructure environment on the social media platform and export performance relationship. The analysis has also revealed a mixed result. The interaction of infrastructure environment and social media platform shows a significant and positive effect on economic performance ($\beta=0.345$, $p<0.01$) (Hypothesis 7). However, my study reveals that the aligned effect of infrastructure environment and social media platform does not have a significant effect on channel performance ($\beta=0.112$, $p>0.01$) (Hypothesis 8). Therefore, Hypothesis 7 is refuted, but Hypothesis 8 is not supported.

Hypotheses 9 and 10 focus on the moderation effect of the competitive environment in the social media-export venture performance framework. My study shows a mixed result. The interaction between competitive environment and social media platform shows a negative but insignificant effect on economic export venture performance ($\beta=-0.032$, $p>0.1$) (Hypothesis 9). Nevertheless, the interaction between the competitive environment and social media platform has a negative and significant effect on channel performance ($\beta=-0.155$, $p<0.05$) (Hypothesis 10). Hence, Hypothesis 9 is not supported but Hypothesis 10 is confirmed.

Hypotheses 11 and 12 evaluated the contingent effect of the political-legal environment in the social media platform and export performance relationship. The result shows that the interaction of political-legal environment and social media platform has a negative and significant effect on both economic performance ($\beta=-0.135$, $p<0.05$) and channel performance ($\beta=-0.191$, $p<0.01$). Therefore, Hypotheses 11 and 12 are both confirmed.

In sum, my study reveals that social media platform positively affects economic and channel performance (Hypothesis 1 and Hypothesis 2). The interaction of social-cultural environment and social media platform has a dark side effect on both economic (Hypothesis 3) and channel performance (Hypothesis 4). However, the interaction of customer, infrastructure and competitive environment with social media platform on economic and channel performance show some mixed but interesting results. The interaction of customer environment and social media platform does not affect economic performance (Hypothesis 5), while the interaction of customer environment and social media platform on channel performance (Hypothesis 6) shows a bright side effect. The interaction of infrastructure environment and social media platform shows a bright side effect on economic performance (Hypothesis 7). In contrast, it does not have a significant effect on channel performance (Hypothesis 8). The interaction of competitive environment and social media platform has no significant effect on economic performance (Hypothesis 9). However, it has a dark side effect on channel performance (Hypothesis 10). The interaction of the political-legal environment and social media platform has shown a dark side effect on both economic performance (Hypothesis 11) and channel performance (Hypothesis 12). These results suggest that marketing executives and researchers need to be extremely cautious about using a universal approach concerning institutional environment, social media and export venture performance. A summary of the hypotheses' results is listed in Table 9.

4.5 Discussion and conclusion

The main purpose of this research is to investigate; (a) whether social media platform strategy has a significant effect on export venture performance and (b) whether the interplays of institutional environment and social media have a significant effect on export venture performances. In this study, I have mainly utilised institutional theory, technology and export performance literature to form my conceptual model (Ardito et al., 2021; Chung et al., 2015; Morgan et al., 2004; Sheng et al., 2011; Yang et al., 2012;). The outcomes of this study have significant implications for theoretical development concerning social networking theory, institutional theory and social media literature. My study also provides new guidance on research relating to emerging markets' export venture management.

4.5.1 Theoretical implications

My study has a number of important implications for advancing the theoretical development of social media platforms, institutional environment and export venture performance. First, the

findings of my study have significantly enhanced the existing research relating to social media and firms' performance in the context of export ventures (Ardito et al., 2021; Chung et al., 2015; Chung et al., 2021; Lages et al., 2009; Morgan et al., 2004; Scott, 2008; Sheng et al., 2011; Yang et al., 2012). As outlined, most research has focused on the direct effect of social media on firms' performance from a B2C perspective. For example, the extant literature has revealed that social media can be used to increase sales, brand engagement, and customer relationship building in a B2C context (Iankova et al., 2019; Luo et al., 2021). By contrast, I highlight the importance of social media on export venture performance in a B2B context. In this study, I have explored whether social media has an effect on export venture economic and channel performance. Collectively, my study shows that social media platforms can positively impact export ventures' economic and channel performance. My study shows that social media can enhance the degree of engagement between exporting firms and their channel members, generate market intelligence and help firms gain new knowledge, leading to better performance (Ardito et al., 2021). My research also shows that export firms can utilise social media platforms to enhance their understanding of the local market and formulate an effective international marketing programme (product, price, promotion and distribution) that can enhance export venture performance. In light of my research outcomes, it is important to include social media platforms in export venture performance investigations (Chung & Ho, 2021; Lages et al., 2008; Morgan et al., 2004). As a result, my study significantly enhances existing research on international marketing strategy and export venture management by providing a new explanatory factor for export venture performance (Chung & Kuo, 2018; Chung et al., 2012; Yang et al., 2012). Together with those already revealed in the extant literature, researchers can now consider international standardisation strategies, decision-making governance and organisational learning, as well as social media platform when investigating export venture performance (Cavusgil & Zou, 1994; Chung, 2003; Chung et al., 2019; Katsikeas et al., 2006)

Second, my findings reveal that the interaction of institutional environment and social media platforms might have bright and/or dark effects on export venture performance. These new findings significantly enhance those already revealed in the literature (e.g., Chung & Kuo, 2018; Sheng et al., 2011). The role of the institutional environment has been reported in the extant literature (e.g., Chung, 2005; Luo et al., 2008; Sheng et al., 2011; Wang & Chung, 2020; Yang et al., 2012). The focus of the previous studies has mainly been on how the institutional environment can negatively impact standardisation strategy for export ventures (Chung, 2005;

Wang & Chung, 2020; Yang et al., 2012). By advancing the existing theoretical foundation, my study suggests that the interaction of social media platforms and the institutional environment might have different impacts on economic and channel performance. For example, my results show that the social-cultural environment and social media can negatively affect both export ventures' economic and channel performance. However, the interaction of customer/infrastructure/competitive environment and social media platform can have a mixed impact on export venture performance. The interaction of customer environment and social media platform has a bright side (i.e., positive effect) effect on channel performance, but no impact on economic performance. The interaction of infrastructure environment and social media also shows a bright side effect on economic performance, although it has no significant impact on channel performance. In contrast, the interaction of the competitive environment and social media platforms has no significant effect on economic performance. However, this alignment shows a dark side effect on channel performance. The interaction of political-legal environment and social media shows a dark side effect on both economic and channel performance. Collectively, my findings confirm that the institutional environment conditions the effect of social media platforms on export venture performance, but the influence of individual institutional environmental components needs to be examined more specifically. In light of my research findings, future studies should take into account the diversified contingent effect of institutional environment in the social media platform and export venture performance framework, as displayed in the study (e.g., Chung et al., 2012; Katsikeas et al., 2006; Yang et al., 2012).

Finally, my research also sheds light on the study of export venture performance from the emerging market context. Although prior studies explore export venture performance from both the developed and emerging markets contexts (Cavusgil & Zou, 1994; Chung et al., 2012; Lages et al., 2008; Morgan et al., 2004), prior research has not explored the effect of social media platform on export venture performance, or the contingent effect of the institutional environment on the social media and export venture performance framework in the context of emerging markets. As outlined in the existing literature, research on emerging markets' export ventures is needed because it can provide new guidance to complement the extant research and practice, as well as enhance understanding of theories and constructs that are formulated based on the experience of developed markets (Burgess & Steenkamp, 2006; Khan et al., 2015; Malca et al., 2020; Sheth, 2001). By confirming the role of social media and the moderation role of the institutional environment in the emerging market's export ventures, my study suggests that

future research can now consider legitimacy and efficiency, organisational learning, social media and institutions in their investigation of exporting management of emerging market firms (Chung et al., 2015; Chung et al., 2019; Deng et al., 2018; Jean, Kim, Zhou, & Cavusgil, 2021; Morgan et al., 2004; Rialp-Criado & Rialp-Criado, 2018; Yang et al., 2012).

4.5.2 Managerial implications

My findings provide interesting and important managerial implications for exporting firms that are based in China and other emerging markets. Exporting firms should consider the direct effect of social media platforms on export venture performance (economic and channel performance) (Morgan et al., 2004). The results of my study demonstrate that social media platforms can enhance exporting firms' performance (Heikkilä, Bouwman, & Heikkilä, 2018). Managers should utilise social media platforms to engage with their channel members (e.g., distributors). My study provides guidance on how managers should formulate their social media strategy in order to improve their economic and channel performance, and enhance their relationship with their customers.

