

Involvement of ambassadors in commercial diplomacy

An empirical study to identify the role of ambassadors in commercial diplomacy,
and the results of their involvement in commercial diplomacy.

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Summary

Because of a shift in economic power, a globalizing world and changing business practices, commercial diplomacy becomes more and more important for the support of businesses that do business abroad. Commercial diplomacy is a relatively new field in research. The present study contributes to the existing literature with the unexplored area of the role of ambassadors in commercial diplomacy. It investigates the involvement of ambassadors in commercial diplomacy, to what extent this involvement can explain the performance of the economic department of their embassy, and trade figures between the home and host country. The following central research question serves as the basis of this study:

To what extent are ambassadors involved in the execution of commercial diplomacy and to what extent can ambassadors' involvement explain commercial diplomacy outcomes?

A research model is designed to explore the different areas in commercial diplomacy, and determinants in commercial diplomacy success. The areas in commercial diplomacy found by Naray (2008) will be used to conceptualize a model to measure the involvement of ambassadors in commercial diplomacy. According to existing literature, business knowledge and experience positively contributes to commercial diplomacy success of commercial diplomats. In this research we investigate if this is also a determinant in the role of the ambassador and the outcomes of his "efforts". The ambassadors opinion about the performance of the economic department and the growth of trade figures between the Netherlands and the host country are measured, to search for relationships between the involvement, background and experience with the outcomes of the ambassadors "efforts".

The results indicate that the ambassadors in our sample are to a large extent involved in business promotion, to a moderate extent in the promotion of cooperation in science and technology, and to a low extent in the protection of intellectual rights. Ambassadors in our sample on average agree that commercially diplomacy is an important area in diplomacy. They spend about 43% of their time on commercial diplomacy. The years of experience in private firms is positively related to the time ambassadors spend on commercial diplomacy, whereas the number of years of experience in governmental organizations is negatively related to the time spent on commercial diplomacy. The time they spend on commercial diplomacy is together with their opinion about commercial diplomacy and their involvement in business promotion positively related to the performance of the economic department of their embassy in commercial diplomacy. We did not find any relationship between the background of the ambassador and the involvement in commercial diplomacy, or outcomes in commercial diplomacy. There was also no relationship between the involvement of the ambassador in commercial diplomacy, his background and experience with the growth of trade figures between the Netherlands and the home country.

The years of experience in private firms is positively related to the time spent on commercial diplomacy. The time spent on commercial diplomacy is again positively related to the performance of the economic department of the embassy in commercial diplomacy. Current literature concludes that experience and background are directly related to the success of commercial diplomats (Hogan, Keesing, & Singer, 1991; KostECKI & Naray, 2007; Naray, 2008). Our findings are thus partly in line with these studies. As

mentioned before, we were not able to find a relationship between the background and the performance in commercial diplomacy.

The results of this study can be generalized to ambassadors stationed in Western European countries, since the sample exists only out of foreign ambassadors located in the Netherlands. In other countries the involvement in the commercial diplomacy areas might be different, for example the involvement of the ambassador in the protection of intellectual rights of home country businesses. This empirical study lays a first basis in exploring the ambassadors role in commercial diplomacy and can serve as a good framework for further research. Future research may include a larger sample with different home and host countries, making it able to control for differences due to the context in which commercial diplomacy is executed. Research could then be generalized to a larger set of countries. Future research may for example include a model from other outcome studies like Rose (2007) or Yakop and Bergeijk (2009), who not only used the growth in trade, but also weighted for other factors.

The most important managerial implication is that ambassadors might gain more business knowledge and experience which might lead to a larger amount of their time spent on commercial diplomacy and thus better performance in commercial diplomacy. Governments might also inform and convince the ambassadors about the importance of commercial diplomacy which, according to our study, will result in better performance in commercial diplomacy.

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1 Introduction

1.1 Background

The global economy has a shift in power from the developed economies to China, Brazil, India Russia and South Africa (Bergeijk, 2012). These countries have had major economic growth last years while Western economies like the EU and United States decline in economic growth. Both companies and governments face enormous challenges arising from the diminishing importance of the traditional national borders due to globalization, technological change and developments in trading systems (Scholte, 2000; Friedman, 2005; Pisani, 2009; Rosentahl, 2011; Bergeijk, 2012). Trade patterns, and their variety, change in a more globalized world (Kostecki & Naray, 2007; Veenstra, Yakop & Bergeijk, 2010; Reuvers & Ruël, 2012). Trade barriers on the other hand often remain in place or even increase (Reuvers & Ruël, 2012).

Because of the shift in economic power and globalization, commercial diplomacy becomes more and more important for nations (Kostecki & Naray, 2007). Commercial diplomacy is important for nations, because it is a key component of international trade and Foreign Direct Investment (FDI), which are key economic processes that create capital, products, services and jobs (Kotabe & Czinkota, 1992; Naray, 2010b; Reuvers & Ruël, 2012; Ruël, 2012). Commercial diplomacy is used to secure new export markets in emerging economies, new inward investments in new markets (Kostecki & Naray, 2007), and to expand trade and investment in the context of declining economic policy sovereignty (Ruël, 2012). Activities within the field of commercial diplomacy aim at: “encouraging business development” (Naray 2010), “the development of socially beneficial international business ventures” (Kostecki & Naray, 2007), and “national economic development” (Saner & Yiu, 2003). As economies decline, effective commercial diplomacy becomes more important to create new trade and investment opportunities or rescue and nurture existing ones. This to prevent economies from declining growth. Increasing flows of capital, trade, services, people, ideas and information between states and businesses have increased the need for effective commercial diplomacy to help facilitate continued economic development and market integration as well as manage increased economic risks and opportunities. There are different studies that conclude that commercial diplomacy has a positive impact on trade between countries (Lederman et. al., 2006; Gil-Pareja et. al., 2007; Head and Ries, 2006; Nitch, 2007; Yakop & Bergeijk, 2009; Afman & Maurel, 2010; Veenstra, Yakop & Bergeijk, 2010). All these studies result to an estimated effect, that an increase in the ‘amount’ of economic diplomacy with 10% will increase bilateral trade flows by 1% (Veenstra, Yakop & Bergeijk, 2010).

Research on commercial diplomacy is relatively new (Kostecki & Naray, 2007). Therefore there are relatively few academic publications on commercial diplomacy (Kostecki & Naray, 2007; Reuvers & Ruël, 2012). Most commercial diplomacy research focuses on trade shows and trade missions, export increase, and FDI. Further, there is little research on the role that individuals play in commercial diplomacy (Ruël, 2012; Reuvers & Ruël, 2012). Studies on effectiveness of commercial diplomacy and economic diplomacy as well as on outcomes and results of commercial diplomacy/economic diplomacy focus almost all on macro level, but tend to overlook or ignore the role of commercial diplomacy processes as the intermediating variable between commercial diplomacy resources (input) and commercial diplomacy outcomes and results (e.g. Rose, 2007; Veenstra, Yakop & Bergeijk, 2010). Kostecki and Naray (2007)

focus on the individual level of commercial diplomats. In their study they examined “the allocation of Commercial Diplomat Time between Various Business-support Activities” and what variables determined the weight of those activities. In this study, we will focus on the involvement of ambassadors in commercial diplomacy, and if there is a link between their involvement and the trade figures between the Netherlands and their home country and if there is a link between their involvement and the performance of the economic department of their embassy in commercial diplomacy. It is also important to see if the background and experience might influence the activities of the ambassador and their outcomes. Different studies investigated if the background of commercial diplomats had an influence (Kostecki & Naray, 2007; Naray, 2008; Ruël & Zuidema, 2012), and concluded that the background and experience have influence on the results of the diplomats in commercial diplomacy.

According to Lee and Hudson (2004), literature fails to identify, and hardly draws a complete picture of all the aspects of commercial diplomacy. As far as we know, there is no research on the role of the foreign post, and embassies in the changing importance of commercial diplomacy now-a-days. There is also no research on the ambassadors as head of the foreign post in commercial diplomacy. With this study on the involvement of ambassadors in commercial diplomacy, we will contribute to a more complete picture of all the aspects of commercial diplomacy.

1.2 Research objective and research question

The aim of this study is to gather new empirical data to identify the involvement of ambassadors in commercial diplomacy, comparing it to the outcomes of commercial diplomacy. It will be an explanatory study, therefore will this study include a survey based on a questionnaire filled in by ambassadors. Data will also be gathered from secondary sources to compare the role of ambassadors in commercial diplomacy to the trade between home and host country. Our goal is to contribute to the commercial diplomacy literature with the first research on ambassadors in commercial diplomacy.

Our research question therefore is:

To what extent are ambassadors involved in the execution of commercial diplomacy and to what extent can ambassadors' involvement explain commercial diplomacy outcomes?

1.3 Need for this study

As mentioned before, commercial diplomacy is becoming more important for developed economies, to prevent their economies from declining growth. Commercial diplomacy is used to increase their export and increase investments in their home country. Different studies conclude that commercial diplomacy has a positive impact on trade between countries (Veenstra, Yakop, Bergeijk, 2010; Bergeijk, 2012). To get a better understanding of commercial diplomacy, it is important to broaden the academic literature on commercial diplomacy. This research will contribute to this literature with the unexplored area of the role of ambassadors as head of the foreign post in commercial diplomacy and the possible outcomes of their efforts. The only note on allocation of time from is ambassadors is from Rana (2004). Rana (2004) stated that German and French ambassadors spend 60% of their time on economic promotional work. However, he only got this information from a business meeting called "Economic Diplomacy Today" on September 23 in 2002 in New Delhi, and not from an in-depth analysis.

1.4 Research strategy

This study follows a deductive approach. The starting point is a thorough literature review to define the areas in which ambassadors can be involved, what the effects are of commercial diplomacy, and the role of experience and background in commercial diplomacy. The research model and hypotheses display and state the causal relationships that are empirically tested in this study.

The empirical part is conducted in terms of a survey by using a questionnaire filled in by ambassadors in the Netherlands. This questionnaire consists mostly of quantitative data in order to obtain sufficient knowledge for answering the central research question and achieving the research objective. Next to the survey, we will also use trade figures between the Netherlands and the home country of the ambassadors.

In chapter 2 we present a literature review that initially elaborates on the areas and activities in commercial diplomacy, the effect of commercial diplomacy, and the influence of background and experience in commercial diplomacy. This review aims to identify potential activities in different areas for the ambassadors, determinants for commercial diplomacy performance and proposes a set of hypotheses. The third chapter is used to describe the methodology, specifically data collection, samples and tests the questionnaire we designed. In chapter 4 we test our hypotheses. In chapter 5 we aim to conclude this study, and we will discuss the most important findings.

2 Literature review

2.1 Introduction

This chapter tends to summarize, criticize, and integrate literature in order to create a research model that integrates the determinants of the involvement of ambassadors in commercial diplomacy, and the effects of their level of involvement. The literature review builds on existing knowledge of commercial diplomacy. Commercial diplomacy and commercial diplomacy effectiveness and outcome studies are the starting point of the literature review. There after we elaborate the role of ambassadors in diplomacy and we expand the scope to review the effects of the background and experience of commercial diplomats and the context, which might also account for the ambassador, on commercial diplomacy. Last we will explain adding the opinion of the ambassador about the importance of commercial diplomacy to our research.

2.2 Diplomacy

According to Kostecki and Naray (2007) is diplomacy usually described as “the main instrument of foreign policy enabling the management of external relations of a state by communication with foreign authorities and publics, as well as through the process of negotiations and networking”. Melissen (1999) states that diplomacy is defined as the mechanism of representation, communication and negotiation through which states and other international actors conduct their business. In our research we will focus on one part of diplomacy. This part is commercial diplomacy. In this chapter we will present the theoretical background of commercial diplomacy, and show some models used for research on commercial diplomacy. From these theories and models we will develop a research model for the role of ambassadors on commercial diplomacy.

2.3 Commercial diplomacy

2.3.1 Defining commercial diplomacy

An important question is off course what commercial diplomacy exactly is. Commercial diplomacy is often confused with economic diplomacy. We will not discuss the differences between economic diplomacy and commercial diplomacy in depth, because there is already a broad debate on the differences between economic diplomacy and commercial diplomacy in literature (e.g. Saner & Yiu, 2003; Kostecki & Naray, 2007; Reuvers & Ruel, 2012; Ruel & Zuidema, 2012). A good overview between the differences is provided by a figure of Saner and Yiu (2003) which can be found in appendix A.

Commercial diplomacy is a service provided by government to the business community of a country (Kostecki & Naray, 2007; Naray, 2008). These services are mostly performed in the host country. A definition of commercial diplomacy is described by the article of Saner and Yiu (2003) who describe commercial diplomacy as the work of diplomatic missions in support of the home country’s business and finance sectors in their pursuit of economic success and the country’s general objective of national development. Important aspects of a commercial diplomacy is the supply of information about export and investment opportunities and organizing and helping to act as hosts to trade missions from the home country. This includes the support of enterprises from their home country in export advise, legal assistance, export incentives and backstopping when needed (Saner & Yiu, 2003). Different actors are

involved in commercial diplomacy. These actors range from high policy level to ambassador and the lower policy level. The high policy level actors are: head of state, prime minister, minister or a member of parliament. The lower level actors consist of specialized diplomatic envoy, trade representative, commercial attaché, or commercial diplomat (Kostecki & Naray, 2007; Naray, 2008).

Commercial diplomacy is a popular tool to increase exports, both in developed and in developing countries (Veenstra, Yakop & Bergeijk, 2010), to stimulate the home country's economic growth and employment in priority sectors or regions, as well as complementing co-operation in science and technology (Kostecki & Naray, 2007). According to Naray (2010), includes commercial diplomacy all aspects of business support and promotion (trade, investment, tourism, science and technology, and protection of intellectual property). Reuvers and Ruël (2012) defined three types of commercial diplomacy output: Economic benefits (Czinkota, 2002; Nitsch, 2005; Rose, 2007; Yakop & Bergeijk, 2009), political benefits (Haan, 2010; Neumayer, 2007; Okano-Heijmans & Ruël, 2011), and nation branding (Potter, 2004; Yang et al., 2008). Economic benefits include wealth and knowledge creation and an increase in international trade (Reuvers & Ruël, 2012). Political benefits include developmental aid (Haan, 2010; Okano-Heijmans, 2010), economic means to pursue political goals and the global pattern of diplomatic representation (Reuvers & Ruël, 2012). Nation branding has a positive effect on both economics and politics (Potter, 2004).

Commercial diplomacy is a value-creating activity (Kostecki & Naray, 2007). Value is the utility combination of benefits delivered to the beneficiaries minus the cost of those benefits to business and government (Porter, 1980). Kostecki and Naray (2007) therefore put the activities of commercial diplomacy's services in a value chain. They distinguished two types of activities: primary activities and support activities. Primary activities are related to trade, foreign direct investments, research and technology, tourism, and business advocacy. Supporting activities are intelligence, networking, involvement in "made-in" image campaigns, support for business negotiations, contract implementation and problem-solving (Kostecki & Naray, 2007).

According to Lee (2004) one of the commercial diplomatic activities is gathering and disseminating commercial information and market research, which is information on existing and potential markets on both a geographical and sectional basis. Most important activities of commercial diplomacy according to Ruël and Zuidema (2012) are intelligence, assistance with fairs, trade missions, networking, problem solving and assistance with trade disputes, and partner search and negotiation. The first are about information search and dealing with business inquiries, the second include organizing business and export promotion events, the third is about advising in cases where business face problems with creditors, contract disputes or market access issues, and the fourth activity deals with bringing together business partners from home and target countries. Kostecki and Naray (2007) found a lot of equal activities as Ruël and Zuidema (2012) found. Kostecki and Naray (2007) describe the nature of commercial diplomacy services and their managerial implications. The natures are: Service, Government service, Diplomatic service, Public service, Commercial service, and Networking service. Activities within commercial diplomacy are: Intelligence, Communication, Referral, Advocacy, Co-ordination, and Logistics. These activities held for the following areas: promotion of trade in goods and services, protection of intellectual property rights, co-operation in science and technology, promotion of made-in

and corporate image, and promotion of foreign direct investments. Naray (2008) summarized all the activities and areas of commercial diplomacy in a matrix with, which is displayed in table 1.

Area:	Promotion of Trade in Goods and Services.	Protection of intellectual Property rights.	Co-operation in Science & Technology.	Promotion of Made-in and Corporate Image.	Promotion of Foreign Direct Investments.
Activity:					
Intelligence	Gathering export marketing data.	Supervision of Violations of IPRs.	Monitoring research achievements.	Image studies.	Identifying potential investors.
Communication	Tourism promotion conference.	Presentations during awareness campaigns.	Preparation of press articles on scientific achievements.	Contribution to made-in promotion events.	Briefings for potential investors.
Referral	Introducing potential exporters.	Search for reliable IP lawyers.	Facilitation of contacts between H.T. labs.	P.R. for large contracts where national image counts.	Approaching CEOs with investment proposals.
Advocacy	Support of firms in dispute settlement procedures.	Pressures for improved protection of home country's IPRs.	P.R. in favour of joint scientific projects.	Defence of national companies singled ou by host country authorities.	Protection of home country investors in the host country.
Co-ordination	Organization of prospect meetings.	Co-ordination of legal action.	Introducing parties to initiate R&D joint ventures.	Co-ordination of made-in campaigns.	Organizing minister's participation in private investors' forum.
Logistics	Embassy's secretariat is servicing a trade promotion conference.	Training material for awareness campaigns is printed and distributed by the embassy.	Ambassador or CD hosts a conference on promotion of scientific co-operation.	Translation of the campaigns material is done by the CD unit's staff.	Members of an investment promotion mission use office facilities at the Embassy.

Table 1: Matrix of the areas and activities in commercial diplomacy from Naray (2008)

We can conclude that there are justifications for commercial diplomacy support by governments. Other justifications, in the form of "outcome" studies will be given in the next section. There are studies given which show the effects of commercial diplomacy.

2.3.2 Commercial diplomacy effectiveness & outcomes studies

Recent studies have confirmed the existence of a significant positive relationship between instruments of economic diplomacy (export promotion, state visits, embassies and consulates) and cross-border economic activity (exports, imports, tourism) (Veenstra, Yakop and Bergeijk, 2010). Rose (2007) found that activities of the Foreign Service have a positive effect of about 6 to 10 percent on bilateral exports. He used a sample consisting of the bilateral trade flows of 20 exporting countries and 200 import destinations in the year 2002. Lederman et al. (2006) dealt with 83 total export flows in the year 2005-2006. Yakop and Bergeijk (2009) established a symmetric trade matrix of 63 countries for the year 2006. Afman and Maurel (2010) studied the bilateral trade flows between 26 OECD countries and 30 countries of former Eastern Bloc in the years 1995-2005. Nitsch (2005) concluded that state and official visits correlate positively with exports. A visit is "typically associated with higher exports by about 8 to 10 percent". Veenstra, Yakop and Bergeijk (2010) concluded that "the overall effect of export promotion agencies is insignificant whereas the overall effect of embassies and consulates is positive and significant". The estimated elasticity is in the range of 0.05 to 0.09, which means that a 10% larger number of consulates and embassies are associated with a 0.5 to 0.9% larger trade flow (Veenstra, Yakop, and Bergeijk, 2010). This effect was only applicable for high-income countries exporting to low- and middle-income countries. Not from high-income to high-income countries. The overall conclusion of Veenstra et al. (2010) was that "the effectiveness of economic diplomacy can be substantially increased by considering more closely the appropriateness of its instruments in particular for the markets that are target". Van den Berg et al. (2008) estimated that trade missions account for 0.5% of the trade flows. Heemskerk (2010) stated that this is an estimated effect for a growth in welfare of between 100 and 200 million Euros a year for the Netherlands. We can conclude that there are relatively a lot of studies done on the outcomes of commercial diplomacy, compared to other commercial diplomacy studies. They all show a positive effect of commercial diplomacy on trade. There are however no exploratory effect studies like this current study.

