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## The survey of the economical factors effect on importing and exporting of the goods (Case study: Zahedan)

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Rashed Khosravi<sup>1</sup>, Nazar Dahmardeh<sup>2\*</sup>

<sup>1</sup>MA Student, Department of Management, Zahedan Branch, Islamic Azad University, Zahedan, Iran

<sup>2\*</sup>Professor in Economic, University of Sistan and Baluchestan, Zahedan, Iran

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### Abstract

The present study aims at the survey of the economical factors effect on goods import and export in the city of Zahedan. The study population is comprised of Zahedani merchants and businessmen the total number of whom reaches to 150 individuals. To determine the study sample volume we have made use of Morgan's table and 108 individuals were selected based on simple randomized sampling method. Data collection tool has been a researcher-made questionnaire. To assess the questionnaire validity, the supervising professor was asked to verify the instrument. The questionnaire reliability was also evaluated via Cronbach's alpha method, in such a manner that 30 questionnaires were distributed among the study sample volume and then its Cronbach's alpha was obtained, 0.865. The high value of alpha is indicative of the questionnaires' high validity and also its reliability was assured. To analyze the data, SPSS ver.19 was used. The results of the study indicated that among the economical factors effective on the goods import and export, the goods price was ranked first and the country's dependence on oil was the last indicator in priority that is because the exports from the province are in the form of agricultural products and the other raw products and go-between material which are less connected to petroleum products. Although some of the goods such as bitumen exported from the region are enumerated among the petroleum medium material but they generally account for a small fraction of the exports from the province in comparison with the total ratio of the exports. Regarding the imports, it can be said that a great many of the electronic commodities, textiles, electrical appliances and so on are imported and the rate of the imports can be lowered with the reduction in the domestic products prices and enhancing the quality and increasing the industrial manufacturing.

**Key Words:** economical factors, social factors, import and export, Zahedan Customs Office

### Introduction

Iran's economy is greatly dependent on oil incomes. Moreover, about 50% of the state incomes and about 70% to 75% of the export incomes are obtained from oil sector. Since the oil production share has surpassed the gross domestic production in recent years, the correlation between the oil incomes real

value and the growth in nonpetroleum products and non-agricultural sectors such as factory-made products, buildings and services has been strengthened. The growth in factory-made products can be in association with the oil production as the main throughput of the production (because crude oil is the most important medium input for the petrochemical industries). But the services and construction industries products as well as a substantial amount of the factory-manufactured products are mostly supplied to the domestic markets and they are increasingly dependent on the oil income and not the oil in itself (Jebelli, 2003). Therefore, it is necessary to survey the economical factors effective on the export. On the other hand, it can be stated that the income distribution differences cause the life levels to be different in the society of Sistan and Baluchestan Province which will be consequently followed with poverty.

Based on this, two of the most influential factors of a great effect on the social justice in every society are: firstly, what percent of the population acquires what percent of the income and secondly, how wide is the income gap between the lowest social class and the highest social class (Kazemi, 2005). And, this is, allegedly, a result of a missing definite income structure in the province. Goods export can bring about social welfare in Sistan and Baluchestan province since it seems that it is through creating export-based economical structure that the people's economical welfare can be improved. According to this, it can be expressed that economical welfare approach generally recounts the consumption of the commodities and services as the bases of a better life and since the real income determines the extent to which the individuals are going to consume services and commodities the economical welfare index is the indicator of the real income; whereas, the human development approach knows services and commodities consumption as one of the better life elements and enumerates the fulfillment of the psychological needs and expansion of the mental capacities as the other better life elements (Karim Keshteh and Zamaniyan, 2004). Moreover, the exporting social conditions improvement for Sistan and Baluchestan Province causes an improvement in the human development. In subjective expressed, the human development concept is a holistic approach towards better life which highlights the talents and mental faculties

fostering along with the services and goods consumption. Such a concept places the human being at the center of the development patterns and proposes subtle ideas regarding the economical growth features and the way it should be distributed (Dehmordeh et al, 2010). Furthermore, paving the way for economical conditions for export in Sistan and Baluchestan Province can be connected to the type of the products and services exported because engineering and technical services export as a subsector of the service delivery besides being able to directly satisfy parts of the currency needs of the country can indirectly contribute to the country's foreign exchange earnings status improvement in line with improving the trade balance, generative and sustainable job creation and economical growth through goods export development (Ahmadzadeh et al, 2012).