Furthermore, as pointed out by Hoskisson et al. (2000), the institutional environment diverges across regions and industries in emerging markets. The greater the disparity of institutional environment distance, the more challenges exporting firms might face (Sheng et al., 2011; Yang et al., 2012). My results indicate that the interaction between social media platforms and the institutional environment can have a different impact on export economic and channel performance. When using social media platforms to interact with their channel members, exporting firms also need to understand the effect of the host market institutional environment. It is suggested that exporting firms need to be aware of the dark side effect of the social-cultural, competitive and political-legal environment in the social media-export venture performance.

Exporting firms may need to choose to operate in low social-cultural and political-legal environment distance markets in order to adopt an effective social media strategy. For the competitive environment, it is suggested that exporting firms should also avoid a high-distance market as this may reduce the impact of social media on export channel performance. However, managers can still operate in high customer and infrastructure distance markets as these environments may still provide opportunities for using social media to achieve export venture performance. Taken together, my results suggest that export firms should think very carefully about when and how institutional environment distance could impact social media and export venture performance relationships.

The impact of institutional environment distance on the link between social media and export venture performance may also offer some implications for policymakers in both the home and host markets. Policymakers may be required to evaluate their policies in light of this study's findings. For example, the Chinese home government can work together with the host government policy-makers (e.g., those in Brazil, India) to reduce the home-host differences in terms of social-cultural, competitive and political-legal environments. My study shows that these barriers can negatively impact the success of Chinese export ventures' social media platform strategies in the foreign host markets (e.g., India, Brazil). Any efforts in reducing these cross-market environmental differences would significantly stimulate Chinese export ventures' operations in the host markets. However, the home and host market policy-makers may not need to be cautious about the home-host market differences in the customer and infrastructural environments, as the distance between these two factors does not seem to dampen the performance of Chinese export venture's social media platforms in the host markets.

4.5.3 Limitations and future research

Despite generating many useful and interesting results, some limitations must be considered in this study. Due to the data restriction, despite using varied approaches to encourage higher responses, the sample size of my study (N=251) can be enlarged. A larger sample size can increase the validity of the results generated in the study. As suggested by Li et al. (2009) and Chung et al. (2015), future research could consider data collection methods such as personal interviews to increase the response rate due to the diversity of the Chinese market.

Second, this study may also benefit from a qualitative research approach. Recent research has used a case study approach to explore the effect of social media platform and the B2B e-commerce ecosystem (e.g., Wu et al., 2022). Future research should consider enriching the study's findings by offering some case experiences on the different effects of institutional environmental factors in the social media platform-export performance framework.

Third, this study has only explored the contingent effect of institutional environment on social media platform and the export venture performance framework. As outlined in the extant literature, apart from using social media, export ventures also use other forms of digital marketing technology (e.g., email, websites) in their daily practice (Kannan & Li, 2017; Racela & Thourmrungroje, 2020). Hence, it might be worth investigating whether the contingent effect

of the institutional environment has any impact on the digital technology and export venture performance relationship.

Lastly, my study has mainly focused on economic and channel performance over the short-term. A number of marketing research studies suggest that a longer time period, for example three or five years, might be able to provide a more accurate assessment in terms of firm performance (Chung & Ho, 2021; Lages et al., 2008; Li et al., 2009). There is a possibility that the impact of a current year's market strategy on firms' performance might not emerge in the short-term, but instead in a couple of years (Peng, 2003). I therefore argue that future export venture performance research should consider adopting a longer view of export venture performance in their studies' conceptualisation as this adoption could provide newer insights into the research field of export venture management.

4.6 Chapter summary

This chapter presented the findings from the second empirical study, using survey data to address the research question of when and how institutional distance impacts the relationship between social media platforms and emerging market export venture performance. The empirical results of this study revealed that social media platforms positively affect export venture economic and channel performance. However, the interaction between the institutional environment and social media platforms might have either bright or dark side effects on an export venture's economic and channel performance. Theoretical and managerial implications were also discussed in detail. In the next chapter, conclusions and managerial implications of the entire study will be offered.

4.7 References

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Figure 3: Social Media Platform and Export Venture Performance: The Dark and Bright Effect of Institutional Distance

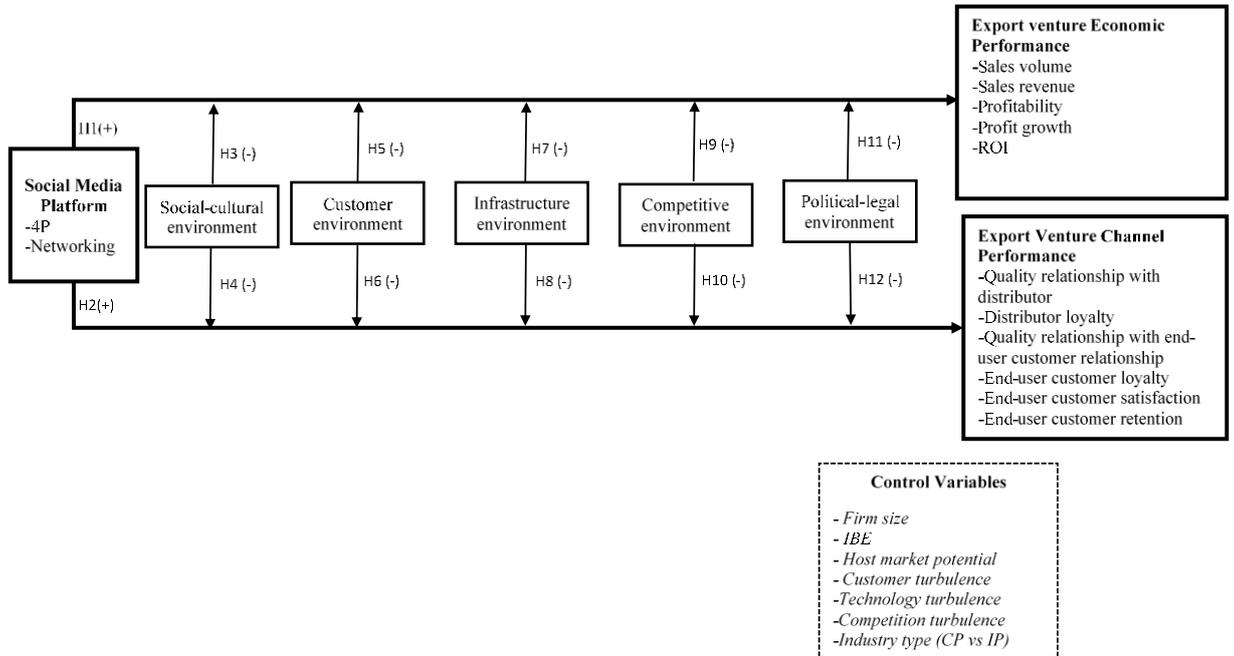


Table 5a: Measurement - Institutional Environment

How similar or different are the following marketing/institutional factors between China and this host country? (1=Very similar; 7=Very different)

Measurement items	Loading	Alpha and CR value
<i>Customs and traditions -Social-cultural environment</i>		Alpha=.70; CR=.82
Customers' values, beliefs, and attitudes	.794	
Customers' aesthetic preferences	.752	
Customers' educational levels	.626	
Product usage patterns	.729	
<i>Customer environment</i>		Alpha=.72; CR=.82
Customers' requirements	.765	
Customers' purchasing habits	.716	
Product evaluation criteria	.624	
Customers' price sensitivity	.641	
Target market segments	.695	
<i>Infrastructure environment</i>		Alpha=.71; CR=.81
Competencies of marketing research agencies	.682	
Competencies of distribution firms	.654	
Availability of suitable advertising media	.604	
Structure of distribution channels	.705	
Functions performed by middlemen	.747	
<i>Competitive environment</i>		Alpha=.70; CR=.82
Strength of price competition	.773	
Pace of new competitive moves in this product area	.692	
Frequency of promotion wars in this industry	.703	
Stage of product life cycle	.739	
<i>Political-Legal environment</i>		Alpha=.72; CR=.82
Laws and regulations concerning company protection	.698	
Laws and regulations concerning customer protection	.710	
Environmental laws and regulations	.659	
Technical standards	.643	
Political environment (e.g. political interference by the govt)	.727	

Table 5b: Measurement - Social Media Platform

How would you rate the following social media platform (e.g., WeChat, QQ) factors concerning your firm's operating in the host country? 1=Strongly disagree; 7=Strongly agree

Measurement items	Loading	Alpha and CR
<i>Social media platform—Second Order</i>		Alpha=.81; CR=.91
<i>Social media platform – 4P</i>		Alpha=.83; CR=.88
We have effective communication via social media platform	.823	
We gain new product ideas via social media	.766	
We gain new process ideas via social media	.750	
We co-design new promotion material via social media	.657	
We gain new distribution ideas via social media	.750	
We co-price with business partners via social media	.672	
<i>Social media platform-Networking</i>		Alpha=.80; CR=.86
We constant exchange ideas via social media platform	.760	
We conduct information sharing via social media platform	.715	
We build new relationships via social media platform	.768	
We enhance business relationships via social media platform	.729	
We enhance personal relationships via social media platform	.767	

