THE INFLUENCE OF THE ASEAN ECONOMIC COMMUNITY PERCEPTION ON THE EXPORT INTENTIONS OF MICRO, SMALL AND MEDIUM ENTERPRISES

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ABSTRACT
This research investigates the influence of the perception of the AEC on export intention owned by MSMEs. To pursue this purpose, this research used a quantitative research method. By implementing the survey design, 30 questionnaires were spread to 30 MSMEs for reliability tests and validity tests, and 170 questionnaires were spread to 170 MSMEs for data analysis, so there are 200 samples in total. After conducting data analysis by using SPSS Version 25, the research found that perception of the AEC significantly affects export intention. Nevertheless, the influence value of the perception of the AEC on export intention is low (8.5%). The other factors (91.5%) should be examined in depth in other research. It can be concluded that the perception of AEC has less significant influence in increasing export intention compared to other perceptions related to export. Hence, this research contributes practically to increasing the export intention of MSMEs in the AEC era. Although the value is low, MSMEs are recommended to have a good and comprehensive perception of AEC. However, a positive perception of other factors related to exports is required. Increasing these positive perceptions can be a good start for the government to foster exports conducted by MSMEs. Also, this research enriches the discussion of AEC as a subject in international studies and export intentions as a topic in entrepreneurship and business.

KEYWORDS: perception of the ASEAN Economic Community, export intention, Micro, Small and Medium Enterprises, internationalization business, free trade area

JEL CLASSIFICATION: F15, F530, F550


INTRODUCTION
On October 7, 2003, countries in the Southeast Asia region that are members of the ASEAN (Association of South East Asian Nations) agreed on a deepened regional policy called the ASEAN Community. This policy is contained in the Bali Agreement II (Bali Concord II) signed by the leaders of Brunei Darussalam, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand, and Vietnam at the ASEAN Summit in 2003. The ASEAN Community itself has 3 pillars, namely, the ASEAN Political and Security Community (APSC), the ASEAN Socio-Cultural Community (ASCC), and the ASEAN Economic Community (AEC).

As its application, the AEC makes ASEAN a single market area, providing flexibility to move production, distribution, and consumption without significant obstacles. In addition, the AEC will
make ASEAN a highly competitive economic region with equitable economic development and integrated with the global economy. (Ketua Dewan MEA Indonesia, 2020). Thus, citizens of ASEAN member countries can produce, distribute/trade, and consume/purchase various available products and services. Goods and services with varying prices and qualities will circulate, offering consumers various choices. The AEC will provide flexibility for economic activities, including export and import activities. Therefore, the prepared country will benefit from the opportunity and increase the hope of succeeding in the AEC. Of course, one of the benchmarks for success in AEC-style competition is the readiness of business actors to internationalize their business, especially MSME players (micro, small, and medium enterprises), who are the most important business actors in Indonesia.

According to Badan Pusat Statistik (BPS), Indonesia has 64 million MSMEs, with 99.9 percent of all these businesses operating in Indonesia. (Tira Santia, 2020) Indonesia recognizes the influence of MSMEs' involvement in economic growth in Indonesia. The presence of MSMEs is in accordance with the 1945 Constitution article 33, paragraph 4, namely as a form of togetherness, justice, and efforts to maintain the balance of progress and national economic unity. MSMEs are also part of the indifferent national economy and have great potential to improve the welfare of the people. (Dinas Penanaman Modal dan Pelayanan Terpadu Satu Pintu Kabupaten Kulon Progo, 2021).

Moreover, according to Kementerian Koperasi dan UKM/Ministry of Cooperative and SMEs, MSMEs have significantly contributed 61.97% of the national GDP (Gross Domestic Product) in 2020, or equivalent to Rp.8500 trillion. In terms of employment, MSMEs have a large share by absorbing 97% of the workforce from the absorption of the business world in the same year. In addition, MSMEs have also absorbed 60.4% of total investment in Indonesia. (Dinas Penanaman Modal dan Pelayanan Terpadu Satu Pintu Kabupaten Kulon Progo, 2021) Despite the vast potential, MSMEs also have various problems, including difficulty exporting. The challenges faced by MSMEs are that they do not have confidence, knowledge, and readiness to compete in the global market. (Yuni Astutik, 2021).