2.4 Ambassadors and diplomacy

There is hardly no research on the role of ambassadors in diplomacy in general. The ambassador is the head of a diplomatic mission to a foreign state (Berridge & James, 2001). Because he's the head of a foreign mission, we could state that he deals with all forms of diplomacy within the embassy. This is also confirmed by the book of Rana (2005). The ambassador will lead other diplomats in the foreign mission (Rana, 2005; Ten Haaf, 2010). Rana (2005) states also that "the ambassador serves in the frontline, in foreign capitals, and comes to notice especially in periods of difficulty in relationships, when he becomes a symbol of national honour". He/she is also often important when things go wrong in a bilateral relationship or in a multilateral institution (Rana, 2005). The Ambassador is important in diplomacy, because he's a central element of the entire diplomatic system (Rana, 2005). He/she is not important anymore for the determination in war and peace between states, like before, but he/she still has an important role to play in the reduction of tensions, often at multilateral instances where his/her country may have only an indirect interest. The most important function of diplomacy is negotiation (Berridge, 2005). Other functions are information gathering, lobbying, clarifying intentions, supporting commercial and financial activities, assisting nationals abroad, and promoting popular sympathy for the state's foreign policy- at home as well as abroad. There are different channels through which all of these

functions of diplomacy are pursued. These include direct telecommunications, bilateral diplomacy (conventional and unconventional), multilateral diplomacy, summitry, and mediation (Berridge, 2005).

To get a view on the ambassadors' involvement in commercial diplomacy and diplomacy in general, a clear vision on commercial diplomacy and its domains have to be created. There are some quotes regarding the role of an Ambassador in commercial diplomacy. Rana (2004) for instance stated that ambassadors spent 60% of their time on economic promotional work. The ambassadors activities within commercial diplomacy will in our opinion mostly be related to the activities of commercial diplomats. Therefore we will use the areas which are summarized by Naray (2008). However, we think there will be a difference in regard to the activities that commercial diplomats execute. Because an ambassador has also other diplomatic activities, expected is that an ambassador for example will not cope with intelligence functions for commercial diplomacy by himself. This information will probably be gathered by diplomats and other staff of the foreign mission. The ambassador will probably also have a more a symbolic role than the commercial diplomats. Rana (2005) states that the ambassador is a visible symbol of foreign relationships, even more than his/her direct master, the foreign minister and the official apparatus that the minister heads- called variously the ministry of foreign affairs, the foreign office, the external affairs ministry, or the department of state. This might however not mean that the ambassador will not be involved in all activities. He might for example be involved with the policy making and might be involved with these activities for example during meetings with the embassy's staff.

2.5 Background and experience

Diplomats can have different styles (Kostecki & Naray, 2007; Naray, 2008; Ten Haaf, 2010) and background (Carriere, 1998). This might also influence the outcomes/results of the ambassador's role. According to Naray (2008) are two main dimensions that are critical for commercial diplomacy: Business knowledge, mainly in international marketing, and business experience. The different styles in commercial diplomacy are: Business promoter, civil servant, and generalist (Naray, 2008; Ten Haaf, 2010; Visser, 2011). A business promoter is business-oriented, pro-active, seeking the satisfaction of companies served. They have a solid technical know-how and entrepreneurial approach. They have often followed education in economics or business, and have also business experience (Kostecki & Naray, 2007; Naray, 2008). Business promoters are often considered to be the most successful commercial diplomats (Naray, 2008; Visser, 2011). A civil servant tends to be reactive rather than pro-active, and keeps distance from business deals. Emphasizing policy implementation rather than business support and is more responsive to government instructions than client needs. Their main concern is to please the Ministry of Trade (Reuvers & Ruël, 2012). They provide more often a link between business and the ministry, than stimulating business operations. The civil servant style diplomat/ambassador have often trade ministry, rather than business, experience. They often have some economic or commercial school training but little direct business know-how (Kostecki & Naray, 2007; Naray, 2008). A generalist is a career diplomat assuming business support functions on an ad hoc basis or in addition to other diplomatic duties. They tend to be less technical, but may offer good contacts. They have often a career in diplomatic functions, and don't have an educational background in economics or business (Kostecki & Naray, 2007; Naray, 2008). The question is off course if this is the same for ambassadors. Rana (2005) stated that the ambassador needs to understand the national and international macro-economic forces that shape his

country's agendas. To see if the experience and background of an ambassador has influence on the involvement and outcomes of the ambassador, we will take this also in account in our research. We will divide background of an ambassador in two important factors. This will be the subject of their study, and experience in private and governmental organizations.

2.6 Context of commercial diplomacy

Commercial diplomacy is highly influenced by external forces or its context (Reuvers & Ruël, 2012). Certain home and host country characteristics shape the context for commercial diplomacy (Kostecki & Naray, 2007; Reuvers & Ruël, 2012). Reuvers and Ruël (2012) describe factors like globalization and technology which may facilitate or constrain commercial diplomacy. The host country can also be seen as an factor which might influence commercial diplomacy. The host country in which the ambassador is located might influence his/her involvement in commercial diplomacy and the result of the efforts. Kostecki and Naray (2007) acknowledge differences between host countries. They focus on the differences in growth of the country, gravity centre, and polity variables. The size of each embassy will also vary per country, which will determine how an ambassador has to cope with commercial diplomacy. Home country characteristics include the national government structures and the influence of public and private actors on commercial diplomacy within the country (Reuvers & Ruël, 2012). All these factors might thus have influence on the overall tasks within diplomatic tasks of the ambassador, but also on the commercial diplomatic tasks of the ambassador. The tasks of an ambassador within an European Union country will for example be different then from an ambassador in Africa. In countries with an unreliable legal environment and corruption, the ambassador might be much more involved in assisting firms who are injured by the environment (Kostecki & Naray, 2007). Ruël and Zuidema (2012) concluded that the less favourable a host country's cognitive environment for foreign firms is, the more relevant commercial diplomacy will be in that particular setting. Our initial purpose was to take the context of the country where the ambassador was located in account. Due to logistic reasons we only have sent our questionnaires to foreign ambassadors in the Netherlands, so we were not able to investigate the influence of the context.

2.7 Opinion about commercial diplomacy

Opinion about the importance of commercial diplomacy is never measured in previous studies. It is however interesting to know what the opinion of ambassadors is about commercial diplomacy on average. Literature shows that commercial diplomacy is an important practice in diplomacy, but ambassadors might think differently about the importance of commercial diplomacy. Opinion of the ambassador about the importance of commercial diplomacy might have large effects on his involvement in commercial diplomacy, but especially in the outcomes of commercial diplomacy. If an ambassador's opinion is that commercial diplomacy is important he might be much more motivated in the activities he conducts for commercial diplomacy then when he feels it's compulsory, because its imposed by his government.

2.8 Research model

This literature review is concluded by synthesizing a research model and a set of hypotheses. The model in figure 1 displays the relationships between the determinants and the involvement in commercial in commercial diplomacy, and the results in commercial diplomacy.

The determinants in this research model are classified in four groups: involvement in, and time spent on commercial diplomacy (1), background and experience of the ambassador (2), Opinion about commercial diplomacy (3), and results in commercial diplomacy (4). First we expect that the involvement of ambassadors in commercial diplomacy will be positive related to the results in commercial diplomacy. We include the areas in commercial diplomacy from the article of Naray (2008): the promotion of trade in goods and services, the protection of intellectual property rights, the promotion of co-operation in science and technology, the promotion of made-in and corporate campaigns, and the promotion of foreign direct investment. Next to these areas, we will also include the time ambassadors spend on commercial diplomacy.

Second we saw in the literature review that business knowledge and business experience are critical aspects of a successful and effective commercial diplomat (Hogan et al., 1991; Kostecky & Naray, 2007; Naray, 2008). We expect therefore that business experience and study with business as background will be positively related to the outcomes in commercial diplomacy.

Third, we expect that the opinion of the ambassador about commercial diplomacy be positive related to his involvement in commercial diplomacy, the time he spends on commercial diplomacy, and the outcomes in commercial diplomacy.

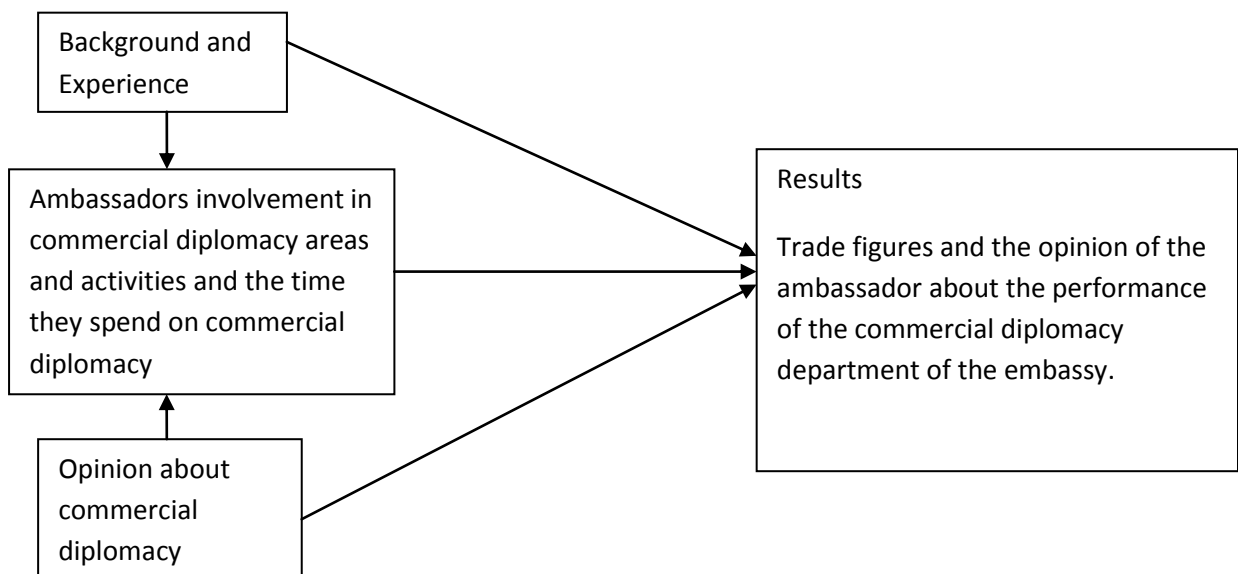


Figure 1. Research model

Table 2: hypotheses based on the literature review

Area	No.	Hypothesis
Background and experience	1a	Experience of ambassadors in private firms will be positive related to the involvement in commercial diplomacy and the time spent on commercial diplomacy.
	1b	More experience in private firms will be positive related to the performance of the economic department in commercial diplomacy and the growth of trade figures between the Netherlands and the home country.
	2a	Business as subject of the ambassadors' education will be positive related to their involvement in, and time spent on commercial diplomacy.
	2b	Business as subject of the ambassadors' education will be positive related to the performance of the economic department in commercial diplomacy and growth in trade figures between the Netherlands and the home country.
Opinion about commercial diplomacy	3	A positive opinion about the importance of commercial diplomacy will be positive related to the level of involvement in, and time spent on commercial diplomacy.
	4	A positive opinion about the importance of commercial diplomacy will be positive related to better performance of the economic department of the embassy in commercial diplomacy and growth in trade.
Involvement in, and time spend on commercial diplomacy	5	A higher involvement of the ambassador in commercial diplomacy will be positive related to the performance of the economic department in commercial diplomacy and the growth of trade between the Netherlands and the home country.
	6	A higher percentage of time spent on commercial diplomacy by the ambassador will be positive related to the performance of the economic department in commercial diplomacy and the growth of trade between the Netherlands and the home country.

3 Methodology

3.1 Procedure and sample

To measure the involvement of ambassadors in commercial diplomacy, their background and experience, and the performance of their economic department of the embassy in commercial diplomacy, we conduct a survey by using a questionnaire. The questionnaire was sent to all 104 ambassadors representing their country in the Netherlands. Of the 104 questionnaires, 41 questionnaires were returned (39.4%). The questionnaires were sent by post, addressed to the ambassador, and included a letter to explain the purpose of our research. After three weeks a reminder was sent by post to all ambassadors who had not returned the questionnaire. A second reminder was sent by mail, four weeks after the questionnaire was sent. The data for the trade figures between the Netherlands and the home countries of the ambassadors in our sample are gathered through the database of "het Centraal Bureau voor de Statistiek". We used the trade figures between 2008 and 2012. With these trade figures we calculated the growth of trade between the Netherlands and the home countries. We calculated the correlation coefficients between several independent variables and used the growth in im- and export, and total trade as the dependent variable in our sample.

3.2 Questionnaire

3.2.1 design of our questionnaire

We designed our own questionnaires with our own constructs and scales, because there were no previous studies which measured the involvement in commercial diplomacy and thus also no studies which were based on a survey. Designing good definitions and concepts were therefore important for the questionnaire (t Hart et al., 2005; Babbie, 2007; Vos, 2009). When the concepts were known, we operationalised the concepts into questions for the questionnaire (t Hart et al., 2005). When making questions, it is important to keep always the respondents in mind, by asking where the question-answer process can be disturbed. Even when this is done carefully, there can still be some measurement errors (Snijkers, 2002). Clark and Schober (1992, p.29) stated that "Surveyors cannot possible write perfect questions, self-evident to each respondent, that never need clarification". Researchers should never assume that the respondents know the terminology, and they should also avoid using negative questions or statements. Negative questions are usually more difficult to understand than straightforward ones, since they require an exercise in logical reasoning (Kitchenham & Pflieger, 2002). Pre-testing of our questionnaire will be discussed in the next section. Our constructs and operationalisation of the questionnaire can be found in appendix B.

Because of the limited time and money, we chose for a self-administered questionnaire. A self-administered questionnaire is easier for the respondents, because they can over think the questions, and they can fill in the questionnaires on a time which is more suitable for them (Snijkers, 2002; Denscombe, 2009). The questionnaire was kept as short as possible in order to get a high response on the questionnaire. According to Zikmund (2003) are relevancy and accuracy two criteria for a good questionnaire. The questionnaire should not collect unnecessary information and should collect sufficient data to answer the research questions. Short questionnaires will decrease the amount of respondents that quit the questionnaire.

3.2.2 Pre-testing the questionnaire

Before the questionnaire was sent to the ambassadors, we pretested the questionnaire. Measurement error as a result of errors in the questions is then reduced, which leads to a better quality of the data (Snijkers, 2004). It also enhances the respondent friendliness of the questionnaire (Snijkers, 2004). Common used methods are expert reviews, in-depth interviews, focus groups, and small-scale pilots (Snijkers, 2002). Problems in the questionnaire may not only be related to the questionnaire, but also to other aspects of data collection that determine the quality of survey data (Snijkers, 2002). For example, incorrect routings in the questionnaire, flaws in the lay-out, or inappropriate mode of the data collection. Snijkers (2004) describes ways to test the questionnaire; filling out the questionnaire by the researcher him/herself; facilitating some pilot questionnaires, and asking the pilot respondents afterwards about the questionnaire; discussing the questionnaire with colleagues.

To pre-test the questionnaire, we first filled in the questionnaire by our self, to see if we could already make some changes, after that the questionnaire was pretested by pilot respondents with a Master of Science degree, people with a Bachelor of Science degree and by students. The backgrounds of these people are in psychology, social science, business administration, chemistry, urban planning, and mechanical engineering. We also discussed the questionnaire with a colleague from a different department of the University of Twente. After pretesting, we changed two questions, because they were unclear according to the pre-test sample. The questionnaire was adapted to ensure that the questionnaire was easier for respondents to understand and complete. By improving the questionnaire in this way, systematic errors in the question-and-answer process are reduced or prevented from occurring (Snijkers, 2002).

3.2.3 Increasing response rates.

When relying on survey methodology for research, researchers are often confronted with the potential threat of a substantial amount of non-response to a survey (Anseel et al., 2010). The observed non-response threatens the external-validity of the research (Rogelberg & Stanton, 2007). If systematic differences between respondents and non-respondents are present, the findings of the study may not generalize to the entire sample, and hence, may undermine conclusions drawn about the population under consideration (Anseel et al., 2010). We therefore took precautions to increase the response rates. First we thought thoroughly about our questionnaire and pretested it to see if the questionnaire was understandable and if there weren't any errors in the questionnaire. Because a questionnaire with a nice layout will tempt the respondent more to fill in the questionnaire (Fallowfield, 1995; 't Hart et al., 2005), we spent much time on a good lay out, a good letter to invite the ambassadors to fill in the questionnaire, and to stress the importance of this research. Because the ambassadors were the unit of analysis, the survey topic was highly relevant to ambassadors. This will also increase the response rate (Heberlein & Baumgartner, 1978; Roth & BeVier, 1998) The invitation was personalized (Yu and Cooper 1983; Yammarino et al., 1991), and a realistic indication about the time that is required to complete the questionnaire was given (Fallowfield, 1995). We sent a follow-up letter to remind the respondents about the survey, and asked them to participate if they had not filled in the questionnaire yet (Yu & Cooper, 1983; Fox et al., 1988; Yammarino et al., 1991; Edwards et al., 2002). Important is that follow-up should not only be effective in reminding participants but also underscores the importance of the questionnaire (Paxson, 1995). There is also a debate on lower response rates for internet administered surveys in

comparison with questionnaires sent by post or in personal, due to internet security, like junk mail or spam, and lack of personal relationship between researcher and respondents (Sill & Song, 2002). We therefore choose to sent the invitation with the questionnaire by post.

3.3 Measurement

3.3.1 Involvement of ambassadors in commercial diplomacy

Next to the direct activities ambassadors perform in the different commercial diplomacy areas, they will also have an indirect influence on the commercial diplomacy practices in an embassy. Therefore we created a scale to see to what extent the ambassador is involved in certain areas of commercial diplomacy. The involvement of ambassadors will be explained by the activities they conduct in the different commercial diplomacy areas. Therefore the framework from Naray (2008) is used. We clearly stated that this involvement might also be indirect, because ambassadors may not perform all the activities in the different areas by themselves, but they could also be involved when they for example focus on certain activities or areas in meetings with the embassy's staff. Next to their involvement in the different areas we also asked what percentage of their time they spent on commercial diplomacy. The measurement of the involvement of ambassadors in commercial diplomacy includes 30 items over a total of five different areas. The different areas are the promotion of trade in goods and services; the protection of intellectual property rights; the promotion of co-operation in science and technology; the promotion of made-in and corporate campaigns; and promotion of foreign direct investment (Naray, 2008). They all contain six items, based on the activities in commercial diplomacy (Naray, 2008). The items are scored on a seven-point answering scale with the indicators 1= to a very low extent, 3 = to an average extent, and 5 = to a very high extent. The average scores for each area provide an indication to what extent an ambassador is involved in the commercial diplomacy area.

