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Examining the Impact of Government Subsidies on Export Performance: The Mediating Role of Competitive Capabilities

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Abstract

Export performance, as a key indicator of firm success in international markets, plays a critical role in economic growth and sustainable development. This study aims to examine the impact of government subsidies on export performance, with the mediating role of competitive capabilities, in food industry firms located in Abbasabad Industrial Town. The research is applied in terms of purpose and descriptive-correlational in terms of methodology, employing a survey design. The statistical population consisted of 200 sales managers, CEOs, and marketing managers of food industry firms active in exports within Abbasabad Industrial Town. The sample size was determined as 132 based on Cochran's formula and was selected using a non-probability convenience sampling method. Data were collected using standardized questionnaires, whose content validity was confirmed by experts and reliability was assessed using Cronbach's alpha. Data analysis was conducted using SPSS and Smart-PLS software with Structural Equation Modeling (SEM). The results indicate that government subsidies have a positive and significant effect on both export performance and competitive capabilities. Furthermore, competitive capabilities exert a positive and significant effect on export performance and were confirmed to mediate the relationship between government subsidies and export performance. Firms benefiting from government support in marketing, technical competencies, and international sales demonstrated superior export outcomes. Overall, government subsidies enhance export performance through the strengthening of competitive capabilities. Accordingly, policymakers can foster non-oil export development by designing targeted support packages aimed at enhancing firms' competitive capabilities.

Keywords: Government subsidies, Export performance, Competitive capabilities.

1 | Introduction

Today, the entry and presence of firms in international markets play a pivotal role in the economic development of countries. The integration of consumer goods, industrial products, capital, and technology

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markets, the establishment of various trade agreements, the adoption of open trade policies among countries, and the removal of trade barriers have collectively led most firms to recognize that non-participation in global markets is not a viable long-term option [1].

In this context, exports, as one of the most important internationalization strategies, play a critical role in economic growth, employment generation, and foreign exchange earnings. Exports have therefore been recognized as a key component in national economic development programs [2]. In the literature on entrepreneurship and international management, institutional factors are recognized as critical determinants that can influence firms' export performance. Government subsidies, as one of the most important mechanisms of institutional support, can help bridge resource and capability gaps, enabling firms to participate effectively in international markets through financial and marketing assistance [3]. Nevertheless, empirical studies examining the impact of government subsidies on export performance have produced mixed and sometimes contradictory findings. While some studies report positive effects of government support (Durmusoglu et al. [4], Shamsudaha et al. [5]), others find negative or negligible impacts [6], [7]. These inconsistencies highlight the need for further research across diverse contexts [8].

The Iranian food industry, given its comparative advantages such as climatic diversity, skilled labor, and high production capacity, possesses significant potential for participation in export markets. In recent years, Iran's food exports have grown at a faster pace than its oil exports, and numerous studies indicate that Iran's fertile soil and favorable climatic conditions facilitate higher food production, potentially positioning the country as one of the leading global exporters in the future [9]. However, firms operating in this sector face multiple challenges, including limited financial resources, restricted access to modern technologies, difficulty in achieving sustainable differentiation, and weaknesses in international marketing. In this context, government subsidies can play a decisive role in strengthening competitive capabilities and improving export performance. While export-oriented firms have been extensively studied in developed countries with advanced economies, research focusing on developing economies such as Iran remains limited. Iranian firms face internationalization challenges due to a lack of assets, resources, and capabilities necessary to fully leverage their competitive advantages [8]. The factors influencing internationalization vary across regions, as they are shaped by heterogeneous elements such as domestic market competition, government policies, country image, infrastructure conditions, and more. Consequently, the need for government support is both evident and pressing, as firms require targeted assistance to compete effectively in international markets [10]. This study, by focusing on Iran as a developing country, seeks to address these research gaps and answer the following question: What is the effect of government subsidies on export performance, with the mediating role of competitive capabilities?

