



The Effect of International Marketing and Tariff and Non-Tariff Strategy to Business Performance through Nationalism Spirit

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ABSTRACT

In the rapidly evolving landscape of global business, this research investigates the intricate interplay between international marketing, tariff and non-tariff strategies, nationalist spirit, and their collective impact on business performance. Employing a cross-sectional quantitative design within the Indonesian context, the study explores how businesses adapt their marketing approaches to navigate diverse trade regulations and respond to nationalist sentiments. The results reveal significant relationships between international marketing and both business performance and nationalist spirit. Moreover, the study underscores the substantial influence of tariff and non-tariff strategies on business performance, with pronounced effects in markets characterized by heightened nationalist spirit. These findings contribute to theoretical advancements in international business literature and offer practical insights for businesses aiming to formulate effective strategies, navigate regulatory complexities, and enhance performance in a globalized economy

INTRODUCTION

The contemporary global business environment characterized by unprecedented interconnectedness, fueled by advancements in technology, communication, and transportation. This intricate web of international interactions has propelled businesses beyond traditional boundaries, marking the ascendancy of international marketing as a pivotal driver of success. In this era of globalization, companies are compelled to extend their reach beyond domestic markets, navigating diverse cultural, economic, and regulatory landscapes. The overarching objective is to tap into new consumer bases, capitalize on emerging opportunities, and foster sustainable growth. Against this backdrop, the role of international marketing has become increasingly vital, necessitating a comprehensive examination of its impact on business performance.

As businesses venture into the global marketplace, the role of international marketing takes center stage. International marketing involves adapting strategies to suit the unique characteristics of different markets, encompassing product positioning, pricing, distribution, and promotional efforts (Timlon, 2008; Woldemariam, 2022). This adaptability is crucial in addressing the diverse preferences and behaviors of consumers worldwide, fostering brand recognition, and gaining a competitive edge in the global arena.

However, the global landscape is not without challenges, and one of the significant hurdles businesses encounter is the complex web of trade regulations. Tariffs, as taxes on imported and exported goods, directly influence the cost structure and pricing strategies of businesses operating internationally. A well-defined "tariff strategy" is imperative for navigating these challenges, involving strategic decisions on pricing adjustments, negotiations for tariff reductions, and identifying opportunities to optimize production costs (Mandler et al., 2021).

Moreover, businesses must contend with a myriad of "non-tariff barriers" such as quotas, standards, and regulatory requirements. Effectively

navigating these barriers necessitates a nuanced "non-tariff strategy." This involves understanding and complying with diverse regulatory frameworks, adapting marketing approaches to meet standards, and engaging in diplomatic efforts to reduce non-tariff obstacles (Countries et al., n.d.; Fioresi de Sousa et al., 2021). The ability to formulate and execute effective tariff and non-tariff strategies is integral to sustaining competitiveness in the global marketplace.

In this dynamic environment, the influence of "nationalist spirit" adds another layer of complexity to international business dynamics. Nationalist sentiments, characterized by pride and loyalty to one's country, can significantly impact consumer preferences and attitudes toward international products and brands (Alizadeh & Kashani, 2022). Understanding and effectively navigating this "nationalist spirit" is crucial for businesses developing marketing strategies that resonate positively with diverse consumer bases.

Despite the recognition of the pivotal role played by international marketing, tariff, and non-tariff strategies, there exists a noticeable gap in the literature. While extant studies acknowledge their importance, there is a dearth of in-depth examinations into how these components intricately interconnect and specifically impact key performance indicators (KPIs) in the context of global business operations.

The literature gap is particularly evident in the limited exploration of how tariffs specifically influence elements of the marketing mix, such as pricing, product adaptation, promotion, and distribution strategies. Additionally, there is a scarcity of comprehensive analyses regarding how businesses strategically adjust their marketing approaches to effectively navigate non-tariff barriers.

In light of these gaps, the research seeks to address the following questions:

1. How do tariff and non-tariff strategies influence the marketing mix elements in the context of international business operations?