3.3.2 Outcomes of their efforts.

To investigate the outcomes of the involvement of the ambassador's in commercial diplomacy, the ambassadors are asked to value the performance of their economic department of their embassy in the questionnaire. Next to their own opinion about their embassy, we also used external data. For each country the growth in export from the home country to the Netherlands and the import from the Netherlands to the home country will be compared with the extent that ambassadors are involved in commercial diplomacy and the time they spent on commercial diplomacy. We will do the same for the trade figures and their experience and background. The data for the trade between the Netherlands and the country of the ambassador was collected via the use of 'het Centraal Bureau voor Statistiek' (CBS). We took the growth in the period of 2008 until 2012. For the calculation for the relationships between the independent variables and the trade figures as a dependent variable, we used the percentage of growth in trade. Yakop and Bergeijk (2009) used the gravity model to investigate the effects of commercial diplomacy on trade. We will use the percentage of growth in import, export and total trade between the home and host country because we expect that the background and experience, the level of involvement might have a direct positive effect on the trade between the home and host country. Because of the exploratory nature of this research and a broader scope of this research, we do not have enough time to use the gravity model. Next to the limited time, we are also interested in if we can find a direct relationship between the background, experience, and the involvement of the ambassador in

commercial diplomacy and the growth in trade figures instead of using a more complex model like the gravity model.

The measurement of the performance of the economic department of the embassy in commercial diplomacy includes seven items. The items consist out of statements about the performance of the economic department in different commercial diplomacy areas and are scored on a five-point answering scale with the indicators 1 = strongly disagree, 3 = neither agree, nor disagree and 5 = strongly agree. The average scores for each area provide an estimate about the performance of the economic department in commercial diplomacy.

3.3.3 Influence of the experience and background of the ambassadors

To investigate if the background and experience have an influence on the involvement of the ambassador and the outcomes of his/her efforts in commercial diplomacy, just like Kostecki and Naray (2007) found for the style of commercial diplomats. We included questions regarding the background and experience of the ambassador. For the ambassadors experience, we will focus on how much business experience and governmental experience the ambassador has. This will be measured in years. We asked them also to fill in the years of experience they had as an ambassador, and how many years they have lived in the embassy's country. For their background, we asked them to fill in their field of study.

3.3.4 Opinion about the importance of commercial diplomacy

Next to the background and experience of the ambassador, we presented statements to the ambassador about the importance of commercial diplomacy for trade, investments, tourism, and the support for home country businesses. The ambassador's opinion about the importance of commercial diplomacy consists of five items. The scores are on a five-point answering scale. The indicators are: 1 = strongly disagree; 3 = neither agree, nor disagree; 5 = strongly agree. The average scores estimate again the opinion of the ambassador about the importance of commercial diplomacy.

3.4 Testing the questionnaire

We performed a factor analyses to see how many different items can be found in the survey. To assess the scale reliability of or survey we calculated the Cronbachs Alpha's for the different areas, the performance of the economic department in commercial diplomacy and the ambassador's opinion about commercial diplomacy. Because of the small sample, a factor analysis might not be a very good measurement because of the chance of the data being not normal. However, for a sample of 41 respondents the data was not extremely skewed and was normal distributed. In appendix E an overview of the histograms can be found.

3.4.1 Factor analysis for the ambassadors involvement in commercial diplomacy.

To test the validity of this questionnaire we conducted a principal component analysis on the 30 items with orthogonal rotation (varimax). Because of the outcomes we used a fixed number of three factors to determine which components could be clustered. It was not possible to cluster the components by the five different areas. The Kaiser-Meyer-Olkin measure verified the sampling adequacy for the analysis, KMO = .52, according to Field (2009) such a score is barely acceptable. Bartlett's test of sphericity $X^2(435)$

= 1021.00, $p < .001$, indicated that correlations between items were sufficiently large for the principal component analysis. Despite the low Kaiser-Meyer-Olkin Measure, the Factor analysis was still useful to see that three components could clearly be formed. The three components have all Eigenvalues above Kaiser's (1960) criterion of 1 and explained in combination 57.85% of the variance in this sample. Appendix F shows the factor loadings. In the first two components we find mostly factors combined from the protection of intellectual property rights in component one and the promotion of co-operation in science and technology in component two.

After the analysis three factors remain:

1. The protection of intellectual property rights
2. The promotion of co-operation in science and technology
3. The promotion of trade in goods and services, the promotion of corporate and made-in campaigns, and the promotion of foreign direct investment.

The promotion of trade in goods and services, the promotion of corporate and made-in campaigns, and the promotion of foreign direct investment don't form different factors in the questionnaire in our sample, and form thus one grouped area. These three areas are closely related to each other because they are all directly related to a more general form of business promotion. It might be good possible that ambassadors perform activities in these areas together and not separated from each other. Therefore we will name the new factor business promotion.

3.4.2 Factor analysis for the ambassadors opinion about commercial diplomacy.

We conducted a principal component analysis on the 5 items with orthogonal rotation (varimax), to see how many components we could retain out of the 5 items for the ambassadors opinion about commercial diplomacy. The Kaiser-Meyer-Olkin measure verified the sampling adequacy for the analysis, $KMO = .84$ (great values according to Field, 2009). Bartlett's test of sphericity $X^2(10) = 114.80$, $p < .001$, indicated that correlations between items were sufficiently large for PCA. An initial analysis was run to obtain Eigenvalues for each component in the data. One component had an Eigenvalue over Kaiser's criterion of 1 and explained 69.97% of the variance. Appendix F shows the factor loadings. There is no rotation possible, because there is only one component retained.

3.4.3 Factor analysis for the performance of the economic department of the embassy in commercial diplomacy.

We conducted a principal component analysis on the 7 items with orthogonal rotation (varimax), to see how many components we could retain out of the 7 items for the performance of the economic department in commercial diplomacy. The Kaiser-Meyer-Olkin measure verified the sampling adequacy for the analysis, $KMO = .788$ (great values according to Field, 2009). Bartlett's test of sphericity $X^2(21) = 134.58$, $p < .001$, indicated that correlations between items were sufficiently large for PCA. An initial analysis was run to obtain Eigenvalues for each component in the data. Two components had an Eigenvalue over Kaiser's criterion of 1 and explained 71.27% of the variance. Appendix F shows the factor loadings after rotation. The items that cluster on the same components suggest that component 1 represents the opinion of the ambassador of the performance of the economic department in trade and

business promotion. Component 2 represents the opinion of the ambassador of the performance of the economic department in supporting businesses.

3.4.4 Cronbach's alpha for the involvement in commercial diplomacy areas

To assess the scale reliability, we calculated the Cronbach's Alpha. The protection of intellectual rights ($\alpha = .93$) and the promotion of co-operation in science and technology ($\alpha = .89$) consisted out of six items. Our new component business promotion ($\alpha = .91$) consisted out of 18 items. Despite the relatively small sample, all Cronbach's Alpha's were above .89, meaning that our construct for the involvement of ambassadors in commercial diplomacy areas in this sample is a reliable construct (Field, 2009). There was not a possibility to increase the Cronbach's alphas substantially by deleting items of the questionnaire.

3.4.5 Cronbach's alphas for the ambassadors opinion about commercial diplomacy and the performance of the embassy's economic department in commercial diplomacy

When looking at the Cronbach's alphas for the performance of the embassy's economic department in commercial diplomacy, the highest value for the Cronbach's alpha is generated, when the two components, found by a factor analysis, are combined. When no rotation is used in the factor analysis, only one factor is found. Therefore we will use the opinion of the ambassadors about the performance of the economic department as one factor for analyzing the data. The opinion of the ambassador about the performance of the economic department of his/her embassy ($\alpha = .87$) consists then out of seven items. The opinion of the ambassador about the importance of commercial diplomacy ($\alpha = .88$) consists out of five items. We can conclude that our constructs of the opinion of the ambassadors opinion about commercial diplomacy, and the performance of the embassy's economic department in commercial diplomacy in our questionnaire is reliable (Field, 2009). We could not increase the reliability by deleting items from the constructs.

3.5 Statistical analysis

To examine the involvement of ambassadors in commercial diplomacy, we examined the scores for the different activities of the different areas of commercial diplomacy in the matrix of Naray (2008) which we will use to explore the ambassadors involvement in commercial diplomacy. The means scores, Standard Deviation of the level of involvement in commercial diplomacy, the ambassadors' opinion about the importance of commercial diplomacy, the performance of economic department of the embassy in commercial diplomacy, the time spent by ambassadors on commercial diplomacy, and the experience of ambassadors will be analyzed. Relationships between the background of the ambassador and the involvement in commercial diplomacy, the time spent on commercial diplomacy, and the outcomes are examined by an ANOVA test. For relationships between the experience, opinion about the importance of commercial diplomacy, involvement in commercial diplomacy, time spent on commercial diplomacy, the performance of the economic department in commercial diplomacy, and the trade figures, a correlation and regression analysis will be executed.

4 Findings

4.1 Descriptives

4.1.1 Background and experience of the ambassadors

When looking at table 3 we can see that the ambassadors in the sample had much more experience in governmental organizations ($m= 26.6$) than in private firms ($m= 2.6$). Of the 41 ambassadors 31 have never worked for a private firm. The mean of the number of years that the ambassadors had experience as an ambassador was 6.8 years, and on average they were living for 3 years in the Netherlands when they filled in the questionnaire. There were only two ambassadors who have lived more years in the Netherlands than the number of years they were an ambassador.

In table 4 the studies of the ambassadors in our sample are displayed. The studies followed by the ambassadors were quite diverse ($n= 40$). Most of the ambassadors had a background in law (32.5%), followed by International relations with 20% and economy with 12.5%. There were the same number of ambassadors who had followed a technical study as political science. They both were accountable for 10% of the ambassadors in the sample. Of the ambassadors 5% followed a language study. Other studies which were not followed by any other ambassador held account for 10% of the sample. These studies were: Journalism, Psychology, Philosophy, and History.

4.1.2 Ambassadors involvement in commercial diplomacy and their opinion about commercial diplomacy and the performance in commercial diplomacy

A lot of the time of ambassadors is spent on commercial diplomacy. Ambassadors spent on average 42.6% of their time on commercial diplomacy. When we look at what level the ambassadors are involved in commercial diplomacy, we see that the involvement of the ambassadors is the highest in the area of Business promotion ($m= 3.9$ on a 1-5 likert-scale). The ambassadors in the Netherlands are to a moderate extent involved in the promotion of co-operation of science and technology ($m= 3.1$ on a 1-5 likert scale) and to a low extent in the protection of intellectual property rights of home country business in the Netherlands ($m= 2.1$ on a 1-5 likert scale).

The results indicate that ambassadors see commercial diplomacy as a very important practice in diplomacy. They strongly agree with the statements about the importance of commercial diplomacy ($m= 4.5$ on a 1-5 likert scale). Ambassadors give also high scores for the performance of the economic department of their embassy in commercial diplomacy. On average they agree that the economic department of their embassy is successful and effective ($m= 4.23$ on a 1-5 likert scale).

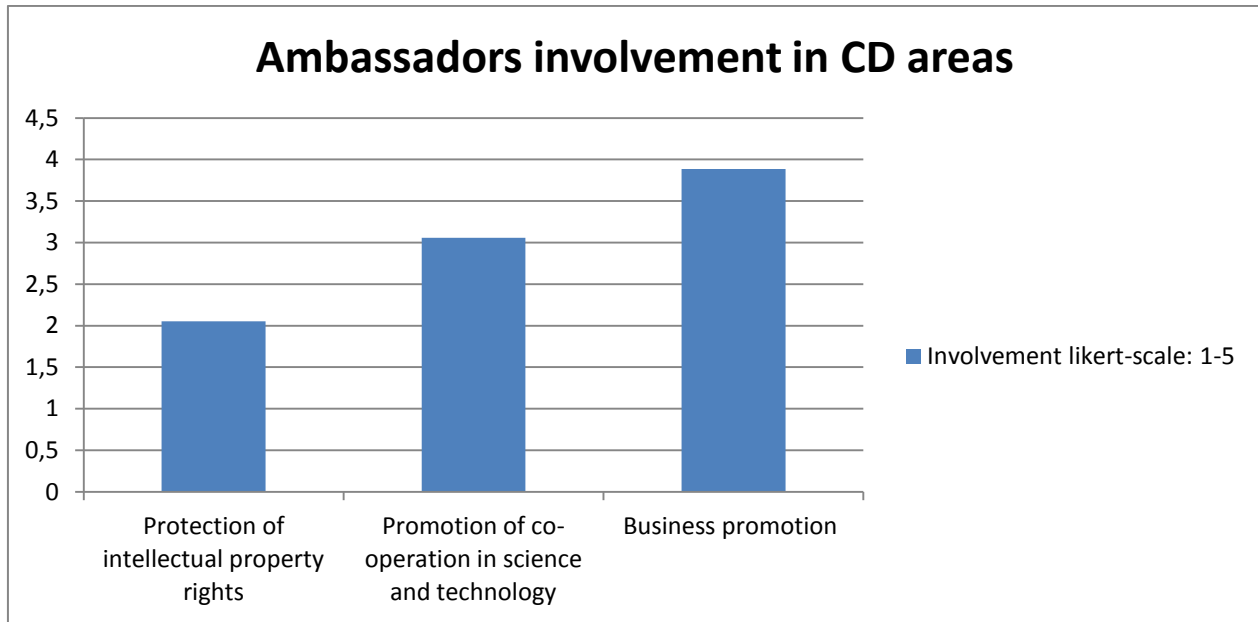


Figure 2. Involvement of ambassadors in commercial diplomacy areas.

Table 3: Descriptives of the sample

variable	N	Mean	SE	No. of items
Protection of intellectual property rights	41	2.08	.96	6
Promotion of co-operation in science and technology	41	3.05	1.01	6
Business promotion	41	3.89	.68	18
Time spent on commercial diplomacy	41	42.58	19.20	
Number of years worked in a private firm	41	2.45	5.53	
Number of years worked for governmental organization	41	26.78	10.15	
Years experience as an ambassador	41	6.86	5.37	
Years lived in the embassy's country	41	3.02	2.17	
Opinion about commercial diplomacy	40	4.52	.48	5
Opinion about performance in commercial diplomacy	41	4.26	.58	7

Table 4: Fields of study from the ambassadors in the sample

Field of study	Frequency
Law	13
International relations	8
Economy	5
Political science	4
Technical study	4
Language	2
Other	4
Missing	1

4.2 Examining relationships

4.2.1 Expected relationships

In this chapter we will examine the hypotheses. The first section of this paragraph includes variables of the background and experience of the ambassador, his opinion about commercial diplomacy as independent variables, and the involvement in commercial diplomacy as the dependent variable. The second section includes the variables of the involvement of ambassadors in commercial diplomacy, the background and experience of ambassadors, the opinion about commercial diplomacy, and the performance of the economic department in commercial diplomacy. In the last section we will analyze the ambassadors' involvement, background and experience, opinion about commercial diplomacy and trade figures between the home- and host country. If comprehensive SPSS tables and other statistical outcomes are not relevant in the main text they are presented in appendix G. The assumptions for statistical inference, the bivariate analysis are fulfilled. Histograms can be found in appendix E. The histograms don't show strange patterns in the data. There are no outliers and no serious issues with respect to the normal distribution occur. The sample size is sufficient for an exploratory analysis. In section 4.4 we investigate the assumptions for regression analysis.

4.2.2 The effect of the background, experience and opinion about the importance of commercial diplomacy on the ambassador's involvement in commercial diplomacy.

Experience and time spent on commercial diplomacy. To examine the relationships between the background of the ambassadors and the time spent on commercial diplomacy, we first compute Pearson's correlation coefficients. Table 5 displays Pearson's correlation coefficients (r_s), the p -value (p), and sample size (N) for the years worked in a private firm, years worked in governmental organizations, the number of years lived in the embassy's country, and the number of years experience as an ambassador. There are two significant correlations: years worked in a private firm ($r_s(40) = .43, p < .01$), and the number of years worked for governmental organizations ($r_s(40) = -.30, p = .03$). Both correlate significant with the time spent on commercial diplomacy. The number of years experience as an ambassador ($r_s(40) = -.15, p = .17$) and the number of years lived in the embassy's country ($r_s(40) = .30, p = .03$) do not significantly correlate with the time spent on commercial diplomacy. The results support hypothesis 1 partially, which stated that ambassadors with more experience in private firms will be more involved in commercial diplomacy and spend more time on commercial diplomacy than ambassadors with only governmental experience. Results indicate that if the ambassador has more years of experience in private firms and in the embassy's country leads to a higher amount of their time spent on commercial diplomacy. The opposite indication is there for the number of years experience in governmental organizations. The more experience an ambassador has in governmental organizations, the less time he spends on commercial diplomacy. We found no relationship between the number of years experience as an ambassador and the time spent on commercial diplomacy so this does not support hypothesis 3a.

Table 5: Pearson correlation coefficients between the background of the ambassador with the time spent on commercial diplomacy

Variable	Correlation coefficient	P-value	N
Years worked in a private firm	.002	.433**	40
Years worked for governmental organizations	.030	-.300*	40
Years lived in the embassy's country	.064	.245	40
Years of experience as an ambassador	.214	-.129	40

Background and ambassadors involvement in commercial diplomacy areas. To examine the relationships between the background of the ambassadors and the time spent on commercial diplomacy, we compute Pearsons correlation coefficients. Table 6, 7 and 8 display Pearsons coefficients (r_s), the p -value (p), and sample size (N) for the years worked in a private firm, years worked in governmental organizations, the number of years lived in the embassy's country, and the number of years experience as an ambassador. There are no significant relationships between the different types of experience and any involvement of one of the commercial diplomacy areas. So there is no support for hypothesis 1 and 3a for the involvement in commercial diplomacy.

Table 6: Pearsons correlation coefficients between the background of the ambassador with the involvement in the protection of intellectual property rights

Variable	Correlation coefficient	P-value	N
Years worked in a private firm	.233	..117	41
Years worked for governmental organizations	.245	-.111	41
Years lived in the embassy's country	.388	.046	41
Years of experience as an ambassador	.340	-.067	41

Table 7: Pearsons correlation coefficients between the background of the ambassador with the involvement in the promotion of co-operation in science and technology

Variable	Correlation coefficient	P-value	N
Years worked in a private firm	.072	.232	41
Years worked for governmental organizations	.447	-.021	41
Years lived in the embassy's country	.103	.202	41
Years of experience as an ambassador	.152	-.165	41

Table 8: Pearsons correlation coefficients between the background of the ambassador with the involvement in business promotion

Variable	Correlation coefficient	P-value	N
Years worked in a private firm	.468	.013	41
Years worked for governmental organizations	.487	.005	41
Years lived in the embassy's country	.428	.029	41
Years of experience as an ambassador	.416	.034	41

The effect of the ambassadors opinion about commercial diplomacy and the involvement and time spent in commercial diplomacy. To examine the relationships between the ambassadors opinion about the importance of commercial diplomacy and the level of involvement of the ambassador in commercial diplomacy areas and the percentage of time spent on commercial diplomacy, we compute Pearsons correlation coefficients. Table 9 displays Pearsons coefficients (r_s), the p -value (p), and sample size (N) for

the years worked in a private firm, years worked in governmental organizations, the number of years lived in the embassy's country, and the number of years experience as an ambassador. When looking at the table, we can see that there is a significant relationship between the opinion of the ambassador about the importance of commercial diplomacy and the ambassadors level of involvement in Business promotion ($r_s(40) = .42, p = .004$). Hypothesis 5 is partially supported the opinion of the ambassador about the importance of commercial diplomacy only has influence on the involvement in business promotion.