2 | Theoretical and Empirical Foundations of the Study

Since the beginning of the third millennium, the operational scope of many industries has expanded globally, and national and local markets are increasingly integrating into a unified global market. In recent decades, due to the presence of emerging economies and heightened business competition, entry into foreign markets has played a critical role in the economic development of countries. The integration of consumer goods, industrial products, capital markets, and technology, coupled with the establishment of diverse trade agreements and the adoption of open trade policies, has led businesses to recognize that non-participation in global markets is not a viable long-term strategy. In this context, exports, as a key variable in international marketing, facilitate a country's economic linkages with the global market and serve as a strategic policy tool within national economic development programs [1]. Firms pursuing internationalization must develop distinctive, unique, and dynamic competencies to implement differentiated competitive strategies, enabling them to compete effectively in global markets. This competition, along with rising expectations from international customers, necessitates transformative approaches to adopt more technologically advanced, efficient, and flexible practices [3]. However, most firms in the initial stages of development face difficulties in acquiring capital or financial resources, which in turn limits their access to new technologies and innovation. Although exports play a significant role in national economies, financially constrained firms are often unable to capitalize fully

due to lack of support [3]. Many firms are unable to bear the costs of essential support services such as human resources, training, and legal or financial activities [11]. Consequently, the growth of these firms is heavily dependent on government assistance, which allows them to sustain growth, overcome crises, and survive in the competitive global business environment [12]. Government support can be provided in the form of financial aid and marketing assistance. Financial support includes instruments such as reduced taxes, export loans at below-market interest rates, duty-free import/export provisions, and cash incentives [4]. The availability of export finance is critical for internationalization; however, many small firms are unable to access capital facilities from commercial banks due to their size and lack of prior experience [3]. Marketing support, on the other hand, involves facilitating connections with buyers in export markets and providing information regarding export markets, such as trends, trade agreements, and other relevant aspects of government-supported trade missions [4]. Market intelligence concerning competitors, customers, and industry channels represents an essential knowledge resource for successful internationalization [13]. Competitive capabilities are a prerequisite for any firm seeking to explore international markets. Firms must possess the ability to create and sustain a competitive advantage in target markets to effectively promote their products or services [8]. The theoretical explanation of the relationship between government support, competitive capabilities, and export performance requires leveraging robust theoretical frameworks, each illuminating part of this complex puzzle. The Resource-Based View (RBV) is one of the most widely applied and influential theoretical frameworks for explaining firm export performance. Initially proposed by Penrose [14] and later formalized by Wernerfelt [15] and Barney [16], this perspective posits that a firm is a bundle of unique resources, tangible or intangible that enables it to develop appropriate strategies to enhance its effectiveness and efficiency. Barney [17] argues that sustainable competitive advantage is achieved only when resources are valuable, rare, inimitable, and non-substitutable. Government support in the form of export market information, foreign trade contracts, trade fairs, and sales leads can bridge the resource gaps of firms, thereby enhancing their competitive capabilities [18].

In recent years, numerous studies have relied on the RBV to examine the relationship between government support and export performance. Herqibaldi et al. [19], in a study involving a sample of 204 export-oriented firms in Indonesia, collected a dataset grounded in the RBV framework, encompassing four dimensions of government support programs and three dimensions of organizational resources and capabilities. The study emphasizes that this dataset can be effectively used to assess firms' competitive advantage in export markets and to evaluate the role of government programs in export performance. Furthermore, it can be analyzed through various theoretical lenses, including the RBV, the internationalization process theory, and institutional theory. Similarly, Zaman and Tanewski [20], using the RBV as a foundation, demonstrated that organizational innovation significantly enhances export performance. They showed that technological innovation capabilities, including product and process innovation, increase both competitiveness and operational efficiency. Moreover, they found that government export support and organizational assistance, by providing essential resources, further reinforce these effects. These findings provide direct support from the RBV perspective, suggesting that government support, as an external resource, can bridge firms' resource gaps and facilitate the creation of competitive advantage [21].

However, research grounded in the RBV has predominantly focused on the accumulation of resources, paying comparatively less attention to the dynamic mechanisms through which these resources are transformed into superior performance in volatile international environments. It is in this context that the complementary theoretical framework of the dynamic capabilities perspective becomes particularly relevant. Formulated by Teece et al. [22] as an extension of the RBV, this perspective emphasizes a firm's ability to integrate, build, and reconfigure internal and external competencies to adapt to rapidly changing environments. According to this view, merely possessing valuable resources is insufficient; firms must be able to dynamically configure and reorganize these resources to respond effectively to shifts in international markets [23].

