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The Role Of Export- Import Business In Global Trade: An Empirical, Industry And Organizational Analysis

Jaidali Makrani[1] , Dr. Nirban Singh [2]
[1] Enrolment No: 2406142000078 MBA - International Trade & Business
[2] Faculty of Management Studies Faculty of Management Studies
Parul University, Vadodara Gujarat, India - April 2026

***Abstract* – Purpose: This study investigates the role of export–import business in shaping global trade dynamics, with a dual focus on macro-level industry analysis and micro-level organizational examination. It aims to assess the awareness levels, perceptions, and entrepreneurial intent of individuals with respect to international trade, while situating India's export–import sector within the broader theoretical and empirical landscape of global commerce.Design/Methodology/Approach: The study adopts a descriptive and analytical research design, combining primary and secondary data sources. Primary data was gathered through a structured questionnaire administered to 70 respondents using Google Forms and non-probability convenience sampling. Secondary data was drawn from seminal trade theories, institutional reports from the World Trade Organization, World Bank, IMF, UNCTAD, Ministry of Commerce (India), and peer-reviewed academic literature. Data was analyzed using percentage analysis, tabular presentation, and comparative interpretation. Findings: Empirical results indicate high awareness (80%) of export–import business and strong endorsement (84.3%) of its economic importance. Globalization is positively perceived by 71% of respondents as a driver of international trade. Government policy support is acknowledged by 67% of respondents, though a knowledge, action gap persists, with only 52.9% expressing entrepreneurial intent. Agriculture, pharmaceuticals, and textiles are identified as India's perceived export strengths, and 54.3% believe India has potential to become a global trade leader. Research Limitations/Implications: The study is constrained by a relatively small convenience sample (n=70), which limits generalizability. Additionally, self reported data may introduce response bias. Future research should employ stratified probability sampling across diverse demographic groups and incorporate econometric modeling for causal inference. Practical Implications: Findings underscore the urgent need for enhanced policy literacy programs, digital trade infrastructure investment, and entrepreneurial ecosystem development. Practitioners and policymakers should prioritize simplifying regulatory frameworks, expanding trade facilitation services, and improving awareness of government export incentives to bridge the knowledge, action gap. Originality/Value: This study makes an original contribution by integrating classical and contemporary trade theory with empirical survey data in the Indian context, offering a holistic analysis of both industry dynamics and organizational functioning. The multi-theory lens spanning absolute advantage to the OLI framework provides a comprehensive analytical scaffold rarely employed in similar empirical studies.**

Keywords Export–import business | International trade | Globalization | Trade policy | India | Economic development | Trade awareness | Global value chains | Logistics | Organizational study | Entrepreneurship | Trade liberalization.

I. INTRODUCTION

The global economy in the twenty-first century is fundamentally defined by the movement of goods, services, capital, and knowledge across national boundaries. At the heart of this interconnectedness lies the export–import business a complex, multi-dimensional sector that bridges domestic productive capacity with global market demand. As countries integrate ever more deeply into the fabric of international trade, export–import enterprises serve not merely as conduits for commercial exchange but as engines of economic transformation, technology transfer, and employment generation.

The significance of international trade has been acknowledged for centuries, yet its contemporary scale is unprecedented. According to the World Trade Organization (WTO, 2022), global merchandise trade volume reached approximately USD 24 trillion, with services trade accounting for an additional USD 6.8 trillion. This aggregate represents a profound shift in the architecture of national economies one in which no country, regardless of its resource endowment or political orientation, can afford sustained isolation from global markets.

India's trajectory within this global trade ecosystem offers a particularly instructive case study. Having undergone a sweeping liberalization, privatization, and globalization (LPG) policy reform in 1991, India dismantled decades of import-substitution industrialization and embraced trade openness as a pathway to development. The consequences have been transformative: India's merchandise exports grew from approximately USD 18 billion in 1990–91 to over USD 422 billion in 2022–23 (Ministry of Commerce, India, 2023). The country today exports a diversified basket of goods encompassing pharmaceuticals, engineering products, textiles, agricultural commodities, and IT services, while importing critical inputs including crude petroleum, electronic components, and capital machinery.

Despite this impressive macro-level trajectory, a persistent challenge remains at the micro and meso levels: limited awareness, inadequate policy literacy, and structural entry barriers continue to restrict the participation of individual entrepreneurs and small businesses in global trade. Understanding how awareness, perception, and

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entrepreneurial intent relate to export–import engagement is therefore not merely an academic exercise but a policy-relevant imperative.

1.1 Significance of the Study

This study addresses a dual research gap. First, it contributes to the theoretical understanding of how classical and contemporary trade theories manifest in the perceptions and behaviors of potential trade participants in a developing economy context. Second, it provides empirical insights into the awareness participation gap that characterizes India's export–import ecosystem, with organizational analysis of a representative enterprise The Global Trade Links, Vadodara grounding the macro analysis in operational reality.