Table 9: Pearsons correlation coefficients between the time spent on commercial diplomacy and the involvement in commercial diplomacy with the ambassadors opinion about the importance of commercial diplomacy

Variable	Correlation coefficient	P-value	N
Time spent on commercial diplomacy	.078	.232	39
Involvement in Protection of intellectual property rights	.219	.126	40
Involvement in promotion of co-operation in science and technology	.392	.056	40
Involvement in Business promotion	.004	.419**	40

Relationship between the background of the ambassador and the involvement in commercial diplomacy and time spent on commercial diplomacy. We had the expectation that the study of the background might have influence on the involvement of ambassadors in commercial diplomacy. When looking at the table in appendix H we see that there is no relationship between the field of study and the level of involvement or the time spent on commercial diplomacy.

Support of hypothesis. The results support hypothesis 1a partly, which stated that experience of ambassador in private firms will be positive related to the involvement in commercial diplomacy and the time spent on commercial diplomacy. Results indicate that more years of experience in private firms leads to a higher amount of their time spent on commercial diplomacy. The opposite indication is there for the number of years experience in governmental organizations. This no significant correlation between the number of years an ambassador has experience in private firms and his/her involvement in commercial diplomacy. There was also no significant relationship between the subject of the ambassadors study and his/her involvement in commercial diplomacy and the time spent on commercial diplomacy. So hypothesis 2a is not supported. Hypothesis 3, which stated that a positive opinion about the importance of commercial diplomacy will be positive related to the level of involvement in, and time spent on commercial diplomacy, is partially supported. The opinion about the importance of commercial diplomacy was only significantly related to the involvement in business promotion.

4.2.3 The effect of the ambassadors involvement, experience and background on the performance of the economic department.

Relationship between the ambassadors Involvement in, and time spent on commercial diplomacy and the performance of the economic department in commercial diplomacy. To examine the relationships between the involvement in the different commercial diplomacy areas, the percentage of time that ambassadors spent on commercial diplomacy and the performance in commercial diplomacy, we compute Pearsons correlation coefficients. Table 10 displays Pearsons coefficients (r_s), the p -value (p), and sample size (N) for the involvement in the protection of intellectual property rights, the involvement in the promotion of co-operation in science and technology, the involvement in business promotion, and the time ambassadors spent on commercial diplomacy. There are two significant correlations: the involvement of the ambassador in business promotion ($r_s(40) = .40, p < .01$), and the percentage of time spent on commercial diplomacy by the ambassadors ($r_s(41) = .37, p < .01$) correlate significant with the performance of the economic department of the embassy in commercial diplomacy. The level of involvement in the protection of intellectual property rights ($r_s(41) = .26, p = .05$), and the level of involvement in the promotion of co-operation in science and technology ($r_s(41) = .22, p = .09$) do not significantly correlate with the performance of the economic department in commercial diplomacy. Hypothesis 8 is partly supported. Only the involvement in business promotion is significantly correlated with the performance of the economic department in commercial diplomacy. Hypothesis 9 is partially supported because there is a significant relationship between the time spent on commercial diplomacy and the performance of the economic department in commercial diplomacy. Later on we will check if this also the case with the trade figures.

Table 10: Pearsons correlation coefficients between the ambassadors involvement in commercial diplomacy and the time spent on commercial diplomacy with the performance of the embassy's economic department in commercial diplomacy.

Variable	Correlation coefficient	P-value	N
Involvement in protection of intellectual property rights	.051	.259	41
Involvement in the Promotion of co-operation in science and technology	.088	.216	41
Involvement in business promotion	.005	.395**	40
Time spent on commercial diplomacy	.009	.374**	41

Experience. The relationship for the background and the ambassadors opinion about the performance of the embassy's economic department in commercial diplomacy is examined by calculating Pearsons Coefficients. Table 11 displays the Pearsons coefficients (r_s), the p -value (p), and sample size (N) for the years worked in a private firm, years worked in governmental organizations, the number of years lived in the embassy's country, and the number of years experience as an ambassador. There is only a significant correlation for the number of years experience as an ambassador and the opinion about the performance of the economic department ($r_s(41) = .28, p = .04$).

Table 11: Pearsons correlation coefficients between the background of the ambassador with the performance of the economic department in commercial diplomacy.

Variable	Correlation coefficient	P-value	N
Years worked in a private firm	.134	.177	41
Years worked for governmental organizations	.300	.084	41
Years lived in the embassy's country	.211	-.129	40
Years of experience as an ambassador	.120	.188	41

Opinion about commercial diplomacy. We examined the relationship between the ambassadors opinion about the importance of commercial diplomacy and the performance of the economic department in commercial diplomacy, by computing the Pearsons correlation coefficients. Table 12 displays Pearsons coefficients (r_s), the p -value (p), and sample size (N) for the ambassadors opinion about the importance of commercial diplomacy. There is a significant correlation the relationship from the opinion of the ambassador about the importance of commercial diplomacy and the performance of the economic department of the embassy in commercial diplomacy ($r_s(40)= .61, p < .001$).

Table 12: Pearsons correlation coefficients between the ambassador's opinion about commercial diplomacy with the performance of the economic department in commercial diplomacy.

Variable	Correlation coefficient	P-value	N
Opinion about commercial diplomacy	.000	.589**	40

Background. We had the expectation that the field of study of the ambassador might have influence on the outcomes of the commercial diplomacy. However, when looking at the table in appendix H we can see that there is no relationship between the field of study and the performance of the economic department of an embassy.

Support of hypothesis. There is no evidence to support hypothesis 1b and 2b. There is no significant relationship between the performance of the economic department and the number years of experience in private firms, governmental organizations, or the number of years that the ambassador has lived in the embassy's country. There is also no relationship between the background of the ambassador and the performance of the economic department in commercial diplomacy. The results do support hypothesis 4 partially. There is a positive relationship between the ambassador's opinion about the importance of commercial diplomacy and the performance of the economic department of the embassy in commercial diplomacy. Hypothesis 5 is partially supported. This hypothesis stated that a higher involvement of the ambassador in commercial diplomacy will be positive related to better performance of the economic department in commercial diplomacy and the growth of trade between the Netherlands and the home country. There is only a relationship between the involvement in business promotion and the performance of the economic department in commercial diplomacy. There is however no relationships between the involvement in the other commercial diplomacy areas and the performance of the economic department of the ambassador's embassy in commercial diplomacy. Results show that there is a positive significant relationship between the time spent on commercial diplomacy and the performance of the economic department in commercial diplomacy. This partially supports hypothesis 6.

4.2.4 Relationship between the ambassadors involvement, background, experience, opinion about commercial diplomacy and trade figures between the home- and host country.

The outcomes of commercial diplomacy in our research consist of possible relationships between the involvement of the ambassadors in commercial diplomacy areas, the time they spend on commercial diplomacy, experience, background, opinion about the importance of commercial diplomacy and the trade figures. These relationships might also consist of relationships between the opinion about commercial diplomacy, the background of the ambassador and the outcomes of commercial diplomacy. For the outcomes, the trade figures between 2008 and 2012 are used. The trade figures consists of the import from the Netherlands to the host country and the export from the host country to the Netherlands .We tested if there was a relationship with the trade figures for every year and for the entire period. We used the percentage of growth as data to test for the relationships.

Relationship between the number of years worked in a private firm and trade figures between the home- and host country. In table 13 we can see that there are some significant correlations between the background of the ambassador and the trade figures between the Netherlands and the host countries. However, when there are significant correlations, they are always only for one year, and not consistently over more years. There is also a significant correlation between the number of years worked in a private firm and the growth of the import from the Netherlands to the ambassador’s country from 2008 till 2012. This also the case for the year 2009 and the number of years worked in a private firm. When we take the growth from 2008 till 2012, without the growth in the year 2009, then the significant correlation disappears.

Table 13: Pearsons correlation coefficients between the number of years the ambassador has worked in a private firm with import and export figures between the Netherlands and the home country.

Variable	Correlation coefficient	P-value	N
2008-2012 import host to home country, percentage difference	.398**	.004	41
2008-2009 import host to home country, percentage difference	.432**	.003	41
2008-2012 import host to home country, excluding growth 2008-2009	.098	.271	41

Other relationships with the trade figures and the independent variables. In appendix G are the relationships displayed for the trade figures. There was no relationship between trade figures between the Netherlands and the ambassador’s countries and their involvement, opinion about commercial diplomacy or their opinion about the performance of the commercial diplomacy department of the embassies.

Support of hypothesis. The results don’t support hypotheses 1b, 2b, 4, 5 and 6. There is no relationship between any hypothesized independent variable and the growth of the trade figures between the Netherlands and the home country’s of the ambassadors. The independent variables are: the experience and background of an ambassador, the level of involvement in commercial diplomacy and the time spent on commercial diplomacy by an ambassador, and the ambassadors opinion about the importance of commercial diplomacy.

4.3 Regression analysis

4.3.1 Introduction

Previous analysis in this chapter aimed to examine the hypothesized relationships. This section aims to see whether the results when we put different variables of the relationships into a regression model. Before we can do this, we need to investigate whether the assumptions are fulfilled. This will be done in section 4.4.1. In section 4.4.2, 4.4.3 and 4.4.4 regression models are tested. Models 1 and 2 in, section 4.4.2, are models for the time spent on commercial diplomacy as a dependent variable. In Model 1 the number of years an ambassador has worked in private firms is the independent variable. Model 2 includes the years worked in a private firm and adds the number of years an ambassador has worked for governmental organizations. This section is called "Experience and time spent on commercial diplomacy". Variables that were not significantly related to the dependent variables in section 4.2 are excluded from the regression analysis.

4.3.2 Assumptions

First we need to investigate whether the assumptions are fulfilled. According to Field (2009), for each predictor in the model, we should have 10 cases. So our sample size of 40 can be considered as sufficient. No serious issues with respect to the normal distribution (nor extreme skewness and outliers) occur. Residual analysis is performed to check the linearity assumption and equal variance assumption before proceeding to regression analysis (Field, 2009). The linear regression residuals are normally distributed, and have a constant variance. When looking at the scatter plot of the regression standardized predicted value shows that the points are randomly distributed around zero. This does not indicate the presence of heteroskedasticity. There are no high correlations among the predictor variables, the largest correlation is between years worked in a private firm and years worked for governmental organizations ($r = -.464$), so there is no concern with respect to multicollinearity (Field, 2009). We assume that the data complies with the assumptions for statistical inference. A more comprehensive investigation of the conditions can be found in Appendix I, where the scatter plots are displayed.

4.3.3 Experience and time spent on commercial diplomacy

Model 1. Table 14 displays the regression models. The first model examines the impact of the number of years an ambassadors has worked in a private firm on the time an ambassador spends on commercial diplomacy. The years worked in a private firm is positively related to the time spent on commercial diplomacy, with a standardized coefficient of 1.52 ($t(40) = 3.049$, $p < .01$). This model explains a significant proportion of variance in service quality ($R^2 = .197$, $F(40) = 9.296$, $p < .01$). This model has an explained variance of $R^2 = .197$. So this model explains about 19.7% of the variety in the time an ambassador spends on commercial diplomacy.

Model 2. Model 2 in table 14 includes the variable of years worked for governmental organizations. Results in the previous section showed that there was a negative significant relationship. This model still explains a significant proportion of variance in the time spent on commercial diplomacy ($R^2 = .21$, $F(40) = 4.919^*$, $p < .01$). The change in R^2 is however not significant. So governmental experience doesn't seem to significantly improve the model. While governmental experience related to the time spent on

commercial diplomacy in our bivariat analysis, this relationship diminishes in the regression model. De Veaux et al. (2007, p. 793) mention that finding simple, one-on-one relationships between variables and sequentially failing to significantly include them into a regression model, does not mean that the initial relationships do not exist. It does simply mean that governmental experience “contributes nothing to the modeling of time spent on commercial diplomacy after allowing for all the other independent variables” (De Veaux et al., 2007, p.293). So the number of years worked in a private firm mainly contributes to the prediction of the time that a ambassador spends on commercial diplomacy.

Table 14: Regression analysis for the years the ambassador has worked in private firms and the years worked for governmental organizations with the time spent on commercial diplomacy

Dependent variable	Time spent on CD (1)				Time spent on CD (2)			
	B	SE	β	p	B	SE	β	p
Constant	38.75	(3.03)			45.42	(9.66)		
Years worked in a private firm	1.52	(.50)	.44**	>.01	1.33	(.57)	.39*	.01
Years worked for governmental organizations					-.23	(.31)	-.12	.24
R ²	.197				.208			
F	9.30*				4.86*			

*. Coefficient is significant at the 0.05 level (1-tailed) **. Coefficient is significant at the 0.01 level (1-tailed)

The results support hypothesis 1a, which stated that the experience of ambassadors in private firms will be positive related to the involvement in commercial diplomacy and the time spent on commercial diplomacy, partially.

4.3.4 opinion about commercial diplomacy and the involvement in business promotion

Model 3. Table 15 displays the regression model for the opinion of the ambassador about commercial diplomacy as an independent variable and the involvement in business promotion as the dependent variable. The opinion about commercial diplomacy is significantly related to the ambassadors involvement in business promotion. The opinion about commercial diplomacy, with a standardized coefficient of .59 ($t(40) = 2.85, p < .01$), is positively related to the involvement in business promotion. The model is statistically significant at $p < .01$ ($F(40) = 8.095$). This model explains about 17.6% of the variety in the involvement in business promotion ($R^2 = .176$). The opinion of the ambassador about the importance of commercial diplomacy explains thus a significant proportion of the involvement of ambassadors in business promotion.

Table 15: Regression analysis for the ambassadors opinion about the importance of commercial diplomacy with the involvement in business promotion

Dependent variable	Involvement in business promotion			
	B	SE	β	p
Constant	1.21	(.95)		
Opinion about commercial diplomacy	.59	(.21)	.42**	>.01
R ²	.176			
F	8.095**			

** Coefficient is significant at the 0.01 level (1-tailed)

The results support hypothesis 3 partially. Hypothesis 3 stated that a positive opinion about the importance of commercial diplomacy will be positive related to the level of involvement in commercial diplomacy, and the time spent on commercial diplomacy.

4.3.5 involvement in business promotion, opinion about commercial diplomacy, and the performance of the economic department of the embassy in commercial diplomacy.

Model 4. Table 16 displays the regression models. Model 4 examines the impact of the number of years an ambassadors has worked in a private firm on the time an ambassador spends on commercial diplomacy. The years worked in a private firm is positively related to the time spent on commercial diplomacy, with a standardized coefficient of .71 ($t(39) = 3.55, p < .01$). This model explains a significant proportion of variance in service quality ($R^2 = .32, F(39) = 18.81, p < .01$). This model has an explained variance of $R^2 = .32$.

Model 5. Model 5 includes the variables the opinion of the ambassador about the importance of commercial diplomacy and adds the time spent on commercial diplomacy. The hypothesis asserted a positive relationship between the time spent on commercial diplomacy and the performance of the embassy in commercial diplomacy. The time spent on commercial diplomacy is positively related to the performance of the economic department in commercial diplomacy. Model 5 explains a significant proportion of variance in the performance of the economic department of the embassy in commercial diplomacy, with a standardized coefficient of .63 ($R^2 = .41, F(39) = 12.29^{**}, p < .01$). The explanation of the variance of the performance in commercial diplomacy is increased by R^2 change = .09.

Model 6. Model 6 includes the variables the opinion of the ambassador about the importance of commercial diplomacy, the time spent on commercial diplomacy and adds the involvement of the ambassador in business promotion. We hypothesized that the involvement in commercial diplomacy will be positive related to the performance of the embassy in commercial diplomacy. The involvement of business promotion is not significantly related to the performance of the embassy when it is fitted into the model ($t(39) = .268, p = .40$). The model is still statistically significant at $p < .01$ ($F(39) = 8.00$) when the involvement in business promotion is added to the model, but the explained variance hasn't changed ($R^2 = .41$). As mentioned by model 2, this does not imply that the relationships do not exist, since initial results were in support of a relationships. This variable simply contributes nothing to modelling the performance of the economic department in commercial diplomacy after allowing for the other variables. It might be that time spent on commercial diplomacy and involvement in business promotion overlap each other when explaining the performance of the embassy in commercial diplomacy. When looking at the correlation table in appendix G we can see that there is a significant correlation between these two variables ($r_s(40) = .54, p < .01$). Due to the empirical nature of this research, and the relative small sample, there is no need to investigate this.

Table 16: regression analysis for the ambassadors involvement in business promotion, the time spent on commercial diplomacy and the performance of the embassy's economic department in commercial diplomacy.

Dependent variable	Performance (4)				Performance (5)				Performance (6)			
	B	SE	β	<i>p</i>	B	SE	β	<i>p</i>	B	SE	β	<i>p</i>
Constant	1.07	(.74)			1.07	(.71)			1.02	(.74)		
Opinion about commercial diplomacy	.71	(.16)	.58**	>.01	.63	(.16)	.58**	>.01	.61	(.51)	.51**	>.01
Time spend on commercial diplomacy					.008	(.004)	.27*	.03	.008	(.005)	.25	.06
Involvement in business promotion									.04	(.14)	.04	.40
R ²	.32				.41				.41			
F	18.81*				12.29*				8.00*			

*. Coefficient is significant at the 0.05 level (1-tailed) **. Coefficient is significant at the 0.01 level (1-tailed)

The results indicate that the opinion of the ambassador and the time he/she spends on commercial diplomacy are significantly related to the performance of the economic department in commercial diplomacy. So hypothesis 4, which stated that a positive opinion about the importance of commercial diplomacy will be positive related to better performance of the economic department of the embassy in commercial diplomacy and growth in trade is partially supported. Also hypothesis 6, which stated that a higher percentage of time spent on commercial diplomacy by the ambassador will be positive related to the performance of the economic department in commercial diplomacy and the growth of trade between the Netherlands and the home country, is partially supported. Hypothesis 5, a higher involvement of the ambassador in commercial diplomacy will be positive related to the performance of the economic department in commercial diplomacy and the growth of trade between the Netherlands and the home country was partially supported in the bivariate analysis, but when this variable is used in a multivariate analysis, it is not significantly related to the performance of the economic department of the embassy in commercial diplomacy.

4.4 Chapter overview

In this section we give an overview of the most important findings. Table 17 displays whether our hypotheses are supported, or to what extent they are supported. First we found that ambassadors in the Netherlands spent a lot of their time on commercial diplomacy ($m = 42.1\%$, $SE = 19.2$). The highest involvement of the ambassadors is in business promotion ($m = 3.89$, $SE = .68$), followed by the promotion of co-operation in science and technology ($m = 3.05$, $SE = 1.01$), and by the protection of intellectual property rights ($m = 2.08$, $SE = .96$). The ambassadors totally agree that commercial diplomacy is an important diplomatic practice ($m = 4.52$, $SE = .48$). On average they agree that the economic department of their embassy performs well in commercial diplomacy practices ($m = 4.26$, $SE = .58$). We found significant relationships between the experience of the ambassador and the time he spends on commercial diplomacy: the years of experience in private firms ($r = .433$, $p < .01$), and the number of years worked for governmental organizations ($r = -.300$, $p = .03$) related to the time spent by the ambassador on commercial diplomacy. Regression model 1 and 2 examined the impact of the variables of the experience of the ambassador on the time ambassadors spend on commercial diplomacy in a multiple regression model. Only the years of experience in private firms was significant. The years worked for governmental organizations is still related to the time spent on commercial diplomacy, only it does not contribute to modelling the percentage of time spent on commercial diplomacy after allowing for the other variable.