2. What are the specific adjustments and adaptations businesses employ in their marketing strategies to navigate non-tariff barriers effectively?
3. How does the influence of nationalist spirit moderate the relationship between international marketing, tariff/non-tariff strategies, and business performance?

Addressing these research questions is not only crucial for advancing theoretical understanding in the field of international business but also holds significant practical implications. The insights derived from this research will guide businesses in formulating more effective international marketing strategies, navigating complex trade regulations, and fostering positive consumer perceptions in diverse cultural contexts. Moreover, policymakers can benefit from a nuanced understanding of how tariff and non-tariff strategies impact business performance, aiding in the formulation of informed trade policies that facilitate global economic growth.

As the world continues its trajectory towards increased globalization, the interplay between international marketing, tariff and non-tariff strategies, and nationalist spirit becomes a focal point for businesses seeking sustained success in international markets. The subsequent chapters of this research will delve into these interconnected dynamics, aiming to provide a holistic understanding that informs strategic decision-making and contributes to both theoretical advancements and practical applications in the realm of global business.

Literature Review and Hypotheses Development

Non-tariff barriers impose additional costs on businesses, including those related to quality standards, certifications, or testing (Alizadeh & Kashani, 2022; Fioresi de Sousa et al., 2021). To maintain profitability, businesses may adjust their pricing strategies to reflect these increased costs. This adjustment is particularly relevant in markets with stringent non-tariff barriers where the costs of compliance are higher. Understanding how businesses navigate pricing adjustments in response to non-tariff barriers provides critical insights into the dynamics of international markets. It sheds light

on the strategies employed by businesses to sustain competitiveness and profitability amid the regulatory complexities that characterize global trade. This hypothesis serves as a valuable lens through which to examine the intricate relationship between non-tariff barriers, compliance costs, and pricing dynamics in international marketing.

Non-tariff barriers encompass specifications related to product standards, safety, or environmental regulations, necessitating businesses to make adjustments to their. This modification is imperative to meet diverse regulatory requirements and secure access to markets. Businesses navigating these barriers may need to alter the composition, design, or features of their products to ensure compliance and adapt to the regulatory landscape (Heal & Palmioli, 2015; Prasada & Dhamira, 2022; Wu et al., 2023). Understanding the intricate relationship between non-tariff barriers and product adaptation strategies is pivotal for businesses engaged in international markets. It sheds light on the adaptive measures employed by businesses to navigate regulatory complexities and thrive in diverse market environments.

Nationalist spirit exerts a substantial influence on consumer behavior, preferences, and brand loyalty in the global marketplace (Dow & Cuypers, 2023; Stantcheva, 2022). In markets where nationalist sentiments run high, consumers often exhibit a preference for domestic products over imports, and tariff strategies that prioritize domestic goods may resonate more positively with these consumers. This phenomenon holds significant implications for overall business performance, particularly for companies employing tariff-related strategies. Understanding the interplay between tariff strategies, nationalist spirit, and business performance is vital for businesses navigating international markets. It provides insights into the contextual factors that shape the effectiveness of tariff-related strategies and underscores the nuanced dynamics of consumer behavior influenced by nationalist sentiments. This hypothesis contributes to a comprehensive understanding of how businesses can strategically align tariff strategies with market-

specific factors to enhance their overall performance in the global arena.

Non-tariff strategies, often associated with compliance to specific standards or regulations, serve as signals of commitment to quality and safety in the global marketplace. In markets where consumers place a high value on national identity, businesses adhering to such standards may be perceived more favorably, influencing consumer preferences and brand. Consequently, the effectiveness of non-tariff strategies in enhancing business performance may be amplified in markets characterized by higher levels of nationalist spirit. Understanding how non-tariff strategies interact with nationalist sentiments provides businesses with valuable insights into tailoring their approaches to different market contexts. This hypothesis contributes to a nuanced understanding of the dynamic relationship between business strategies, consumer perceptions, and overall business performance in diverse international markets.