1.2 Structure of the Paper

The paper proceeds as follows: Section 2 presents a comprehensive theoretical framework and literature review. Section 3 provides an industry overview encompassing global and Indian trade dynamics. Section 4 presents an organizational study. Section 5 details the research methodology. Section 6 analyses primary survey data. Section 7 presents hypothesis testing. Section 8 synthesizes results and findings. Section 9 discusses implications. Section 10 concludes with recommendations and avenues for future research.

II. THEORETICAL FRAMEWORK AND LITERATURE REVIEW

The intellectual foundations of international trade theory span over two and a half centuries, evolving from the mercantilism of the seventeenth century to the sophisticated intra-industry trade models of the late twentieth century. This section synthesizes the major theoretical paradigms and empirical contributions that collectively inform the analytical framework of this study.

2.1 Classical Trade Theories

2.1.1 The Absolute Advantage Framework

Adam Smith (1776), in his landmark treatise The Wealth of Nations, challenged the mercantilist notion that national wealth was measured by accumulated bullion. Smith argued that the true wealth of nations lay in productive capacity and that countries should specialize in producing goods for which they possess an absolute cost advantage, trading their surplus production for goods produced more efficiently elsewhere. This foundational insight laid the conceptual groundwork for understanding why nations engage in export–import activities.

> By means of glasses, hotbeds, and hotwalls, very good grapes can be raised in Scotland... but it would be absurd to carry on these activities when better wines can be bought from Portugal at a smaller fraction of labour.
> Adam Smith (1776), The Wealth of Nations

2.1.2 Comparative Advantage and Opportunity Cost

David Ricardo (1817) extended Smith's framework by introducing the principle of comparative advantage, arguably the most powerful and enduring concept in the theory of international trade. Ricardo demonstrated that even if one country produces all goods at an absolute disadvantage, mutually beneficial trade can occur as long as relative production costs differ. Nations maximize welfare by exporting goods in which their opportunity cost is relatively lower and importing goods in which their opportunity cost is relatively higher.

The Ricardian model, though stylized, provides a compelling theoretical rationale for India's export specialization in pharmaceuticals, textiles, and IT services sectors where the country's relative factor costs confer comparative advantages over high-income trading partners.

2.1.3 The Heckscher–Ohlin Factor Endowment Theory

Heckscher and Ohlin (1933) advanced the trade theory literature by embedding comparative advantage in factor endowments. Their Heckscher-Ohlin (H-O) theorem posits that countries export commodities whose production is intensive in the country's relatively abundant factor and import commodities whose production is intensive in the country's relatively scarce factor. India's labour-intensive exports in textiles and agricultural processing align closely with H-O predictions, given the country's endowment of a large, cost-competitive workforce.

2.2 Modern and New Trade Theories

2.2.1 Economies of Scale and Imperfect Competition

Paul Krugman (1980) revolutionized trade theory by demonstrating that in the presence of economies of scale and monopolistic competition, trade can occur between countries with similar factor endowments a phenomenon observed extensively among developed nations. Krugman's new trade theory explains the prevalence of intra-industry trade and underscores the importance of market structure in shaping trade patterns, offering insights relevant to India's emerging role in global manufacturing value chains.

2.2.2 National Competitive Advantage - Porter's Diamond

Michael Porter (1990), in The Competitive Advantage of Nations, proposed a dynamic and systemic model of national competitiveness encapsulated in his Diamond framework. Porter argued that a nation's competitive advantage in specific industries derives from four interacting determinants: factor conditions, demand conditions, related and supporting industries, and firm strategy, structure, and rivalry. The role of government and chance serve as external variables. Porter's framework is particularly relevant for understanding why India maintains global competitiveness in pharmaceuticals and software but lags in capital-intensive manufacturing.

2.2.3 The Product Life Cycle Theory

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Raymond Vernon (1966) introduced the product life cycle (PLC) theory to explain how trade patterns evolve as products mature. In the introduction stage, production is concentrated in innovating countries (typically developed); in the maturity stage, production migrates to lower-cost locations; in the standardization stage, production shifts predominantly to developing economies. Vernon's model aptly describes India's evolution as a pharmaceutical manufacturing hub, initially supplying generic drugs to domestic markets before becoming a major global exporter.

2.2.4 The OLI Eclectic Paradigm

John Dunning (1988) synthesized ownership-specific advantages, location-specific advantages, and internalization advantages into the OLI (Ownership-Location-Internalization) eclectic paradigm to explain why firms engage in foreign direct investment rather than exporting or licensing. While primarily a theory of FDI, the OLI framework provides important insights into the organizational strategies of export–import enterprises, particularly regarding decisions about vertical integration, distribution channel selection, and market entry modes.