Gölgeci et al. [24], in a study involving a sample of 303 firms from Europe and Asia, developed a research model grounded in the dynamic capabilities perspective. Their findings, based on SEM, indicated that

dynamic capabilities have a significant impact on firms' international competitive performance. Similarly, Falahat et al. [8], in their study titled "modeling the effects of government support and international knowledge on competitive capabilities and international performance: evidence from an emerging economy", examined the mechanisms through which government support initiatives contribute to the international performance of Malaysian firms. Analyzing a sample of 250 firms, they found that government support programs do not have a significant direct effect on firm performance; rather, their impact is mediated through international knowledge and competitive capabilities. These findings are particularly important from the perspective of the dynamic capabilities view, as they demonstrate that competitive capabilities—manifestations of dynamic capabilities, serve as mediators that translate government support into improved export performance.

Institutional theory constitutes the third foundational theoretical framework of this study. This theory emphasizes the role of the institutional environment, including laws, regulations, norms, and government policies in shaping organizational strategies and performance. North [25], one of the founders of institutional theory, defines institutions as the "rules of the game in society" that structure human interactions. Scott [26] further identifies three pillars of institutions, regulative, normative, and cognitive each of which influences organizational behavior in distinct ways. Yang et al. [27] note that their research dataset can be analyzed not only from the RBV but also through the lens of institutional theory. This implies that government support, as part of the institutional environment, provides legitimacy and the resources necessary for internationalization. In a study involving 535 small and medium-sized enterprises in Morocco, Onjewu et al. [28] examined the effect of government support on bureaucracy, resilience, and export intensity. They applied institutional void theory, the RBV, and the strategy-as-practice perspective to explain these relationships. Their findings revealed that, despite increasing bureaucracy, government support surprisingly stimulates and strengthens firm resilience, which, in turn, has a positive effect on direct exports. Similarly, Yi et al. [29], in a study of Chinese firms, demonstrated that institutional government support exerts both direct and indirect effects, mediated through absorptive capacity on firms' export innovation performance.

Despite the considerable accumulation of theoretical and empirical studies, a systematic review of the literature indicates that there is no clear consensus regarding the effects of government support on export performance [7], [30]. Some studies report positive effects of government support (Durmusoglu et al. [4], Shamsudaha et al. [5]), whereas others find negative or negligible impacts [6], [7]. Meta et al. [3], in a study of 217 manufacturing and service firms in Malaysia, found that marketing support enhances competitive capabilities and export performance, whereas financial support neither improves competitive capabilities nor export performance. This finding contrasts with the results of Taki et al. [31] in Ghana, who reported that both financial and non-financial support positively affect strategic export performance. In their cross-sectional study of 301 export-oriented firms in Ghana, Taki et al. [31] demonstrated that government financial and non-financial support exert significant direct effects on strategic export performance, partially mediated by the degree of internationalization. The reasons for these divergent results remain unclear [8].

These contradictions and the lack of theoretical consensus have created a fundamental gap in the literature, which requires a holistic and context-sensitive approach to address. This gap emerges at the intersection of the three theoretical frameworks discussed. On one hand, the RBV emphasizes that government support can fill resource gaps, provided that the resources generated are valuable, rare, and inimitable. On the other hand, the dynamic capabilities perspective highlights the firm's ability to reconfigure resources in dynamic environments, positioning competitive capabilities as a mediating mechanism. Simultaneously, institutional theory underscores the role of the institutional environment and contextual differences between developed and developing countries. Despite these insights, few studies have simultaneously integrated all three frameworks to explain the relationship between government support and export performance in developing economies. In this regard, Awang Tuah et al. [32], in their study titled "Does government export support moderate strategic capabilities and export performance?", surveyed 218 small- and medium-sized manufacturing firms in Malaysia and found that government financial support moderates the relationship

between strategic capabilities and export performance. This finding can be theoretically explained through a combined lens of the RBV and institutional theory.

