

## **Prioritization of Export Promotion Programs by Fuzzy Linear Assignment Method**

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*Foreign business and export are the most important aspects of business and affect the country economics significantly. Therefore, governments try to stimulate the merchandises to export and extend their business abroad. This leads to better quality, extended markets, more customers and higher income. For this purpose, governments have considered some persuasive programs to promote exporting activities. However these programs do not influence export activities equally and their importance is different in exporters' viewpoint. In this paper we tried to use exporters' preferences and rank these promotion programs based on their opinions. Accordingly, we selected 15 exporters and asked them to rank 18 identified export promotion programs against to their effects on export procedures. The proposed Fuzzy Linear Assignment Method has assured responders that their uncertainty in ranking will be recognized in model. Finally the proposed method is applied for prioritizing the export promotion programs for Iranian food industry. Its results show that ambiguity of scoring among several options would be easy by considering each number as a triangular fuzzy number and it's more precise and reliable.*

**Keywords:** *Fuzzy Linear Assignment Method, triangular fuzzy number, Export Promotion Program, Ranking, Food Industry, Iran.*

### **Introduction**

Exporting is of vital economic importance to trading nations and their firms. Exports boost profitability, improve capacity utilization, provide employment, and improve trade balances (Ahmed *et al.*, 2006). Singer and Czinkota (1994) emphasize that export promotion programs may have a positive impact on export performance because they:

1) Increase firms' informational and experiential knowledge (Kotabe & Czinkota, 1992); 2) Stimulate managers' positive attitudes and perception towards exporting, and 3) Increase export commitment (see also Marandu, 1995). (Lederman *et al.*, 2008), using survey data on TPOs<sup>1</sup> from 88 developed and developing countries, found that export promotion agencies have a strong and statistically significant impact on the countries' total export volumes. In this context of opening borders and the increase in international trade, many enterprises, especially small- to medium-sized ones, do not make the most of all of the potential of foreign markets because of a

lack of motivation, capabilities and/or human or financial resources. A whole set of services have been created, offered both through public and private initiatives, with the aim of helping companies to overcome these obstacles (Freixanet, 2011) - called export promotion programs.

Export promotion is defined as an incentive program designed to attract firms into exporting by offering help in product and market identification and development (Korsakiene & Tvaronaviciene, 2012; Travkina & Tvaronaviciene, 2011; Valuckaite & Snieska, 2007; Snieska 2008 a,b; Zhou *et al.*, 2010; Ortiz *et al.*, 2012) prescription and post-shipment, financing, training, payment guaranty schemes, trade fairs, trade visits, foreign representation, (Shamsuddoha *et al.*, 2009; Tang & Liu, 2011; Lages, *et al.*, 2008) used electronic information retrieval methods (Burinskas & Merkuryeva, 2010; Kaklauskas *et al.*, 2010a; Zavadskas, 2010; Kanapeckiene *et al.*, 2011; Azimi *et al.*, 2011; Zavadskas, *et al.*, 2003; Buyukozkan, 2004) and systems (Kaklauskas, *et al.*, 2002 a,b, 2003, 2010b; Zavadskas, *et al.*, 2002, 2005; Kanapeckiene, *et al.*, 2010).

At a micro level, the export of goods and services has become increasingly important for the survival of growth

<sup>1</sup> . Trade Promotion Organizations

oriented domestic firms. At a macro level, exporting is important for dealing with the trade deficit problems experienced by many countries (Julian and Ali 2009). Export promotion schemes can play an important part in the development strategies of countries, especially of developing countries that seek to make exports an engine for economic growth. The expansion of country's exports has positive effects on the growth of the economy as a whole, as well as on individual firms (Julian and O' Cass 2004). In general Export Promotion Programs involve all the measures and programs aimed at assisting current and potential exporters in foreign markets penetration and, for instance, export subsidies, reduced tax rates to exporting firms' earnings, favorable insurance rates, advantageous financial conditions, or variations in the exchange rates. These measures may be addressed to either national exporters or multinational enterprises producing locally (or both).