In the today's world, there is no country capable of satisfying all its society needs without the productions and services offered by the other countries. If a country can be found with such a capability it is not economically cost-effective. Therefore, the issue of inter-country goods and services exchange is proposed based on relative and absolute merits. One of the standards used on evaluation of every country's economical potency is its trade balance. Export and import are two main constituents of such a balance, thus any sort of change and evolution happening in importing and exporting domain of the country will be of a great effect on the production, growth and development. Hence, the adoption of appropriate policies for importing and exporting is of a great importance, but the selection of a correct strategy for importing and exporting is dependent upon taking the effective factors into consideration. Due to the same reason, one of the substantial issues worthy of being proposed in import and export is the survey of the factors effective thereon. For the same purpose and according to the country's main components it is deemed as appropriate to investigate the goods import in the order of consumer, intermediate and capital goods. In fact, according to the standards put forth and pursued in the course of Islamic Revolution and post-Sacred Defense years as the main and valuable pillar of the country such as independence, self-efficacy and non-reliance on the foreign countries, the identification of the factors effective on the import and export demands is of a great importance (Sepanlu and Ghanbari, 2010).

**Study question:**

*Main question:*

How do the economical factors influence the goods import and export in Zahedan?

*Subsidiary questions:*

How are the effective economical factors influencing the goods import and export prioritized in Zahedan?

**Study methodology:**

The present study is an applied research in terms of its objective and it is a descriptive-survey study in terms of the nature and the method. The study population is consisted of all of Zahedani businessmen and merchants with a total number of 150 individuals. To determine the study sample volume, there is made use of Morgan's table and 108 individuals were selected as the study sample volume based on a simple randomized method. The data required for the present study were consisted of the theoretical and practical data. To gather the theoretical information, there is made use of the library sources and also documentary databases residing in web pages have been chosen for doing so. The questionnaires were administered to the study sample volume in order to acquire practical and field data. Taking notes was the descriptive data and theoretical principles acquisition method and the researcher-made questionnaire was used to acquire field data. To assess the study instrument the questionnaire was verified by the supervising professor. The questionnaire reliability was assessed by the use of Cronbach's alpha method, in such a manner that 30 questionnaires were distributed among the study sample volume and then the Cronbach's alpha coefficient of 0.865 was calculated. The high rate of alpha is indicative of the high validity of the questionnaire and ensuring its reliability. To analyze the data two descriptive and inferential statistics methods were used. In the inferential statistics section, the one-sample t-test, binomial test and Friedman's test were applied.

**Study findings:**

***How do the economical factors influence the goods import and export in Zahedan?***

To answer the main question of the study, one-sample t-test was used. In this test, the mean acquired for the economical factors has been compared with the average limit that was zero. In case that the assumption indicating the aforesaid variable means being larger than zero is approved, the main hypothesis is confirmed. The results of the test have been tabulated in table (1).

**Table 1: the main hypothesis test results**

Variable	Mean	t-value	Degree of freedom	Significance level	Lower limit	Upper limit
Economical factors	3.70	22.853	107	0.001	0.6360	0.7568

Social factors	3.51	9.631	107	0.001	0.4069	0.6178
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According to the above table, because the significance level on economical factors is smaller than 5% error level and also because the upper and the lower limits are positive, it can be perceived that the variables means significantly differ from the average value, (0). Therefore, it can be stated that the economical factors have a larger than medium effect on the goods import and export in Zahedan. To identify the economical factors effective on goods import and export in Zahedan, the binomial test is applied based on the acquired information. The test is used when the researcher wishes to survey certain ratio in the study population. The test, like means test, is used to recognize the effect or the lack of effect exerted by a variable on a given phenomenon. Usually, in designing such a test hypotheses,  $H_0$  is suggestive of the lack of effect by a variable and the contrary hypothesis  $H_1$  is reflective of the variable's effectiveness. The results of the binomial test have been given in the table below.