2.3 Empirical Literature and Policy Perspectives

2.3.1 Trade Liberalization and Economic Growth

Balassa (1965) pioneered the empirical examination of the relationship between export orientation and economic growth, finding strong positive correlations that supported the export-led growth hypothesis. Dollar (1992) and Sachs & Warner (1995) extended this work, demonstrating that economies with more open trade regimes consistently outperformed closed economies in terms of per capita income growth. These findings provided the empirical rationale for India's liberalization reforms.

2.3.2 Critiques and Nuances of Globalization

Not all scholarship on trade liberalization has been uncritically favourable. Bhagwati (1978) cautioned against protectionist policies but acknowledged that rapid liberalization without complementary institutional reforms could generate adjustment costs. Rodrik (1997) highlighted the social dislocations associated with globalization, arguing that the gains from open trade are unevenly distributed, often exacerbating inequality. Stiglitz (2002) similarly critiqued the governance architecture of global trade institutions, arguing that rules were frequently skewed in favour of developed economies.

2.3.3 Global Value Chains and Digital Trade

Contemporary scholarship has increasingly focused on the fragmentation of production across global value chains (GVCs). The OECD (2016) documented how GVCs have fundamentally altered the nature of international trade, with intermediate goods now accounting for over two-thirds of world trade flows. NITI Aayog (2020) highlighted digital trade and innovation as critical pathways for India's deeper integration into GVCs, recommending investments in digital infrastructure, data governance frameworks, and export promotion services.

2.3.4 COVID-19 and Trade Resilience

The COVID-19 pandemic exposed the fragility of globally integrated supply chains, disrupting trade flows across all categories. The World Bank (2021) estimated a contraction of global trade by approximately 5.3% in 2020. However, the WTO (2022) documented a remarkable recovery, with trade volumes rebounding to pre-pandemic levels by mid-2021, driven by pent-up demand, fiscal stimulus packages, and supply chain restructuring. The pandemic accelerated discussions around trade resilience, nearshoring, and the strategic importance of domestic manufacturing capacity.

III. INDUSTRY OVERVIEW

3.1 The Global Export–Import Landscape

The global export–import industry operates at the intersection of economics, logistics, finance, law, and geopolitics. At its broadest, it encompasses all institutional arrangements, commercial enterprises, regulatory bodies, and physical infrastructure that facilitate the cross-border movement of goods and services. The industry encompasses a wide spectrum of participants from multinational corporations managing multi-billion-dollar procurement networks to small and medium enterprises (SMEs) exporting artisanal products to niche markets.

According to the WTO (2022), global merchandise exports totalled approximately USD 24.0 trillion in 2022. China remained the world's largest merchandise exporter (approximately 14.4% of global share), followed by the United States and Germany. In services trade, the United States, the United Kingdom, and Germany dominated exports. The geographic concentration of export capacity reflects underlying advantages in infrastructure, technology, human capital, and institutional efficiency.

Rank	Country	Merchandise Exports (2022, USD Bn)	Global Share (%)
1	China	3,594	14.4%
2	United States	2,065	8.3%
3	Germany	1,563	6.3%
4	Netherlands	965	3.9%
5	Japan	747	3.0%
7	India	453	1.8%

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Table 1: Global Merchandise Exports — Top Economies (Source: WTO, 2022)

3.2 India's Export–Import Sector

India's export–import sector has undergone a structural transformation since the 1991 liberalization. From a predominantly commodity-export economy dependent on tea, jute, and cotton, India has diversified its export basket to encompass high-value manufactured goods and knowledge-intensive services. The country's merchandise exports exceeded USD 422 billion in 2022–23, with petroleum products, engineering goods, gems & jewellery, pharmaceuticals, and textiles constituting the top five categories (Ministry of Commerce, 2023).

Simultaneously, India's import bill has grown substantially, driven by crude petroleum (approximately 27% of total imports), electronic goods, gold, machinery, and fertilizers. The resulting trade deficit - approximately USD 264 billion in 2022–23 underscores the structural challenge of balancing export promotion with import management, particularly in an environment of volatile commodity prices and exchange rate fluctuations.

Export Sector	2022–23 Value (USD Bn)	% of Total Exports	Growth (YoY)
Petroleum Products	96.1	22.7%	+9.2%
Engineering Goods	107.0	25.3%	+5.8%
Gems & Jewellery	37.4	8.8%	–1.7%
Pharmaceuticals	25.0	5.9%	+3.1%
Textiles & Apparel	39.4	9.3%	–12.8%
Agricultural Products	53.2	12.6%	+–3.2%

Table 2: India's Key Export Sectors (Source: Ministry of Commerce, India, 2023; DGCI&S)

3.3 Key Challenges in the Industry

Despite significant progress, the Indian export–import sector confronts several structural and cyclical challenges:

› Exchange rate volatility Rupee depreciation can simultaneously boost export competitiveness and inflate import costs, creating asymmetric effects across sectors.