Table 5c: Measurement - Export Venture Performance

To what extent would you rate your satisfaction concerning your firm's operation in this host country? 1=Not satisfied at all; 7=Completely satisfied

Measurement items	Loading	Alpha and CR
<i>Export Venture Economic Performance</i>		Alpha=.87; CR=.89
Sales volume	.836	
Sales revenue	.752	
Profitability	.822	
Return on investment (ROI)	.791	
Profit growth	.764	
<i>Export Venture Channel Performance</i>		Alpha=.87; CR=.90
Quality of your firm's relationship with distributors	.840	
Distributor loyalty to your firm	.827	
Quality of your firm's end-user customer relationships	.787	
End-user customer loyalty to your firm	.700	
End-user customer satisfaction	.784	
End-user customer retention	.747	

Table 6: Correlation Matrix

	A	B	C	D	E	F	G	H	I	J	K	K	M	N	O
Firm Size (A)	1.000														
International Business Experience (IBE) (B)	.311**	1.000													
Number of foreign countries operating (C)	.382**	.556**	1.000												
Industry type CP vs IP (D)	-.042	.000	.129*	1.000											
Customer turbulence (E)	0.055	0.028	0.079	.164**	1.000										
Technology turbulence (F)	-0.045	-0.040	-0.064	.146*	0.037	1.000									
Competition turbulence (G)	-0.019	0.013	0.054	.130*	0.054	.225**	1.000								
Host market potential (H)	0.067	0.021	0.003	-0.152*	-.161**	-0.001	0.023	1.000							
Social media platform (I)	-0.015	0.025	0.016	.162**	.178**	.231**	.204**	0.093	1.000						
Social-cultural environment (J)	0.011	0.033	0.029	.201**	.187**	.272**	.231**	.116*	.431**	1.000					
Customer environment (K)	-0.036	-0.019	-0.024	.151**	.199**	.272**	.171**	0.076	.426**	.426**	1.000				
Infrastructure environment (L)	0.008	0.018	-0.017	0.029	.157**	.267**	.244**	.120*	.374**	.450**	.317**	1.000			
Competitive environment (M)	-0.058	0.035	0.022	.175**	.179**	.219**	.177**	0.054	.347**	.445**	.420**	.363**	1.000		
Political-legal environment (N)	-.045	.088	.041	.182**	.255**	.299**	.208**	-.001	.407**	.417**	.484**	.363**	.417**	1.000	
Export venture economic performance (O)	-0.023	0.057	.104*	.268**	.216**	.165**	0.085	-0.051	.336**	.287**	.304**	.244**	.337**	.367**	1.000
Export venture channel performance (P)	-0.034	0.047	0.060	.252**	.181**	.234**	.163**	0.074	.351**	.338**	.336**	.315**	.337**	.402**	.412**

*: p<0.05; **: p<0.01. Note: CP: consumer products, IP: industrial products

Table 7: Regression Results for Export Venture Economic Performance

	Export Venture Economic Performance					
	M1	VIF	M2	VIF	M3	VIF
<i>Control variables</i>						
Firm Size	-.102	1.513	-.127	1.713	-.152 ⁺	1.981
International Business Experience	.004	1.677	-.057	1.743	-.053	1.759
Number of foreign host countries operating	.149	2.179	.188*	2.285	.180*	2.353
Industry type CP vs IP	.169*	1.133	.178**	1.148	.126 ⁺	1.277
Customer Turbulence	.166*	1.053	.032	1.276	.007	1.294
Technology Turbulence	.149*	1.097	.046	1.297	.054	1.353
Competition Turbulence	.009	1.125	-.089	1.272	-.033	1.334
Host market potential	.046	1.083	.005	1.194	.047	1.232
<i>Direct effect variables</i>						
Social media platform (H1, s)			.205*	2.018	.301**	2.342
Social-cultural environment			.088	2.126	.133	2.385
Customer environment			-.014	1.833	-.136	2.063
Infrastructure environment			-.086	2.520	-.111	2.719
Competitive environment			.183*	1.683	.213*	2.057
Political-legal environment			.118	1.842	.185 ⁺	2.564
<i>Interactions</i>						
Social media platform x Social-cultural environment (H3, s)					-.279**	3.135
Social media platform x customer environment (H5, ns)					-.091	2.105
Social media platform x infrastructure environment (H7, r=bright side effect)					.345**	2.857
Social media platform x competitive environment (H9, ns)					-.032	2.101
Social media platform x political-legal environment (H11, s)					-.135 ⁺	1.737
R ² value	.115		.214		.295	
Adjusted R ² value	.082		.161		.229	
R ² value change	.115		.099		.081	
F value	3.464		4.039		4.465	

All beta values are standardized. +: p<0.1; *: p<0.05; **: p<0.01.

Table 8: Regression Results for Export Venture Channel Performance

	Export Venture Channel Performance					
	M1	VIF	M2	VIF	M3	VIF
<i>Control variables</i>						
Firm Size	.022	1.513	-.016	1.713	-.064	1.981
International Business Experience	.086	1.677	.048	1.743	.070	1.759
Number of foreign countries operating	.025	2.179	.057	2.285	.076	2.353
Industry type CP vs IP	.295**	1.133	.287**	1.148	.316**	1.277
Customer Turbulence	.138*	1.053	.021	1.276	.000	1.294
Technology Turbulence	.166**	1.097	.032	1.297	.044	1.353
Competition Turbulence	.193**	1.125	.080	1.272	.080	1.334
Host market potential	.213**	1.083	.147*	1.194	.166**	1.232
<i>Direct effect variables</i>						
Social media platform (H2, s)			.185*	2.018	.152 ⁺	2.342
Social-cultural environment			.123	2.126	.204*	2.385
Customer environment			.007	1.833	-.027	2.063
Infrastructure environment			.122	2.520	.089	2.719
Competitive environment			-.087	1.683	-.064	2.057
Political-legal environment			.130 ⁺	1.842	.220*	2.564
<i>Interactions</i>						
Social media platform x Social-cultural environment (H4, s)					-.196*	3.135
Social media platform x customer environment (H6, r=bright side effect)					.216**	2.105
Social media platform x infrastructure environment (H8, ns)					.112	2.857
Social media platform x competitive environment (H10, s)					-.155*	2.101
Social media platform x political-legal environment (H12, s)					-.191**	1.737
R ² value	.256		.361		.419	
Adjusted R ² value	.228		.318		.365	
R ² value change	.256		.105		.028	
F value	9.216		8.407		7.721	

All beta values are standardized. +: p<0.1; *: p<0.05; **: p<0.01.

Table 9: Hypotheses testing summary

Postulated Hypotheses	Results
H1: Social media platform → export venture economic performance (+)	Supported
H2: Social media platform → export venture channel performance (+)	Supported
H3: Social media platform*Social-culture environment → export venture economic performance (-)	Supported (Dark side effect)
H4: Social media platform*Social-culture environment → export venture channel performance (-)	Supported (Dark side effect)
H5: Social media platform*Customer environment → export venture economic performance (-)	Not Supported
H6: Social media platform*Customer environment → export venture channel performance (-)	Refuted (Bright side effect)
H7: Social media platform*infrastructure environment → export venture economic performance (-)	Refuted (Bright side effect)
H8: Social media platform*infrastructure environment → export venture channel performance (-)	Not Supported
H9: Social media platform*competitive environment → export venture economic performance (-)	Not Supported
H10: Social media platform*competitive environment → export venture channel performance (-)	Supported (Dark side effect)
H11: Social media platform*political-legal environment → export venture economic performance (-)	Supported (Dark side effect)
H12: Social media platform*political-legal environment → export venture channel performance (-)	Supported (Dark side effect)

Seven hypotheses are supported (five dark side effect); Two hypotheses are refuted (two bright side effect); Three are not supported.

4.8 Appendix

Ethical Approval Letter

From: humanethics@massey.ac.nz <humanethics@massey.ac.nz>
Sent: Monday, 12 March 2018 2:04 p.m.
To: Lindsay, Alice; Jing.Ma.2@uni.massey.ac.nz; Chung, Henry; Balasubramanian, Ravi; Croucher, Stephen
Cc: Thomas Vincent, Miralie
Subject: Human Ethics Notification - 4000019046
12 Mar 2018 – Herbert Sima- Ethical Approval
HoU Review Group
Dr Ravi Balasubramanian
Prof Stephen Croucher
Ethics Notification Number: 4000019046
Title: How institutional environment, marketing strategies, social media and technology affect innovation and export performance of emerging market exporting firms.