Over the years, researchers have examined various factors related to the ability of companies or entrepreneurs to internationalize by conducting export. To do internationalization as such appears to be an appropriate variable that deploys firm-specific advantages (FSAs) (Barlożewski & Trapczyński, 2021; Li, 2007; Matysiak & Bausch, 2012). One of them is the influence of knowledge on internationalization and intention to export where there is relatively little research on it (Westhead et al., 2001; Jones and Covielo, 2005; Autio, 2005; Crick and Jones, 2000; Majbritt Rostgaard Evald & Kim Klyver & Poul Rind Christensen, 2011). Therefore, research on internationalization knowledge, especially about the free trade area and its effect on the intention to export, must be carried out. This research is filling the gap of this rarity.

AEC can allow MSME players to develop their business through exports. The available prospects can be utilized by MSMEs depending on their perception of the AEC. Given how important the perception of the AEC is to the emergence of export intentions, this study was conducted by taking the research location on MSMEs in Pekanbaru. Hence, this research aims to examine the effect of the perception of the AEC towards the export intention of MSMEs in Pekanbaru. This research is essential for policymakers, scholars, and entrepreneurs to be more courageous in internationalizing business across border in the frame of AEC.

The remaining structure of this research will be organized as follows: A review of the existing literature on the AEC, perception of the AEC, export intention, and research framework. Next part will capture the research methodology consisting of location and time of research, type of research, determining the size of the research sample, type and source of data, data collection techniques, data analysis techniques, operational definition of research variables. Result as findings and discussion part will portray data description, instrument testing, hypothesis testing, simple linear regression analysis results,
anova analysis, relationship between the perception of the aec and the export intentions. As a conclusion, this part will conclude the findings and suggestions for further researches.

1 LITERATURE REVIEW

1.1 Relevant theory or concept

ASEAN Economic Community (AEC)

Launched on 31 December 2015 (The ASEAN Secretariat, 2020) the AEC has been designed to be a policy that transforms ASEAN into a stable, prosperous and competitive region with balanced economic development, and reduced poverty and socio-economic differences in accordance with the ASEAN Vision 2020. The AEC, at the October 2003 Summit in Bali, as stated by the ASEAN Leaders, was supposed to be the goal of the region's economic integration by 2020. Automatically, the program will demand freedom of movement from goods, services, investments, expert labour and freer capital movements. (The ASEAN Secretariat, 2003)

The AEC has been designed to be a policy that transforms ASEAN into a stable, prosperous and competitive region with balanced economic development, and reduced poverty and socio-economic differences in accordance with the ASEAN Vision 2020. The AEC, at the October 2003 Summit in Bali, as stated by the ASEAN Leaders, was supposed to be the goal of the region's economic integration by 2020. Automatically, the program will demand freedom of movement from goods, services, investments, expert labour and freer capital movements. (The ASEAN Secretariat, 2008)

The AEC establishes a single production-based market and made ASEAN more dynamic and competitive. Therefore, the AEC has several main characteristics, namely: a). a single, production-based market, b). a highly economically competitive region, c). a balanced area of economic development, and d). a region that is fully integrated in the global economy. (The ASEAN Secretariat, 2008)

For this reason, in order for AEC to be successful, ASEAN has established the Southeast Asian region as an economically competitive region. ASEAN has also established a competition policy that aims primarily to improve the culture of fair competition. The AEC Blueprint regulates in relation to accelerating development phase of MSMEs. In addition, the AEC is targeting to increase the competitiveness and dynamization of MSMEs throughout ASEAN by facilitating them access to information, markets, human resources and expertise, finance and technology. (The ASEAN Secretariat, 2008)

Thus, it is clear that the AEC is an economic cooperation throughout Southeast Asia that wants fair competition among MSMEs. Free competition is not only in outputs, but also in inputs to drive MSMEs themselves. Every MSME is given freedom in obtaining all resources to develop their own business and in marketing their products. In addition, MSMEs are also expected to make a real contribution to the overall economic growth and development of ASEAN as a region. (The ASEAN Secretariat, 2008)

The existence of the AEC is a major step in the agenda of regional economic integration. ASEAN in fact is a fast growing trade bloc with a total population of over 660 million and GDP of almost US$3.2 trillion in 2019. ASEAN has been the third largest regional economy in Asia and the fifth largest economy in the world. (Allurentis Limited, 2022).