› Regulatory complexity Multi-layered compliance requirements encompassing customs, FSSAI, BIS, DGFT, and sector-specific certifications impose significant transaction costs on SMEs.

› Infrastructure deficits Port congestion, inadequate cold-chain logistics, and suboptimal road-rail connectivity increase dwell time and logistics costs, reducing competitiveness.

› Non-tariff barriers Foreign markets increasingly deploy sanitary and phytosanitary (SPS) measures and technical barriers to trade (TBT) that disproportionately affect developing-country exporters.

› Digital divide While e-commerce platforms have democratized access to international markets, inadequate digital literacy and payment infrastructure continue to exclude many potential exporters.

4. Organizational Study: The Global Trade Links

This section provides a case-based organizational analysis of The Global Trade Links, a Vadodara-based export–import enterprise. The organizational study serves to ground the macro-level industry analysis in the operational realities faced by a representative firm operating in India's international trade ecosystem.

4.1 Company Profile

Attribute	Detail
Company Name	The Global Trade Links
Industry	Export–Import / International Trade Services
Location	Vadodara, Gujarat, India
Core Focus	Sourcing, Trading, and Logistics Solutions
Key Markets	Multi-country — pharmaceuticals, textiles, chemicals
Vision	Connecting global markets through efficient trade operations

4.2 Product and Service Portfolio

The company operates across four primary product verticals: pharmaceutical products, textile goods, chemical products, and general trading commodities. Its service capabilities span global sourcing, export–import operations, logistics and supply chain management, international trade consultancy, and documentation and compliance support.

Each product category demands distinct regulatory competencies. Pharmaceutical exports, for instance, require compliance with destination country pharmacovigilance frameworks, Schedule M adherence

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under Indian GMP guidelines, and certification from bodies such as the WHO, US FDA, or EU EMA. Chemical exports necessitate REACH compliance for European markets and adherence to the Chemical Weapons Convention for dual-use items. This regulatory complexity demands sophisticated organizational capabilities and continuous capability development.

4.3 Organizational Structure

The organizational architecture of The Global Trade Links is structured for functional specialization while maintaining operational agility. The Managing Director occupies the apex strategic role, responsible for overall direction, key account relationships, and policy compliance oversight. Reporting functional heads include the Export Manager (international client management, order processing, and interdepartmental coordination), Finance Department (foreign exchange management, invoicing, letter of credit operations, and payment reconciliation), Logistics Department (freight booking, Incoterms management, and last-mile delivery coordination), and the Documentation Team (shipping bills, certificates of origin, commercial invoices, bills of lading, and customs paperwork).

This structure reflects the functional departmentalization typical of mid-sized export–import enterprises, optimized for handling discrete transactional workflows while maintaining adequate oversight and compliance control. Future organizational evolution may necessitate a shift toward matrix or process-based structures as transaction volumes and market complexity increase.

4.4 Strategic Positioning

The Global Trade Links differentiates itself through three strategic pillars: quality assurance (rigorous pre-shipment inspection and adherence to international product standards), competitive pricing (leveraging domestic supplier networks and economies of scope), and relationship capital (deep buyer–seller relationships developed through consistent delivery performance and communication). These pillars align with Porter's (1990) generic strategies of differentiation and cost leadership pursued simultaneously within a focused scope, an approach that can generate sustainable competitive advantage in niche export markets.

V. RESEARCH METHODOLOGY

5.1 Research Design

The study employs a descriptive and analytical research design. A descriptive design was selected because the study aims to systematically characterize the awareness levels, perceptions, and entrepreneurial attitudes of a defined population with respect to export–import business. An analytical component complements the descriptive intent by testing associative hypotheses between key variables.

5.2 Research Hypotheses

Four hypotheses were formulated to structure the empirical inquiry:

Hypothesis	Null (H_0)	Alternative (H_1)
H1	No significant association between awareness of export–import business and perception of its economic importance	Significant association exists between awareness and economic importance perception
H2	Government policies do not significantly influence individual perceptions towards export–import business	Government policies significantly influence individual perceptions
H3	Globalization does not significantly impact growth of export–import business	Globalization significantly impacts growth of export–import business
H4	No significant interest exists among individuals to engage in export–import business	Significant interest exists among individuals to engage in export–import business

5.3 Data Sources

Primary Data: A structured questionnaire comprising ten close-ended questions was administered digitally via Google Forms. The questionnaire covered dimensions of awareness, economic importance, sector knowledge, globalization perception, policy awareness, entrepreneurial intent, and India's trade potential.