**Table 2: Country's economy dependency on oil binomial test results**

Items	Group	Observed likelihood	Test likelihood	Significance level
Country's economy dependency on oil	$\leq 3$	0	0.40	0.149
	$> 3$	1		

When the significance level is below 5%, the null hypothesis is rejected and because for the country's economy dependency on oil the significance level is found larger than 5%, therefore the null hypothesis is accepted and it means that the item of concern here is not among the economical factors effective on the goods import and export in Zahedan.

**Table 3: Economic globalization on oil binomial test results**

Items	Group	Observed likelihood	Test likelihood	Significance level
Economic globalization	$\leq 3$	0.1	0.40	0.001
	$> 3$	0.9		

When the significance level is below 5%, the null hypothesis is rejected and because for the Economic globalization on oil the significance level is found Below than 5%, therefore the null hypothesis is rejected and it means that the item of concern here is among the economical factors effective on the goods import and export in Zahedan.

**Table 4: production rate on oil binomial test results**

Items	Group	Observed likelihood	Test likelihood	Significance level
production rate	$\leq 3$	0	0.40	0.700
	$> 3$	1		

When the significance level is below 5%, the null hypothesis is rejected and because for the production rate on oil the significance level is found larger than 5%, therefore the null hypothesis is accepted and it means that the item of concern here is not among the economical factors effective on the goods import and export in Zahedan.

**Table 5: Export and Import on oil binomial test results**

Items	Group	Observed likelihood	Test likelihood	Significance level
Export and Import	$\leq 3$	0	0.40	0.001
	$> 3$	1		

When the significance level is below 5%, the null hypothesis is rejected and because for the Export and Import on oil the significance level is found below than 5%, therefore the null hypothesis is rejected and it means that the item of concern here is among the economical factors effective on the goods import and export in Zahedan.

**Table 6: exchange rate on oil binomial test results**

Items	Group	Observed likelihood	Test likelihood	Significance level
exchange rate	$\leq 3$	0.1	0.40	0.001
	$> 3$	0.9		

When the significance level is below 5%, the null hypothesis is rejected and because for the exchange rate on oil the significance level is found below than 5%, therefore the null hypothesis is rejected and it means that the item of concern here is among the

economical factors effective on the goods import and export in Zahedan.

**Table 7: The price of goods on oil binomial test results**

Items	Group	Observed likelihood	Test likelihood	Significance level
The price of goods	≤3	0	0.40	0.001
	>3	1		

When the significance level is below 5%, the null hypothesis is rejected and because for the price of goods on oil the significance level is found below than 5%, therefore the null hypothesis is rejected and it means that the item of concern here is among the economical factors effective on the goods import and export in Zahedan.

**Table 8: Income of importing countries on oil binomial test results**

Items	Group	Observed likelihood	Test likelihood	Significance level
Income of importing countries	≤3	0	0.40	0.001
	>3	1		

When the significance level is below 5%, the null hypothesis is rejected and because for the Income of importing countries on oil the significance level is found below than 5%, therefore the null hypothesis is rejected and it means that the item of concern here is among the economical factors effective on the goods import and export in Zahedan.

**Table 9: Supporting manufacturers on oil binomial test results**

Items	Group	Observed likelihood	Test likelihood	Significance level
Supporting manufacturers	≤3	0.1	0.40	0.552
	>3	0.9		

When the significance level is below 5%, the null hypothesis is rejected and because for the Supporting manufacturers on oil the significance level is found larger than 5%, therefore the null hypothesis is rejected and it means that the item of

concern here is not among the economical factors effective on the goods import and export in Zahedan.