Nationalist spirit significantly influences how consumers perceive and respond to international marketing campaigns in the global marketplace (Leng & Botelho, 2010). In markets where consumers harbor a strong sense of national pride, international marketing efforts that align with national values or present a positive image of the home country may resonate more positively with consumers, fostering favorable attitudes and behaviors (Steenkamp, 2019). This alignment, in turn, can lead to enhanced business performance for

companies engaging in effective international marketing.

Therefore, we formulate the following hypothesis:

H1: The relationship between international marketing and business performance is significant.

H2: The relationship between international marketing and nationalism spirits strategy is significant.

H3: The relationship between nationalism spirits strategy and business performance is significant.

H4: The relationship between tariff and non-tariff strategy and business performance is significant, with businesses opting to comply with local regulatory.

H5: The relationship between tariff and non-tariff strategy and nationalism spirits strategy is significant.

H6: Tariff and Non-tariff strategies have a moderated effect on business performance, with the influence being stronger in markets where nationalist spirit is more pronounced.

H7: The relationship between international marketing and business performance is significantly moderated by nationalist spirit, with a more positive impact in markets characterized by higher levels of national pride and loyalty.

In summary international marketing and tariff and non-tariff strategy contributing to the business performance through the moderation role of nationalism spirits. The framework shown in Figure 1.

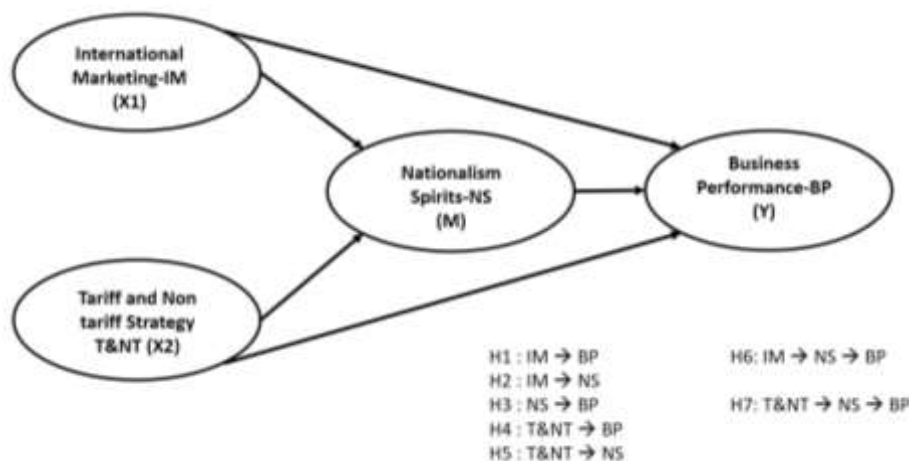


Figure 1. Research Framework

METHODS

This study employs a cross-sectional and quantitative research design to investigate the influence of international marketing and tariff and non-tariff strategies on business performance through nationalism spirit within the Indonesian context. The study population encompasses companies engaged in international business operations in Indonesia. Stratified random sampling utilized and involving 100 respondents representing various industries or sectors within international business. The sample size is determined based on the overall population.

Data gathered through a structured survey questionnaire featuring Likert-scale items. The questionnaire is organized into three sections aligning with the components of the Eclectic Paradigm: Ownership (O), which assesses the firm's capabilities in international marketing and navigating tariff/non-tariff barriers; Location (L), which evaluates the impact of nationalism spirit on business performance and its interaction with international marketing and trade strategies; and Internalization (I), exploring the choice of international marketing strategies and whether firms opt for direct investment in foreign markets. A pilot test will refine the questionnaire for clarity, relevance, and respondent understanding.

Descriptive analysis will summarize respondent demographics and Likert-scale responses, while inferential analysis will utilize regression and multivariate techniques through PLS-SEM software to examine relationships between variables and the moderation variable. Ethical considerations encompass ensuring confidentiality, anonymity, and obtaining informed consent. The study prioritizes reliability through statistical measures.