This theoretical and empirical gap becomes even more pronounced when considering the specific context of Iran as a developing economy. While export-oriented firms have been extensively studied in developed economies, research focusing on developing economies such as Iran remains limited [8]. Iranian firms face significant internationalization challenges due to a lack of assets, resources, and capabilities needed to fully leverage their competitive advantages. The factors influencing internationalization vary across regions, reflecting heterogeneous elements such as domestic market competition, government policies, country image, infrastructure conditions, and other contextual variables. In the context of Iran, given the importance of reducing the country's dependence on foreign exchange revenues from crude oil exports and the strategic role of non-oil exports in achieving this objective, examining the determinants of non-oil exports and identifying strategies to enhance them is of particular significance. Non-oil exports occupy a central place in the country's economic development plans and are critical for fostering sustainable growth [9].

Latty and Ashourian [33] examined the impact of market orientation on export performance, considering the mediating role of dynamic marketing capabilities in Goliran Company. Using SEM in LISREL, their results indicated that market orientation influences export performance both directly and indirectly through the mediating role of dynamic organizational capabilities. Sepehvand and Bagherzadeh Khodashahri [34], in their study titled "government export promotion policies and export performance: an analysis of the mediating role of firm-specific advantages", demonstrated that government export promotion policies have both a significant direct effect on export performance and an indirect effect mediated through firm-specific advantages. Mohammadian et al. [35], in a study entitled "Sustainable Export Development Based on Export Market Orientation and Government Support", found that export market orientation has a significant direct effect on export performance, while government support plays a critical role in facilitating this outcome. Mirzaeian [36] also confirmed the positive impact of government-facilitated trade factors on industrial exports in developing countries. Amooamooha and Yazdani [37] investigated the effect of marketing capabilities on export performance through competitive strategy and positional advantage, with the moderating role of dual innovation, in export-oriented dried fruit firms. Their findings indicated that marketing capabilities lead to improved export performance via competitive strategy and positional advantage. Based on the theoretical and empirical foundations outlined above, the research hypotheses are proposed as follows:

2.1 | Main Hypothesis (H_1)

Government support has a significant effect on export performance through the mediating role of competitive capabilities in food industry firms located in Abbasabad Industrial Town.

Sub-Hypotheses

Sub-Hypothesis 1 (H_1a). Government support has a significant positive effect on the export performance of food industry firms in Abbasabad Industrial Town.

Sub-Hypothesis 2 (H_1b). Government support has a significant positive effect on the competitive capabilities of food industry firms in Abbasabad Industrial Town.

Sub-Hypothesis 3 (H_1c). Competitive capabilities have a significant positive effect on the export performance of food industry3 firms in Abbasabad Industrial Town.

3 | Research Methodology

This study is applied in terms of its objectives and descriptive-survey in terms of data collection methodology. Data were collected using both library (secondary) and field (primary) methods. Since the research aims to examine the relationships between variables, it adopts a correlational design. According to Table 1, the sample comprises 75% male and 25% female respondents. Regarding marital status, 63% are married and 37% are

single. Most participants have 20 to 30 years of work experience, and the majority hold a bachelor's degree (73%).

Table 1. Demographic characteristics of the study sample.

Category (Percentage)					Characteristic
Female			Male		Gender
(0.25)33			(0.75)99		
Single			Married		Marital Status
(0.37)49			(0.63)83		
More than 31 years	21–30 years		10–20 years	Less than 10 years	Work Experience
(0.01)1	(0.22)29		(0.50)66	(0.27)36	
Doctorate or higher	Master's Degree	Bachelor's Degree	Associate Degree	Diploma or lower	Education
(0.02)3	(0.13)13	(0.73)96	(0.13)17	(0.02)3	

Source: researcher's findings

The study population consists of the CEOs, sales managers, and marketing experts of food companies located in the Abbasabad Industrial Town, which are involved in export activities. Ten companies within this industrial town are engaged in food product exports. The individuals eligible to respond to the questionnaire in this study must be familiar with both financial and non-financial information as well as the strategic planning of these companies. Therefore, the CEOs, sales managers, and marketing managers of these companies constitute the study population. Considering 20 managers and experts from each company, the total study population amounts to 200 individuals. Using Cochran's formula for an unlimited population, the sample size was determined to be 132 participants, and the questionnaire was distributed accordingly. The main data collection tool was a questionnaire consisting of 17 questions with a 5-point Likert scale. The Government Support variable was measured with 6 questions, Competitive Capabilities with 3 questions (adapted from Meta et al. [3]), and Export Performance with 8 questions.