Thank you for your notification which you have assessed as Low Risk. Your project has been recorded in our system which is reported in the Annual Report of the Massey University Human Ethics Committee. The low risk notification for this project is valid for a maximum of three years.

Please note that travel undertaken by students must be approved by the supervisor and the relevant Pro Vice-Chancellor and be in accordance with the Policy and Procedures for Course-Related Student Travel Overseas. In addition, the supervisor must advise the University's Insurance Officer.

A reminder to include the following statement on all public documents:

“This project has been evaluated by peer review and judged to be low risk. Consequently it has not been reviewed by one of the University's Human Ethics Committees. The researcher(s) named in this document are responsible for the ethical conduct of this research. If you have any concerns about the conduct of this research that you want to raise with someone other than the researcher(s), please contact Associate Professor Tracy Riley, Acting Director (Research Ethics), email humanethics@massey.ac.nz”

Please note that if a sponsoring organisation, funding authority or a journal in which you wish to publish require evidence of committee approval (with an approval number), you will have to complete the application form again answering yes to the publication question to provide more information to go before one of the University's Human Ethics Committees. You should also note that such an approval can only be provided prior to the commencement of the research.

You are reminded that staff researchers and supervisors are fully responsible for ensuring that the information in the low risk notification has met the requirements and guidelines for submission of a low risk notification. If you wish to print an official copy of this letter, please login to the RIMS system, and under the Reporting section, View Reports you will find a link to run the LR Report.

Yours sincerely

Associate Professor Tracy Riley, Dean Research
Acting Director (Research Ethics)

Chapter 5

CONCLUSIONS

This chapter concludes the thesis, and is based on the studies discussed in Chapter 2, 3 and 4. It begins with a recapping of the research purpose and issues, and restates the three major research questions used to guide the conceptual and empirical studies. Summary conclusions are then presented, as well as a discussion of the key research findings. The chapter is concluded with sections outlining managerial implications, limitations and future research.

5.1 Research purpose and issues

The key purpose of this thesis was to explore and examine what and how influences emerging market export venture performance in the digital age. Given the importance of exporting in the global economy, this topic has been recognised as a key research area for marketing scholars and, in particular, for emerging market export ventures. Due to the limited knowledge and resources, emerging market export ventures often face significant challenges when operating in a foreign host market. To better understand the export ventures, this thesis extends into three papers. In Paper 1 (Chapter 2), I focus on the literature review and provide a holistic understanding of different types of managerial ties, resource integration and export venture innovation. A comprehensive conceptualisation of resource integration, managerial ties and emerging market export venture innovation is postulated. This framework provides a sound theoretical platform for further examination of emerging market export ventures. In Paper 2 (Chapter 3), I empirically examine when, and how, home and host market managerial ties influence the effect of digital marketing technology on the export venture performance framework. In Paper 3 (Chapter 4), I also empirically explore when, and how, institutional distance matters in the social media platform-export venture performance linkage.

5.2 Conclusions

RQ1: What role do emerging market export ventures' managerial ties (host market business and political ties, home market ties and intrafirm ties) play in the export ventures' resource integration-innovation conceptualisation?

Paper 1 (Chapter 2) is a conceptual study. It is postulated based on an extensive literature review on related publications on resource integration, managerial ties and export venture management. This paper offers a holistic understanding of emerging market export ventures. Building on resource integration theory (e.g., resource advantage theory, knowledge-based

theory), social networking theory and innovation literature, I develop a new and comprehensive conceptualisation for answering the research question *RQ1*. With a series of new theoretical propositions, it is suggested that research should examine the role of different managerial ties and their impact on the resource integration- innovation framework. This chapter sets the foundational knowledge for further empirical studies in Paper 2 (Chapter 3) and Paper 3 (Chapter 4). To gain some insightful information from practitioners, I have obtained some valuable knowledge from the five emerging market export venture managers. In the early stage of an export venture, how to achieve better economic and channel performance becomes the key consideration for emerging market ventures. Hence, export venture managers' views shaped my research focus from export venture innovation to export venture economic and channel performance. The further discussion is presented in Paper 2 (Chapter 3) and Paper 3 (Chapter 4).

Paper 1 (Chapter 2) is connected with Paper 2 (Chapter 3) through managerial ties. As suggested by Chung (2012), Chung and Ho (2021) and He et al (2018), managerial ties play a critical role in the marketing strategy and export venture performance. Prior research has mainly focused on how managerial ties impact international competitive strategy and export performance (e.g., Chung & Kuo, 2018) and how managerial ties influence the relationship between export market orientation and export performance (e.g., Chung, 2012). However, in the digitisation age, research indicates that digital marketing technology has a significant impact on export venture marketing activities such as communication, engagement and collaborations between home and host market players (Racela & Thoumrungroje, 2020). What role do managerial ties play? Can it still impact the relationship between digital marketing technology and export venture performance? This was answered in Paper 2 (Chapter 3).

RQ2: When and how do home and host market managerial ties impact the relationship between digital marketing technology and emerging market export venture performance?

Paper 2 (Chapter 3) is an empirical study. The key focus of this paper is to investigate the contingent effect of host and home market managerial ties on digital marketing and export venture performance. Building on the prior studies of managerial ties and digital marketing technology, I developed a new and comprehensive conceptualisation by examining the contingent effect of host and home market managerial ties. The conceptualisation is specific to the role of managerial ties in the linkage between digital marketing technology and export venture performance. Of note, the previous studies have mainly focused on either home or host market business and political ties. This study expands the previous studies by integrating home,

host market business and political ties. In addition, this study also advances the social capital theory by exploring whether professional ties can contribute to digital marketing technology strategies and export venture performance. Based on the experience of 251 Chinese manufacturing firms' export ventures operating in a large variety of host markets through local distributors, the research findings are: a) Digital marketing technology has a positive and significant impact on both export venture economic and channel performance; b) the host market managerial ties (e.g., business and political ties in Brazil) can positively impact the effect of digital marketing technology on export venture economic and channel performance; and c) the home market managerial ties (i.e., managerial ties in China) either have no impact (e.g., home market professional ties) or have a negative contingent effect (e.g., home market business and political ties) in the digital marketing technology-export venture performance conceptualisation. The conceptualisation addresses a number of issues previously under-studied in the literature of managerial ties, digital marketing technology and export venture performance. As a result, this study suggests that emerging market export ventures need to consider home and host market business, and political and professional ties separately because of the nature of the impact on the linkage between digital marketing technology and export venture performance.

As indicated in the existing technology literature, aside from digital marketing technology, social media (e.g., WeChat, QQ) can also impact export venture performance (Kim & Ko, 2012). This study also sets a connection between Paper 2 (Chapter 3) and Paper 3 (Chapter 4). Both chapters conducted an empirical investigation on the impact of digitalization; including digital marketing technology in Paper 2 (Chapter 3), and social media in Paper 3 (Chapter 4); on export venture performance. Further, Paper 3 (Chapter 4) provides new insight into the literature by exploring the moderation effect of institutional distance on the link between social media platforms and export venture performance.

RQ3: When and how do institutional distance impact the relationship between social media platform and emerging market export venture performance?

Paper 3 (Chapter 4) is another empirical research, which builds on from Paper 2 (Chapter 3). This paper focuses on the dark and bright side effects of institutional distance in the social media platform-export venture performance paradigm. The research findings are derived from the empirical evidence of 251 Chinese manufacturing firms' export ventures. The results suggest that: a) Social media platform has a positive and significant impact on export venture economic and channel performance; b) the institutional environment distance can have dark

side contingent effects via social media platform on export venture performance (e.g., social-cultural, political-legal); and c) a bright side effect of institutional environmental distance (e.g., infrastructure environment, customer environment) in the social media platform-export venture performance framework is also observed.

Overall, this study has made a huge contribution to the existing research relating to social media and firms' performance in the context of export ventures. The results of this study, together with the existing knowledge revealed in the extant literature, also provide some new insights, such that marketing scholars can consider social media in their investigation when studying export venture performance (Morgan et al., 2004). Furthermore, this study also confirms that the institutional environment can influence emerging market export venture performance when operating in a host market. Export ventures need to examine individual institutional environment components separately because the interaction of institutional environment and social media might have either bright or dark side effects on export venture performance. Finally, this study also further confirms that social media and the institutional environment have a major role to play in the emerging markets' export ventures because research on emerging markets' export ventures is needed as it can provide new guidance to complement the extant literature and practices; it can also enhance our understanding of theories and constructs that are formulated from the experience of developed markets (e.g., Burgess & Steenkamp, 2006).