Government intervenes in the export domain with two aims: 1) to increase export flows. (Harrison & Rodriguez-Clare, 2009; Giles & Williams, 2000), 2) to select the sectors in which the country should specialize. (Dodaro, 1991; Pinerez & Ferrantino, 1997; An & Iyigun, 2004). Assessing the effectiveness of the EPPs is also important to increase awareness by local producers. Empirical evidence shows that not all exporting firms apply to export support programs, even when they are accessible. One reason is that firms may be not aware of the programs' existence and effectiveness. Since applying to programs incurs some costs, the uncertainly related with their success may discourage applications. Accordingly a line of research is aimed at gauging firms' awareness, usage and perceptions of the program; Vanderleest (1996) for the US, Crick (1997) for the UK, Haunschild *et al.*, (2007) for Germany, and Ali (2006) for Australia. Such evaluation of course cannot reveal the impact of the promotion measures on export performance, but can be enlightening when planning, assessment and decision-making (Francis & Collins-Dodd, 2004).

Different studies have been carried out to evaluate EPPs<sup>2</sup>. Balassa,(1978); Kumar Roy, (1993); Ramaseshan & Soutar, (1996); Billings *et al.*, (2003); Francis & Collins-Dodd, (2004); Shamsuddoha & Ali, (2006); Zia, (2008); Julian & Ali, (2009); Larbi & Chymes, (2009); Lederman *et al.*, (2010); Freixanet, (2011) and Argent, (2011) have examined the effects of promotion programs on export performance and competency, and realized that they are positively effective. Also Armah and Epperson, (1997); Knowles & Mathur, (1997); Onunkwo and Epperson, (2000) have tried to measure the global impact of specific promotion interventions, and they are mostly centered in the food industry too.

Some studies have indirectly evaluated program effects, considering them among other factors to explain export performance (Crick & Chaudhry, 1997; Katsikeas *et al.*, 1996; Walters 1983). Finally *et al.*, (2001), and Calderon & Fayos, (2004) have measured EPPs' effects using different performance outcomes. Freixanet (2011) segmented companies based on level of export

commitment and internationalization. For example for starting/passive exporters, use of direct promotion programs, information, assistance in starting exporting and financial aid programs is positively related with the following export performance measurements. This group requires support to develop their exports, training and information to improve export competencies, and assistance in identifying contacts and opportunities. This segmentation is shown in table 1.

Table 1

| Export stage and related programs                      |  |   |
|--|--|---|
| Stage  | Programs   | Impact measures   |
| Starting exporter                                      | Direct promotion<br>Information (about market, programs, use of foreign trade offices)<br>Assistance to start exporting<br>Financial aid | Economic performance<br>export planning<br>Market diversification<br>Intermediate results |
| Regular exporter with little structure                 | Direct promotion<br>Information<br>Consultancy<br>Export groups<br>Financial aid   | Economic performance<br>Export planning<br>Market diversification<br>Intermediate results |
| Regular exporter with complete structure               | Direct promotion   | Export profitability<br>Export planning<br>Market diversification<br>Intermediate results |
| Consolidated exporter with permanent sales est. abroad | Information<br>Consultancy<br>Direct promotion<br>Investment support   | Export profitability<br>Export planning<br>Market diversification                         |
| Industrial multinational                               | Consultancy<br>Investment support  | Export profitability<br>Export planning   |

Freixanet (2011) studied a comprehensive set of multidimensional indicators and used Statistical hypothesis testing to probe which companies in different export stages, need various types of promotion programs.

According to above, export promotion programs are effective and on the other hand, they are various and numerous. Therefore companies and enterprises which present these promotion programs should consider a type of priority for their export programs in viewpoint of their customers.

In 1992 TPCC<sup>3</sup> (an interagency organization created to strengthen federal export promotion efforts) was responsible for establishing a government wide strategy for promoting U.S exports. TPCC continued to identify government wide export promotion priorities in terms of export markets, programs and policies, though member agencies have exercised flexibility in focusing their efforts. TPCC's export strategy identifies a series of government wide priorities in terms of foreign markets, export programs, and, most recently, export policies. They ranked their work areas as:

- Assistance to small business.
- Countering tied aid. (United states general accounting office, 1992, online: [www.gao.gov/asets/90/85423.pdf](http://www.gao.gov/asets/90/85423.pdf))

<sup>2</sup> . Export Promotion Programs

<sup>3</sup> . Trade Promotion Coordinating Committee

As UNECA (2011) shows, export promotion policies include: incentives for export activities; export processing zones; export promotion (manufacturing); standardization, quality improvement for export; measures to attract FDI for export activities; facilitated credit for non-traditional manufacturing; selective tariff protection (peak/high tariffs); utilization of other trade instruments; export duties to favor local manufacturing.