RESULTS AND DISCUSSION

This research employed a quantitative methodology, utilizing descriptive statistics and hypothesis testing through Partial Least Squares (PLS). The variables under examination included international marketing, tariff and non-tariff measures, nationalism spirits strategy, and business performance. PLS-SEM, a multivariate statistical analysis, was chosen for its capability to estimate simultaneous effects between variables, serving the purposes of prediction, exploration, and structural model development (Hair et al., 2019). The comprehensive model evaluation in PLS encompassed assessing the measurement model, the

structural model, the model's goodness of fit, and scrutinizing the relationships between variables, including mediation effects.

The study engaged a total of 100 respondents, comprising 65% men and 35% women. Regarding work experience, 20% had less than 5 years, 50% between 5-10 years, and 30% more than 10 years. Educational backgrounds varied, with 25% high school or equivalent, 20% diploma holders, 45% bachelor's degree holders, 7% master's degree holders, and 3% doctoral degree holders. These demographic details provide a comprehensive overview of the respondent profile, ensuring a diverse representation in the study.

Model Measure Evaluation

In the context of Partial Least Squares Structural Equation Modeling (PLS-SEM), we subjected our data to a thorough analysis, ensuring the utmost reliability and validity. This rigorous evaluation employed a reflective measurement model that considered diverse criteria. These criteria included outer loading, with a predefined threshold of 0.70, Composite Reliability (CR) aimed at achieving a minimum threshold of 0.70, and Cronbach's Alpha, also set at a threshold of 0.70. Moreover, scrutiny extended to Convergent Validity and Average Variance Extracted (AVE), where the latter was expected to surpass 0.50. This criterion ensures that more than 50% of the variance in the indicators is captured by the latent variable, confirming the satisfactory definition of the latent variable by its indicators (Hair et al., 2019).

Furthermore, Discriminant Validity was assessed through various lenses, including Cross Loadings, where items were expected to exhibit higher loadings on their respective constructs compared to other constructs, providing evidence of discriminant validity. The Fornell-Larcker Criterion involved comparing the square root of the AVE for each construct with the correlations between that construct and all other constructs, with the AVE expected to exceed the inter-construct correlations. The Heterotrait-Monotrait Ratio of Correlations (HTMT) was also considered, with a commonly suggested threshold of 0.90, though acknowledging potential context-dependent variations (Hair et al., 2019). The ensuing section presents the outcomes of the PLS-SEM analysis.

Table 1. Measurement Model Evaluation Result

Variable	Item Pengukuran	Indicator	Outer Loading	Cronbach's Alpha	Composite Reliability	AVE
International Marketing (X1)	X1.1	Local market condition	0.859	0.888	0.922	0.748
	X1.2	Customer preferences	0.899			
	X1.3	Brand image	0.855			
	X1.4	Regulatory standard	0.845			
Tariff & Non Tarif (X2)	X2.1	Tax	0.851	0.843	0.905	0.76
	X2.2	License	0.900			
	X2.3	Quota	0.864			
Nationalism Spirits (M)	M1.1	Patriotic branding	0.835	0.876	0.915	0.728
	M1.2	Cultural sensitivity	0.868			
	M1.3	Global collaboration approach	0.864			
	M1.4	Social responsibility engagement	0.847			
Business Performance (Y)	Y1	Business revenue	0.775	0.860	0.905	0.705
	Y2	Market share	0.871			
	Y3	Customer satisfaction	0.882			
	Y4	Net profit margin	0.828			

The international marketing construct is assessed through four key indicators: local market conditions, customer preferences, brand images, and regulatory standards. The loading factors for these indicators, ranging from 0.845 to 0.899, signify a robust and highly significant interrelationship among them. This strong interconnection effectively contributes to explaining the variance in the international marketing variable. In the SEM-PLS analysis, the international marketing variable demonstrates favorable reliability and validity, as indicated by a Cronbach's alpha of 0.888, a composite reliability of 0.922, and an Average

Variance Extracted (AVE) of 0.748. These values align with established thresholds provided by (Hair et al., 2019) confirming the reliability and validity of the international marketing measurement model. Interestingly, the customer preference indicator emerges with the highest outer loading value, followed closely by the local market condition indicator.