Second we found that the opinion of the ambassador about the importance of commercial diplomacy ($r = .419, p < .01$) was significantly related to the involvement of the ambassador in business promotion. Last we found that the opinion of the ambassador about the importance of commercial diplomacy ($r = .589, p < .01$), the percentage of time the ambassador spends on commercial diplomacy ($r = .374, p < .01$), and the involvement of the ambassador in business promotion ($r = .395, p < .01$) are all significantly related to the performance of the economic department of the embassy in commercial diplomacy. Regression model 4, 5 and 6 examined the impact of the variables on the performance of the economic department in commercial diplomacy. Model 5 explained the largest part of the variance ($R^2 = .41$). This model included the opinion of the ambassador about the importance of commercial diplomacy and the time spent by ambassadors on commercial diplomacy. Model 6 which included the involvement of the ambassadors in business promotion was still significant ($F(39) = 8.00, p < .01$) but it did not change the R^2 . As mentioned before, this might be due to an overlap between the involvement in business promotion and the time spent on commercial diplomacy.

Table 17: Support of hypotheses

Area	No.	Hypothesis	Evidence
Background and experience	1a	Experience of ambassadors in private firms will be positive related to the involvement in commercial diplomacy and the time spent on commercial diplomacy.	Supported for the time spent on commercial diplomacy
	1b	More experience in private firms will be positive related to the performance of the economic department in commercial diplomacy and the growth of trade figures between the Netherlands and the home country.	Not supported
	2a	Business as subject of the ambassadors' education will be positive related to their involvement in, and time spent on commercial diplomacy.	Not supported
	2b	Business as subject of the ambassadors' education will be positive related to the performance of the economic department in commercial diplomacy and growth in trade figures between the Netherlands and the home country.	Not supported
Opinion about commercial diplomacy	3	A positive opinion about the importance of commercial diplomacy will be positive related to the level of involvement in, and time spent on commercial diplomacy	Supported for the level of involvement in business promotion
	4	A positive opinion about the importance of commercial diplomacy will be positive related to better performance of the economic department of the embassy in commercial diplomacy and growth in trade.	Supported for performance in commercial diplomacy
Involvement in, and time spend on commercial diplomacy	5	A higher involvement of the ambassador in commercial diplomacy will be positive related to the performance of the economic department in commercial diplomacy and the growth of trade between the Netherlands and the home country.	Supported for performance in commercial diplomacy
	6	A higher percentage of time spent on commercial diplomacy by the ambassador will be positive related to the performance of the economic department in commercial diplomacy and the growth of trade between the Netherlands and the home country.	Supported for performance in commercial diplomacy

5 Conclusion and discussion

5.1 Introduction

In this study we attempt to investigate the involvement of ambassadors in commercial diplomacy and the effects of their involvement. Based on the analysis in chapter 4 we now will formulate an answer on the central research question. Additionally we will reflect on current literature, address the limitations of this study, and discuss possible future research.

5.2 Conclusion

At the start of this report we stated that this study aims to investigate the involvement of ambassadors in commercial diplomacy and thereby contribute to the current literature on commercial diplomacy. On the basis of this objective we formulated the following research question:

To what extent are ambassadors involved in the execution of commercial diplomacy and to what extent can ambassadors' involvement explain commercial diplomacy outcomes?

In the previous chapter we analyzed our data. In this chapter we will proceed to drawing conclusions and discussing the findings. The following paragraphs will formulate an answer on our central research question. First we will conclude to what extent ambassadors are involved in commercial diplomacy, what is their opinion about commercial diplomacy, how does their economic department perform in commercial diplomacy, and what kind of background have the ambassadors. In the other paragraphs we will draw conclusions on the relationships between the background and the ambassadors' involvement to the outcomes of their involvement.

5.2.1 Ambassadors and commercial diplomacy

We distinguished three areas in commercial diplomacy. The protection of intellectual property rights, the promotion of cooperation in science and technology, and the promotion of business. The promotion of business is a factor which consists out of three different areas in commercial diplomacy from the matrix from Naray (2008). These three areas are: the promotion of trade in goods and services, the promotion of made-in and corporate image, and the promotion of foreign direct investment. We found that these three areas formed one factor in our study. The highest involvement of the ambassadors in our sample is in the area of business promotion, followed by the cooperation in science and technology, and the protection of intellectual property rights. The foreign ambassadors in the Netherlands were to a high extent involved in business promotion, to a moderate extent involved in the promotion of cooperation in science and technology, and to a low extent in the protection of intellectual property rights. Next to the high involvement in business promotion the results also showed that ambassadors spent a large amount of their time on commercial diplomacy. On average they spent about 42.6% of their time on commercial diplomacy.

Most of the ambassadors don't have any experience in private firms. Only 10 of the 41 ambassadors had experience in private firms. The ambassadors had on average 2.6 years of working experience in private firms compared to 26.6 years in governmental organizations. So on average they had much more

experience in governmental organizations, then in private firms. Most of the ambassadors had a background in law, followed by international relations, economy, technical studies and political science.

We can conclude that the ambassadors in our sample consider commercial diplomacy a very important practice in diplomacy, and that the economic departments of their embassy on average perform well in commercial diplomacy.

5.2.2 The effect of the experience and background on the involvement of commercial diplomacy, performance in commercial diplomacy, and trade figures.

We hypothesized that the experience of ambassadors in private firms will be positive related to the involvement in commercial diplomacy and the time spent on commercial diplomacy. We found evidence to support a positive relationship between the experience in private firms and the time spent on commercial diplomacy. We also found evidence for a negative relationship between the years of governmental experience and the time spent in commercial diplomacy. However, the results of multiple regression analysis differed, since the years of governmental experience did not contribute to modelling the time spent by ambassadors on commercial diplomacy. Only the years of private experience influenced the time spent on commercial diplomacy by the ambassadors. We did not find any evidence that the experience in private firms was positive related to the involvement in one of the commercial diplomacy areas.

With respect to the background of the ambassador, it was hypothesized that business as subject of the ambassadors education will be positive related to their involvement in, and time spent on commercial diplomacy. Following the statistical analyses we conclude that the background of the ambassadors has no effect on their involvement in commercial diplomacy, or the time they spend on commercial diplomacy.

Initially in hypotheses 1b and 2b, we asserted that experience of the ambassador in private firms, and business as subject of their study will be positive related to the performance of the economic department of the embassy in commercial diplomacy and growth in trade figures between the Netherlands and the home country. We conclude that statistical analyses don't show a significant relationship between the background and the performance of the economic department in commercial diplomacy and trade figures. Nor between the background of the ambassador and the performance of the economic department in commercial diplomacy and the trade figures. However, we found that the years of experience in private firms is positive related to the time spent on commercial diplomacy, which is again positively related to the performance of the economic department in commercial diplomacy. So there might be an indirect positive relationship.

5.2.4 The effect of the opinion of the ambassador about the importance of commercial diplomacy, on the involvement and performance in commercial diplomacy.

Hypothesis 3 and 4 asserted that the opinion of the ambassador about the importance of commercial diplomacy will be positive related to the involvement in, and time spent on commercial diplomacy. And that the opinion of the ambassador about the importance of commercial diplomacy will be positive related to the performance of the economic department of the embassy in commercial diplomacy and the growth in trade between the Netherlands and the home country. We did find evidence to support

these hypotheses partially. We found evidence that the ambassadors opinion about the importance of commercial diplomacy is positive related to his involvement in one of the areas in commercial diplomacy, business promotion.

The analyses also supported that there is a positive relationship between the ambassadors opinion about the importance of commercial diplomacy and the performance of the economic department of his/her embassy in commercial diplomacy. There was however no evidence to support a relationship between the ambassadors opinion about commercial diplomacy and the other areas in commercial diplomacy or the time spent on commercial diplomacy. The relationship between the opinion of the ambassador about the importance of commercial diplomacy and the growth in trade figures was also not supported by the analysis.

5.2.4 The effect of the ambassadors involvement in business promotion, and time spent on commercial diplomacy on the embassy's performance in commercial diplomacy and the growth of trade figures

We hypothesized that the extent to which an ambassador is involved in commercial diplomacy will be positive related to the performance of the economic department of the embassy in commercial diplomacy and the growth between the Netherlands and the home country (hypothesis 5). We also hypothesized that the percentage of time spent on commercial diplomacy by the ambassador will be positive related to the performance of the economic department in commercial diplomacy and the growth of trade between the Netherlands and the home country (hypothesis 6). We did find a significant relationship between the involvement of one of the areas in commercial diplomacy, business involvement, and the performance of the economic department of the embassy in commercial diplomacy. Hypothesis 6 was partly supported because there is a positive significant relationship between the time spent by ambassadors on commercial diplomacy, and the performance of the economic department of their embassy in commercial diplomacy. There was no evidence to support the positive relationships for the involvement in, and time spent on commercial diplomacy on the growth in trade figures between the Netherlands and the home country.

We used the opinion of the ambassador about the importance of commercial diplomacy, the time spent by ambassadors on commercial diplomacy, and the involvement in business promotion for modelling the performance of the economic department of the embassy in commercial diplomacy, by executing a multiple regression analysis.

When we use these two variables together with the ambassadors opinion about the importance of commercial diplomacy in a regression analysis as the independent variables to predict the performance of the economic department of the embassy in commercial diplomacy, we can conclude that the opinion about the importance of commercial diplomacy and the percentage of time spent on commercial diplomacy mainly predict the performance in commercial diplomacy. The model is still significant when the involvement in business promotion is added. The involvement in business promotion however adds nothing to the explained variance. This might be due to the fact that the involvement in business promotion and the time spent on commercial diplomacy overlap each other. We expect this, because these two variables are significantly correlated to each other.

5.2.6 Reflection on the research model

In figure 3 the framework from chapter 2 is displayed. It incorporates the supported relationships from the bivariate analyses only. Our findings are mostly in line with previous work in commercial diplomacy. But some results contradict with existing literature. We will elaborate on this in chapter 5.3, the discussion chapter of this paper.

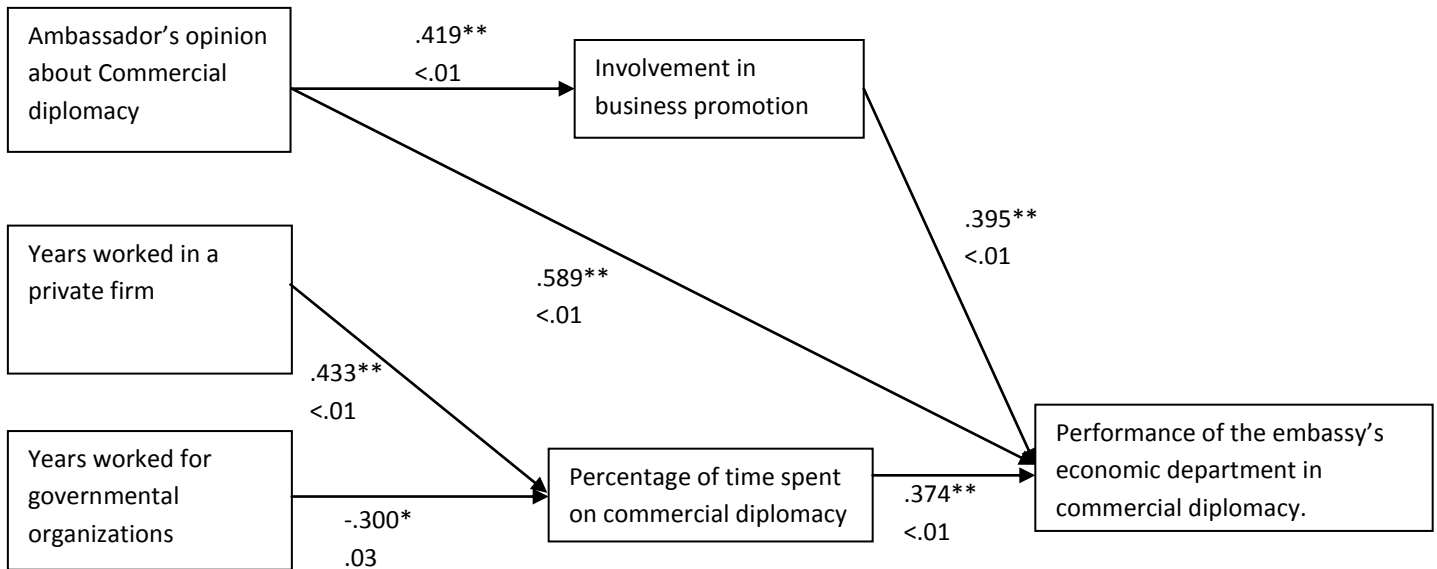


Figure 3: model overview for the bivariate analyses

5.3 Discussion

5.3.1 Theoretical implications

In our literature review we found that there is hardly no research on ambassadors as head of the foreign mission, and especially not on the role of ambassadors in commercial diplomacy. We will discuss our findings with other research on commercial diplomacy. There is for example more literature about commercial diplomats and their success in commercial diplomacy.

Two of the few articles on ambassadors were from Rana (2004; 2005). He stated that ambassadors spent 60% of their promotional work on economic promotional work. We expect that this includes both economic as commercial diplomacy. With 42.6% spent by ambassadors on commercial diplomacy, we found a lower percentage than Rana (2004) did, where we off course only took commercial diplomacy into account. Where Rana (2005) didn't had a large sample, he derived the information from a business meeting in New Delhi in September 2002, where the French and German ambassadors told that they spend some 60 percent of their time on economic promotional work, we have a much larger sample, making our outcome more reliable.

Where Naray (2008), KostECKI and Naray (2007), and Hogan et al. (1991) conclude that business knowledge and business experience are critical aspects of a successful and effective commercial diplomat, Ruël and Zuidema (2011) were not able to find this relationship with a statistical analysis. Our

research is in line with the outcome from Naray (2008), Kostecki and Naray (2007), and Hogan et al. (1991) for the part that business experience is important for the outcomes in commercial diplomacy. Our relationship was however not directly related to the outcomes in commercial diplomacy. We found that ambassadors who have more experience in private firms, spend more time on commercial diplomacy. The time spent on commercial diplomacy is again positively related to the performance of the economic department of the embassy in commercial diplomacy. There was a negative significant relationship between years worked for governmental organizations and the time spent on commercial diplomacy, which did not hold when it was included into a multiple regression model.

We were not able to find a relationship between economy/business as subject of the study of the ambassador and his/her performance in commercial diplomacy. This might be due to the relatively small sample, and especially because of the low amount of ambassadors from our sample who had a background in Economy/Business. Where Ruël and Zuidema (2012) found a relationship between the post experience and quality in commercial diplomacy, we were not able to find this relationship for the years worked at the current embassy and the performance in commercial diplomacy, nor involvement in commercial diplomacy and the performance in commercial diplomacy.

Where studies stress the importance of commercial diplomacy (Wilkinson & Brouthers, 2006; Kostecki & Naray, 2007; Rose, 2007; Yakop & Bergeijk, 2009; Ruël & Zuidema, 2011) this importance is supported by the sample of our research, where ambassadors indicate that in their opinion commercial diplomacy is a very important diplomacy practice.

Many studies state that diplomacy is highly influenced by its context (Kostecki & Naray, 2007; Reuvers & Ruël, 2012) we were unfortunately not able to take the context into account. Due to logistic reasons, we only have sent our survey to the foreign ambassadors in the Netherlands. We were thus not able to check for differences related to the host country's institutional profile.

5.3.2 Practical implications

We concluded in our literature review that different studies on commercial diplomacy stress the importance of commercial diplomacy and the effects of embassies and consulates on trade. Where western governments intend to close embassies and consulates due to budget cuts. We would also like to stress the importance of these foreign posts. They will become more and more important to support businesses abroad, because of the upcoming economies, who will gain more and more power, resulting in a change of doing business globally. As Ruël (2013) mentioned: "As part of the shifting global economic power balance, the role of and relationship between governments, international business, non-governmental organizations, and interest groups are changing. Advanced economies' management and business practices may no longer be dominant, and advanced economies will need to intensify their efforts to benefit from this new global economic power balance".

Second, ambassadors should gain much more business experience and business knowledge than they have at the moment. As this was already found for commercial diplomats' success in commercial diplomacy (Kostecki & Naray, 2007; Naray, 2008; Ruël & Zuidema, 2011), our analysis indicated that ambassadors with more experience in private firm spend more time on commercial diplomacy, which is positively related to the performance of the economic department in commercial diplomacy. This advice

is also supported by Rosenthal (2011), former minister of Foreign Affairs in the Netherlands, and Rana (2005). Rosenthal (2011) stated that embassy employees should follow internships in private firms, to gain more experience about what is happening in certain business sectors. Rana (2005) stated: “an understanding of economics is already a *sine qua non* for the profession. The ambassador needs to understand the national and international macro-economic forces that shape his country’s agenda. For instance he must comprehend the impact of globalization on his country as also the WTO process and the operation of the World Bank and the IMF, since they impact on bilateral diplomacy. He must master the operational methodology of economic promotion, in order to assume a personal leadership of this activity”.

Third, governments should convince/inform the ambassadors about the importance of commercial diplomacy. Although we already saw that ambassadors rate commercial diplomacy as an very important practice in diplomacy, we were still able to find a relationship between the opinion of the ambassador about the importance of commercial diplomacy and the performance of the economic department of his/her embassy in commercial diplomacy.

5.4 Limitations

This study has several limitations that might affect the strength of our findings. First a response rate of 42% is above average. Anseel et al. (2010) found a response rate of 35% for mailed surveys to top executives. Although the high response rate on our survey, we still have a relative small sample. This might influence the outcomes of our research. A relatively low sample size could have led to low statistical power. Lowered statistical power could have led to erroneously failing to reject the null hypotheses, it could have led to Type II Error (Saunders et al., 2009). However the results were not strikingly different in comparison with commercial diplomacy studies with other type of respondents. Best would be if other researchers could replicate this study with a larger sample size to clarify this.

Second we only invited foreign ambassadors in the Netherlands to participate in our survey. So the context in other countries might be different. This might have implications to generalising the results. The low involvement in the protection of intellectual property rights might for example be due to the positive environment in the Netherlands related to intellectual property rights. In developing countries for example, the involvement in this area might be totally different. However we are confident that the results hold for foreign ambassadors in at least Western European countries since the context in these countries is often alike. Replication of this study could answer this. However a strong point of the sample size is that it includes a lot of different home countries. These home countries might have different arrangements with regard to commercial diplomacy. But still we can see that these ambassadors with different home countries value commercial diplomacy as an important diplomacy area, that they are to a high extent involved in business promotion and that they spend much time on commercial diplomacy.

Third the significant relationships were only found within the answers given in our survey. We were not able to find relationships with the trade figures between the Netherlands and the home countries. Single source bias might therefore be a problem to this research. For example the ambassador might be biased when he/she has to rate the performance of the economic department of his/her embassy in

commercial diplomacy. Ruël and Zuidema (2011) also did not find a relationship between business as education for commercial diplomats and the quality of commercial diplomacy. They mentioned that it might be plausible that the respondents with significant business experience and education were more critical in assessing the quality of commercial diplomacy than those who had less business experience and education. This could also be the case with the ambassadors from our sample. This could therefore explain why we did not find a relationship between the years of experience in private firms and business education with the performance of the economic department of the embassy in commercial diplomacy.