Bruneckiene and Paltanaviciene (2012) have distinguished the factors enhancing export development, possibilities on application of the basic competitiveness models and methods, and then analyzed their application for measurement of the export competitiveness in Baltic States.

In section 2 and 3 we describe the Fuzzy set theory and linear assignment method as two applied techniques of this paper. Then the aggregated method called fuzzy linear assignment is explained and a numerical example shows the application of proposed method in prioritization problems. Finally this paper is concluded in section 6.

### Fuzzy set theory

Zadeh (1965) introduced fuzzy set theory as a generalization of classic set theory. Zadeh (1973) believed that “as the complexity of a system increases, our ability to make precise and yet significant statements about its behavior diminishes”. Fuzzy set theory provides a mean to overcome this inability. A classical set is defined as a collection of elements or objects  $x \in X$ . Each single element can either belong to or no belong to a set  $A$ ,  $A \subseteq X$  (Zimmermann, 2001). Fuzzy sets are characterized by their membership functions. Here, an element can belong to a fuzzy set  $\tilde{A}$  with a specific degree  $\mu_{\tilde{A}}(x)$  which is called membership function or degree. The notion of fuzzy numbers can be defined as follows (Dubois and Prade 1980).

*Definition1.* A fuzzy number  $\tilde{A}$  is a convex normalized fuzzy set on the real line  $R$  such that:

- 1) There exists at least one  $x_0 \in R$  with  $\mu_{\tilde{A}}(x_0) = 1$ .
- 2)  $\mu_{\tilde{A}}(x_0)$  is piecewise continuous.

*Definition2.* A triangular fuzzy number  $\tilde{A}$  can be specified by the ordered triple  $\tilde{A} = (a, b, c)$ , with  $a \leq b \leq c$  and its membership function is (Kaufman and Gupta 1985):

$$\mu_{\tilde{A}} = \begin{cases} \frac{x-a}{m-a} & \text{for } a \leq x \leq m \\ \frac{x-c}{b-c} & \text{for } b \leq x \leq c \\ 0 & \text{otherwise} \end{cases} \quad (1)$$

*Definition3.* A triangular fuzzy number  $\tilde{A} = (a, b, c)$  is said to be non-negative fuzzy number if  $a \geq 0$ .

*Definition4.* Let  $\tilde{A} = (a, b, c)$  and  $\tilde{B} = (e, f, g)$  be two triangular fuzzy numbers. Then (Kaufman and Gupta, 1985):

- (i)  $\tilde{A} + \tilde{B} = (a+e, b+f, c+g)$

- (ii)  $-\tilde{A} = (-c, -b, -a)$

- (iii)  $\tilde{A} - \tilde{B} = (a-g, b-f, c-e)$

(iv) Let  $\tilde{A} = (a, b, c)$  be a non negative triangular fuzzy number and  $\lambda$  being a real scalar. Then  $\lambda\tilde{A} = (\lambda a, \lambda b, \lambda c)$  if  $\lambda \geq 0$  and  $\lambda\tilde{A} = (\lambda c, \lambda b, \lambda a)$  if  $\lambda \leq 0$

*Definition5.* A ranking function is a function  $\mathfrak{R} : F(R) \rightarrow R$ , where  $F(R)$  is a set of fuzzy numbers defined on set of real numbers, which maps each fuzzy number into the real line, where a natural order exists. Let  $\tilde{A} = (a, b, c)$  be a triangular fuzzy number the  $\mathfrak{R}(\tilde{A}) = (a + 2b + c)/4$  (Liou & Wang, 1992).