The observed pattern of high loading factors, coupled with strong reliability and validity metrics, is theoretically supported by the notion that effective international marketing is intricately tied to a comprehensive understanding of local market

dynamics, customer preferences, brand perception, and adherence to regulatory standards. The customer preference indicator's prominence aligns with existing literature emphasizing the central role of consumer preferences in shaping successful international marketing strategies. Similarly, the robust relationships among indicators underscore the interconnected nature of these dimensions, reinforcing the theoretical foundation that a holistic approach to international marketing, considering both internal and external factors, is pivotal for success in a global context.

Tariff and non-tariff variables are gauged through three robust measurement indicators—taxes, licenses, and quotas—with outer loadings ranging between 0.776 and 0.853. These loading values signify the validity of the measurement indicators in accurately capturing the essence of tariffs and non-tariffs. The reliability of these indicators, with levels exceeding 0.70, indicates their trustworthiness. Convergent validity, as evidenced by the Average Variance Extracted (AVE) value of 0.661, surpasses the recommended threshold of 0.50, meeting the criteria for robust convergent validity. Overall, 66.1% of the variance in the measurement items contained by the variable is accounted for. In theoretical terms, these findings align with trade theories emphasizing the multifaceted nature of trade barriers. The distinction between taxes (tariffs) and non-tariff measures (licenses and quotas) reflects the recognition that different types of trade barriers can have distinct impacts on trade flows and economic outcomes. Among the three measurement indicators, licenses and quotas exhibit the highest outer loadings of 0.900 and 0.864, respectively, suggesting a strong relationship between these two indicators. Specifically, within the X2.2 indicator, licenses play a crucial role, reflecting that the ease of obtaining a license can potentially boost sales, subsequently impacting quotas positively. This observation resonates with theories related to market access and ease of doing business, where streamlined bureaucratic processes are associated with increased economic activity.

The results obtained from PLS-SEM reveal substantial loading factors for the latent constructs: Patriotic Branding (0.835), Cultural Sensitivity (0.868), Global Collaboration Approach (0.864), and Social Responsibility Engagement (0.847). These loading values indicate robust positive relationships between each indicator and its respective underlying latent construct. Specifically, Patriotic Branding, with an outer loading of 0.835, demonstrates a strong and positive association with its latent construct, confirming its reliability and validity within the model. Similarly, the Cultural Sensitivity indicator, featuring an outer loading of 0.868, showcases a resilient connection with its latent construct, affirming its effectiveness in capturing the essence of cultural sensitivity. The Global Collaboration Approach indicator, with an outer loading of 0.864, also manifests a strong positive relationship with its latent construct, emphasizing its reliability in contributing to the comprehensive understanding of this construct. Likewise, the Social Responsibility Engagement indicator, with an outer loading of 0.847, exhibits a robust positive association with its latent construct, signifying its efficacy in capturing the intricacies of social responsibility engagement.

For the variable National Spirits, the assessment reveals a Cronbach's alpha value of 0.876, a Composite Reliability of 0.915, and an Average Variance Extracted (AVE) value of 0.728. These metrics surpass the thresholds outlined by (Hair et al., 2021), indicating that the National Spirits variable meets the established criteria for reliability and validity in the model.

The dependent variable, Business Performance, is assessed through four key indicators: Business Revenue, Market Share, Customer Satisfaction, and Net Profit Margin. The respective outer loading values are 0.775, 0.871, 0.882, and 0.828. These outer loading values collectively reveal a robust positive relationship between the indicators and the variable of Business Performance. Moreover, key reliability and validity metrics, namely Cronbach's Alpha, Composite Reliability, and Average Variance Extracted (AVE), are reported with values of 0.860, 0.905, and 0.705, respectively. These results align with established thresholds

outlined by (Hair et al., 2021), underscoring the reliability and validity of the Business Performance variable in the model.

In summary, these outer loading values indicate that each indicator is a reliable and valid measure of its corresponding latent construct. The higher the loading value, the stronger the relationship between the observed indicator and the underlying construct, reinforcing the reliability of your measurement model in capturing the intended concepts.