Fourth because we designed our own questionnaire, there may always be a chance to improve it. This study can be seen as a first framework which can be used by other researchers. Other researchers might retest and extent our framework. For an empirical study the results give a good introduction to the role of ambassadors in commercial diplomacy. What the influence of their background is on their involvement and the time they spent on commercial diplomacy. And last what variables influence the outcomes in commercial diplomacy. In the following part we will discuss what research might be done in the future, and how our research can be used in the future.

Fifth our questions with regard to the background of the ambassador missed one factor. We did not ask in our questionnaire how long the ambassador was working for the Ministry of Foreign Affairs and other ministries. We only asked for the years of governmental experience in general, and for the years of experience he had as an ambassador. If we included the years he worked for the ministry, we could have made a better distinction between governmental experience in general and governmental experience at his current ministry and other ministries.

5.5 Future research

Paragraph 4.4 mentioned already some suggestions for research in the future. This empirical study can be used as a starting point for research on ambassadors in commercial diplomacy. First we urge to replicate our study with a larger sample across different countries. A better understanding of the involvement of ambassadors in commercial diplomacy can be gained when a much larger variety of different home and host countries are taken into account. When there are ambassadors from different home and host countries present in the sample, the context can also be taken into account. Commercial diplomacy is highly influenced by external forces or its context (Reuvers & Ruël, 2012). The home and host country characteristics shape the context for commercial diplomacy. Because this study accounts only for foreign ambassadors in Western European countries, the level of involvement in the different commercial diplomacy areas might be totally different when other host countries, for example developing countries, are added to the research.

Because the ambassador has an also a great symbolic role (Rana, 2005) it is also interesting to know on which kind of company the ambassador focuses. Does he only support large enterprises, or does he also support small and medium enterprises. And does he focus on certain sectors, which could be more relevant for the home country. A more in depth analysis of ambassadors in commercial diplomacy might give an even better understanding about the involvement and tasks of ambassadors in commercial diplomacy.

As mentioned in chapter 4, we were not able to indicate any relationship between the involvement of the ambassador in commercial diplomacy, the time they spend on commercial diplomacy, the background and experience of the ambassadors with growth in trade figures. We used the import, export, and the total trade between the home and host country. The trade figures are influenced by many other factors making it hard to find relationships between the ambassadors involvement, experience and background and the trade figures. Future research could therefore investigate the involvement, experience and background of the ambassador with our survey and combine it for example with the gravity model which is used by Yakop and Bergeijk (2009)

6 References

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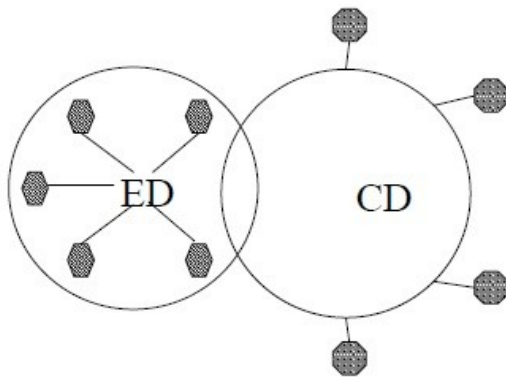
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7 Appendixes

Appendix A : Overview Saner & Yiu (2003)

Economic Diplomat vs Commercial Diplomat



CD = Commercial Diplomat

Diplomat who represents interests of his country, provides services to enterprises (safeguards interests of national companies abroad and attracts FDI to his country) and reports to MOFA or MOEA, who nmight be stationed at embassies abroad or operate out of National Capital

ED = Economic Diplomat

Diplomat who represents his country in other countries (Embassy, Consulate) or at economic and financial UN organisations (WTO, IMF, WB), follows/influences other countries' economic policies, and reports to MOFA, MOBA or Presidency.

Appendix B: constructs and operationalisation of the survey

Variable/construct	Dimension	Items	Question	Measurement scale
Involvement of the ambassador in commercial diplomacy	Different areas of commercial diplomacy (Naray, 2008)	Promotion of trade in goods and services	<p>Gathering market and export information in the embassy's country/countries, with the aim to inform home country companies</p> <p>The communication about export opportunities and market information to the home country and the home country's businesses</p> <p>The introduction of home country companies which are considering exporting their products and services to the embassy's country/countries</p> <p>Supporting home country firms with resolving conflicts in the country/countries where your embassy is located</p> <p>Organizing meetings for home country businesses and businesses of the host country/countries</p> <p>Trade promotion conferences</p>	<p>Involvement</p> <p>To a very low extent</p> <p>-</p> <p>To a very high extent</p> <p>Likert 5 scale</p>
		Protection of intellectual property rights	<p>Analysing intellectual property rights protection in the embassy's country/countries</p> <p>Communicating about intellectual property rights protection in the embassy's country/countries to home country companies</p> <p>The search for reliable intellectual property rights protection lawyers in the embassy's country/countries who could support home country companies</p> <p>Putting pressure on the host country's/countries' government to improve the intellectual property rights of home country businesses</p>	

			<p>The coordination of legal actions in the host country/countries to protect the intellectual property rights of home country companies</p> <p>The distribution of awareness campaigns for home country companies about intellectual property rights protection in the embassy's country/countries</p>	
		Co-operation in science & technology	<p>Gathering information about research achievements between home country and foreign country companies</p> <p>Writing press articles, for the home country and home country businesses, on research cooperation between home country businesses and businesses from the embassy's country/countries</p> <p>The facilitation of contacts for research cooperation between home country businesses and businesses in the embassy's country/countries</p> <p>Promoting scientific projects between home country organizations and organizations in the embassy's country/countries</p> <p>Introducing home country businesses to the host country's/countries' businesses to initiate cooperation in scientific projects</p> <p>Arranging conferences that promote scientific cooperation between home country companies and companies from the embassy's country/countries</p>	
		Promotion of made-in and corporate image	<p>Studying the image of products and services of the home country in the embassy's country/countries</p> <p>Events that promote home country products and services in the embassy's country/countries</p> <p>The maintenance of good contacts with business leaders</p>	

			<p>and authorities in the embassy's country/countries in favor of large contracts where national image counts</p> <p>Supporting home country companies when they have a problem with the host country's government</p> <p>Organizing campaigns to promote the image of the home country and home country businesses</p> <p>Supporting campaigns to improve the image of the home country and home country businesses</p>	
		Promotion of foreign direct investment	<p>The search for potential investors in the embassy's country/countries, who might want to invest in home country companies</p> <p>Information-sharing and briefings for potential investors from the embassy's country/countries which might want to invest in home country companies</p> <p>Approaching businesses and CEOs in the home country and the embassy's country/countries with investment proposals from both home country investors and investors from the embassy's country/countries</p> <p>The protection of home country investors when they face problems in the embassy's country/countries</p> <p>Organizing meetings for investors and businesses</p> <p>Supporting members of investment promotion missions who are visiting the embassy's country/countries</p>	
		Percentage on commercial diplomacy	Please indicate what percentage of your working time is spent on commercial diplomacy on average.	Percentage
Opinion about commercial		Importance of commercial diplomacy Influence on tourism	Commercial diplomacy is an important diplomatic practice.	I strongly disagree

diplomacy		Influence on trade Influence on investment Supporting home country businesses	Commercial diplomacy has a positive influence on tourism between the home and host countries. Commercial diplomacy has a positive influence on bilateral trade between the home and host countries. Commercial diplomacy has a positive influence on investments between the home and host countries. Commercial diplomacy is necessary to support home country businesses in the embassy's country.	- I strongly agree Likert 5 scale
Background and experience of ambassador		Field of study/specialization. Years of working experience in private and governmental organizations. Post experience	Please state the field of study of your university-level education. How many years you have worked in a private firm? How many years you have worked for governmental organizations? Please indicate how many years you have lived in the embassy's country. How many years of experience do you have as an ambassador?	Study type Years Years Years Years
Outcomes	Performance in commercial diplomacy according to the ambassador	Information sharing Problem solving Finding business partners Image selling home country Trade missions Trade fairs	Is successful in selling the image of the home country. Successfully organizes trade missions that meet the needs of home country and host-country businesses. Successfully organizes trade fairs that meet the needs of home country and host-country businesses. Is effective in promoting the business climate in the home country to businesses from the embassy's country. Provides home country and/or host-country businesses	I strongly disagree - I strongly agree Likert 5 scale

			<p>with relevant information on business issues.</p> <p>Is successful in assisting with solving problems if home country companies request it.</p> <p>Is effective in helping home country and host-country companies to find reliable business partners.</p>	
Size of embassy		Number of people in embassy	How many people are there working in the embassy?	1-24 25-49 50-74 75-99 >100
Country		Home country of embassy	In which country is your embassy located?	Home country

Appendix C: Questionnaire

Please fill in the multiple choice questions like this: ●

If you wish to change your answer, put a cross through the wrong answer and fill in the correct answer: ~~●~~ ●

There are also questions with an option to write your answer down. You can fill in the answer like this:

5	text
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Commercial diplomacy consists of a variety of activities. We would like to know to what extent you are involved in the activities listed below in the embassy where you are currently the ambassador. This involvement could be direct or indirect, for example by discussing the activity in a meeting with embassy staff.

Please indicate to what extent you are directly and/or indirectly involved in:

	To a very low extent	To a low extent	To a moderate extent	To a great extent	To a very large extent
Gathering market and export information in the embassy's country/countries, with the aim to inform home country companies	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Analysing intellectual property rights protection in the embassy's country/countries	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Gathering information about research achievements between home country and foreign country companies	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Studying the image of products and services of the home country in the embassy's country/countries	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The search for potential investors in the embassy's country/countries, who might want to invest in home country companies	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Please indicate to what extent you are directly and/or indirectly involved in:

	To a very low extent	To a low extent	To a moderate extent	To a great extent	To a very large extent
The communication about export opportunities and market information to the home country and the home country's businesses	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Communicating about intellectual property rights protection in the embassy's country/countries to home country companies	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Writing press articles, for the home country and home country businesses, on research cooperation between home country businesses and businesses from the embassy's country/countries	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Events that promote home country products and services in the embassy's country/countries	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Information-sharing and briefings for potential investors from the embassy's country/countries which might want to invest in home country companies	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Please indicate to what extent you are directly and/or indirectly involved in:

	To a very low extent	To a low extent	To a moderate extent	To a great extent	To a very large extent
The introduction of home country companies which are considering exporting their products and services to the embassy's country/countries	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The search for reliable intellectual property rights protection lawyers in the embassy's country/countries who could support home country companies	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The facilitation of contacts for research cooperation between home country businesses and businesses in the embassy's country/countries	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The maintenance of good contacts with business leaders and authorities in the embassy's country/countries in favor of large contracts where national image counts	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Approaching businesses and CEOs in the home country and the embassy's country/countries with investment proposals from both home country investors and investors from the embassy's country/countries	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Please indicate to what extent you are directly and/or indirectly involved in:

	To a very low extent	To a low extent	To a moderate extent	To a great extent	To a very large extent
Supporting home country firms with resolving conflicts in the country/countries where your embassy is located	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Putting pressure on the host country's/countries' government to improve the intellectual property rights of home country businesses	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Promoting scientific projects between home country organizations and organizations in the embassy's country/countries	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Supporting home country companies when they have a problem with the host country's government	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The protection of home country investors when they face problems in the embassy's country/countries	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Please indicate to what extent you are directly and/or indirectly involved in:

	To a very low extent	To a low extent	To a moderate extent	To a great extent	To a very large extent
Organizing meetings for home country businesses and businesses of the host country/countries	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The coordination of legal actions in the host country/countries to protect the intellectual property rights of home country companies	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Introducing home country businesses to the host country's/countries' businesses to initiate cooperation in scientific projects	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Organizing campaigns to promote the image of the home country and home country businesses	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Organizing meetings for investors and businesses	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Please indicate to what extent you are directly and/or indirectly involved in:

	To a very low extent	To a low extent	To a moderate extent	To a great extent	To a very large extent
Trade promotion conferences	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The distribution of awareness campaigns for home country companies about intellectual property rights protection in the embassy's country/countries	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Arranging conferences that promote scientific cooperation between home country companies and companies from the embassy's country/countries	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Supporting campaigns to improve the image of the home country and home country businesses	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Supporting members of investment promotion missions who are visiting the embassy's country/countries	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Please give your opinion about these statements:

	Strongly Disagree	Disagree	Neither agree nor disagree	Agree	Strongly Agree
Commercial diplomacy is an important diplomatic practice.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Commercial diplomacy has a positive influence on tourism between the home and host countries.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Commercial diplomacy has a positive influence on bilateral trade between the home and host countries.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Commercial diplomacy has a positive influence on investments between the home and host countries.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Commercial diplomacy is necessary to support home country businesses in the embassy's country.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

These statements are about the embassy in which you are currently the ambassador. Please give your opinion about these statements. The economic department of this embassy:

	Strongly Disagree	Disagree	Neither agree nor disagree	Agree	Strongly Agree
Provides home country and/or host-country businesses with relevant information on business issues.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Is successful in assisting with solving problems if home country companies request it.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Is effective in helping home country and host-country companies to find reliable business partners.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

These statements are about the embassy in which you are currently the ambassador. Please give your opinion about these statements. The economic department of this embassy:

	Strongly Disagree	Disagree	Neither agree nor disagree	Agree	Strongly Agree
Is successful in selling the image of the home country.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Successfully organizes trade missions that meet the needs of home country and host-country businesses.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Successfully organizes trade fairs that meet the needs of home country and host-country businesses.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Is effective in promoting the business climate in the home country to businesses from the embassy's country.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Please state the field of study of your university-level education.

Please indicate what percentage of your working time is spent on commercial diplomacy on average.

 %

How many years you have worked in a private firm?

 Years Not applicable

How many years you have worked for governmental organizations?

 years

Please indicate how many years you have lived in the embassy's country

 years

How many years of experience do you have as an ambassador?

 years

How many people work in your embassy?

- 1-24
- 25-49
- 50-74
- 75-99
- >100

Please indicate which home country your embassy represents. (The countries will not be mentioned by name in the aggregated results of this research.)

If you have any comments or additional information, please note them in the box below:

Please return the questionnaire with the enclosed envelope.

Thank you for participating in the survey!

Appendix D: Invitation and reminder

UNIVERSITY OF TWENTE.

«Ambassade»
«Titel» «Voornaam» «Achternaam»
«Straat»
«Postcode» «Plaats»

SCHOOL OF MANAGEMENT AND GOVERNANCE

FROM

Dr. H.J.M. Ruel
T 0031 53-4894767

h.j.m.ruel@utwente.nl

DEPARTMENT
Business Administration/International
Management

PAGE

66 of 3

SUBJECT

Research on involvement of ambassadors in commercial diplomacy

Dear Ambassador «Achternaam»,

We would like to invite you to participate in a survey on commercial diplomacy. This survey is part of a research program in Commercial Diplomacy and International Business in a Changing Global Economy being organised by the International Management Group of the University of Twente. The aim of this program is to understand, explain and improve commercial diplomacy practices and policies.

The survey is being sent to all ambassadors who represent their home country in the Netherlands, and your personal participation in this survey would be very much appreciated. Participation is anonymous, and the individual data will not be shared with any external partner.

The survey consists of questions about your involvement in commercial diplomacy activities, your background and experience, your opinions about commercial diplomacy and about the effectiveness of the embassy regarding commercial diplomacy.

Completing the questionnaire should not take more than 20 minutes. The final question is about the country in which your embassy is located. This is needed to compare the different countries with other data. However, the countries will not be mentioned by name in the aggregated results of this research to guarantee your anonymity.

Please contact us via the email address given below if you have any questions regarding the survey, if you would like to have some additional information, or if you are interested in hearing about the outcomes.

To assure the quality of this study, participation of all respondents is very important. Your help is truly valuable in advancing our understanding of this subject. We would appreciate it very much if you could return the completed questionnaire within two weeks.

Best regards,

Dr. H.J.M. Ruël (Research leader)
G.J.M. Abbink

HIGH TECH HUMAN TOUCH

UNIVERSITY OF TWENTE.

«Ambassade»
«Titel» «Voornaam» «Achternaam»
«Straat»
«Postcode» «Plaats»

SCHOOL OF MANAGEMENT AND GOVERNANCE

FROM

Dr. H.J.M. Ruel
T 0031 53-4894767
h.j.m.ruel@utwente.nl

DEPARTMENT
Business Administration/International
Management

PAGE

67 of 3

SUBJECT

Research on involvement of ambassadors in commercial diplomacy

Dear Ambassador «Achternaam»,

Three weeks ago we invited you to participate in a survey on commercial diplomacy organised by the International Management Group of the University of Twente. We noticed that we haven't received your questionnaire yet. We would appreciate it very much if you still could return the completed questionnaire. Participation of all respondents is very important to assure the quality of this study. Completing the questionnaire should not take more than 20 minutes.

Please contact us via the email address given below if you have any questions regarding the survey, if you would like to have some additional information, or if you are interested in hearing about the outcomes.

Your help is truly valuable in advancing our understanding of this subject. We would appreciate it very much if you still could return the completed questionnaire.

Best regards,

Dr. H.J.M. Ruël (Research leader)
G.J.M. Abbink
E-mail: h.j.m.ruel@utwente.nl

Reminder by e-mail

«Ambassade»
«Titel» «Voornaam» «Achternaam»
«Straat»
«Postcode» «Plaats»

Dear Ambassador «Achternaam»

Four week ago we invited you to participate in a survey on the involvement of ambassadors in commercial diplomacy, organised by the International Management Group of the University of Twente. We noticed that we haven't received your questionnaire yet. We would appreciate it very much if you still could return the completed questionnaire to us. Participation of all respondents is very important to assure the quality of this study. Completing the questionnaire should not take more than 20 minutes. We have added the questionnaire to this e-mail, in case you haven't got the questionnaire anymore.