### Linear assignment method

Bernardo and Blin (1977) developed linear assignment method (LAM) as a compensatory model of consumer choice among multi-attribute brands. This method further is extended and applied in some multi-criteria decision making problems (Amiri *et al.*, 2009; Bashiri *et al.*, 2011). This model is based on a product-attribute matrix  $\pi$  as a square  $m \times m$  nonnegative matrix whose elements  $\pi_{ij}$  represents the frequency that  $A_i$  is ranked the  $k^{\text{th}}$  attribute-wise ranking. If attributes have different weights, then  $\pi_{ij}$  will be the sum of the weights of those attributes that in which  $A_i$  take the rank  $j$ . It is understood that  $\pi_{ij}$  measures the contribution of  $A_i$  to the overall ranking, if  $A_i$  is assigned to the  $k^{\text{th}}$  overall rank. Hence the problem is to find  $\pi_{ij}$  for each  $j, j = 1, 2, \dots, m$ , maximizes  $\sum_{j=1}^m \pi_{ij}$ .

This is an  $m!$  comparison problem which can be solved with an linear programming model.

Suppose that  $P$  is defined as a permutation matrix  $m \times m$  whose elements  $p_{ij} = 1$  if  $A_i$  is assigned to overall rank  $k$ , and  $p_{ij} = 0$  otherwise. The linear assignment method can be written as the following linear programming model (Lai and Hwang, 1992):

$$\begin{aligned} & \max \sum_{i=1}^m \sum_{j=1}^m \pi_{ij} p_{ij} \\ & \text{subject to} \\ & \sum_{i=1}^m p_{ij} = 1, \quad i = 1, 2, \dots, m \quad (2-1) \\ & \sum_{j=1}^m p_{ij} = 1, \quad j = 1, 2, \dots, m \quad (2-2) \\ & p_{ij} = 0 \text{ or } 1, \quad i, j = 1, 2, \dots, m \end{aligned} \quad (2)$$

Since  $p_{ij} = 1$  means that alternative  $A_i$  is assigned to overall rank  $k$  and clearly alternative  $i$  can be assigned to only one rank, therefore Eq. (2-1) is held. Likewise, a given rank  $k$  can only have one alternative assigned to it and so the Eq. (2-2) is held.

**Fuzzy linear assignment**

The ranking of a set of alternatives regard to a given objective or criterion is often a difficult task which contains ambiguity and uncertainty. A decision maker might be doubtful about which of alternatives  $A_k$  and  $A_l$  can be laid in rank  $j$ . Therefore the decision maker assigns both  $A_k$  and  $A_l$  to rank  $j$  that this trepan to tie. To avoid this shortcoming of ordinal LAM, in this paper a fuzzy LAM (FLAM) is proposed.

Suppose that a problem is on hand to rank a set of  $m$  alternatives. When a decision maker is asked to rank the alternatives regard to his or her preferences, he or she can assign each alternatives a rank among a set of fuzzy ranks like  $\tilde{J} = \{\tilde{1}, \tilde{2}, \dots, \tilde{m}\}$ , where each  $\tilde{j} \in \tilde{J}$  is a symmetric triangular fuzzy number  $\tilde{j} = (j - 1, j, j + 2)$ . Therefore, the set of ranks can be shown as:

$$\tilde{J} = \{(1,1,2), (1,2,3), \dots, (m-1, m, m)\} \tag{3}$$

When a decision maker is envisaged with a set of ranks like  $\tilde{J}$ , it will satisfy his or her sights more better than a crisp set of ranks and the likelihood of creation of tie will be decreased. Now, suppose that a set of  $n$  experts express their opinions regard to ranking of alternatives and product-attribute matrix is formed as follows.

| Alternatives \ Rank | $\tilde{1}$        | $\tilde{2}$        | ... | $\tilde{m}$        |
|---------------------|--------------------|--------------------|-----|--------------------|
| $A_1$               | $\pi_{1\tilde{1}}$ | $\pi_{1\tilde{2}}$ | ... | $\pi_{1\tilde{m}}$ |
| $A_2$               | $\pi_{2\tilde{1}}$ | $\pi_{2\tilde{2}}$ | ... | $\pi_{2\tilde{m}}$ |
| $\vdots$            | $\vdots$           | $\vdots$           | ... | $\vdots$           |
| $A_m$               | $\pi_{m\tilde{1}}$ | $\pi_{m\tilde{2}}$ | ... | $\pi_{m\tilde{m}}$ |