Discriminant Validity

In the context of Partial Least Squares Structural Equation Modeling (PLS-SEM), discriminant validity plays a pivotal role in

determining the distinctiveness of each latent construct within the model. This ensures that the measurement model accurately discerns between different constructs, affirming that each construct captures unique variance rather than reflecting common underlying information.

The discriminant validity assessment in this study, employing PLS-SEM, encompasses the examination of cross-loadings, the Fornell-Larcker criterion, and the Heterotrait-Monotrait Ratio of Correlations (HTMT). These methodologies gauge the extent to which indicators of a given construct exhibit stronger loadings on their intended construct than on others within the model.

Table 2. Cross Loading Factor

	BP	IM	NS	T&NT
M1.1	0.445	0.361	0.835	0.357
M1.2	0.444	0.375	0.868	0.330
M1.3	0.502	0.322	0.864	0.426
M1.4	0.460	0.263	0.847	0.316
X1.1	0.463	0.859	0.288	0.373
X1.2	0.543	0.899	0.363	0.461
X1.3	0.469	0.855	0.334	0.391
X1.4	0.497	0.845	0.351	0.522
X2.1	0.648	0.459	0.302	0.851
X2.2	0.807	0.473	0.441	0.900
X2.3	0.762	0.398	0.344	0.864
Y1	0.775	0.386	0.488	0.574
Y2	0.871	0.516	0.383	0.866
Y3	0.882	0.541	0.432	0.757
Y4	0.828	0.461	0.553	0.630

Cross-loading factor analyses were conducted and the results, presented in Table 23, reveal that the loading patterns for indicators on each examined variable exhibit higher loading factors compared to other indicators. For instance, the examination of the cross-loading factor for the variable Business Performance yields loading factors ranging from 0.775 to 0.882, surpassing the loading factors of

other variables, which range from 0.444 to 0.646. Similar patterns are observed for the variables International Marketing (loading range: 0.845 to 0.899) and Tariff and Non-Tariff Strategy (loading range: 0.851 to 0.900), indicating distinct and substantial loading factors for each latent construct.

Table 3. Fornell and Lacker Criterion Result

	Business Performance	International Marketing	Nationalism Spirit	Tariff and Non-tariff Strategy
Business Performance	0.840			
International Marketing	0.572	0.865		
Nationalism Spirit	0.543	0.388	0.853	
Tariff and Non-tariff Strategy	0.854	0.508	0.421	0.672

The Fornell-Larcker criterion results, detailed in Table 24, indicate that the Average Variance Extracted (AVE) square root for Business Performance (0.840) is notably higher compared to International Marketing (0.582), Nationalism Spirit (0.543), and Tariff and Non-tariff Strategy (0.548).

This observation aligns with the expectation that the AVE square root should exceed inter-construct correlations, substantiating discriminant validity. The criterion is fulfilled for all constructs, emphasizing the uniqueness of each latent variable.

Table 4. Heterotrait-Monotrait Ratio of Correlations (HTMT) Outputs

	Business Performance	International Marketing	Nationalism Spirit	Tariff & Non-tariff Strategy
Business Performance				
International Marketing	0.089			
Nationalism Spirit	0.332	0.318		
Tariff & Non-tariff Strategy	0.120	0.142	0.368	

The HTMT test results in Table 25 indicate that all HTMT values are below the recommended threshold of 0.90 (Hair et al., 2019). This conformity to the threshold underscores the success of the discriminant validity assessment, as lower HTMT values indicate greater distinction between constructs.

In summary, this comprehensive study successfully meets the criteria of cross-loadings, the Fornell-Larcker criterion, and HTMT to assess discriminant validity in PLS-SEM models. The robustness of discriminant validity is evidenced, reinforcing the reliability and accuracy of the model's interpretations.

Structural Model Evaluation

The evaluation of the structural model revolves around scrutinizing the hypotheses that outline the flow of relationships between research variables. This process unfolds in three crucial stages:

Multicollinearity Check: The first step involves assessing the absence of multicollinearity between

variables using the inner Variance Inflated Factor (VIF) measure. Inner VIF values below 5 are indicative of no multicollinearity between variables, as suggested by

Hypothesis Testing: The second stage focuses on hypothesis testing between variables by examining the p-values. A p-value below 0.05 signifies a significant influence between the variables. Additionally, conveying the results and the 95% confidence interval of the estimated path coefficient parameters is essential for a comprehensive understanding of the relationships.

