

CHAPTER 7

RELEVANCE OF FIRM SPECIFIC RESOURCES AND STRATEGIC ISSUES FOR MARKET ENTRY STRATEGIC CHOICE

The resource-based approach to entry mode choice incorporates the notion that a firm competes well in a setting in which there is a fit between the firm's resources and external opportunities. In other words, resource based theory holds that the firm's success derives not only from market forces but also from the firm's capability in managing, responding to, and even manipulating the environment. To establish its significance and relevance to market entry strategy, the data pertaining to firm specific resources and strategic issues that was collected through questionnaires was tabulated and analyzed to draw inferences. The response to the relevance of each chosen factor for selection of market entry strategy was tabulated and analyzed. To statistically examine the significance of each factor for choosing a market entry strategy, the primary data was put to hypothesis testing process by applying the T test. The following section examines the relevance of each factor for respondents of export firms, management service contracts, joint ventures and wholly owned subsidiaries.

7.1 Relevance of Greater Firm Size

The average turnover of the firm is a factor for consideration when choosing an appropriate market entry strategy. Respondents were asked to rate the importance of this factor when choosing their entry strategy.

When the data was examined respondents of Joint Venture companies rated the sub factors as important, while the Exporting firms regarded the variables as less important or not important.

Respondents of Management Service Contract rated the variables as less important or not important, respondents having Wholly Owned Subsidiaries rated the variables as important. The responses were summarized in the table 7.1.1

Table 7.1.1

Relevance of the Size of the Firm

SIZE OF THE FIRM		JOINT VENTURE	EXPORTING		MANAGEMENT SERVICE CONTRACT		WHOLLY OWNED SUBSIDIARY
S.No.	Factors		Important	Less Important	Not Important	Less Important	
a.	How important was the average turnover of the firm as a factor, when choosing the current market entry strategy?	9	1	7	2	1	11

The average turnover of the firm was considered as an important factor by all the Joint Venture firms. 88% of the Exporting firms considered it not important. 67% of the Management Service Contract firms considered it as less important and 33% of them considered it not important. All the Wholly Owned Subsidiaries considered it important.

Test statistics:

To statistically examine the significance of greater firm size, for choosing a market entry strategy(M), the following hypotheses were developed:

Ho: M(rising levels of equity and control) will be negatively associated with var9, where, Var9= greater firm size.

H1: M(rising levels of equity and control) will be positively associated with var9, where, Var9 = greater firm size.

The primary data was put to hypothesis testing process by applying the T test to examine the association of greater firm size with M(rising levels of equity and control).

The t test value calculated for the above variable (represented by v39) at 30 degrees of freedom at 95% confidence level is shown in the table 7.1.2. The t test table value at 30 degrees of freedom at 95% confidence level is 1.697.

Table: 7.1.2
T test Calculation for the Size of the Firm

	Test Value = 4					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
V39	-3.981	30	.000	-.968	-1.46	-.47

Result: As per the calculations in table 7.1.2, the absolute value of t is greater than the table value of t for the variable, v39.

Hence, we reject the null hypothesis H_0 and H_1 is accepted.

7.2 Relevance of Greater International Business Experience of the Firm

To understand the relevance of greater international business experience of the firm for market entry choice, respondents were asked to rate how important was the number of years of previous experience in international business and number of years of experience in the particular industry in which the firm is operating, as factors for market entry mode choice.

When the data was examined respondents of Joint Venture companies rated the sub factors as either important or not important, while the Exporting firms regarded the variables as less important or not important. Respondents of Management Service Contract rated the variables as less important, respondents having Wholly Owned Subsidiaries rated the variables as very important or important. The responses were summarized in the table 7.2.1