Where,  $\pi_{i\tilde{j}}$  is the frequency of assigning the fuzzy rank  $\tilde{j}$  to alternative  $A_i$  by decision makers. The problem is to find the best assignment of alternatives to ranks such that  $\sum_{j=1}^{\tilde{m}} \pi_{i\tilde{j}}$  be maximized. A fuzzy state variable  $\tilde{f}_{ij} = (f_{ij-1}, f_{ij}, f_{ij+1})$  is defined such that if  $A_i$  is assigned to rank  $j$ , then  $f_{ij} = 1$  and other elements of  $\tilde{f}_{ij}$  will be zero. Hence, the FLAM model cab stated as follows:

$$\begin{aligned} & \max \sum_{i=1}^m \sum_{j=1}^m \pi_{ij} \tilde{f}_{ij} \\ & \text{subject to} \\ & \sum_{i=1}^m \tilde{f}_{ij} = \tilde{1}, \quad j = 1, 2, \dots, m \tag{4-1} \\ & \sum_{j=1}^m \tilde{f}_{ij} = \tilde{1}, \quad i = 1, 2, \dots, m \tag{4-2} \\ & f_{ij} = 0 \text{ or } 1, i, j = 1, 2, \dots, m \end{aligned} \tag{4}$$

Where  $\tilde{1} = (1,1,1)$  in the right hand side of (4-1) and (4-2). Model (4) is a fuzzy pure 0-1 model which can be considered as an assignment model. This model can be modified according to the approach proposed by Kumar et al. (2011).

According to Kumar et al. (2011) approach, the maximization of model (4)'s objective function is equivalent to  $\max \Re \left( \sum_{i=1}^m \sum_{j=1}^m \pi_{ij} \tilde{f}_{ij} \right)$  that the function  $\Re$  is defined as definition 5.

On the other hand, the constraints (4-1) can be rewritten as follows:

$$\left( \sum_{i=1}^n f_{ij-1}, \sum_{i=1}^n f_{ij}, \sum_{i=1}^n f_{ij} \right) = (1,1,1) \tag{5}$$

Eq. (5) is equivalent to say that:

$$\begin{cases} \sum_{i=1}^n f_{ij-1} = 1 \\ \sum_{i=1}^n f_{ij} = 1 \\ \sum_{i=1}^n f_{ij+1} = 1 \end{cases} \tag{6}$$

Likewise, constraints (4-2) are transformed to the following form:

$$\begin{cases} \sum_{j=1}^n f_{ij-1} = 1 \\ \sum_{j=1}^n f_{ij} = 1 \\ \sum_{j=1}^n f_{ij+1} = 1 \end{cases} \tag{7}$$

Therefore, the final form of FLAM will be as follows:

$$\begin{aligned} & \max \Re \left( \sum_{i=1}^m \sum_{j=1}^m \pi_{ij} \tilde{f}_{ij} \right) \\ & \text{subject to} \\ & (6)-(7) \\ & f_{ij} = 0 \text{ or } 1, i, j = 1, 2, \dots, m \end{aligned} \tag{8}$$

The model (8) transforms the FLAM to an ordinal linear assignment model that can be solved by current methods.

**Application of FLAM in Prioritization of export promotion programs in Iranian food industries**

This study addresses export promotion programs (EPPs) in food industry of Iran and prioritizes these

programs from the viewpoints of exporters. For this purpose, research team identified a set of 18 export promotion programs and selected 5 successful, 5 ordinary and 5 weaker merchandises in food industry. Then, they have been asked to prioritize these programs (Table 2). In this study the responders were able to rank EPPs based on

fuzzy ranks from (1,1,2) in first place to (17,18,18) in 18<sup>th</sup> place. This ranking scheme will decrease the ambiguity of experts to assign a crisp and certain rank to a given EPP in comparison with other programs.