To validate the measurement instrument, three types of validity were assessed: content validity, convergent validity, and discriminant validity. Content validity was ensured by confirming the alignment between the measurement indicators and the existing literature, which was verified through expert judgment. Convergent validity refers to the extent to which the indicators of each construct are intercorrelated. According to Fornell and Larcker, a good convergent validity criterion suggests that the Average Variance Extracted (AVE) is greater than 0.50. Discriminant validity was assessed by comparing the square root of the AVE with the correlations between the latent variables (i.e., variables that cannot be directly measured but must be inferred through related observable variables) (see *Table 2*). For each reflective construct (latent variable), the square root of the AVE should be higher than the correlation of that construct with the other constructs in the model. Additionally, to assess the reliability of the questionnaire, two metrics were used: Cronbach's alpha and Composite Reliability (CR). The Cronbach's alpha values for all variables in this study exceeded the minimum acceptable threshold of 0.70. CR, unlike Cronbach's alpha (which implicitly assumes all indicators have equal weight), relies on the factor loadings (which indicate the strength of the relationship between the latent and observable variables, ranging from 0 to 1) of each construct. Therefore, CR provides a more accurate measure of reliability. CR should not exceed 0.70 to indicate internal consistency of the construct. The results for both reliability and validity of the measurement tool are presented in *Tables 2* and *3*.

Table 2. Convergent validity and reliability of the measurement instrument.

AVE	CR	Cronbach's Alpha	Variables
0.584	0.893	0.854	Government support
0.747	0.899	0.831	Competitive capabilities
0.581	0.917	0.896	Export performance

Source: researcher's findings

Table 3. Correlation matrix and discriminant validity assessment.

Root (AVE)	Export Performance	Competitive Capabilities	Government Support	Variables
0.341			1.000	Government support
0.558		1.000	0.521	Competitive capabilities
0.337	1.000	0.566	0.671	Export performance

Source: researcher's findings

Based on the aforementioned discussion and the results obtained from the SMART-PLS software outputs, *Tables 2* and *3* indicate that the measurement instrument demonstrates appropriate validity (content, convergent, and discriminant) and reliability (factor loadings, CR, and Cronbach's alpha).

4 | Findings

The data obtained from *Table 4*, which presents the analysis of the research hypotheses, were derived in accordance with *Figs. 1* and *2*. The results indicate that the main hypothesis is supported, with a path coefficient of 0.15 and a t-value of 3.34, showing that government support has a significant effect on export performance through the mediating role of competitive capabilities. For the first sub-hypothesis, the path coefficient of 0.51 and t-value of 7.25 indicate that government support has a significant direct effect on export performance. The second sub-hypothesis was supported with a path coefficient of 0.52 and a t-value of 6.80, demonstrating that government support significantly affects competitive capabilities. Finally, the third sub-hypothesis was confirmed, with a path coefficient of 0.29 and a t-value of 3.88, indicating that competitive capabilities have a significant effect on export performance.

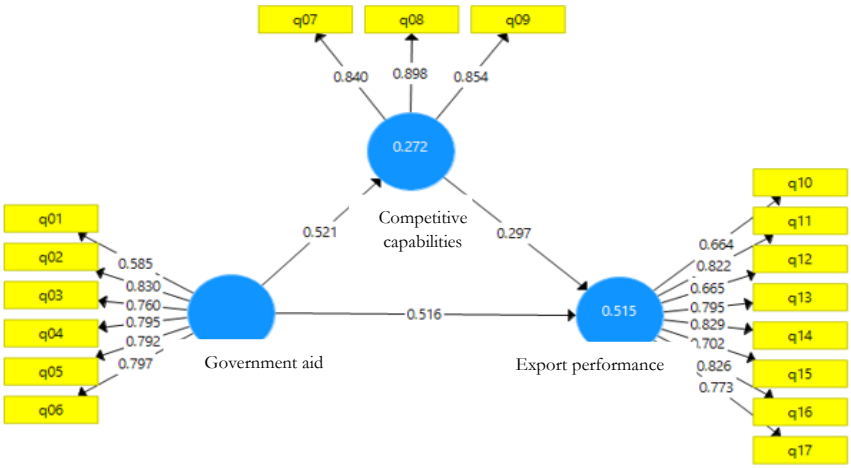

Fig. 1. Path coefficients (structural model) of the research model.