Table 7.2.1

Relevance of Greater International Business Experience of the Firm

S.No.	INTERNATIONAL BUSINESS EXPERIENCE OF THE FIRM Factors	JOINT VENTURE		EXPORTING		MANAGEMENT SERVICE CONTRACT	WHOLLY OWNED SUBSIDIARY	
		Important	Not Important	Less Important	Not important	Less Important	Very important	important
a.	How important was the number of years since the firm has been involved in international business, as a factor when choosing the current market entry strategy?	9	1	2	6	3	1	10
b.	How important was the number of years of experience in the particular industry in which the firm is operating, as a factor when choosing the current market entry strategy?	9		1	7	3	1	10

As per the data in the table above, the number of years since the firm has been involved in international business, was considered as important factor by 90% of the Joint Venture firms. 75% of the Exporting firms considered it not important and 25% of them considered it less important. All of the Management Service Contract firms considered it less important. 91% of the Wholly Owned Subsidiaries considered it as important whereas 9% of them considered very important.

The number of years of experience in the particular industry, in which the firm is operating, was considered as important factor by all of the Joint Venture firms. 88% of the Exporting firms considered it not important and 12% of them considered it less important. All of the Management Service Contract firms considered it less important. 91% of the Wholly Owned Subsidiaries considered it as important whereas 9% of them considered very important.

Test statistics:

To statistically examine the significance of greater international business experience of the firm, for choosing a market entry strategy(M), the following hypotheses were developed:

Ho: M(rising levels of equity and control) will be negatively associated with var10, where,
Var10= greater international business experience of the firm.

H1: M(rising levels of equity and control) will be positively associated with var10, where,
Var10 = greater international business experience of the firm.

The primary data was put to hypothesis testing process by applying the T test to examine the association of greater international business experience of the firm with M(rising levels of equity and control).

The t test value calculated for each of the above variables (represented by variables from v40 to v41 in ascending order) at 30 degrees of freedom at 95% confidence level is shown in the table 7.2.2. The t test table value at 30 degrees of freedom at 95% confidence level is 1.697.

Table: 7.2.2
T test Calculation for International Business Experience of the Firm

	Test Value = 4					
					95% Confidence Interval of the Difference	
	t	df.	Sig. (2-tailed)	Mean Difference	Lower	Upper
V40	-3.702	30	.001	-.871	-1.35	-.39
V41	-3.724	30	.001	-.903	-1.40	-.41

Result: As per the calculations in table 7.2.2, the absolute values of t are greater than the table value of t for each of the variables, from v40 to v41.

Hence, we reject the null hypothesis Ho and H1 is accepted.

7.3 Relevance of a Firm with a Proprietary Technology that is a Sustainable Competitive Advantage in the Host Country

The unique patent possessed by a firm, its trademark and recognition of its brand name in Oman are factors for consideration when choosing an appropriate market entry strategy. Respondents were asked to rate the importance of these factors when choosing their entry strategy.

When the data was examined respondents of Joint Venture companies rated the sub factors as important or neutral, while the Exporting firms regarded the variables as less important or not important. Respondents of Management Service Contract rated the variables as less important, respondents having Wholly Owned Subsidiaries rated the variables as very important, important or neutral. The responses were summarized in the table 7.3.1

Table 7.3.1

Relevance of a Firm with a Proprietary Technology that is a Sustainable Competitive Advantage

PROPRIETARY TECHNOLOGY IN THE HOST COUNTRY		JOINT VENTURE		EXPORTING		MANAGEMENT SERVICE CONTRACT	WHOLLY OWNED SUBSIDIARY		
		Important	Neutral	Less important	Not Important	Less Important	Very important	Important	Neutral
S.No.	Factors								
a.	How important was the Unique patent(s) possessed by the firm, when choosing the current market entry strategy?	8	1		8	3		5	6
b.	How important was the Trademark of the firm, when choosing the current market entry strategy?	9		1	7	3		7	4
c.	How important was the Brand name recognition in Oman when choosing the current market entry strategy?	9		4	4	3	2	8	1

As per the data in the above table, the unique patent(s) possessed by the firm, was considered as important factor by 88% of the Joint Venture firms and 12% of them responded neutral. 100% of the Exporting firms considered it not important. All of the Management Service Contract firms considered it less important. 45% of the Wholly Owned Subsidiaries considered it as important whereas 55% of them considered it neutral.