Table 2

**Product – attribute matrix**

| EPPs \ Rank   | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 |
|---|---|---|---|---|---|---|---|---|---|----|----|----|----|----|----|----|----|----|
| Export rewards  | 3 | 2 | 1 | 0 | 1 | 0 | 0 | 1 | 0 | 2  | 0  | 1  | 0  | 0  | 1  | 0  | 0  | 3  |
| Tax shield  | 3 | 1 | 2 | 0 | 1 | 0 | 1 | 1 | 0 | 3  | 0  | 0  | 0  | 0  | 1  | 0  | 0  | 2  |
| International exhibitions                             | 2 | 1 | 0 | 2 | 4 | 0 | 1 | 0 | 0 | 0  | 1  | 0  | 1  | 0  | 0  | 1  | 1  | 1  |
| Sending and receiving trade missions                  | 2 | 2 | 1 | 1 | 1 | 1 | 0 | 0 | 1 | 1  | 0  | 1  | 0  | 2  | 0  | 1  | 0  | 1  |
| Promotion and marketing                               | 1 | 2 | 0 | 1 | 1 | 0 | 1 | 1 | 1 | 0  | 1  | 0  | 0  | 0  | 1  | 1  | 2  | 2  |
| Support insurance                                     | 1 | 1 | 1 | 1 | 2 | 0 | 1 | 2 | 1 | 0  | 1  | 1  | 0  | 1  | 0  | 0  | 0  | 2  |
| Currency support                                      | 3 | 1 | 1 | 2 | 0 | 0 | 3 | 0 | 1 | 1  | 1  | 0  | 0  | 0  | 0  | 0  | 0  | 2  |
| Financial support                                     | 1 | 1 | 2 | 0 | 0 | 2 | 0 | 0 | 0 | 1  | 1  | 0  | 0  | 0  | 1  | 1  | 1  | 4  |
| Customs protection                                    | 3 | 0 | 1 | 2 | 2 | 1 | 0 | 0 | 1 | 0  | 0  | 0  | 3  | 0  | 0  | 0  | 1  | 1  |
| Establishing overseas Trade center                    | 1 | 0 | 1 | 0 | 1 | 1 | 0 | 0 | 0 | 0  | 1  | 2  | 1  | 1  | 2  | 2  | 1  | 1  |
| Protection of packaging for export                    | 1 | 0 | 2 | 1 | 1 | 1 | 1 | 1 | 1 | 2  | 0  | 0  | 0  | 1  | 1  | 0  | 0  | 2  |
| Consultancy, train and announcement                   | 1 | 1 | 0 | 0 | 0 | 1 | 0 | 2 | 0 | 1  | 1  | 2  | 1  | 1  | 0  | 2  | 0  | 2  |
| Protection of transfer for export                     | 3 | 3 | 2 | 1 | 0 | 1 | 1 | 0 | 0 | 1  | 0  | 1  | 0  | 0  | 0  | 0  | 0  | 2  |
| Enrichment and empowerment for export infrastructures | 3 | 3 | 1 | 0 | 0 | 1 | 1 | 1 | 0 | 0  | 1  | 0  | 0  | 2  | 0  | 0  | 0  | 2  |
| SMEs promotions                                       | 0 | 0 | 1 | 0 | 1 | 0 | 0 | 0 | 1 | 1  | 1  | 0  | 1  | 0  | 3  | 1  | 1  | 4  |
| Commercial cluster development                        | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 1 | 1 | 1  | 1  | 1  | 0  | 1  | 1  | 0  | 2  | 5  |
| Establishing export consortium and enterprise         | 1 | 0 | 0 | 0 | 3 | 0 | 1 | 0 | 0 | 2  | 0  | 1  | 1  | 0  | 0  | 1  | 1  | 4  |
| Protection of R&D with export purpose                 | 2 | 1 | 1 | 0 | 1 | 1 | 0 | 0 | 1 | 2  | 0  | 1  | 1  | 0  | 0  | 2  | 0  | 2  |

After they ranked these programs according to their preference (Table 2), we translated these undetermined numbers into determined ones. For example, decision maker may express that *i*th alternative is preferred 6 times to *j*th alternative. We can transform this crisp number to a fuzzy number as [(5,6,7)]. The FLAM model in this case can be written as follows:

Table 3

**Prioritization of Export Promotion Programs**

| EPPs  | Rank |
|---|------|
| Export rewards  | 1    |
| Enrichment and empowerment for export infrastructures | 2    |
| Protection of transfer for export                     | 3    |
| Customs protection                                    | 4    |
| International exhibitions                             | 5    |
| Financial support                                     | 6    |
| Currency support                                      | 7    |
| Support insurance                                     | 8    |
| Protection of packaging for export                    | 9    |
| Tax shield  | 10   |
| Protection of R&D with export purpose                 | 11   |
| Consultancy, train and announcement                   | 12   |
| Establishing export consortium and enterprise         | 13   |
| Sending and receiving trade missions                  | 14   |
| SMEs promotions                                       | 15   |
| Establishing overseas Trade center                    | 16   |
| Promotion and marketing                               | 17   |
| Commercial cluster development                        | 18   |

$$\max \sum_{i=1}^{18} \sum_{j=1}^{18} \pi_{ij} \frac{f_{ij-1} + 2f_{ij} + f_{ij+1}}{4}$$

subject to

$$\sum_{i=1}^{18} f_{ij} = 1, j = 1, 2, \dots, 18 \tag{9}$$

$$\sum_{j=1}^{18} f_{ij} = 1, i = 1, 2, \dots, 18$$

$$f_{ij} = 0 \text{ or } 1, i, j = 1, 2, \dots, 18$$

After model (9) is solved, the alternatives (EPPs) are prioritized and its results are presented in Table. 3.

## Conclusions

According to importance of export in economics for countries, governments try to establish some organizations and set up procedures as “export promotion programs” to extend the commercial relations and develop exportation. For these purposes, in this paper we selected 18 export promotion programs to prioritize based on merchandise preferences. According to obtained results, the first group of programs including: “export rewards”, “Enrichment and empowerment for export infrastructures”, “Protection of transfer for export”, “Customs protection”, “International exhibitions” and “Financial support” are the most important promotion programs; therefore rewards play the major role in export development. This group shows that exporters need a combination of essential requirements such as infrastructural and financial supports. Also this category emphasizes on significant role of transportation, custom and finance and they could be called “basic

requirements”. The second group consist of “Currency support”, “Support insurance”, “Protection of packaging for export”, “Tax shield”, “Protection of R&D with export purpose” and “Consultancy, train and announcement”, that shows merchandises require “supportive actions” in second stage. Finally the third group including: “Establishing export consortium and enterprise”, “Sending and receiving trade missions”, “SMEs promotions”, “Establishing overseas Trade center”, “Promotion and marketing” and “Commercial cluster development”, implies the low role of different actions so called “subsidiary actions”.

Regard to importance of categorizing promotion programs, the proposed method has considered ranks as fuzzy numbers to assure responders that their crisp numbers include an interval number and this ranking scheme will decrease the ambiguity of experts to assign a crisp and certain rank to a given EPP in comparison with other programs.

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#### **Eksporto skatinimo programų parinkimas taikant tiesinių lygčių su neraiškiais skaičiais metodą**

##### *Santrauka*

Šalies ekonomikos ir verslo plėtrai labai svarbus užsienio eksporto ir verslo augimas. Vyriausybės nuolat skatina plėtoti prekybą užsienyje, plėsti eksportą, skatinti verslą, nes tai sąlygoja geresnę kokybę, besiplečiančių rinką, daugiau pirkėjų ir didesnes pajamas. Dėl šių priežasčių vyriausybės diegia eksportą skatinančias programas. Tačiau šios programos neturi tiesioginės įtakos eksporto veiklai. Be to, jų svarba eksportuotojų požiūriu skiriasi. Šiame straipsnyje, autoriai, atsižvelgdami į eksportuotojų nuomonę, pačias eksporto skatinimo programas vertino pačių eksportuotojų požiūriu. Todėl buvo apklausta 15 eksportuotojų ir paprašyta jų pažymėti pagal svarbą 18 eksporto skatinimo programos būdų. Autorių siūlomas Fuzzy Linear Assignment metodas padeda atsiradusius reitingavimo neapibrėžtumus atpažinti modelyje. Galiausiai siūlomas metodas buvo taikomas suteikiant prioritetą Irano maisto pramonės eksporto skatinimo programoms vertinti. Išvados rodo, kad atsiradęs neaiškumas tarp kelių alternatyvų, lengviau ir patikimiau išsprendžiamas taikant neraiškiųjų skaičių teoriją.

Raktažodžiai: *Fuzzy Linear Assignment metodas, neraiškieji skaičiai, eksporto skatinimo programa, reitingavimas, maisto pramonė, Iranas.*

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