5.3 Managerial implications

My study offers some implications for export venture managers and policymakers. The managerial implications across both Paper 2 (Chapter 3) and Paper 3 (Chapter 4) are summarised below.

5.3.1 Managerial contributions from Paper 2 (Chapter 3)

My Paper 2 has offered a number of managerial implications. My study provides guidance on when and how marketing and business executives can better formulate their export ventures' digital marketing technology and managerial ties strategies for their export ventures' operation in the host market.

First, export venture managers should consider building their host market business and political ties when formulating their digital marketing technology in the host market. The empirical finding shows that the integration of these social networking ties and digital marketing technology can lead to superior export venture performance. However, export venture

managers should act cautiously when considering the host market's professional ties for their venture's operation in the host market. Host market professional ties may not help formulate their digital marketing strategy in the host market, as host market business and political ties do.

Second, export venture managers may also not wish to allocate too much time and resources to their home market's business ties because these ties are suggested to have a negative impact on the digital marketing technology-export venture economic performance dyad, but no significant effect on the digital technology-export venture channel performance. Hence, committing too much time and resources to these ties might inhibit export ventures' operation in the host market.

Third, export venture managers should also take a cautious approach when it comes to home market political ties as these ties may have a negative impact on the digital marketing technology-export venture economic and channel performance framework. Export venture executives should also be cautious about the home market professional ties because home market professional ties are not helpful in designing and formulating an effective digital marketing technology for the export venture's operation in the host market.

5.3.2 Managerial contributions from Paper 3 (Chapter 4)

My Paper 3 (Chapter 4) has also offered a group of important managerial implications for marketing and business executives relating to their export venture's operation in the host market.

First, this study provides practical guidance for export venture managers on how to formulate their social media strategy to advance their economic and channel performance when operating in a foreign host market.

Second, my empirical results suggest that the interaction between social media platforms and home-host market institutional distance has a positive impact on export ventures' economic and channel performance. These positive effects of the home-host market institutional distance are in the areas of infrastructure and customer environment. My findings suggest that social media platforms can still perform well in these environments. Therefore, managers can still operate in a high customer and infrastructure distance market because there might still be opportunities to use social media to achieve export venture performance.

Third, however, export marketing executives need to pay attention to the dark side effect of social-cultural, competitive, and political-legal environments in the social media-export venture performance dyad. In these environments, the effect of social media platforms on

export venture performance is likely to be diminished. Thus, export venture managers should avoid a high-distance market because the high degree of disparity might reduce the impact of social media on export channel performance.

Fourth, my study also has significant implications for policymakers. Policymakers might need to re-evaluate their policies in light of the key findings of my study. To support export ventures' internationalisation success, policymakers may need to find ways to reduce the home-host institutional environment differences in terms of social-cultural, competitive, and political-legal aspects. However, the customer and infrastructure distance might not hinder export ventures' performance.

5.4 Limitations and future research

Although this study has made several contributions to the theoretical development concerning social networking, institutional distance, digital marketing technology and social media literature, a number of limitations have been a constraint on the research. There is a need to encourage future research.

First, despite generating some interesting results from my research, the small size of my study (N=251) can be improved. Future research should endeavour to acquire a larger sample size, to improve the validity of the study results. Future research can also consider the methods adopted in the literature to increase their studies' response rate. These methods include personal interviews and extensive follow-up communications (Chung et al., 2015; Li et al., 2009).

Second, my study has only focused on short-term performance, on a cross-sectional research basis. Given the nature of export venture operations, which are a continuous and dynamic process, future research should consider adopting a longitudinal approach in their conceptualisation (e.g., conducting a follow-up study three to five years after the initial study). The benefits of the longitudinal approach are well cited in the literature. For example, Peng (2003) and Chung and Ho (2021) report that the impact of a given strategy might only become visible a few years after its implementation. Time series might also offer more dynamic information relating to the impact of marketing strategy on export venture performance. Future studies should investigate the interaction effect of digital marketing and managerial ties, social media and institutional distance on export venture economic and channel performance. This can be achieved through a longitudinal study.

Third, I focused on emerging market export ventures from China. This study's conceptualisation should be replicated in other emerging markets (e.g., Russia, Brazil). A

comparison of this study's findings as compared to those of other emerging markets will remarkably enhance the generalisability of the theoretical development in social networking, digital marketing technology, social media and export venture performance.

Finally, the current thesis only focuses on export venture economic and channel performance. As outlined in the extent literature (Chung, 2012; Chung & Kuo, 2018; Lages et al., 2008), export venture performance is diversified (e.g., host market customer satisfaction, export performance satisfaction, strategic performance). In this regard, future research should perhaps consider other vital export venture performance aspects such as strategic export venture performance and customer satisfaction in their study's research framework (e.g., Cavusgil & Zou, 1994; Chung & Kuo, 2018). By considering these additional export venture performance components, future research can validate whether the current study's results can also be applied to other forms of export venture performance measurements.

5.5 Chapter summary

This chapter concludes the study, providing a review of the key findings of the three studies, as well as identifying managerial implications, research limitations and future research opportunities.

This thesis answers all the research questions echoed by marketing, export venture, and technology researchers alike:

Paper 1 (Chapter 2), a conceptual paper is built on an extensive literature review of resource integration, managerial ties and export venture management. This study forms the basic knowledge and understanding of the overall thesis and sets a sound theoretical platform for further empirical investigations in Chapter 3 and Chapter 4. It also explains how the research focus has shifted from the original plan to the current status. With a series of new theoretical propositions, Chapter 2 identified the various research opportunities, which indicate that the examination of managerial ties and emerging marketing export ventures in a digital age is warranted.

Paper 2 (Chapter 3), aims to answer the research question 2; when and how do home and host market managerial ties impact the relationship between digital marketing technology and emerging market export venture performance? The empirical results suggest that emerging market export ventures should invest in and develop their digital marketing technology strategy because it has a positive and significant impact on both export venture economic and channel performance. However, emerging market export ventures should take a cautious approach

when determining where they should allocate more resources and efforts to build managerial ties in either the home or host market. The empirical findings reveal that the host market managerial ties can positively impact the effect of digital marketing technology on export venture economic and channel performance, but the home market managerial ties either have no impact or a negative impact on the linkage between digital marketing technology and export venture economic and channel performance.

Paper 3 (Chapter 4), intends to answer the research question 3; when and how do institutional distance impact the relationship between social media platform and emerging market export venture performance? The evidence from the second empirical study also revealed that emerging market export ventures should allocate resources to build and develop their social media strategy when they operate in a foreign host market because a good social media strategy can positively impact the export venture's economic and channel performance. Due to the institutional distance between the home and host market, export ventures need to evaluate and analyse the institutional environment variables separately because they have a different impact on export venture economic and channel performance; for example, the social-cultural, political and legal distance can have dark side contingent effects via social media platform on export venture economic and channel performance, but infrastructure and customer environment distance can have a bright side effect on the linkage between social media platform and export venture economic and channel performance.

The main limitations that have been a constraint on this thesis relate to the sample size, short-term performance data, limited emerging market (only data from China has been utilised), and research method (only questionnaire survey). This constraint opens an opportunity for future research. This will assist in the refinement of the generalisability of my study.

5.6 References

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Date:	11-Jul-2022
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<input checked="" type="radio"/> The manuscript is currently under review for publication – please indicate: <ul style="list-style-type: none"> The name of the journal: European Journal of Marketing The percentage of the manuscript/published work that was contributed by the candidate: 100.00 Describe the contribution that the candidate has made to the manuscript/published work: Conducted Literature review, developed the conceptual model, and collected data, conducted data analysis, and also wrote the whole paper. 	
<input type="radio"/> It is intended that the manuscript will be published, but it has not yet been submitted to a journal	
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10 June 2020

Chief Executive Officer & Marketing Director/Chief Financial Officer

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PR China

Dear Sir/Madam,

How are you? My name is Herbert Sima, a PhD candidate from Massey University of New Zealand. I am undertaking a study on issues related to business strategies of Chinese manufacturing firms' exporting operation in foreign country markets (e.g., Thailand), for my PhD degree research project at Massey University. This research is one of the first of its type to be conducted in China. The outcomes of this research will provide constructive guidance for companies to formulate their operations internationally.