The Trademark of the firm was considered as important factor by all of the Joint Venture firms and 12% of them responded neutral. 88% of the Exporting firms considered it not important. All

of the Management Service Contract firms considered it less important. 63% of the Wholly Owned Subsidiaries considered it as important whereas 37% of them considered it neutral.

The Brand name recognition in Oman, when choosing the current market entry strategy was considered as important factor by all of the Joint Venture firms. 50% of the Exporting firms considered it less important and 50% of them considered not important. All of the Management Service Contract firms considered it less important. 72% of the Wholly Owned Subsidiaries considered it as important whereas 10% of them considered it neutral and 18% of them considered very important.

Test statistics:

To statistically examine the significance of firm with a proprietary technology that is a sustainable competitive advantage in the host country, for choosing a market entry strategy (M), the following hypotheses were developed:

Ho: M(rising levels of equity and control) will be negatively associated with var11, where, Var11= firm with a proprietary technology that is a sustainable competitive advantage in the host country.

H1: M(rising levels of equity and control) will be positively associated with var11, where, Var11 = firm with a proprietary technology that is a sustainable competitive advantage in the host country.

The primary data was put to hypothesis testing process by applying the T test to examine the association of firm with a proprietary technology that is a sustainable competitive advantage in the host country with M (rising levels of equity and control).

The t test value calculated for each of the above variables (represented by variables from v42 to v44 in ascending order) at 30 degrees of freedom at 95% confidence level is shown in the table 7.3.2. The t test table value at 30 degrees of freedom at 95% confidence level is 1.697.

Table: 7.3.2
T test Calculation for a Firm with a Proprietary Technology that is a Sustainable Competitive Advantage

	Test Value = 4					
					95% Confidence Interval of the Difference	
	t	df	Sig. (2-tailed)	Mean Difference	Lower	Upper
V42	-4.895	30	.000	-1.129	-1.60	-.66
V43	-4.499	30	.000	-1.032	-1.50	-.56
V44	-3.593	30	.001	-.806	-1.26	-.35

Result: As per the calculations in table 7.3.2, the absolute values of t are greater than the table value of t for each of the variables, from v42 to v44.

Hence, we reject the null hypothesis Ho and H1 is accepted.

7.4 Relevance of Organizational Culture of the firm

To understand the relevance of a firm with an organizational culture of the firm which is a sustainable competitive advantage in the host country for market entry choice, respondents were asked to rate how important were factors like favoring open discussion, encouraging experimentation and tolerating mistakes, as factors for market entry mode choice.

When the data was examined respondents of Joint Venture companies rated the sub factors as either important or neutral, while the exporting firms regarded the variables as not important or not important. Respondents of Management Service Contract rated the variables as less important, respondents having Wholly Owned Subsidiaries rated the variables as important or neutral. The responses were summarized in the table 7.4.1

Table 7.4.1

Relevance of Organizational Culture of the Firm

S.No.	ORGANIZATIONAL CULTURE OF THE FIRM Factors	JOINT VENTURE		EXPORTING	MANAGEMENT SERVICE CONTRACT	WHOLLY OWNED SUBSIDIARY	
		Important	Neutral	Not important	Less Important	important	Neutral
a.	How important is the fact that a firm encourages open discussion when choosing the current market entry strategy?	8	1	8	3	10	1
b.	How important is the fact that a firm de-emphasizes status distinction, when choosing the current market entry strategy?	6	3	8	3	10	1
c.	How important is the fact that a firm encourages experimentation and tolerates mistakes when choosing the current market entry strategy?	9		8	3	11	
d.	How important is the fact that a firm favors promotion from within, when choosing the current market entry strategy?	9		8	3	11	

As per the data in the above table, a firm encourages open discussion when choosing the current market entry strategy, was considered as an important factor by 88% of the Joint Venture firms. All of the exporting firms considered it not important. All of the Management service contract

firms considered it less important. 91% of the wholly owned subsidiaries considered it as important whereas 9% of them considered it neutral.