**Table 10: Industrial export model on oil binomial test results**

Items	Group	Observed likelihood	Test likelihood	Significance level
Industrial export model	≤3	0.1	0.40	0.035
	>3	0.9		

When the significance level is below 5%, the null hypothesis is rejected and because for the Industrial export model on oil the significance level is found below than 5%, therefore the null hypothesis is rejected and it means that the item of concern here is among the economical factors effective on the goods import and export in Zahedan.

**Table 11: Increased costs of raw materials on oil binomial test results**

Items	Group	Observed likelihood	Test likelihood	Significance level
Increased costs of raw materials	≤3	0	0.40	0.008
	>3	1		

When the significance level is below 5%, the null hypothesis is rejected and because for the increased costs of raw materials on oil the significance level is found below than 5%, therefore the null hypothesis is rejected and it means that the item of concern here is among the economical factors effective on the goods import and export in Zahedan.

**Table 12: Export subsidies on oil binomial test results**

Items	Group	Observed likelihood	Test likelihood	Significance level
Export subsidies	≤3	0.2	0.40	0.474
	>3	0.8		

When the significance level is below 5%, the null hypothesis is rejected and because for the Export subsidies on oil the significance level is found larger than 5%, therefore the null hypothesis is accepted and it means that the item of concern here is not

among the economical factors effective on the goods import and export in Zahedan.

**Table 13: Packaging costs on oil binomial test results**

Items	Group	Observed likelihood	Test likelihood	Significance level
Packaging costs	<=3	0	0.40	0.094
	>3	1		

When the significance level is below 5%, the null hypothesis is rejected and because for the Packaging costs on oil the significance level is found larger than 5%, therefore the null hypothesis is accepted and it means that the item of concern here is not among the economical factors effective on the goods import and export in Zahedan.

**Table 14: R&D on oil binomial test results**

Items	Group	Observed likelihood	Test likelihood	Significance level
R&D	<=3	0.1	0.40	0.001
	>3	0.9		

When the significance level is below 5%, the null hypothesis is rejected and because for the R&D on oil the significance level is found below than 5%, therefore the null hypothesis is accepted and it means that the item of concern here is among the economical factors effective on the goods import and export in Zahedan.

**Table 15: Marketing and Advertising on oil binomial test results**

Items	Group	Observed likelihood	Test likelihood	Significance level
Marketing and Advertising	<=3	0	0.40	0.001
	>3	1		

When the significance level is below 5%, the null hypothesis is rejected and because for the Marketing and Advertising on oil the significance level is found below than 5%, therefore the null hypothesis is rejected and it means that the item of concern here is among the economical factors effective on the goods import and export in Zahedan.

**Table 16: Increase in domestic prices and costs on oil binomial test results**

Items	Group	Observed likelihood	Test likelihood	Significance level
Increase in domestic prices and costs	<=3	0	0.40	0.001
	>3	1		

When the significance level is below 5%, the null hypothesis is rejected and because for the increase in domestic prices and costs on oil the significance level is found below than 5%, therefore the null hypothesis is accepted and it means that the item of concern here is among the economical factors effective on the goods import and export in Zahedan.

**Table 17: Quality on oil binomial test results**

Items	Group	Observed likelihood	Test likelihood	Significance level
Quality	<=3	0.1	0.40	0.001
	>3	0.9		

When the significance level is below 5%, the null hypothesis is rejected and because for the Quality on oil the significance level is found below than 5%, therefore the null hypothesis is accepted and it means that the item of concern here is among the economical factors effective on the goods import and export in Zahedan.

**Table 18: Packaging on oil binomial test results**

Items	Group	Observed likelihood	Test likelihood	Significance level
Packaging	<=3	0	0.40	0.001
	>3	1		

When the significance level is below 5%, the null hypothesis is rejected and because for the Packaging on oil the significance level is found below than 5%, therefore the null hypothesis is rejected and it means that the item of concern here is among the economical factors effective on the goods import and export in Zahedan.