The questionnaire can be returned to us with the enclosed envelop from the first mailing to:

Dr. H.J.M. Ruël
Universiteit Twente
MB (Ravelijn) afdeling BA
Postbus 217
7500AE Enschede
The Netherlands

It is also possible to print the questionnaire, to fill it in, and to return it to us by e-mail (g.j.m.abbink@student.utwente.nl)

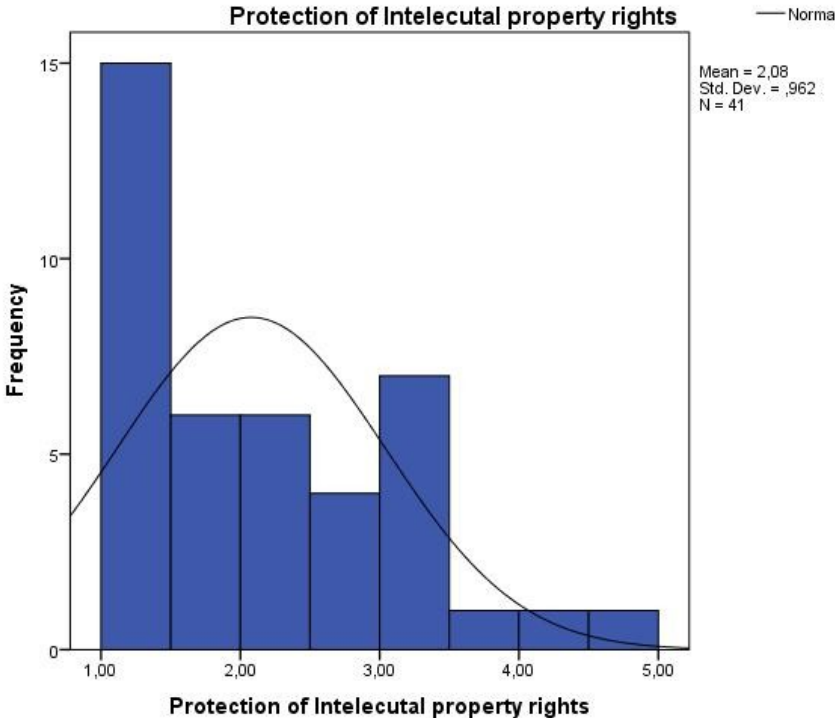
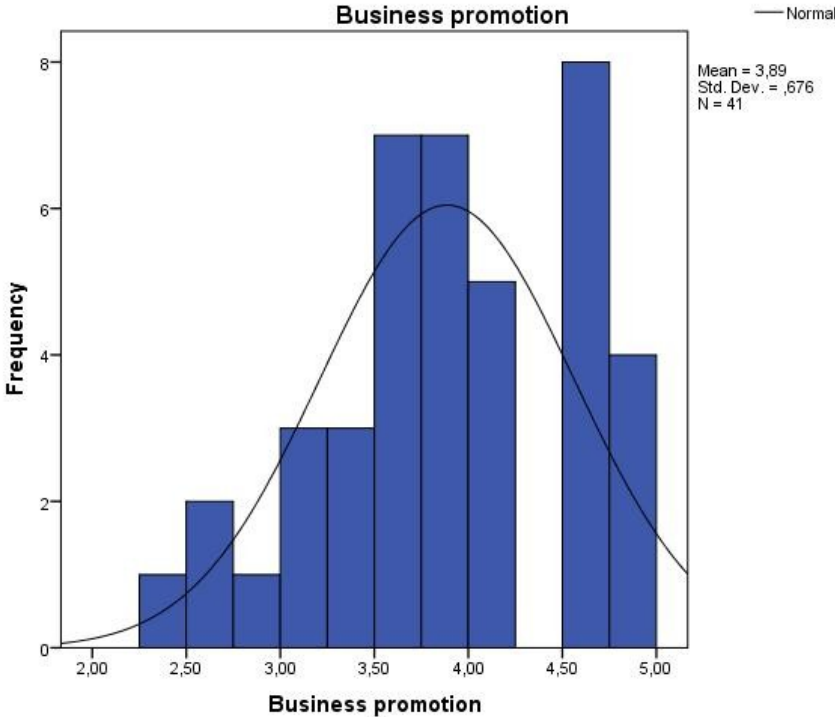
Please contact us via the e-mail address given below if you have any questions regarding the survey, if you would like to have some additional information, or if you are interested in hearing about the outcomes.

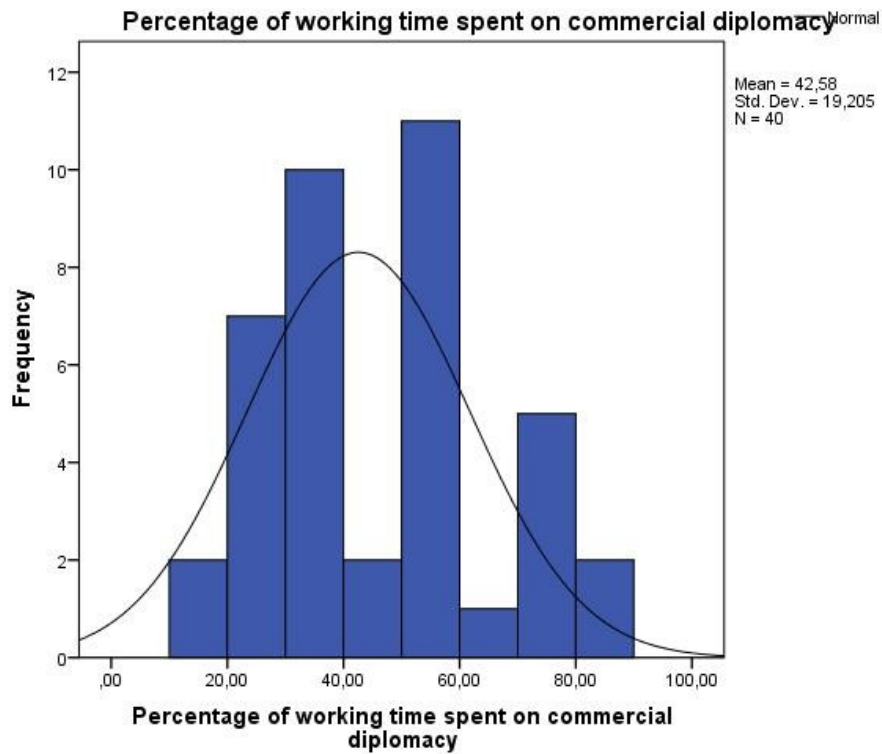
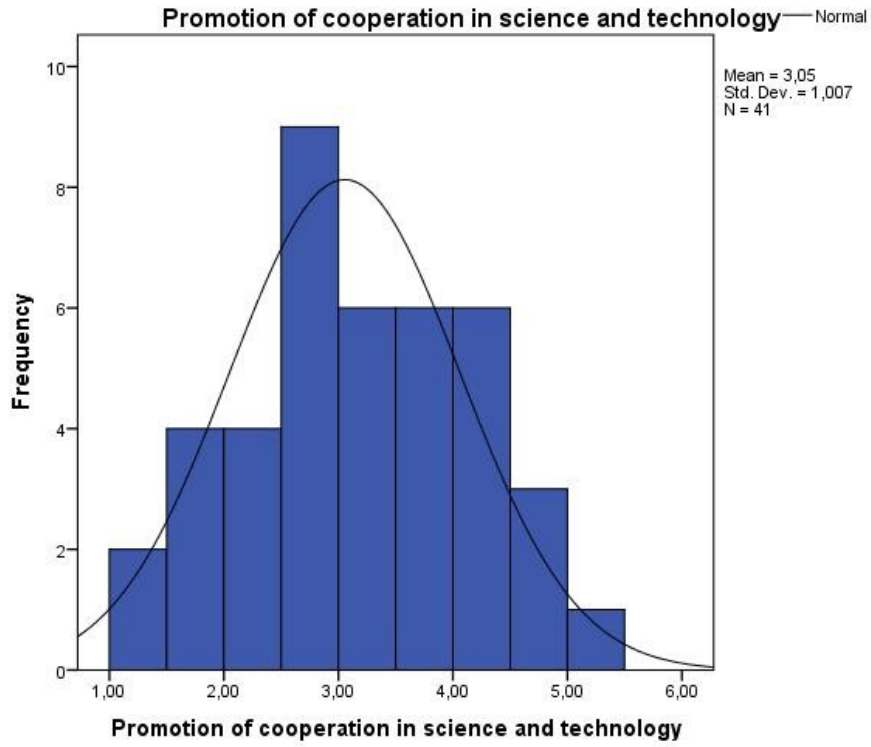
Your help is truly valuable in advancing our understanding of this subject. We would appreciate it very much if you still could return the completed questionnaire.

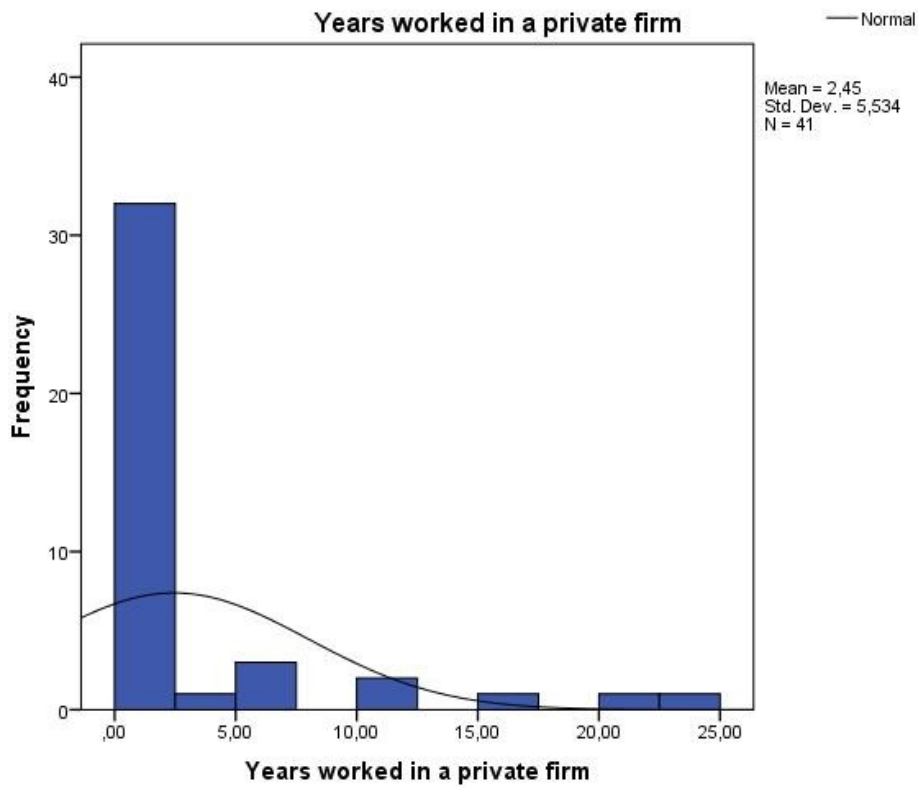
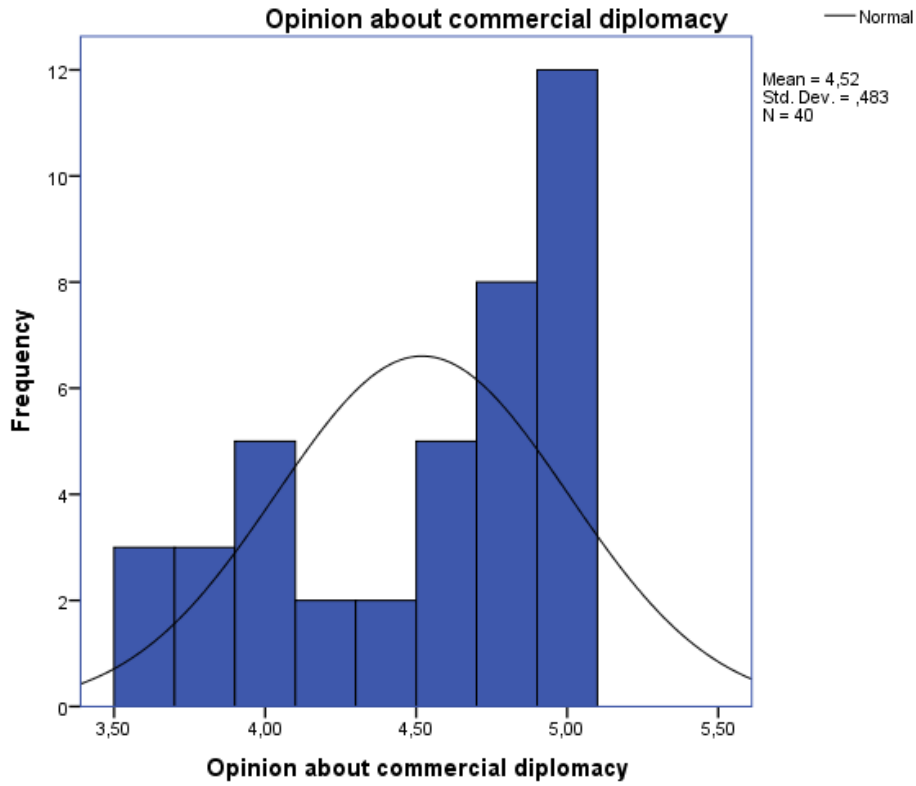
Best regards,

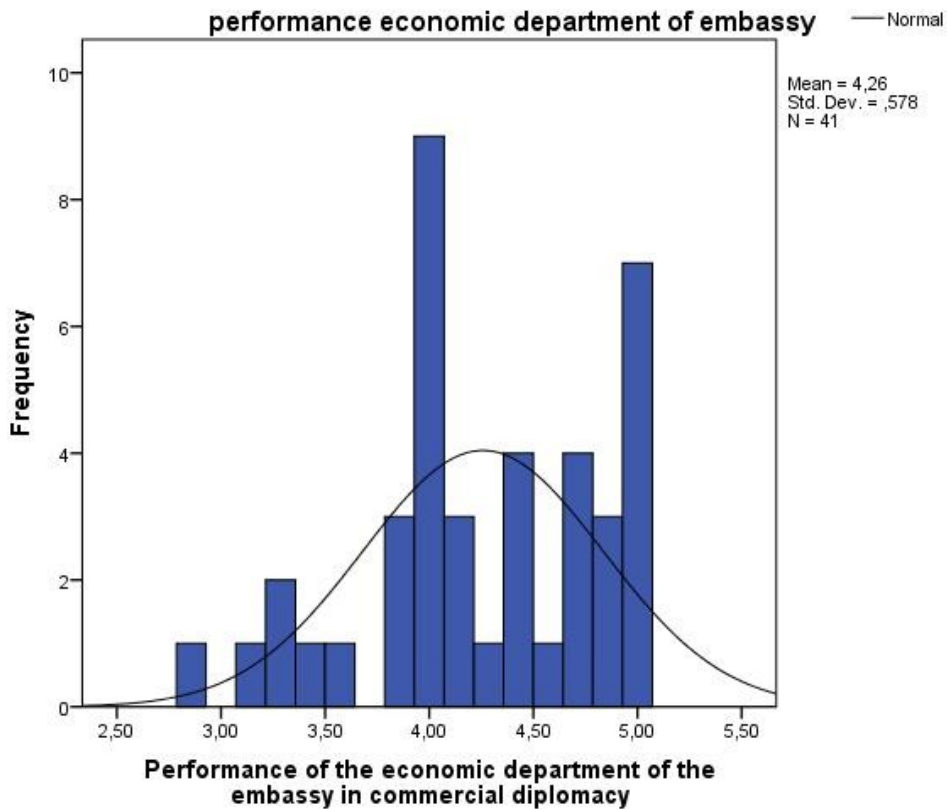
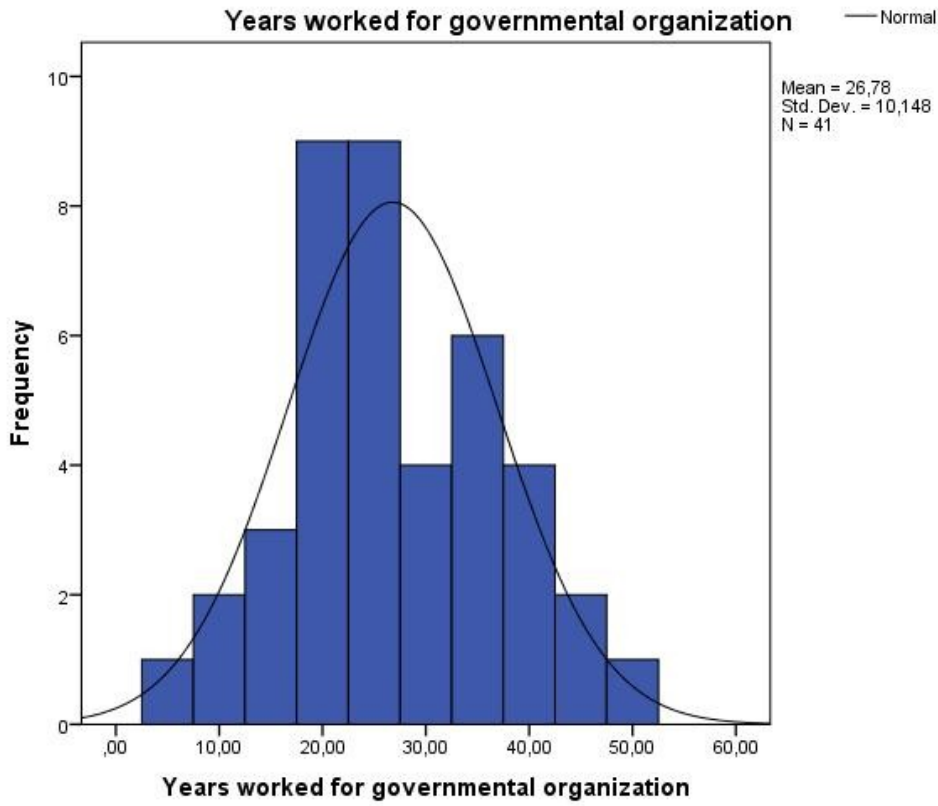
Dr. H.J.M. Ruël (Research leader)
G.J.M. Abbink BBA
E-mail: g.j.m.abbink@student.utwente.nl

Appendix E: histograms









Appendix F: factor analysis

Factor analysis involvement of ambassadors in commercial diplomacy.

KMO and Bartlett's Test										
Kaiser-Meyer-Olkin Measure of Sampling Adequacy		.515								
Bartlett's Test of Sphericity										
Approx. Chi-Square		1020.989								
Df		435								
Sig.		.000								
Total Variance Explained										
Component	Initial Eigenvalues			Extraction sum of squared loadings			Rotation sum of squared loadings			
	Total	% of variance	Cumulative %	Total	% of variance	Cumulative %	Total	% of variance	Cumulative %	
1	11.995	39.983	39.983	11.995	39.983	39.983	6.520	21.733	21.733	
2	3.080	10.628	50.251	3.080	10.268	50.251	5.746	19.154	40.887	
3	2.739	9.129	59.380	2.739	9.129	59.380	5.548	18.493	59.380	

Extraction method: Principal component analysis. Rotation method: Varimax with Kaiser normalization

Rotated component matrix	Component		
	1	2	3
Protection of intellectual property rights 1	,826		
Protection of intellectual property rights 3	,818		
Protection of intellectual property rights 2	,803		
Protection of intellectual property rights 6	,786		
Protection of intellectual property rights 5	,716		
Protection of intellectual property rights 4	,707		
Promotion of co-operation in science and technology 1	,605		
Promotion of co-operation in science and technology 5		,784	
Promotion of co-operation in science and technology 4		,754	
Promotion of made-in and corporate campaigns 6		,712	
Promotion of made-in and corporate campaigns 5		,705	
Promotion of Foreign direct investment 6		,662	
Promotion of co-operation in science and technology 6	,409	,659	
Promotion of co-operation in science and technology 2		,605	
Promotion of made-in and corporate campaigns 2		,589	
Promotion of trade in goods and services 5		,586	,545
Promotion of co-operation in science and technology 3	,426	,519	
Promotion of trade in goods and services 2			,761
Promotion of made-in and corporate campaigns 3		,537	,723
Promotion of Foreign direct investment 1			,682
Promotion of Foreign direct investment 3		,406	,664
Promotion of Foreign direct investment 5		,465	,652
Promotion of trade in goods and services 1	,572		,632
Promotion of trade in goods and services 4			,621
Promotion of made-in and corporate campaigns 1	,595		,599
Promotion of Foreign direct investment 4	,475		,573
Promotion of made-in and corporate campaigns 1	,499		,565
Promotion of trade in goods and services 4			,482
Promotion of Foreign direct investment 6			
Promotion of trade in goods and services 3			

Factor analysis for the ambassador's opinion about commercial diplomacy.

KMO and Bartlett's Test	
Kaiser-Meyer-Olkin Measure of Sampling Adequacy	.838
Bartlett's Test of Sphericity	
Approx. Chi-Square	114.80
df	10
Sig.	.000

Rotated component matrix	Component 1
Opinion commercial diplomacy	.812
Opinion influence on tourism	.715
Opinion influence on bilateral trade	.882
Opinion influence on investments	.915
Opinion commercial diplomacy necessary for support	.844
Extraction method: Principal component analysis	

Factor analysis for the ambassador's opinion about the performance of the economic department of his/her embassy in commercial diplomacy.