A firm de-emphasizes status distinction, when choosing the current market entry strategy, was considered as important factor by 67% of the Joint Venture firms and 33% of them responded neutral. All of the exporting firms considered it not important. All of the Management Service Contract firms considered it less important. 91% of the wholly owned subsidiaries considered it as important whereas 9% of them considered it neutral.

A firm encourages experimentation and tolerates mistakes when choosing the current market entry strategy was considered as important factor by all of the Joint Venture firms. All of the exporting firms considered it not important. All of the Management Service Contract firms considered it less important. All of the wholly owned subsidiaries considered it as important. A firm favors promotion from within, when choosing the current market entry strategy was considered as important factor by all of the Joint Venture. All of the exporting firms considered it not important. All of the Management service contract firms considered it less important. All of the wholly owned subsidiaries considered it as important.

Test statistics:

To statistically examine the significance of a firm with an organizational culture of the firm which is a sustainable competitive advantage in the host country, for choosing a market entry strategy (M), the following hypotheses were developed:

Ho: M(rising levels of equity and control) will be negatively associated with var12, where,
 Var12= firm with an organizational culture of the firm which is a sustainable competitive advantage in the host country

H1: M(rising levels of equity and control) will be positively associated with var12, where,
 Var12 = firm with an organizational culture of the firm which is a sustainable competitive advantage in the host country.

The primary data was put to hypothesis testing process by applying the T test to examine the association an organizational culture of the firm which is a sustainable competitive advantage in the host country with M (rising levels of equity and control).

The t test value calculated for each of the above variables (represented by variables from v45 to v48 in ascending order) at 30 degrees of freedom at 95% confidence level is shown in the table 7.4.2. The t test table value at 30 degrees of freedom at 95% confidence level is 1.697.

Table: 7.4.2
T test Calculation for Organizational Culture of the Firm

Test Value = 4						
					95% Confidence Interval of the Difference	
	t	df	Sig. (2-tailed)	Mean Difference	Lower	Upper
V45	-4.325	30	.000	-1.032	-1.52	-.54
V46	-4.697	30	.000	-1.097	-1.57	-.62
V47	-3.981	30	.000	-.968	-1.46	-.47
V48	-3.981	30	.000	-.968	-1.46	-.47

Result: As per the calculations in table 7.4.2, the absolute values of t are greater than the table value of t for each of the variables, from v45 to v48.

Hence, we reject the null hypothesis H_0 and H_1 is accepted.

7.5 Relevance of a Firm with a Reputation for Superior Product, Process or Management Technology

To understand the relevance of a firm with a reputation for superior product, process or management technology for market entry choice, respondents were asked to rate how important were factors like protecting reputation for superior production, superior management, quality and technological innovativeness as factors for market entry mode choice.

When the data was examined respondents of Joint Venture companies rated the sub factors as either important or neutral, while the exporting firms regarded the variables as less important or not important. Respondents of Management Service Contract rated the variables as less important or not important, respondents having Wholly Owned Subsidiaries rated the variables as very important, important or neutral.

Table 7.5.1

Relevance of a Firm with a Reputation for Superior Product, Process or Management Technology

S.No.	FIRM'S REPUTATION FOR SUPERIOR PRODUCT, PROCESS OR MANAGEMENT TECHNOLOGY	JOINT VENTURE		EXPORTING		MANAGEMENT SERVICE CONTRACT		WHOLLY OWNED SUBSIDIARY		
		Important	Neutral	Less Important	Not important	Less Important	Not important	Very important	Important	Neutral
a.	How important is protecting reputation for superior production process as a factor when choosing the current market entry strategy?	6	3		8		3	1	2	8
b.	How important is protecting reputation for superior management as a factor when choosing the current market entry strategy?	9			8	3		2	9	
c.	How important is protecting reputation for superior quality as a factor when choosing the current market entry strategy?	9			8	3		2	9	
d.	How important is protecting reputation for technological innovativeness as a factor when choosing the current market entry strategy?	8	1	1	7	3		1	5	5

As per the data in the above table, protecting reputation for superior production process as a factor when choosing the current market entry strategy was considered as important factor by 67% of the Joint Venture firms and 33% of them responded neutral. All of the Exporting firms considered it not important. All of the Management Service Contract firms considered it not

important. 18% of the Wholly Owned Subsidiaries considered it as important whereas 63% of them considered it neutral and 9% responded very important.