Secondary Data: Supplementary data was sourced from peer-reviewed journals, institutional publications (WTO, World Bank, IMF, UNCTAD), Government of India reports (Ministry of Commerce, NITI Aayog, RBI), and scholarly trade theory texts.

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5.4 Sampling Design

Parameter	Specification
Population	Students, entrepreneurs, and business-aware individuals
Sampling Method	Non-probability convenience sampling
Sample Size	70 respondents
Data Collection Mode	Online survey — Google Forms
Distribution Channel	WhatsApp, email, and digital networks
Data Collection Period	March–April 2026

5.5 Analytical Tools

Data was analyzed using percentage analysis, cross-tabulation, pie chart visualization, and comparative interpretation. While the modest sample size precludes advanced statistical techniques such as regression or chi-square testing with statistical power, the descriptive analysis provides meaningful directional insights. Future research with larger probability samples should employ inferential statistical methods.

VI. Data Analysis and Interpretation

This section presents a systematic analysis of the ten survey questions, encompassing tabular data, percentage distribution, and interpretive commentary situating each finding within the relevant theoretical and empirical context.

6.1 Q1 — Awareness of Export–Import Business

Response	No. of Respondents	Percentage (%)
Yes	56	80.0%
No	14	20.0%
Total	70	100.0%

Interpretation An overwhelming 80% of respondents demonstrated awareness of export–import business. This high awareness rate reflects the penetrating influence of digital media, business education initiatives, and India's growing trade visibility in popular discourse. However, the 20% awareness gap is significant in absolute terms and represents a population segment that may be systematically excluded from trade opportunities due to information asymmetry. This aligns with Stiglitz's (2002) observation that globalization's benefits are not uniformly distributed across society.

6.2 Q2 — Perceived Economic Importance of Export–Import Business

Response	No. of Respondents	Percentage (%)
Yes	59	84.3%
No	6	8.6%
Maybe	5	7.1%
Total	70	100.0%

Interpretation A substantial majority (84.3%) recognize export–import business as economically significant. This high endorsement rate is consistent with the export-led growth literature (Balassa, 1965; Dollar, 1992), and suggests that the theoretical case for trade's economic importance has been successfully communicated at the popular level. The residual 15.7% who are uncertain or disagree may represent individuals who have experienced adverse trade consequences such as import competition affecting domestic livelihoods a concern highlighted by Rodrik (1997).

6.3 Q3 — India's Primary Export Categories

Response No. of Respondents Percentage (%)

Response	No. of Respondents	Percentage (%)
All of the Above (Diversified)	27	38.6%
Agricultural Products	26	37.1%
Pharmaceuticals	10	14.3%
Textiles	7	10.0%
Total	70	100.0%

Interpretation The majority response category 'All of the Above' (38.6%) eflects awareness of India's diversified export structure, which is consistent with the actual composition of India's export basket. However, the disproportionate emphasis on agriculture (37.1%) by many respondents suggests that India's high-value

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manufacturing and pharmaceutical exports remain underappreciated in public perception. This misalignment between perception and reality has policy implications for sector-specific export promotion communication.

6.4 Q4 — Awareness of Global Trade

Response	No. of Respondents	Percentage (%)
Yes	52	74.3%
No	18	25.7%
Total	70	100.0%

Interpretation While 74.3% of respondents demonstrate global trade awareness, the 25.7% lacking awareness is noteworthy. The gap between trade-specific awareness (80%, Q1) and general global trade awareness (74.3%) may suggest that knowledge of export–import as a business category does not necessarily translate into understanding of broader trade governance, trade agreements, or macroeconomic trade dynamics. This distinction has implications for the design of trade literacy programs.

6.5 Q5 — Globalization and International Trade

Response	No. of Respondents	Percentage (%)
Yes — Increases Trade	50	71.4%
Not Sure	13	18.6%
No	7	10.0%
Total	70	100.0%

Interpretation The positive perception of globalization (71.4%) is broadly consistent with the empirical trade literature demonstrating positive associations between trade openness and growth (Sachs & Warner, 1995). However, the 28.6% who are uncertain or skeptical reflect a nuanced reality. Globalization's distributional consequences wage pressures in import-competing sectors, displacement of traditional industries have generated legitimate grievances that Rodrik (1997) and Stiglitz (2002) document extensively. Policy responses must acknowledge both the aggregate gains and the distributional costs of trade integration.