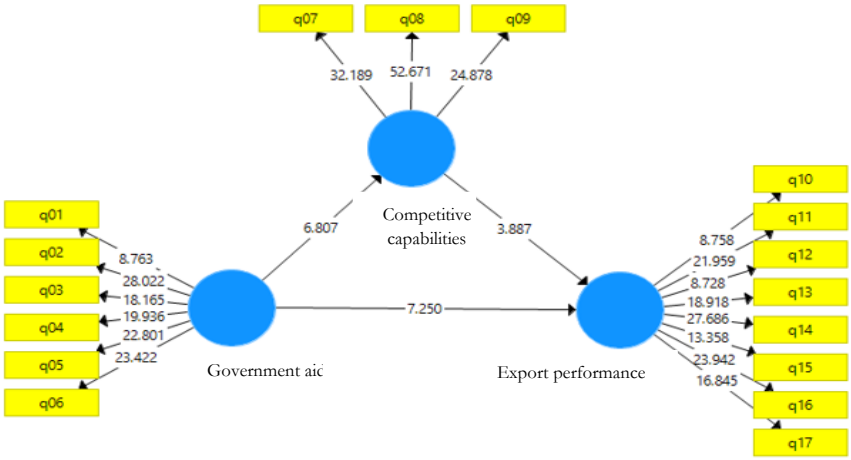

Fig. 2. t-Test results.

Table 4. Summary of hypothesis test results.

Hypothesis Test Outcome	Significance Level	t-Statistic	Path Coefficient	Paths
Hypothesis supported	0.001	3.348	0.155	Main hypothesis: Government support has a significant effect on export performance through the mediating role of competitive capabilities in food industry companies located in Abbasabad Industrial Town.
Hypothesis supported	0.001	7.250	0.516	Sub-Hypothesis 1: Government support has a significant effect on export performance in food industry companies located in Abbasabad Industrial Town.
Hypothesis supported	0.001	6.807	0.521	Sub-Hypothesis 2: Government support has a significant effect on competitive capabilities in food industry companies located in Abbasabad Industrial Town.
Hypothesis supported	0.001	3.887	0.297	Sub-Hypothesis 3: Competitive capabilities have a significant effect on export performance in food industry companies located in Abbasabad Industrial Town.

5 | Conclusion

The present study aimed to examine the effect of government support on export performance through the mediating role of competitive capabilities in food industry companies located in Abbasabad Industrial Town. Four hypotheses were tested in this research. The results of the SEM indicated that all the research hypotheses

were supported. Accordingly, government support has a direct, positive, and significant effect on export performance. Additionally, government support positively and significantly influences competitive capabilities, which in turn have a significant effect on export performance. Importantly, the mediating role of competitive capabilities in the relationship between government support and export performance was also confirmed. In the following, each of these findings is discussed and interpreted within the framework of the theoretical foundations and empirical literature.

The findings of the study indicated that government support has a positive and significant effect on export performance. This result aligns with the theoretical foundations of government intervention, as the state, through financial and marketing support, compensates for market failures in finance and information, thereby facilitating companies' successful presence in international markets. Moreover, this finding supports institutional economics theory, as government support, as an institutional mechanism, reduces transaction costs and uncertainty in the export process. Additionally, the results are consistent with internationalization theory, wherein government support lowers entry barriers and facilitates the acquisition of foreign market knowledge, accelerating the internationalization process of firms. This finding is consistent with the results of Falahat et al. [8] in Malaysia, which demonstrated that government marketing support enhances export performance. It also aligns with the study by Liu et al. [38] in China, which confirmed the positive effect of government subsidies on advancing technology and increasing export complexity. However, in part of Falahat et al. [8] findings, financial support did not have a significant impact on export performance. This discrepancy may be attributed to differences in the research context (globalized firms in Malaysia) or the nature of financial support mechanisms in Iran.