Protecting reputation for superior management as a factor when choosing the current market entry strategy, was considered as important factor by all of the Joint Venture firms. All of the Exporting firms considered it not important. All of the Management Service Contract firms considered it less important. 82% of the Wholly Owned Subsidiaries considered it as important whereas 18% responded very important.

Protecting reputation for superior quality as a factor when choosing the current market entry strategy was considered as important factor by all of the Joint Venture firms. All of the Exporting firms considered it not important. All of the Management Service Contract firms considered it less important. 82% of the Wholly Owned Subsidiaries considered it as important whereas 18% responded very important.

Protecting reputation for technological innovativeness as a factor when choosing the current market entry strategy, was considered as important factor by 88% of the Joint Venture firms and 12% of them responded neutral. 88% of the Exporting firms considered it not important. All of the Management Service Contract firms considered it less important. 45% of the Wholly Owned Subsidiaries considered it as important whereas 45% of them considered it neutral and 10% responded very important.

Test statistics:

To statistically examine the significance of a firm with a reputation for superior product, process or management technology, for choosing a market entry strategy (M), the following hypotheses were developed:

Ho: M(rising levels of equity and control) will be negatively associated with var13, where,
Var13= a firm with a reputation for superior product, process or management technology.

H1: M(rising levels of equity and control) will be positively associated with var13, where,
Var13 = a firm with a reputation for superior product, process or management technology.

The primary data was put to hypothesis testing process by applying the T test to examine the association of firm a firm with a reputation for superior product, process or management technology with M (rising levels of equity and control).

The t test value calculated for each of the above variables (represented by variables from v49 to v52 in ascending order) at 30 degrees of freedom at 95% confidence level is shown in the table 7.5.2. The t test table value at 30 degrees of freedom at 95% confidence level is 1.697.

Table: 7.5.2
T test Calculation for a Firm with Reputation for Superior Product, Process or Management Technology

	Test Value = 4					
					95% Confidence Interval of the Difference	
	t	df	Sig. (2-tailed)	Mean Difference	Lower	Upper
V49	-5.903	30	.000	-1.387	-1.87	-.91
V50	-3.535	30	.001	-.903	-1.43	-.38
V51	-3.535	30	.001	-.903	-1.43	-.38
V52	-4.792	30	.000	-1.097	-1.56	-.63

Result: As per the calculations in table 7.5.2, the absolute values of t are greater than the table value of t for each of the variables, from v49to v52.

Hence, we reject the null hypothesis Ho and H1 is accepted.

Hence, from the above statistical analysis of our findings we can conclude that the following hypotheses are supported:

Hypothesis 2: M(rising levels of equity and control) will be positively associated with var9, var10, var11, var 12 and var13, where,

var9 = greater firm size.

var10= greater international business experience of the firm.

var11 = firm with a proprietary technology that is a sustainable competitive advantage in the host country.

var12= an organizational culture of the firm which is a sustainable competitive advantage in the host country.

var13 = a firm with a reputation for superior product, process or management technology.