1.2 Perception of the AEC
Perception is a process of sensing the outside world and deals with developing both objective and subjective meanings for people, events, and objects. Perception denotes lack of knowledge regarding to a concept which lead to different activities. (Charles Mwastika, 2021) With sensory organs, perception is activities in recognizing, identifying, evaluating and giving meaning to the existence of all kinds of stimuli (OU Qiong, 2017). Moreover, perception, according to Colbourn and Acocella (1990), has 3 dimensions including:

a) Knowledge
Knowledge is what is known about person, physical form, behaviour, past, feelings, motives and others.
b) Expectation
Expectation is the idea of what something or someone will become and do, which is combined with idea.
c) Evaluation

Evaluation is the conclusion about something based on how it fits knowledge and meets expectations. For this reason, it can be concluded that perception of the AEC is based on knowledge, expectations and evaluation of the AEC owned by an entrepreneur. Hence, the better perception of the AEC will convey the better impact on the readiness of MSME actors in facing the AEC. Vice versa, if the perception of the AEC is bad, it will have a negative impact on the readiness of MSMEs to face the AEC.

The knowledge, expectations and evaluation of MSMEs towards the AEC are associated with the characteristics of the AEC that will make ASEAN as:

a) a single and production-based market,
b) an area with high economic competitiveness,
c) a balanced economic development area, and
d) a region that is fully integrated into the global economy.

1.3 Export Intention Concept

Definition of Export Intention

Intention, according to Ajzen (1991), is a level where a person shows his/her motivation and desire to execute behaviour. The concept of intention has been developed in the field of social psychology by Ajzen and Fishbein since 1970. The intention of a person to behave in a certain way can arise from prior knowledge of their attitude (Fishbein and Jaccard, 1973; Ajzen and Fishbein, 1980; Michael, et.al, 2016) and their personal values. (Yusnita & Gursida, 2022; Setiawan et al., 2021) Based on those researches, we can conclude that the previous knowledge and values that a person owns giving an effect on the intention of behaving.

Business units can achieve internationalization through several strategies, especially through exports and foreign investment. Exports have more advantages than foreign investment, namely it is easier and faster to achieve penetration in the global market. Exports do not demand such high commitments as resource availability. The ease of export and the limited resources owned by MSMEs make MSMEs prefer to export to expand the market abroad (Yogi Yusuf Wibisono and Hotna Marina Sitorus, 2021) Export activity is a complex process consisting of several stages, namely: export awareness, export intention, export trial, export evaluation and export acceptance (Reid, 1981 in Yogi Yusuf Wibisono and Hotna Marina Sitorus, 2021)
A literature review in the field of export marketing states that the intention to export has been associated with two forms of interpretation: 1) the intention to export from a non-export company to become an exporter (Lim et al, 1991; Robert et al. Katsikeas, 1997), and 2). The intention of an export company can improve the product line or enter the overseas market to expand the market (Robert et al. Katsikeas, 1997).

This research focuses on the first interpretation that is examining export intentions for non-export MSMEs to perform export activities in the future (the next 12 months).

**Export Intention Indicator**

According to Catherine N. Axinn, Ron Savitt, James M. Sinkula and Sharon V. Thach (1995) the export intention has 3 dimensions, namely:
1. Export to new foreign markets (NFM)
2. Introducing new products to overseas markets
3. Increase the number of export sales in the current market

### 1.4 The Relationship of Perceptions about the AEC with Export Intentions

Research conducted by Ajzen and Fishben (1980) showed that a person's previous knowledge influences intentions. So that knowledge related to exports owned by business actors will automatically influence them to export. It is whether technical knowledge that will make it easier to export or knowledge that will open up export opportunities. Export is a way of thinking about seizing existing opportunities by avoiding threats. The process of identifying opportunities is a process of intention formation (Krueger, Reilly and Carsrud, 2000). Therefore a business opportunity can form an interest for a person to export.