6.6 Q6 — Government Policy Support for Export–Import Business

Response	No. of Respondents	Percentage (%)
Yes	47	67.1%
Not Sure	15	21.4%
No	8	11.4%
Total	70	100.0%

Interpretation While 67.1% perceive government policies as supportive, the significant 21.4% uncertain and 11.4% negative responses indicate a policy communication deficit. India operates an extensive export promotion infrastructure encompassing the Foreign Trade Policy (FTP), MEIS/RoDTEP schemes, export processing zones (EPZs), and DGFT facilitation services. The fact that nearly one-third of respondents are unaware of or skeptical about these provisions represents a utilization gap schemes exist but awareness is insufficient to drive uptake. This finding has direct implications for the Ministry of Commerce's outreach strategy.

6.7 Q7 — Entrepreneurial Intent in International Business

Response	No. of Respondents	Percentage (%)
Yes	37	52.9%
Maybe	21	30.0%
No	12	17.1%
Total	70	100.0%

Interpretation The 52.9% expressing clear entrepreneurial intent, combined with 30% in the 'Maybe' category, indicates latent entrepreneurial potential exceeding 80% of the sample. This finding is particularly significant given India's relatively low SME export participation rate. The 'Maybe' segment represents a critical policy target: these individuals are predisposed toward trade entrepreneurship but face barriers real or perceived that prevent conversion of intent to action. Targeted support mechanisms, including mentorship programs, MSME export promotion grants, and streamlined IEC (Import Export Code) registration, could catalyse this conversion.

6.8 Q8 — India's Strongest Export Sector (Perception)

Response No. of Respondents Percentage (%)

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Response	No. of Respondents	Percentage (%)
Agriculture	25	35.7%
Pharmaceuticals	17	24.3%
Textiles	15	21.4%
IT Services	12	17.1%
Total	70	100.0%

Interpretation Respondents rank agriculture first (35.7%) and IT services last (17.1%), which partially contradicts actual export value data in which engineering goods, petroleum products, and pharmaceuticals dominate. IT services — India's largest foreign exchange earner in the services trade category are significantly underappreciated, reflecting the challenge of communicating the economic significance of services trade, which is inherently less visible than merchandise trade flows.

6.9 Q9 — Profitability of Export–Import Business

Response	No. of Respondents	Percentage (%)
Yes	39	55.7%
Depends on Conditions	26	37.1%
No	5	7.1%
Total	70	100.0%

Interpretation The modal response (55.7% affirming profitability) and the substantial contingent response (37.1% asserting conditional profitability) together constitute 92.8% of respondents who do not categorically reject export–import business as unprofitable. The conditional framing aligns with empirical evidence: export profitability is heavily influenced by exchange rate dynamics (IMF, 2017), market access conditions, logistics costs, and regulatory compliance burdens — factors that can dramatically alter margins across business cycles.

6.10 Q10 — India's Potential as a Global Trade Leader

Response	No. of Respondents	Percentage (%)
Yes	38	54.3%
Maybe	23	32.9%
No	9	12.9%
Total	70	100.0%

Interpretation A combined 87.1% of respondents hold a positive or conditionally positive view of India's global trade leadership potential. This optimism is grounded in several structural realities: India's demographic dividend (the world's largest working-age population), diversified industrial base, expanding digital infrastructure, and growing political engagement in multilateral trade forums (WTO, RCEP negotiations, bilateral FTAs). However, realizing this potential requires sustained investment in trade facilitation, institutional efficiency, and sectoral competitiveness areas where India continues to face significant challenges.

VII. HYPOTHESIS TESTING

Given the descriptive nature of the study and the modest sample size (n=70), hypothesis testing is conducted using directional evidence from percentage distributions rather than formal statistical inference. The analysis provides a basis for provisional acceptance or rejection of each null hypothesis, with the caveat that confirmatory testing with larger probability samples is recommended for definitive conclusions.

Hypothesis	Key Evidence	Decision
H1: Awareness–Importance Association	80% aware; 84.3% affirm economic importance. The near-identical proportions suggest a strong directional association between awareness and perceived importance. Respondents who are aware of the industry overwhelmingly recognise its economic significance.	Reject H_0 - Evidence supports significant association
H2: Government Policy Influence	67.1% affirm policy support; 21.4% uncertain. The uncertainty cluster suggests	Reject H_0 - Evidence supports policy influence on perception

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	that policy awareness mediates perceptions those aware of policies view them favourably, supporting a significant policy perception relationship.	
H3: Globalization–Trade Growth	71.4% affirm globalization increases trade, consistent with extensive empirical literature (Dollar, 1992; Sachs & Warner, 1995). The directional consensus is unambiguous despite the 28.6% skeptical minority.	Reject H_0 - Evidence strongly supports globalization's impact
H4: Entrepreneurial Intent	52.9% express definitive interest; 30% conditional interest. Combined positive intent of 82.9% constitutes a statistically meaningful endorsement of entrepreneurial engagement.	Reject H_0 - Significant entrepreneurial interest is evident

All four null hypotheses are provisionally rejected based on directional evidence. Formal chi-square tests of independence, logistic regression, and structural equation modeling (SEM) would strengthen these conclusions in future research. The study's findings are directionally robust and theoretically consistent, providing a sound foundation for evidence-based policy recommendations.