Effect Size Evaluation: The third and final stage considers the effect size, measured by the f square value, which gauges the direct variable mainstreaming at the structural level. Criteria for interpreting f square values are as follows: 0.02 is considered low, 0.15 is moderate, and 0.35 is high (Hair et al., 2019). For the mediation effect, the f square is termed the ϵ statistic, obtained by squaring the mediation coefficient. Interpretations

based on (Lachowicz, 2018; Ogbeibu & Gaskin, 2023) classify mediation effects as low (0.02), moderate (0.075), and high (0.175).

Table 5. Variance Inflated Factor (VIF) Outputs

Relation		VIF (<5)
International Marketing	Business Performance	1.418
International Marketing	Nationalism Spirit	1.347
Nationalism Spirit	Business Performance	1.279
Tariff & Non-tariff Strategy	Business Performance	1.464
Tariff & Non-tariff Strategy	Nationalism Spirit	1.347

The structural model evaluation further confirmed the robustness of these relationships. The 95% confidence intervals for all path coefficients did not include zero, affirming the reliability of the estimates. Additionally, the Variance Inflation Factor (VIF) values for the relationships were all below 5, signifying minimal multicollinearity and reinforcing the stability of the model. Collectively, these findings underscore the validity and reliability

of the proposed structural relationships, providing a solid foundation for understanding the intricate dynamics between International Marketing, Tariff & Non-tariff Strategy, Nationalism Spirit, and Business Performance in the studied context. The results contribute not only to statistical significance but also offer practical insights into the impactful relationships among these latent constructs.

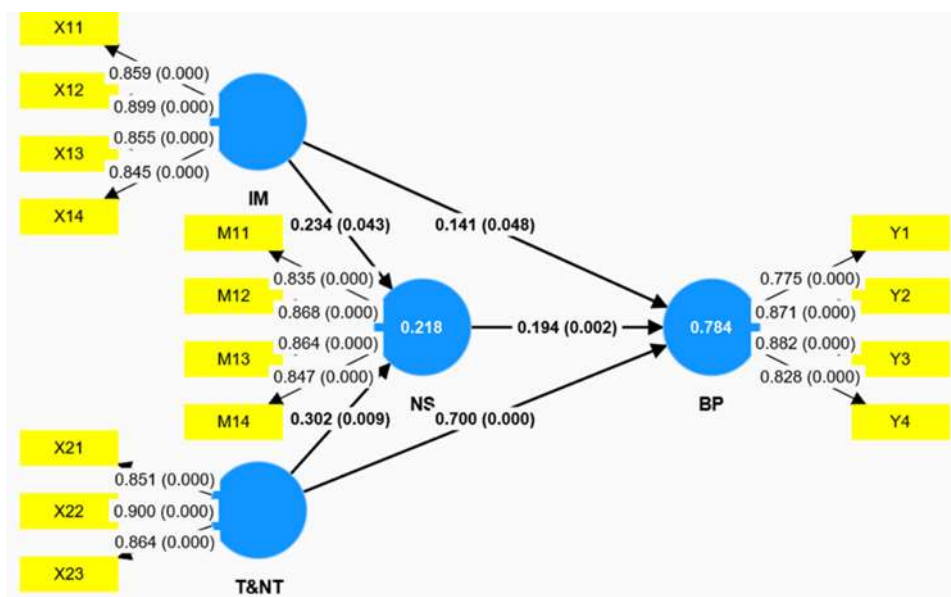


Figure 2. Hypotheses Outcome from PLS-SEM

Table 5. Hypotheses Outcome for Direct Effect

Hipotesis	Path Coefficient	p-value	95% interval Kepercayaan Patch Coefficient		f square
			Batas Bawah	Batas Atas	
IM→BP	0.141	0.048	0.009	0.289	0.065
IM→NS	0.234	0.043	0.004	0.446	0.052
NS→BP	0.194	0.002	0.093	0.337	0.135
T&NT→BP	0.700	0.000	0.553	0.823	1.550
T&NT→NS	0.302	0.009	0.099	0.544	0.087