KMO and Bartlett's Test	
Kaiser-Meyer-Olkin Measure of Sampling Adequacy	.788
Bartlett's Test of Sphericity	
Approx. Chi-Square	134.58
df	21
Sig.	.000

Rotated component matrix	Component 1	Component 2
Per. in selling image home country	.886	
Per. in promotion business climate home country	.871	
Per. trade missions	.769	
Per. in trade fairs	.626	.541
Per. in finding reliable partners		.830
Per. information business issues		.778
Per. in solving problems		.660
Extraction method: Principal component analysis.		
Rotation method: Varimax with Kaiser Normalization		

Appendix G: correlation matrix

Variable (N=41)	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	
1 Protection of intellectual property rights	1	.61**	.63**	.53**	.12	-.11	.05	-.07	.13	.26	.26	.02	.04	.17	.26*	.27*	.02	-.12	.07	.15	.03	
2 promotion of cooperation in science and technology		1	.58**	.45**	.23	-.021	.20	-.17	.05	.22	.04	.03	-.01	.17	-.01	.08	-.08	.09	.19	.12	-.04	
3 Business promotion			1	.52**	.01	.01	.03	.03	.42**	.40**	.15	-.07	.02	.07	.06	-.00	.02	-.05	.09	.02	-.127	
4 Percentage of time spent on commercial diplomacy				1	.44**	-.30*	.25	-.13	.23	.37**	.11	.03	.24	.21	.24	.16	-.22	.14	-.15	.18	-.011	
5 Number of years worked in a private firm					1	-.44**	-.05	-.32*	.06	.17	.43**	-.15	.33*	.19	.40**	.48**	-.34*	.46**	-.15	.18	.26*	
6 Number of years worked for governmental organizations						1	-.05	.58**	-.06	.08	-.22	-.02	-.27*	-.05	-.22	-.21	.25	-.22	.20	.04	-.03	
7 Number of years lived in the embassy's country							1	.09	-.14	-.13	-.20	.14	-.10	.12	-.16	-.03	.35*	-.20	.05	.06	-.12	
8 Number of years experience as an ambassador								1	-.07	.19	-.12	-.02	-.11	-.13	-.15	-.20	.06	-.18	.08	-.15	-.14	
9 The ambassador's opinion about commercial diplomacy									1	.59**	.19	-.28	.16	-.02	.08	-.04	.01	-.08	-.25	-.25	-.14	
10 The ambassador's opinion about the performance of the economic department in commercial diplomacy										1	.08	-.34*	.18	.16	.11	.20	-.21	.04	-.33*	-.12	-.08	
11 Difference in trade from host to homecountry 2008-2009											1	-.29*	-.010	.26*	.79**	.43**	.01	.21	-.07	.29*	.43**	
12 Difference in trade from host to homecountry 2009 – 2010												1	-.34*	-.08	.06	-.21	.15	-.22	.08	-.11	.07	
13 Difference in trade from host to homecountry 2010 – 2011													1	-.12	.06	-.10	-.29*	.72**	.03	.18	.24	
14 Difference in trade from host to homecountry 2011- 2012														1	.50**	.17	.13	.11	0.04	.18	.55**	
15 Difference in trade from host to homecountry 2008-2012															1	.40**	.01	.267*	-.240	.245	.64**	
16 Difference in trade from home to hostcountry 2008-2009																1	-.03	.01	-.185	.63**	.42**	
17 Difference in trade from home to hostcountry 2009-2010																	1	-.36**	.35*	.44*	.21	
18 Difference in trade from home to hostcountry 2010-2011																		1	.07	.24	.42**	
19 Difference in trade from home to hostcountry 2011-2012																			1	.46**	.20	
20 Difference in trade from home to hostcountry 2008-2012																				1	.61**	
21 Difference in total trade 2008-2012																						1

** . Correlation is significant at the 0.01 level (1-tailed)

* . Correlation is significant at the 0.05 level (1-tailed)

Appendix H

ANOVA

			Sum of Squares	df	Mean Square	F	Sig.
performanceembassy	Between Groups	(Combined)	1,598	6	,266	752	,612
		Linear Term	Unweighted .738	1	,738	2,084	,158
		Weighted .607	1	,607	1,715	,199	
		Deviation .991	5	,198	,559	,730	
	Quadratic Term	Unweighted .002	1	,002	,006	,941	
		Weighted .000	1	,000	,001	,971	
		Deviation .990	4	,248	,699	,598	
	Within Groups		11,690	33	,354		
	Total		13,288	39			
	opinion	Between Groups	(Combined)	2,370	6	,395	1,907
Linear Term			Unweighted .877	1	,877	4,232	,048
		Weighted .195	1	,195	,941	,339	
		Deviation .215	5	,435	2,100	,091	
Quadratic Term		Unweighted .000	1	,000	,002	,965	
		Weighted .233	1	,233	1,123	,297	
		Deviation .194	4	,486	2,345	,076	
Within Groups			6,629	32	,207		
Total			8,999	38			
MeanBusinesspromotion		Between Groups	(Combined)	1,570	6	,262	539
	Linear Term		Unweighted .011	1	,011	,023	,880
		Weighted .023	1	,023	,048	,828	
		Deviation .154	5	,309	638	,673	
	Quadratic Term	Unweighted .112	1	,112	,231	,634	
		Weighted .094	1	,094	,194	,683	
		Deviation .145	4	,363	,748	,566	
	Within Groups		16,011	33	,485		
	Total		17,581	39			
	CIST	Between Groups	(Combined)	8,560	6	1,427	1,607
Linear Term			Unweighted .009	1	,009	,010	,920
		Weighted .214	1	,214	,240	,627	
		Deviation .834	5	1,669	1,880	,125	
Quadratic Term		Unweighted .449	1	,449	,505	,482	
		Weighted .725	1	,725	,816	,373	
		Deviation .762	4	1,905	2,146	,097	
Within Groups			29,304	33	,888		
Total			37,864	39			
PolPR		Between Groups	(Combined)	2,579	6	,430	422
	Linear Term		Unweighted .013	1	,013	,013	,910
		Weighted .120	1	,120	,117	,734	
		Deviation .245	5	,492	483	,786	
	Quadratic Term	Unweighted .094	1	,094	,092	,763	
		Weighted .000	1	,000	,000	,992	
		Deviation .245	4	615	604	,663	
	Within Groups		33,596	33	1,019		
	Total		36,175	39			
	Percentage of working time spent on commercial diplomacy	Between Groups	(Combined)	1217,356	6	202,893	554
Linear Term			Unweighted 415,583	1	415,583	1,134	,295
		Weighted 286,159	1	286,159	781	,384	
		Deviation 931,197	5	186,239	508	,768	
Quadratic Term		Unweighted 14,612	1	14,612	,040	,843	
		Weighted 100,436	1	100,436	,274	,604	
		Deviation 830,760	4	207,690	,567	,689	
Within Groups			11729,875	32	366,559		
Total			12947,231	38			
Years worked in a private firm		Between Groups	(Combined)	120,163	6	20,027	610
	Linear Term		Unweighted .322	1	,322	,010	,922
		Weighted 10,972	1	10,972	,334	,567	
		Deviation 109,191	5	21,838	,665	,652	
	Quadratic Term	Unweighted 9,735	1	9,735	,296	,590	
		Weighted 4,650	1	4,650	,142	,709	
		Deviation 104,541	4	26,135	,796	,536	
	Within Groups		1083,531	33	32,834		
	Total		1203,694	39			
	Years worked for governmental organization	Between Groups	(Combined)	1227,702	6	204,617	2,401
Linear Term			Unweighted 358,903	1	358,903	4,211	,048
		Weighted 271,537	1	271,537	3,186	,083	
		Deviation 956,165	5	191,233	2,244	,073	
Quadratic Term		Unweighted 20,661	1	20,661	,242	,626	
		Weighted 198,790	1	198,790	2,333	,136	
		Deviation 757,375	4	189,344	2,222	,088	
Within Groups			2812,298	33	85,221		
Total			4040,000	39			
Years lived in the embassy's country		Between Groups	(Combined)	20,976	6	3,496	732
	Linear Term		Unweighted .097	1	,097	,020	,888
		Weighted 1,901	1	1,901	,398	,532	
		Deviation 19,075	5	3,815	,799	,559	
	Quadratic Term	Unweighted .415	1	,415	,087	,770	
		Weighted 2,617	1	2,617	,548	,464	
		Deviation 16,459	4	4,115	,862	,497	
	Within Groups		157,606	33	4,776		
	Total		178,583	39			
	Years experience as an ambassador	Between Groups	(Combined)	542,905	6	90,484	4,898
Linear Term			Unweighted 16,381	1	16,381	,887	,353
		Weighted 37,967	1	37,967	2,055	,161	
		Deviation 504,938	5	100,988	5,467	,001	
Quadratic Term		Unweighted 15,694	1	15,694	,850	,363	
		Weighted 59,218	1	59,218	3,206	,083	
		Deviation 445,720	4	111,430	6,032	,001	
Within Groups			609,630	33	18,474		
Total			1152,535	39			

Appendix I: regression plots

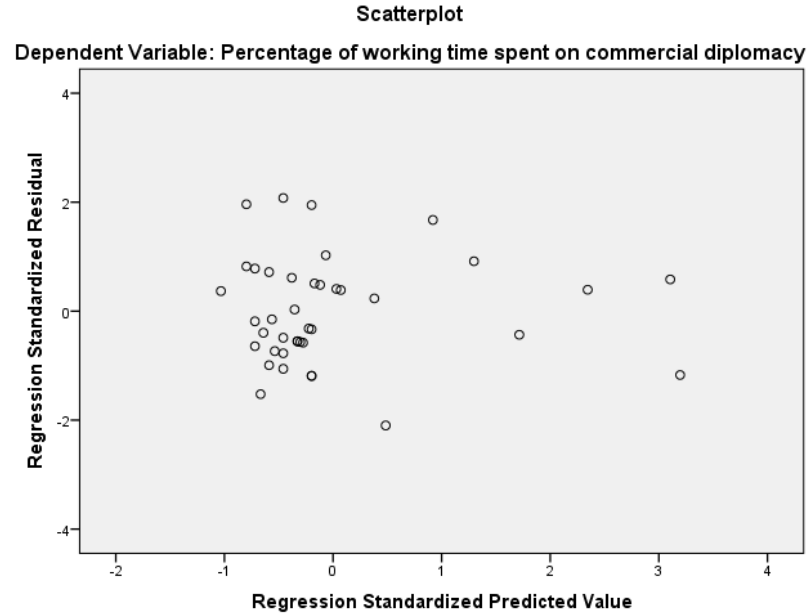
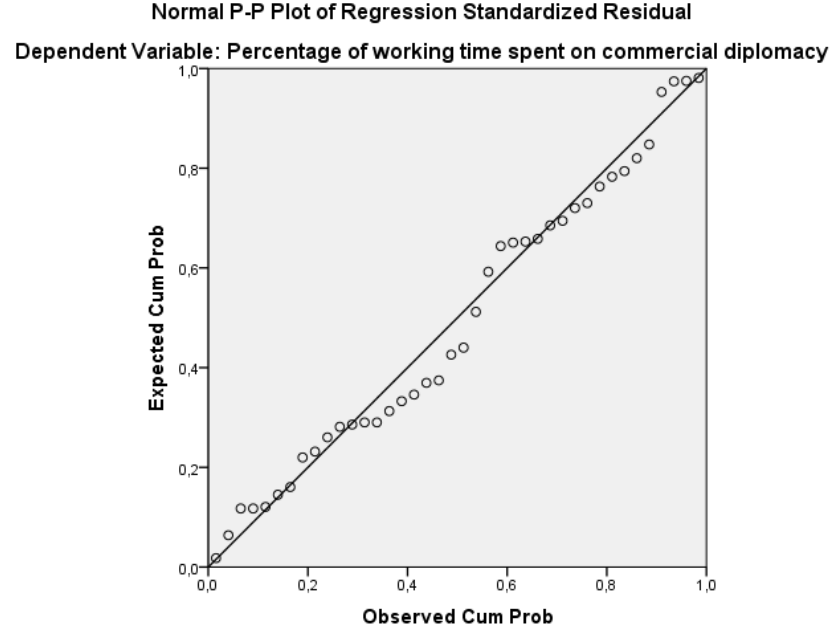
Correlations

		performance mbassy	MeanBusines spromotion	opinion	Percentage of working time spent on commercial diplomacy	Years worked in a private firm	Years worked for governmental organization
performanceembassy	Pearson Correlation	1	,395*	,589**	,374*	,177	,084
	Sig. (2-tailed)		,011	,000	,017	,268	,601
	N	41	41	40	40	41	41
MeanBusinesspromotion	Pearson Correlation	,395*	1	,419**	,522**	,013	,005
	Sig. (2-tailed)	,011		,007	,001	,937	,973
	N	41	41	40	40	41	41
opinion	Pearson Correlation	,589**	,419**	1	,232	,056	-,063
	Sig. (2-tailed)	,000	,007		,156	,730	,700
	N	40	40	40	39	40	40
Percentage of working time spent on commercial diplomacy	Pearson Correlation	,374*	,522**	,232	1	,443**	-,300
	Sig. (2-tailed)	,017	,001	,156		,004	,060
	N	40	40	39	40	40	40
Years worked in a private firm	Pearson Correlation	,177	,013	,056	,443**	1	-,441**
	Sig. (2-tailed)	,268	,937	,730	,004		,004
	N	41	41	40	40	41	41
Years worked for governmental organization	Pearson Correlation	,084	,005	-,063	-,300	-,441**	1
	Sig. (2-tailed)	,601	,973	,700	,060	,004	
	N	41	41	40	40	41	41

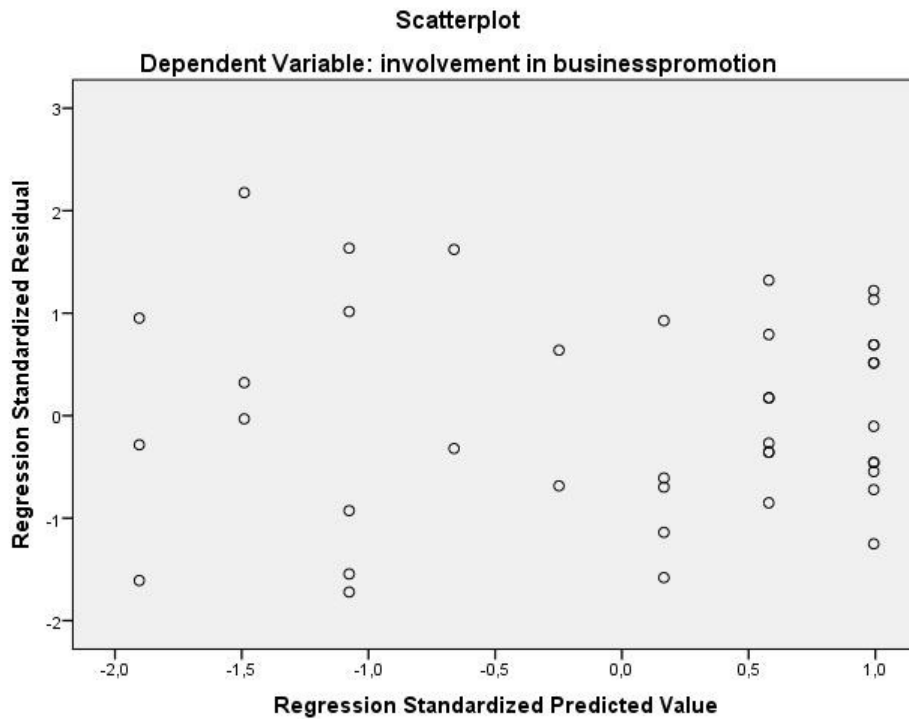
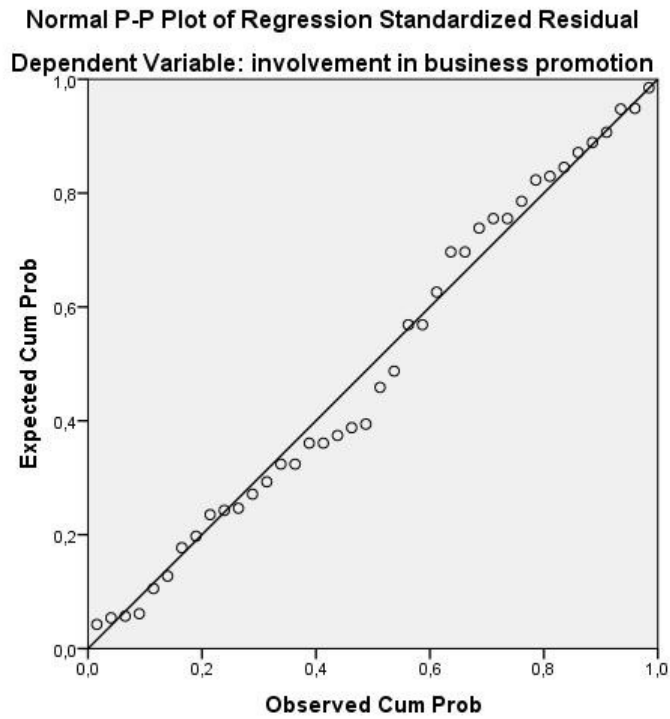
*. Correlation is significant at the 0.05 level (2-tailed).

**. Correlation is significant at the 0.01 level (2-tailed).

Model 1 of the regression analysis:



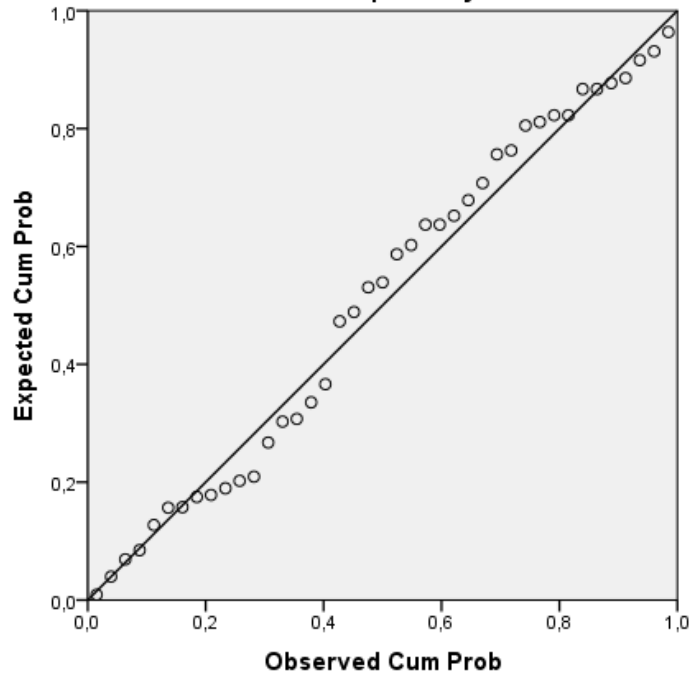
Model 3 of the regression analysis.



Model 5 of the regression analysis

Normal P-P Plot of Regression Standardized Residual

Dependent Variable: performance of the economic department of the embassy in commercial diplomacy



Scatterplot

Dependent Variable: performance of the economic department of the embassy in commercial diplomacy