I am wondering if you could please complete the enclosed questionnaire for me. Your company's participation in this research project is very important to the success of this project. It will be greatly appreciated if you could please complete the enclosed questionnaire at your earliest convenience, but please no later than *10 December, 2020*. In return for your assistance, a copy of this research finding summary will be sent to you by email. Please leave your contact details on the questionnaire if you wish to receive this item. Please answer the enclosed questionnaire relating to a product/product line in a foreign/host market (i.e., export venture) (only a product/product line is marketed in the foreign market). The product/product line is only marketed by a single foreign distributor in the host market. The same product/product line is also marketed domestically at the home market (i.e., China market). All questions are related to the firm's current operation in the home and host market. The survey study is also required to be answered by two senior executive officers of the firm who directly oversee the export venture's operation in the host market (e.g., CEO & Marketing Director/CFO), as communicated. Part A-D is completed by the 1st staff member (e.g., CEO) while Part E is completed by 2nd staff member (e.g., Marketing Director/CFO).

Any information provided by the respondents will be used strictly for research purposes only. This project has been evaluated by peer review and judged to be low risk. Consequently, it has not been reviewed by one of the University's Human Ethics Committees. Herbert Sima in this document is responsible for the ethical conduct of this research. If you have any concerns about the conduct of this research that you want to raise with someone other than the researcher, please contact Associate Professor Tracy Riley, Acting Director (Research Ethics), email: humanethics@massey.ac.nz, or Dr Henry Chung on email: h.chung@massey.ac.nz (project supervisor).

If you have any questions about this research project, please contact myself on herbertsima@gmail.com, ph: 0064-21-767798 or WeChat: wxid_d63t39n97ith11.

Thank you for your assistance on this research. Look forward to your great input.

Yours sincerely,



Herbert Sima
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Private Bag 102 904
North Shore, Auckland, New Zealand

Survey on Institutions, business strategies, managerial ties, innovation and performance

- Please answer the enclosed questionnaire relating to a **product/product line** in a foreign/host market (i.e., export venture) (only a product/product line is marketed in the foreign market). The product/product line is only marketed by a **single foreign distributor** in the host market. The same product/product line is also marketed **domestically** at the home market (i.e., China market). All questions are related to the firm's current operation in the home and host market.
- To meet the validity and reliability requirement, the survey study is also required to be answered by two senior executive officers of the firm who directly oversee the export venture's operation in the host market (e.g., CEO & Marketing Director/CFO), as communicated. Part A-D is completed by the 1st staff member (e.g., CEO) while Part E is completed by 2nd staff member (e.g., Marketing Director/CFO).
- If you have any questions about this research project, please contact myself on herbertsima@gmail.com, ph: 0064-21-767798 or WeChat: wxid_d63t39n97ith11.

- Please return the completed questionnaire to:
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- To express our appreciation for your assistance, a copy of the summary findings of this research will be sent to you by email. Please enter your contact details below if you wish to receive a copy of the findings.

Name _____ Phone No. _____
Firm name & address _____ Email address _____

Part A – Background information

A1: What is your position in the firm? (e.g., managing director, CEO)

A2: How many employees does your firm have?

A3: What is your firm's total international sales as a percentage of the overall total sales?.....%
Your firm's overall total sales (US\$):; Your firm's total international sales (US\$):

A4: How many years has your firm been involved in international business?years

A5: How many other foreign countries, apart from the host country, does your company have ongoing operations with?.....

A6: In what industry, or field of business, does your company operate?
.....

Part B– Market and product information

B1: What is the name of the host country that your export venture is currently operating in?
.....(e.g., Indonesia, Vietnam; please indicate)
How many years has your firm been operating in this host country?years

B2: What is the nature of the export venture (i.e., product/product line) you are currently marketing in this host country?

Consumer non-durable Consumer durable Industrial

B3: What is the name of the product/product line you are currently marketing in this host country?

..... (please indicate)

B4: How would you rate the following industrial factors concerning your firm's operation in this host country?

	<i>1=Strongly disagree; 7=Strongly agree</i>						
<i>Market turbulence</i>							
In our business, customers' preferences change quite a bit over time	1	2	3	4	5	6	7
Our customers tend to look for new products all the time	1	2	3	4	5	6	7
We are witnessing demand for our products from customers who never bought them before	1	2	3	4	5	6	7
New customers have needs that are different from those of our existing customers	1	2	3	4	5	6	7
<i>Technological turbulence</i>							
The technology behind the development of our products changes rapidly	1	2	3	4	5	6	7
Technological changes provide big opportunities in our industry	1	2	3	4	5	6	7
A large number of new product ideas have been made possible through technological breakthroughs in our industry	1	2	3	4	5	6	7
Technological developments in our industry are rather minor	1	2	3	4	5	6	7
<i>Competitive intensity</i>							
Competition in our industry is cutthroat	1	2	3	4	5	6	7
Anything that one competitor can offer, others can match easily	1	2	3	4	5	6	7
Price competition is a hallmark of our industry	1	2	3	4	5	6	7
One hears of a new competitive move almost every day	1	2	3	4	5	6	7
<i>Product technical complexity</i>							
The technical complexity of our product is very high	1	2	3	4	5	6	7

B5: How would you rate the following factors in this host country that have affected your firm's operation?

	<i>1=Not important at all</i>				<i>7=Very important</i>			
Local market potential	1	2	3	4	5	6	7	
Local market natural resources	1	2	3	4	5	6	7	
Abundant local market skillful labour forces	1	2	3	4	5	6	7	
Cheap local market labour costs	1	2	3	4	5	6	7	
Local market's advanced technology & R&D capability	1	2	3	4	5	6	7	
Provides int'l management opportunity/experience	1	2	3	4	5	6	7	
Acquires established brands	1	2	3	4	5	6	7	
Easy to enter public purchasing (government) market	1	2	3	4	5	6	7	
Local (host) market investment incentive policy	1	2	3	4	5	6	7	
Avoid tariff and trading barriers	1	2	3	4	5	6	7	
Easy to enter/penetrate target market	1	2	3	4	5	6	7	
Easy for foreign products to enter host market	1	2	3	4	5	6	7	
Transparent, fair and formalized investment environment	1	2	3	4	5	6	7	
Well established tax system	1	2	3	4	5	6	7	
Local government subsidy	1	2	3	4	5	6	7	
Local labour union support	1	2	3	4	5	6	7	

Part C – Marketing/business strategies and institutional factors

C1: How similar or different are the following current marketing/institutional factors between China and this host country?

	<i>1=Very similar</i>				<i>7=Very different</i>			
<i>Economic & political-regulatory environment</i>								
Level of industrial development	1	2	3	4	5	6	7	
Purchasing power of customers	1	2	3	4	5	6	7	
Communications infrastructure	1	2	3	4	5	6	7	
Per capita income	1	2	3	4	5	6	7	

Cost of raw materials and labour	1	2	3	4	5	6	7
Laws and regulations concerning company protection	1	2	3	4	5	6	7
Laws and regulations concerning customer protection	1	2	3	4	5	6	7
Environmental laws and regulations	1	2	3	4	5	6	7
Technical standards	1	2	3	4	5	6	7
Political environment (eg. political interference by the govt)	1	2	3	4	5	6	7
<i>Customs and traditions/ Customer characteristics</i>							
Customers', values, beliefs, and attitudes	1	2	3	4	5	6	7
Customers' aesthetic preferences	1	2	3	4	5	6	7
Customers' educational levels	1	2	3	4	5	6	7
Product usage patterns	1	2	3	4	5	6	7
Customers' requirements	1	2	3	4	5	6	7
Customers' purchasing habits	1	2	3	4	5	6	7
Product evaluation criteria	1	2	3	4	5	6	7
Customers' price sensitivity	1	2	3	4	5	6	7
Target market segments	1	2	3	4	5	6	7
<i>Marketing infrastructure/competitive environment</i>							
Competencies of marketing research agencies	1	2	3	4	5	6	7
Competencies of distribution firms	1	2	3	4	5	6	7
Availability of suitable advertising media	1	2	3	4	5	6	7
Structure of distribution channels	1	2	3	4	5	6	7
Functions performed by middlemen	1	2	3	4	5	6	7
Strength of price competition	1	2	3	4	5	6	7
Pace of new competitive moves in this product area	1	2	3	4	5	6	7
Frequency of promotion wars in this industry	1	2	3	4	5	6	7
Stage of product life cycle	1	2	3	4	5	6	7

Part D—Managerial Ties and Technology

D1: Relating to your operation in this host country, to what extent do you utilise personal ties, networks and connections with:
Note: home country and internal ties are related to the export venture's operation in the host country.