From the above analysis, we can see that each factor has relevance to a different extent for each market entry strategy. In addition, each of the above variables, var9 to var13 is represented by several questions or sub variables. To specify a range of dependent variables and sub variables for each market entry strategy, a statistical tool, *Compare Means* was used. Variables V39 to V52 were used to represent the questions for var9 to var 13. Variables V39 to V52 represent the following:

V39= the average turnover of the firm

V40= the number of years since the firm has been involved in international business

V41= the number of years of experience in the particular industry in which the firm is operating

V42= the Unique patent(s) possessed by the firm

V43= the Trademark of the firm

V44= the Brand name recognition in Host country

V45= firm encourages open discussion

V46= firm de-emphasizes status distinction

V47= firm encourages experimentation and tolerates mistakes

V48= firm favors promotion from within

V49= protecting reputation for superior production process

V50= protecting reputation for superior management

V51= protecting reputation for superior quality

V52= protecting reputation for technological innovativeness

Means was calculated for each of the four market entry strategies to identify the dependent variables from V39 to V52 for that market entry strategy. Output of Means for each market entry strategy is tabulated below.

7.6 Dependant Variables for Exporting Market Entry Strategy

To specify a range of dependent variables (representing firm specific resources and strategic issues) for exporting market entry strategy, the data collected from the respondents of exporting firms was analyzed using Means. Output of Means showing the dependence of the different variables has been tabulated below.

Table: 7.6.1
Output of Means for Exporting Market Entry Strategy(variable V39-V46)

V1		V39	V40	V41	V42	V43	V44	V45	V46
1	Mean	1.13	1.25	1.13	1.00	1.13	1.50	1.00	1.00
	N	8	8	8	8	8	8	8	8
	Std. Deviation	.354	.463	.354	.000	.354	.535	.000	.000

Result: The calculations in the above table show that none of the variables from V39 to V46 are dependant variables for the choice of exporting as a market entry strategy.

Table: 7.6.2
Output of Means for Exporting Market Entry Strategy(variable V47-V52)

V1		V47	V48	V49	V50	V51	V52
1	Mean	1.00	1.00	1.00	1.00	1.00	1.13
	N	8	8	8	8	8	8
	Std. Deviation	.000	.000	.000	.000	.000	.354

Result: The calculations in the above table show that none of the variables from V47 to V52 are dependant variables for the choice of exporting as a market entry strategy.

Thus, an analysis of data represented from Table 7.6.1 to Table 7.6.2 shows that the choice of Exporting Market Entry Strategy is dependent on none of the variables from V39 to V52. Thus, none of the firm specific factors are significant for the choice of Exporting market entry strategy.

7.7 Dependant Variables for Wholly Owned Subsidiaries Market Entry Strategy

To specify a range of dependent variables (representing firm specific resources and strategic issues) for WOS market entry strategy, the data collected from the respondents of WOS firms was analyzed using Means. Output of Means showing the dependence of the different variables has been tabulated below.

Table: 7.7.1
Output of Means for WOS Market Entry Strategy (variable V39-V46)

V1	V39	V40	V41	V42	V43	V44	V45	V46
4 Mean	4	4.09	4.09	3.64	3.73	4.09	3.91	3.91
N	11	11	11	11	11	11	11	11
Std. Deviation	0	0.302	0.302	0.505	0.467	0.539	0.302	0.302

Result: The above table shows that choice of WOS market entry strategy is dependent on V39, V40, V41, V44.

Table: 7.7.2
Output of Means for WOS Market Entry Strategy (variable V47-V52)

V1	V47	V48	V49	V50	V51	V52
4 Mean	4	4	3.36	4.18	4.18	3.64
N	11	11	11	11	11	11
Std. Deviation	0	0	0.674	0.405	0.405	0.674

Result: The above table shows that choice of WOS market entry strategy is dependent on V47, V48, V50 and V51.

Thus, an analysis of data represented from Table 7.7.1 to Table 7.7.2 shows that the choice of WOS Market Entry Strategy is dependent on variables V39, V40, V41, V44, V47, V48, V50 and V51. Thus, the following factors are significant for the choice of WOS market entry strategy: the average turnover of the firm; the number of years since the firm has been involved in international business; the number of years of experience in the particular industry in which the firm is operating; the Brand name recognition in Host country; firm encourages experimentation and tolerates mistakes; firm favors promotion from within; protecting reputation for superior management and protecting reputation for superior quality.