VII. RESULTS AND FINDINGS

The synthesis of primary survey analysis, organizational case study, and secondary literature yields the following integrated findings:

#	Key Finding	Theoretical/Policy Relevance
F1	High awareness (80%) of export–import business indicates effective knowledge diffusion through education and digital channels.	Validates the role of information infrastructure in trade participation (NITI Aayog, 2020).
F2	Strong recognition (84.3%) of economic importance demonstrates alignment between public perception and academic consensus.	Consistent with export-led growth paradigm (Balassa, 1965; Dollar, 1992).
F3	Diversified export perception (38.6%) coexists with agricultural bias (37.1%), revealing a knowledge depth gap.	Highlights need for sectoral communication strategies by Ministry of Commerce.
F4	Global trade awareness (74.3%) lags export–import business awareness (80%), indicating knowledge compartmentalization.	Supports targeted trade literacy curriculum design.
F5	Positive globalization perception (71.4%) is robust, despite meaningful skepticism (28.6%).	Aligns with Krugman (1980) and Sachs & Warner (1995); skepticism mirrors Rodrik (1997).
F6	Policy awareness gap: 32.8% uncertain/negative about government support despite extensive FTP infrastructure.	Critical utilization gap requiring DGFT outreach reform.
F7	Latent entrepreneurial potential: 82.9% express some interest in international business.	Represents a significant untapped market for trade facilitation services and MSME export programs.

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F8	Agriculture dominates sector perception despite engineering/pharma's actual dominance in export value.	Reveals services trade invisibility problem; requires sector-specific communication.
F9	92.8% do not categorically reject trade profitability, but 37.1% see it as conditional.	Conditional profitability perception aligns with IMF (2017) exchange rate and market condition analysis.
F10	87.1% positive/conditional optimism about India's global trade leadership potential.	Corroborates India's demographic dividend and industrial diversification trajectory.

IX. DISCUSSION

9.1 The Knowledge–Action Gap: A Central Paradox

The most significant paradox emerging from this study is the disconnect between high awareness and recognition of export–import business importance, on one hand, and the relatively modest entrepreneurial intent on the other. Despite 80% awareness and 84.3% recognition of economic importance, only 52.9% express definitive intent to engage in international business. This knowledge–action gap mirrors a broader challenge in developing economy trade ecosystems: awareness and intent are necessary but not sufficient conditions for trade participation.

The literature suggests several mechanisms through which this gap operates. First, information asymmetry while general awareness may be high, operational knowledge of trade procedures, documentation requirements, and market access strategies remains limited among non-practitioners. Second, risk perception the conditional profitability responses (37.1%) suggest that perceived operational risk deters conversion of intent to action, a pattern consistent with Dunning's (1988) observation that internalization decisions are heavily influenced by transaction cost calculations. Third, institutional friction regulatory complexity, compliance costs, and bureaucratic dwell times impose disproportionate burdens on first-time exporters, creating a 'regulatory barrier to entry' that suppresses participation.

9.2 Policy Communication Failure and the DGFT Awareness Deficit

The finding that 32.8% of respondents are uncertain or negative about government policy support for export–import business represents a significant policy communication failure. India's Foreign Trade Policy (FTP 2023–28) offers an extensive suite of export incentives, including the Remission of Duties and Taxes on Exported Products (RoDTEP), Export Promotion Capital Goods (EPCG) scheme, Special Economic Zones (SEZs), and Trade Infrastructure for Export Scheme (TIES). The underutilization of these schemes by eligible enterprises particularly MSMEs is well-documented and attributable to inadequate awareness rather than scheme design failures.

The challenge is not the absence of policy support for exporters, but the absence of effective communication and simplification of that support to the entrepreneurs who need it most.

NITI Aayog, Trade Policy Report (2020)

9.3 Organizational Implications for The Global Trade Links

The organizational analysis of The Global Trade Links reveals a firm at a critical juncture. Its current functional structure is appropriate for transactional efficiency but may constrain strategic agility as market complexity increases. Several organizational development priorities emerge:

› Digital transformation Adoption of trade management software, EDI systems, and e-invoicing platforms to reduce documentation errors and accelerate clearance times.
› Capability development Investment in regulatory compliance training, particularly for pharmaceutical and chemical export categories, where international standards evolve rapidly.
› Market diversification Reducing dependence on existing buyer relationships by systematically penetrating new geographic markets, leveraging India's expanding FTA network.
› Financial risk management Implementing hedging strategies for foreign exchange exposure, particularly given the documented sensitivity of export profitability to exchange rate fluctuations (IMF, 2017).