	1 = Very little							7 = Very extensive						
<i>Ties with organizations in this host country (e.g., Indonesia)</i>														
Senior managers at key buyer firm	1	2	3	4	5	6	7	1	2	3	4	5	6	7
Senior managers at key supplier firm	1	2	3	4	5	6	7	1	2	3	4	5	6	7
Senior managers at this distributor firm	1	2	3	4	5	6	7	1	2	3	4	5	6	7
Senior managers at key competitor firm	1	2	3	4	5	6	7	1	2	3	4	5	6	7
Senior managers of other key firms (i.e., other than the above) within your industry	1	2	3	4	5	6	7	1	2	3	4	5	6	7
Political leaders in various levels of the government	1	2	3	4	5	6	7	1	2	3	4	5	6	7
Officials in various industrial bureaus	1	2	3	4	5	6	7	1	2	3	4	5	6	7
Officials in regulatory and supporting organizations such as tax bureaus, banks, commercial administration bureaus and the like	1	2	3	4	5	6	7	1	2	3	4	5	6	7
Leaders of research and training institutes	1	2	3	4	5	6	7	1	2	3	4	5	6	7
Leaders of business clubs (e.g., Lion's club)	1	2	3	4	5	6	7	1	2	3	4	5	6	7
Professional associations within your industry (eg Food & Beverage Association)	1	2	3	4	5	6	7	1	2	3	4	5	6	7
Professional associations: Other	1	2	3	4	5	6	7	1	2	3	4	5	6	7
Professional conferences within your industry	1	2	3	4	5	6	7	1	2	3	4	5	6	7
Professional conferences: Other	1	2	3	4	5	6	7	1	2	3	4	5	6	7
Chamber of commerce	1	2	3	4	5	6	7	1	2	3	4	5	6	7
Business roundtables	1	2	3	4	5	6	7	1	2	3	4	5	6	7
Lawyers	1	2	3	4	5	6	7	1	2	3	4	5	6	7
Accountants	1	2	3	4	5	6	7	1	2	3	4	5	6	7
Banks	1	2	3	4	5	6	7	1	2	3	4	5	6	7
<i>Ties with organizations in the home market (i.e., China)</i>														
Senior managers at key buyer firm	1	2	3	4	5	6	7	1	2	3	4	5	6	7
Senior managers at key supplier firm	1	2	3	4	5	6	7	1	2	3	4	5	6	7
Senior managers at key distributor firm	1	2	3	4	5	6	7	1	2	3	4	5	6	7
Senior managers at key competitor firm	1	2	3	4	5	6	7	1	2	3	4	5	6	7
Senior managers of other key firms (i.e., other than the above) within your industry	1	2	3	4	5	6	7	1	2	3	4	5	6	7
Political leaders in various levels of the government	1	2	3	4	5	6	7	1	2	3	4	5	6	7

Officials in various industrial bureaus	1	2	3	4	5	6	7
Officials in regulatory and supporting organizations such as tax bureaus, banks, commercial administration bureaus and the like	1	2	3	4	5	6	7
Leaders of research and training institutes	1	2	3	4	5	6	7
Leaders of business clubs (e.g., Lion's club)	1	2	3	4	5	6	7
Professional associations within your industry (eg Food & Beverage Association)	1	2	3	4	5	6	7
Professional associations: Other	1	2	3	4	5	6	7
Professional conferences within your industry	1	2	3	4	5	6	7
Professional conferences: Other	1	2	3	4	5	6	7
Chamber of commerce	1	2	3	4	5	6	7
Business roundtables	1	2	3	4	5	6	7
Lawyers	1	2	3	4	5	6	7
Accountants	1	2	3	4	5	6	7
Banks	1	2	3	4	5	6	7
Ties with home market government agencies	1	2	3	4	5	6	7
Ties with home market social networks	1	2	3	4	5	6	7
Ties with home market local communities	1	2	3	4	5	6	7
Internal ties (e.g., ties within the organization)							
Senior managers in R&D department at your firm	1	2	3	4	5	6	7
Senior managers in Manufacturing department at your firm	1	2	3	4	5	6	7
Senior managers in Finance/accounting department at your firm	1	2	3	4	5	6	7
Senior managers in Purchasing department at your firm	1	2	3	4	5	6	7
Senior managers in Human resource department at your firm	1	2	3	4	5	6	7
Senior managers in other departments at your firm	1	2	3	4	5	6	7

D2: Relating to your operation in this host country, to what extent do you rate the usefulness of the following personal ties, networks and connections with (please select one answer per item, +5: most useful/positive effect; -5: least useful/negative effect). Note: home country and internal ties are related to the export venture's operation in the host country.

					Ties with organizations in this host country (e.g., Indonesia)					
-5	-4	-3	-2	-1	Usefulness (e.g., knowledge, intelligence, contacts, resources, capabilities) of ties with senior managers (i.e., your counterpart) at buyer firms	+1	+2	+3	+4	+5
-5	-4	-3	-2	-1	Usefulness of ties with senior managers at supplier firms	+1	+2	+3	+4	+5
-5	-4	-3	-2	-1	Usefulness of ties with senior managers at distributor firms	+1	+2	+3	+4	+5
-5	-4	-3	-2	-1	Usefulness of ties with senior managers at competitor firms	+1	+2	+3	+4	+5
-5	-4	-3	-2	-1	Usefulness of ties with senior managers of other key firms (i.e., other than the above) within your industry	+1	+2	+3	+4	+5
-5	-4	-3	-2	-1	Usefulness of ties with political leaders in various levels of the government	+1	+2	+3	+4	+5
-5	-4	-3	-2	-1	Usefulness of ties with officials in various industrial bureaus	+1	+2	+3	+4	+5
-5	-4	-3	-2	-1	Usefulness of ties with officials in regulatory and supporting organizations such as tax bureaus, banks, commercial administration bureaus and the like	+1	+2	+3	+4	+5
-5	-4	-3	-2	-1	Usefulness of ties with leaders of research and training institutes	+1	+2	+3	+4	+5
-5	-4	-3	-2	-1	Usefulness of ties with leaders of business clubs (e.g., Lion's club)	+1	+2	+3	+4	+5
-5	-4	-3	-2	-1	Usefulness of ties with professional associations within your industry (eg Food & Beverage Association)	+1	+2	+3	+4	+5
-5	-4	-3	-2	-1	Usefulness of ties with professional associations: Other	+1	+2	+3	+4	+5
-5	-4	-3	-2	-1	Usefulness of ties with professional conferences within your industry	+1	+2	+3	+4	+5
-5	-4	-3	-2	-1	Usefulness of ties with professional conferences: Other	+1	+2	+3	+4	+5
-5	-4	-3	-2	-1	Usefulness of ties with Chamber of commerce	+1	+2	+3	+4	+5
-5	-4	-3	-2	-1	Usefulness of ties with business roundtables	+1	+2	+3	+4	+5
-5	-4	-3	-2	-1	Usefulness of ties with Lawyers	+1	+2	+3	+4	+5
-5	-4	-3	-2	-1	Usefulness of ties with accountants	+1	+2	+3	+4	+5
-5	-4	-3	-2	-1	Usefulness of ties with banks	+1	+2	+3	+4	+5
					Ties with organizations in the home market (i.e., China)					
-5	-4	-3	-2	-1	Usefulness of ties with senior managers (i.e., your counterpart) at buyer firms	+1	+2	+3	+4	+5
-5	-4	-3	-2	-1	Usefulness of ties with senior managers at supplier firms	+1	+2	+3	+4	+5
-5	-4	-3	-2	-1	Usefulness of ties with senior managers at distributor firms	+1	+2	+3	+4	+5
-5	-4	-3	-2	-1	Usefulness of ties with senior managers at competitor firms	+1	+2	+3	+4	+5