The findings of the study indicated that government support has a positive and significant effect on competitive capabilities. This result aligns with the theoretical foundations of the RBV (Barney [16]), as government support, as a valuable external resource, fills gaps in the resources and capabilities of firms and creates the conditions for developing technological, marketing, and innovation capabilities. Furthermore, this finding supports dynamic capabilities theory; government support, by providing necessary infrastructure, enhances firms' ability to integrate, build, and reconfigure internal competencies to adapt to a competitive environment. In addition, the results are consistent with core competencies theory; government support, through investment in training, research and development, and technology transfer, helps cultivate and strengthen firms' unique and inimitable competencies. This finding is consistent with the results of Kim and Kim and Yang [39] in South Korea, which showed that government support strengthens green dynamic capabilities, thereby enhancing export competitiveness. Furthermore, Song and Zhao [40] confirmed that government subsidies strengthen both independent and imitative innovation models.

The findings of the study indicated that competitive capabilities have a positive and significant effect on export performance. This result is consistent with the theoretical foundations of the RBV (Barney, 1991); firms possessing superior technological, marketing, and innovation capabilities are able to create and sustain a competitive advantage in international markets. Moreover, this finding supports dynamic capabilities theory; competitive capabilities enhance a firm's ability to identify market opportunities, exploit them effectively, and continuously adapt to changes in the international environment, thereby improving export performance. From the perspective of competitive advantage theory, competitive capabilities contribute to superior performance in foreign markets through both cost and differentiation advantages. This finding aligns with the results of Falahat et al. [8], who confirmed the significant role of competitive capabilities in enhancing export performance.

The most important finding of this study is the confirmation of the mediating role of competitive capabilities in the relationship between government support and export performance. This result indicates that government support not only has a direct effect but primarily enhances export performance by strengthening firms' competitive capabilities. This finding is fully consistent with the theoretical foundations of the RBV and dynamic capabilities theory, thereby confirming the study's theoretical framework. It aligns with the results of Falahat et al. [8], who verified the mediating role of competitive capabilities in the relationship

between marketing support and export performance. Similarly, Falahat et al. [8] demonstrated the mediating role of research and development in the relationship between government subsidies and export development, while Kim and Yang [39] confirmed the mediating role of green dynamic capabilities in the relationship between government support and export competitiveness. This consistency with established international research reinforces the validity of the present study's findings. However, the results of some other studies also raise cautionary notes regarding the effectiveness of government support.

The present study, by confirming the mediating role of competitive capabilities in the relationship between government support and export performance, empirically validates a theoretical framework that integrates government intervention theory, institutional economics theory, RBV, and dynamic capabilities theory within the context of Iran's food industry. The findings indicate that the effectiveness of government support in enhancing export performance occurs not only directly but primarily through the development and strengthening of firms' competitive capabilities. In other words, government support has the greatest impact on export performance when it enhances companies' technological, marketing, and innovation capabilities.

From a policy perspective, this finding is highly significant; merely providing financial resources or temporary support without focusing on strengthening firms' capability infrastructure cannot lead to sustainable improvements in export performance. Therefore, designing targeted support packages that prioritize the development of competitive capabilities represents an effective strategy to enhance non-oil exports and achieve the country's economic development objectives. The following practical recommendations are provided for policymakers, supporting institutions, and managers of food industry companies:

5.1 | Recommendations for Policymakers and Supportive Institutions

I. Design integrated support packages (financial and marketing) with a particular focus on components that strengthen competitive capabilities.

II. Establish monitoring and evaluation systems to assess the effectiveness of government support in enhancing firms' competitive capabilities.

III. Develop training and advisory programs aimed at empowering firms in international marketing.

IV. Provide targeted support for research and development activities within export-oriented companies.

5.2 | Recommendations for Managers of Food Industry Companies

I. Continuously invest in the development of technological and innovative capabilities as a strategic priority.

II. Leverage government marketing support to identify target markets and establish distribution networks.

III. Actively participate in government-supported international trade fairs and business missions.

5.3 | Recommendations for Future Research

I. Conduct longitudinal studies to examine the sustainability of government support effects over time.

II. Undertake comparative analyses across different industries and regions.

III. Investigate the moderating roles of variables such as firm size, export experience, and entrepreneurial orientation.

IV. Disaggregate types of government support (financial, marketing, technological, and educational) to assess the specific impact of each.

V. Implement qualitative research to gain deeper insights into the mechanisms through which government support influences competitive capabilities.

Conflict of Interest

The authors declare that they have no conflicts of interest.

Data Availability Statement

All data relevant to the study are included in the article.

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