7.8 Dependant Variables for Joint Venture Market Entry Strategy

To specify a range of dependent variables (representing firm specific resources and strategic issues) for JV market entry strategy, the data collected from the respondents of JV firms was analyzed using Means. Output of Means showing the dependence of the different variables has been tabulated below.

Table: 7.8.1
Output of Means for Joint Venture Market Entry Strategy (variable V39-V46)

V1		V39	V40	V41	V42	V43	V44	V45	V46
3	Mean	4.00	4.00	4.00	3.89	4.00	4.00	3.89	3.67
	N	9	9	9	9	9	9	9	9
	Std. Deviation	.000	.000	.000	.333	.000	.000	.333	.500

Result: After examining the above table, we can conclude that Joint Venture market entry strategy is dependent on variable V39, V40, V41, V43 and V44.

Table: 7.8.2
Output of Means for Joint Venture Market Entry Strategy (variable V47-V52)

V1		V47	V48	V49	V50	V51	V52
3	Mean	4.00	4.00	3.67	4.00	4.00	3.89
	N	9	9	9	9	9	9
	Std. Deviation	.000	.000	.500	.000	.000	.333

Result: After examining the above table, we can conclude that Joint Venture market entry strategy is dependent on variable V47, V48, V50 and V51.

Thus, an analysis of data represented from Table 5.16.1 to Table 5.16.6 shows that the choice of JV Market Entry Strategy is dependent on variables V39, V40, V41, V43, V44, V47, V48, V50 and V51. Thus, the following factors are significant for the choice of JV market entry strategy: the average turnover of the firm; the number of years since the firm has been involved in international business; the number of years of experience in the particular industry in which the firm is operating; the Trademark of the firm; the Brand name recognition in Host country; firm encourages experimentation and tolerates mistakes; firm favors promotion from within; protecting reputation for superior management and protecting reputation for superior quality.

7.9 Dependant Variables for MSC Market Entry Strategy

To specify a range of dependent variables (representing firm specific resources and strategic issues) for MSC market entry strategy, the data collected from the respondents of MSC firms

was analyzed using Means. Output of Means showing the dependence of the different variables has been tabulated below.

Table: 7.9.1
Output of Means for MSC Market Entry Strategy (variable V39-V46)

V1		V39	V40	V41	V42	V43	V44	V45	V46
2	Mean	1.67	2.00	2.00	2.00	2.00	2.00	2.00	2.00
	N	3	3	3	3	3	3	3	3
	Std. Deviation	.577	.000	.000	.000	.000	.000	.000	.000

Result: The above table shows that choice of MSC market entry strategy is dependant on none of the above variables.

Table: 7.9.2
Output of Means for MSC Market Entry Strategy (variable V47-V52)

V1		V47	V48	V49	V50	V51	V52
2	Mean	2.00	2.00	1.00	2.00	2.00	2.00
	N	3	3	3	3	3	3
	Std. Deviation	.000	.000	.000	.000	.000	.000

Result: The above table shows that choice of MSC market entry strategy is dependant on none of the above variables.

Thus, an analysis of data represented from Table 7.9.1 to Table 7.9.2 shows that the choice of MSC Market Entry Strategy is dependent on none of the above variables. Thus, none of the firm specific resources and strategic issues are significant for the choice of MSC market entry strategy.

Thus, the above analysis reveals that firm specific resources and strategic issues are significant factors for the adoption of equity based market entry strategies like joint ventures and wholly owned subsidiaries.

The data that was tabulated was analyzed using the SPSS Statistics 17 package. To statistically examine the significance of each chosen factor, on the selection of Market Entry choice, t Test was conducted. The findings revealed that Hypothesis 2 of our study pertaining to firm specific resources was supported. To examine the range of dependant variables for each market entry choice, Compare Means was used. This statistical tool revealed the significant factors for Joint Venture and Wholly Owned Subsidiaries Market Entry Strategy. There were no significant firm specific resources and strategic issues for the adoption of non equity modes of Exporting and Management Service Contract.

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