**Table 19: Production rate on oil binomial test results**

Items	Group	Observed	Test likelihood	Significance level

		likeliho od		
product ion rate	<=3	0	0.40	0.257
	>3	1		

When the significance level is below 5%, the null hypothesis is rejected and because for the production rate on oil the significance level is found larger than 5%, therefore the null hypothesis is accepted and it means that the item of concern here is not among the economical factors effective on the goods import and export in Zahedan.

**Table 20: Efficiency and comparative advantage on oil binomial test results**

Items	Gro up	Observ ed likelih ood	Test likelih ood	Significa nce level
Efficien cy and compara tive advantag e	<=3	0.1	0.40	0.149
	>3	0.9		

When the significance level is below 5%, the null hypothesis is rejected and because for the Efficiency and comparative advantage on oil the significance level is found below than 5%, therefore the null hypothesis is rejected and it means that the item of concern here is among the economical factors effective on the goods import and export in Zahedan.

**Subsidiary question: How are the economical factors effective on the goods import and export in Zahedan are prioritized?**

To answer the first question, Friedman test has been used. The results of the test have been summarized in the following table.

**Table 21: Economical factors Friedman test results:**

Number	106
Chi square value	2557353
Degree of freedom	18
Significance level	0.001

According to the results of Freidman test, because the significance level obtained for the test is 0.001 and it is smaller than 0.5 error level, it can be concluded that the effective economical factors priorities on the goods import and export significantly differ in 95% confidence level. The effective economical factors prioritization influencing the goods import and export have been illustrated in the following table.

**Table 22: the economical factors prioritization results**

Priority	Items	Rates' means
1 <sup>st</sup>	Goods price	12.99
2 <sup>nd</sup>	Import and export revenue	12.76
3 <sup>rd</sup>	Exchange rate	12.47
4 <sup>th</sup>	Quality	12.42
5 <sup>th</sup>	R&D	11.62
6 <sup>th</sup>	Productivity and relative advantage	11.55
7 <sup>th</sup>	Marketing and advertisement	11.08
8 <sup>th</sup>	Packaging	11.02
9 <sup>th</sup>	The rise in the internal costs and prices	9.89
10 <sup>th</sup>	Economy globalization	9.85
11 <sup>th</sup>	Importing countries' earnings	9.58
12 <sup>th</sup>	Raw material cost increase	8.93
13 <sup>th</sup>	Industrial export model	8.69
14 <sup>th</sup>	Packaging costs	8.68
15 <sup>th</sup>	Production rate	8.65
16 <sup>th</sup>	Production rate	7.69
17 <sup>th</sup>	Export subsidy	7.67
18 <sup>th</sup>	Lack of producers' support	7.49
19 <sup>th</sup>	Country's economy reliance on oil	7.04

According to the above table, the goods price is tanked first and the country's economy dependency on oil is ranked last.

**Discussions and Conclusion:**

In regard of the main question proposed herein indicating that "How the economical factors influence the goods import and export in Zahedan?", the results indicate that economical factors exert a larger than medium effect on the import and export of the goods in Zahedan. The results obtained in the present study correspond to the results obtained in the studies performed by Dejpasand et al (2011) titled "the survey of the factors effective on nonpetroleum export with an emphasis on the nonpetroleum factors" in which it was shown that nonoil exports fundamentally depend on the non-price related variables and such an effect is considerable and determinative in a way that the estimation results signify the positive effects exerted by productivity, the degree to which an economy is envisaged as open and the gross domestic production on the nonpetroleum exports, of course according to the fundamental problems existing in the production and export sectors of the country and considering the estimated results, the exchange rate was not found of a significant effect on the nonpetroleum exports.

Concerning the study subsidiary question indicating that "how are the economical factors effective on the

goods import and export prioritized in Zahedan?”, the results demonstrate that the goods price is ranked first and the country’s economy reliance on the oil is ranked last. The results obtained herein are corresponding to the results obtained in the studies performed by Jalalabadi et al (2011) titled “the effect of the macro-economical variables on the capital-intermediate goods in the Iran’s industry” which showed that in case of the emergence of an imbalance in the studied commodities demand in every year, 71% of the imbalance in the capital-intermediate commodities demand can be moderated in the next period.

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