-5	-4	-3	-2	-1	Usefulness of ties with senior managers of other key firms (i.e., other than the above) within your industry	+1	+2	+3	+4	+5
-5	-4	-3	-2	-1	Usefulness of ties with political leaders in various levels of the government	+1	+2	+3	+4	+5
-5	-4	-3	-2	-1	Usefulness of ties with officials in various industrial bureaus	+1	+2	+3	+4	+5
-5	-4	-3	-2	-1	Usefulness of ties with officials in regulatory and supporting organizations such as tax bureaus, banks, commercial administration bureaus and the like	+1	+2	+3	+4	+5
-5	-4	-3	-2	-1	Usefulness of ties with leaders of research and training institutes	+1	+2	+3	+4	+5
-5	-4	-3	-2	-1	Usefulness of ties with leaders of business clubs (e.g., Lion's club)	+1	+2	+3	+4	+5
-5	-4	-3	-2	-1	Usefulness of ties with professional associations within your industry (eg Food & Beverage Association)	+1	+2	+3	+4	+5
-5	-4	-3	-2	-1	Usefulness of ties with professional associations: Other	+1	+2	+3	+4	+5
-5	-4	-3	-2	-1	Usefulness of ties with professional conferences within your industry	+1	+2	+3	+4	+5
-5	-4	-3	-2	-1	Usefulness of ties with professional conferences: Other	+1	+2	+3	+4	+5
-5	-4	-3	-2	-1	Usefulness of ties with Chamber of commerce	+1	+2	+3	+4	+5
-5	-4	-3	-2	-1	Usefulness of ties with business roundtables	+1	+2	+3	+4	+5
-5	-4	-3	-2	-1	Usefulness of ties with Lawyers	+1	+2	+3	+4	+5
-5	-4	-3	-2	-1	Usefulness of ties with home market government agencies	+1	+2	+3	+4	+5
-5	-4	-3	-2	-1	Usefulness of ties with home market social networks	+1	+2	+3	+4	+5
-5	-4	-3	-2	-1	Usefulness of ties with home market local communities	+1	+2	+3	+4	+5
					Internal ties (e.g., ties within the organization)					
-5	-4	-3	-2	-1	Usefulness of ties with senior managers in R&D department at your firm	+1	+2	+3	+4	+5
-5	-4	-3	-2	-1	Usefulness of ties with senior managers in Manufacturing department at your firm	+1	+2	+3	+4	+5
-5	-4	-3	-2	-1	Usefulness of ties with senior managers in Finance/accounting/purchasing department at your firm	+1	+2	+3	+4	+5
-5	-4	-3	-2	-1	Usefulness of ties with senior managers in Purchasing department at your firm	+1	+2	+3	+4	+5
-5	-4	-3	-2	-1	Usefulness of ties with senior managers in Human resource department at your firm	+1	+2	+3	+4	+5
-5	-4	-3	-2	-1	Usefulness of ties with senior managers in other departments at your firm	+1	+2	+3	+4	+5

D3: How would you rate the following social media (e.g., WeChat, QQ) factors concerning your firm's operation in the host country?

	<i>1=Strongly disagree</i>				<i>7=Strongly agree</i>			
We have effective communication via social media	1	2	3	4	5	6	7	
We have encouragement from management to use social media	1	2	3	4	5	6	7	
We constant investment on social media	1	2	3	4	5	6	7	
We conduct effective training via social media	1	2	3	4	5	6	7	
We constant exchange ideas via social media	1	2	3	4	5	6	7	
We conduct information sharing via social media	1	2	3	4	5	6	7	
We develop new market knowledge via social media	1	2	3	4	5	6	7	
We gain new product ideas via social media	1	2	3	4	5	6	7	
We gain new process ideas via social media	1	2	3	4	5	6	7	
We build new relationships via social media	1	2	3	4	5	6	7	
We enhance business relationships via social media	1	2	3	4	5	6	7	
We enhance personal relationships via social media	1	2	3	4	5	6	7	
We gain new promotion ideas via social media	1	2	3	4	5	6	7	
We co-develop of promotion ideas via social media	1	2	3	4	5	6	7	
We co-design new promotion material via social media	1	2	3	4	5	6	7	
We gain new distribution ideas via social media	1	2	3	4	5	6	7	
We develop new distribution ideas via social media	1	2	3	4	5	6	7	
We expand distribution to a new market via social media	1	2	3	4	5	6	7	
We gain new knowledge about pricing via social media	1	2	3	4	5	6	7	
We co-price with business partners via social media	1	2	3	4	5	6	7	

D4: How would you rate the following digital marketing technology (e.g., Email, web-link, web-page) factors concerning your firm's operation in the host country?

	<i>1=Strongly disagree</i>	<i>7=Strongly agree</i>
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We have effective communication via digital marketing technology	1	2	3	4	5	6	7
We have encouragement from management to use digital marketing technology	1	2	3	4	5	6	7
We constant investment on digital marketing technology	1	2	3	4	5	6	7
We conduct effective training via digital marketing technology	1	2	3	4	5	6	7
We constant exchange ideas via digital marketing technology	1	2	3	4	5	6	7
We conduct information sharing via digital marketing technology	1	2	3	4	5	6	7
We develop new market knowledge via digital marketing technology	1	2	3	4	5	6	7
We gain new product ideas via digital marketing technology	1	2	3	4	5	6	7
We gain new process ideas via digital marketing technology	1	2	3	4	5	6	7
We build new relationships via digital marketing technology	1	2	3	4	5	6	7
We enhance business relationships via digital marketing technology	1	2	3	4	5	6	7
We enhance personal relationships via digital marketing technology	1	2	3	4	5	6	7
We gain new promotion ideas via digital marketing technology	1	2	3	4	5	6	7
We co-develop of promotion ideas via digital marketing technology	1	2	3	4	5	6	7
We co-design new promotion material via digital marketing technology	1	2	3	4	5	6	7
We gain new distribution ideas via digital marketing technology	1	2	3	4	5	6	7
We develop new distribution ideas via digital marketing technology	1	2	3	4	5	6	7
We expand distribution to a new market via digital marketing technology	1	2	3	4	5	6	7
We gain new knowledge about pricing via digital marketing technology	1	2	3	4	5	6	7
We co-price with business partners via digital marketing technology	1	2	3	4	5	6	7

Part E- Performance and Innovation to be answered by the second senior staff member

E1: To what extent would you rate your satisfaction concerning your firm's operation in this host country?

1=Not satisfied at all 7=Completely satisfied

Sales volume	1	2	3	4	5	6	7
Sales revenue	1	2	3	4	5	6	7
Profitability	1	2	3	4	5	6	7
Market share	1	2	3	4	5	6	7
Overall performance	1	2	3	4	5	6	7
Performance/effectiveness of marketing strategy	1	2	3	4	5	6	7
Performance/effectiveness of distribution strategy	1	2	3	4	5	6	7
Performance/effectiveness of promotion strategy	1	2	3	4	5	6	7
Performance/effectiveness of pricing strategy	1	2	3	4	5	6	7
New product sales	1	2	3	4	5	6	7
Return on investment (ROI)	1	2	3	4	5	6	7
Profit growth	1	2	3	4	5	6	7
Customer satisfaction	1	2	3	4	5	6	7
Customer retention	1	2	3	4	5	6	7
Employment growth	1	2	3	4	5	6	7
Innovation in products and services	1	2	3	4	5	6	7
Speed in developing new products and services	1	2	3	4	5	6	7
Quality of products and services	1	2	3	4	5	6	7
Cost control	1	2	3	4	5	6	7
Percentage of sales revenue derived from products introduced in past three years	1	2	3	4	5	6	7
Quality of your firm's relationship with distributors	1	2	3	4	5	6	7
Reputation of your firm	1	2	3	4	5	6	7
Distributor loyalty to your firm	1	2	3	4	5	6	7
Overall satisfaction with your total product/service offering	1	2	3	4	5	6	7
Quality of your firm's end-user customer relationships	1	2	3	4	5	6	7
End-user customer loyalty to your firm	1	2	3	4	5	6	7
End-user customer satisfaction	1	2	3	4	5	6	7
End-user customer retention	1	2	3	4	5	6	7

E2: How would you rate your firm's performance, as compared to the main direct competitors in this host country?

1=*Much worse* 7=*Much better*

Sales volume	1	2	3	4	5	6	7
Sales growth	1	2	3	4	5	6	7
New product sales	1	2	3	4	5	6	7
Profitability as a percentage of sales	1	2	3	4	5	6	7
Return on investment (ROI)	1	2	3	4	5	6	7
Profit growth	1	2	3	4	5	6	7
Customer satisfaction	1	2	3	4	5	6	7
Customer retention	1	2	3	4	5	6	7
Employment growth	1	2	3	4	5	6	7
Innovation in products and services	1	2	3	4	5	6	7
Speed in developing new products and services	1	2	3	4	5	6	7
Quality of products and services	1	2	3	4	5	6	7
Cost control	1	2	3	4	5	6	7
Percentage of sales revenue derived from products introduced in past three years	1	2	3	4	5	6	7
Return on asset (ROA)	1	2	3	4	5	6	7
Cash flow	1	2	3	4	5	6	7
Quality of your firm's relationship with distributor	1	2	3	4	5	6	7
Reputation of your firm	1	2	3	4	5	6	7
Distributor loyalty to your firm	1	2	3	4	5	6	7
Overall satisfaction with your total product/service offering	1	2	3	4	5	6	7
Quality of your firm's end-user customer relationships	1	2	3	4	5	6	7
End-user customer loyalty to your firm	1	2	3	4	5	6	7
End-user customer satisfaction	1	2	3	4	5	6	7
End-user customer retention	1	2	3	4	5	6	7

E3: What is the second senior staff's position in the firm? (e.g., Marketing Director/CFO)

This is the end of the questionnaire. Thank you so much for your kind assistance!