ABSTRACT

Central Java's economy can be measured by a variety of factors, in which one of them can be measured by its export performance. Based on data from The Industry and Trade Office of Central Java, one of the largest non-oil export commodities in Central Java is furniture. In the government's effort to constantly improve the export performance of furniture companies in Central Java, it is necessary to study the factors that can affect the export performances.

The research model presented in this thesis is composed of four variables that include government promotional programs, marketing capability, export market orientation, and export performance of companies. The data required in this study were obtained through interviews using a questionnaire to 170 furniture companies. Testing research model to empirical data is done using Structural Equation Modeling (SEM).

The results of data analysis showed from five hypotheses developed in this study, four hypotheses that can be received while one hypothesis is rejected. From the hypotheses, export performance is affected by marketing capability and export market orientation, but government promotion program does not affect the export performance of a company, but affects its marketing capabilities.

Keywords   : Government promotional programs, marketing capability, export market orientation, export performance of companies