In the PLS-SEM analysis, the hypotheses related to the structural model were rigorously tested, revealing valuable insights into the relationships between latent constructs. Firstly, the paths from International Marketing to both Business Performance and Nationalism Spirit were found to be statistically significant, with path coefficients of 0.141 and 0.234, respectively. These relationships exhibited practical significance, as indicated by the

effect sizes (f^2) of 0.065 and 0.052. Moreover, the paths from Nationalism Spirit to Business Performance, and from Tariff & Non-tariff Strategy to both Business Performance and Nationalism Spirit were highly significant, showcasing substantial practical significance with effect sizes of 0.135 and 1.550 for Business Performance, and 0.087 for Nationalism Spirit.

Table 6. Hypotheses Outcome with Mediation Effect

Hipotesis	Path Coefficient	p-value	95% interval Kepercayaan Patch Coefficient		Upsilon (v)
			Batas Bawah	Batas Atas	
IM→NS→BP	0.045	0.151	0.004	0.134	0.002
T&NT→NS→BP	0.058	0.081	0.014	0.142	0.003

Hypothesis 6 (H6) aimed to explore the mediation effect of National Spirits strategy on the relationship between International Marketing (IM) and Business Performance (BP). The results revealed a path coefficient of 0.045 for IM → National Spirits (NS), a path coefficient of 0.002 for NS → BP, and a total effect of 0.047 (0.045 + 0.002). However, the total effect was not statistically significant (p-value = 0.151), and the 95% Confidence Interval for the total effect ranged from 0.004 to 0.134. Despite the lack of statistical significance in the total effect, a significant mediation effect (Upsilon) of 0.002 was observed. This suggests that while the direct effect of IM on BP may not be significant, the relationship is partially mediated by Nationalism Spirit.

Similarly, Hypothesis 7 (H7) examined the mediation effect of the National Spirits strategy on the association between Tariff & Non-Tariff (T&NT) and Business Performance (BP). The results demonstrated a path coefficient of 0.058 for T&NT → NS, a path coefficient of 0.003 for NS → BP, and a total effect of 0.061 (0.058 + 0.003). However, the total effect was not statistically significant (p-value = 0.081), with a 95% Confidence Interval ranging from 0.014 to 0.142. In alignment with the findings of H6, a significant mediation effect (Upsilon) of 0.003 was identified, indicating a partial mediation role of Nationalism Spirit in the relationship between T&NT and BP.

In summary, while the total effects in both hypotheses did not reach statistical significance, the presence of significant mediation effects (Upsilon) emphasizes the importance of considering indirect

pathways through intermediate variables. These results highlight the nuanced dynamics within the model, suggesting that the influence of International Marketing and Tariff & Non-Tariff on Business Performance is, in part, mediated by the National Spirits strategy.

CONCLUSION

The research delves into the intricate dynamics of international marketing, tariff and non-tariff strategies, and nationalist spirit, seeking to understand their interconnectedness and impact on business performance in the global context. The study reveals significant insights through a robust research framework, hypotheses development, and a comprehensive research methodology.

The findings of the research clearly establish that international marketing, tariff and non-tariff strategies, and nationalist spirit collectively contribute to shaping business performance in the global marketplace. The relationships uncovered in the study highlight that businesses' ability to adapt international marketing strategies, navigate trade regulations effectively, and address nationalist sentiments significantly impact key performance indicators (KPIs) such as business revenue, market share, customer satisfaction, and net profit margin.

The study reinforces the notion that a comprehensive approach, taking into account the interplay between international marketing dynamics and strategic responses to trade barriers influenced

by nationalist spirit, is essential for sustaining and enhancing business performance on a global scale.

This insight underscores the practical implications for businesses seeking sustained success in international markets. By understanding and strategically responding to the intricate dynamics explored in this research, companies can optimize their operations, enhance competitiveness, and ultimately contribute to positive business performance outcomes.

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