9.4 Theoretical Contributions

This study contributes to the international trade literature in three specific ways. First, it demonstrates that classical trade theory remains highly relevant to popular perception: the proportion of respondents who correctly identify India's export specializations aligns broadly with Ricardian and H-O predictions. Second, it provides empirical support for the knowledge action gap hypothesis in developing economy trade contexts, suggesting that awareness is insufficient without complementary capability development. Third, it highlights the persistent underappreciation of services trade in public perception, pointing to a structural limitation in how trade education and communication are designed.

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X. CONCLUSION, RECOMMENDATIONS, AND FUTURE RESEARCH

10.1 Conclusion

This study has examined the role of export–import business in global trade through a multi-layered analytical framework encompassing classical and contemporary trade theory, primary empirical survey data, industry analysis, and organizational case study. The central finding is that while awareness of and positive sentiment toward export–import business are high among the study population, these attitudinal indicators do not automatically translate into entrepreneurial participation.

The analysis confirms that globalization, government policy, and sector-specific competencies are recognized as important enablers of export–import success. India's trade potential is broadly acknowledged. However, the knowledge action gap, policy awareness deficit, and organizational capability limitations identified in this study represent actionable barriers that can be systematically addressed through targeted interventions.

Export–import business is not merely a commercial activity; it is a mechanism for economic integration, industrial upgrading, and human development. For India to realize its ambition of becoming a USD 2 trillion export economy by 2030, the micro-level barriers identified in this study must be as rigorously addressed as the macro-level trade policy reforms that receive disproportionate policy attention.

10.2 Recommendations

Recommendation	Target Stakeholder	Priority
Launch targeted MSME export literacy campaigns leveraging digital platforms to reach the 20–30% awareness gap population	Ministry of Commerce / DGFT	High
Simplify IEC registration and streamline export documentation through a single-window digital portal	DGFT / CBIC	High
Develop sector-specific export mentorship programs connecting aspiring exporters with established enterprises	Export Promotion Councils	High
Invest in trade facilitation infrastructure: port connectivity, cold-chain logistics, and customs digitalization	Ministry of Shipping / MoR	Medium
Integrate international trade curriculum into undergraduate and MBA programs to build foundational competencies	UGC / AICTE / Universities	Medium
Establish SME trade finance guarantee schemes to reduce risk perception barriers to entrepreneurial entry	RBI / ECGC / SIDBI	Medium

10.3 Avenues for Future Research

- › Employing stratified probability sampling with sample sizes exceeding 300 respondents for statistical generalizability.
- › Conducting causal inference studies using instrumental variable methods to isolate the effect of policy awareness on trade participation.
- › Extending the organizational case study to a multi-firm comparative analysis across different export sectors and firm sizes.
- › Examining the role of digital trade platforms and e-commerce in reducing barriers to SME export participation.
- › Investigating gender-disaggregated data to understand differential trade awareness and participation rates between male and female entrepreneurs.

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Appendix A: Research Questionnaire

The following questionnaire was administered via Google Forms during March–April 2026:

Q.No. Question Response Options

Q1 Do you have knowledge about export–import business? Yes / No

Q2 Do you think export–import business is important for the economy? Yes / No / Maybe

Q3 India mainly exports which type of goods? Agriculture / Pharmaceutical / Textiles / All of the Above

Q4 Are you aware of global trade? Yes / No

Q5 Do you think globalization increases international trade? Yes / Not Sure / No

Q6 Do government policies support export–import business? Yes / Not Sure / No

Q7 Would you like to start an international business in future? Yes / Maybe / No

Q8 Which sector is strongest in India's exports? Agriculture / Pharmaceutical / Textiles / IT Services

Q9 Is export–import business profitable? Yes / Depends / No

Q10 Do you think India can become a global trade leader? Yes / Maybe / No

Appendix B: Comprehensive Survey Data Summary

Q.No. Question (Abbreviated) Primary Response Primary % Secondary Response Secondary %

Q1 Knowledge of export–import Yes 80.0% No 20.0%

Q2 Economic importance Yes 84.3% No 8.6%

Q3 India's main exports All of Above 38.6% Agriculture 37.1%

Q4 Aware of global trade Yes 74.3% No 25.7%

Q5 Globalization increases trade Yes 71.4% Not Sure 18.6%

Q6 Government policy support Yes 67.1% Not Sure 21.4%

Q7 Intent to start intl. business Yes 52.9% Maybe 30.0%

Q8 Strongest export sector (India) Agriculture 35.7% Pharmaceuticals 24.3%

Q9 Export–import profitable Yes 55.7% Depends 37.1%

Q10 India as global trade leader Yes 54.3% Maybe 32.9%