Moreover, a study by Halwoodi (2015) showed that the free trade area has maximized opportunities for export. Indriyani’s study (2016) specifically showed that ASEAN-China Free Trade Area (ACFTA) increased export volume. Hence, it can be concluded also that AEC is an opportunity to grow a business, since AEC is a free trade area applied to citizens of ASEAN members. Opportunities provided by the AEC can form an export interest for anyone who has positive perception of the AEC.

### 2 RESEARCH FRAMEWORK

Based on the variable relationship between perceptions and export intentions in previous studies, the following research framework can be made:

**Figure 1 Research Framework**

| Perceptions of the AEC | Export Intention |

(Source: own research)

Hypothesis Development:
Based on previous research, the hypothesis that can be developed is
H0: Perception of the AEC has no significant effect on export intentions.
H1: Perception of the AEC has a significant effect on export intentions
3 METHODOLOGY

3.1 Location and Time of Research

The research took place in Pekanbaru, namely in the places of business of MSME and the associations of MSME. The process from collecting, analysing and reporting data to reports were held within 6 months.

3.2 Type of Research

The type of research is descriptive research using a quantitative approach. Data was collected from the field (field research) with a survey method using questionnaires by means of Likert ordinal Scale (4 = Strongly agree to 1 = Strongly disagree). The data was collected in a time horizon of one time in a given period (cross-sectional). Meanwhile, the unit of analysis in this study is individuals, namely MSME actors in Pekanbaru.

This research was conducted to obtain an empirical explanation of the relationship between the perception about the AEC variable and the export intention variable through hypothesis testing that is causal, namely to test whether one variable causes changing of the other variable or not (Sekaran and Bougie, 2017).

3.3 Determining the Size of the Research Sample

Population refers to the whole group of people, events or interesting things that the researchers want to study. (Sekaran and Bougie, 2017) The population in this study is the entire MSMEs in Pekanbaru. Meanwhile, the sample is part of the elements (population members) selected from the population (Sekaran and Bougie, 2017), namely the selected MSMEs.

The sampling technique is non-probability sampling, that is, elements in the population do not have the same probability of being selected as sample subjects because other factors are more important than generalizations. The type of nonprobability sampling is purposive sampling (purposeful sampling) which is limited to certain types of people who can provide the desired information (Sekaran and Bougie, 2013).

The sample size was determined based on multivariate research (including regression analysis) on the grounds that the data in this study was analysed using regression analysis (Kautonen, Gelderen, Fink, 2013) so that according to Roscoe (1975), the sample size should be 10 times or greater than the number of variables or indicators in the study (Sekaran and Bougie, 2013). Based on this description, the sample size in this study is 16 X 10 = 160 the number of samples. However, to have a better result, this research uses 170 samples and 30 samples used for reliability test and validity test. Hence, the overall sample is 200 samples.

3.4 Type and Source of Data

Data for this research is classified into:

a) Primary data
Primary data is data obtained directly from the first hand by researchers and related to the variable of interest in the research objectives (Sekaran and Bougie, 2017). The primary data in this study was obtained from MSMEs in Pekanbaru. The data was obtained by asking the MSMEs to answer the questions in the questionnaire.
b) Secondary data

Secondary data is information collected from existing sources (Sekaran and Bougie, 2017). The secondary data in this study was obtained from the University of Riau, ASEAN, Dinas Koperasi dan UKM Pekanbaru, and BPS.

3.5 Data Collection Techniques

Data collection is carried out in various stages, including:
1. Studying various literatures, documents and discussing with parties related to the research theme,
2. Compiling and formulating a questionnaire for data collection
3. Testing the validity and reliability of the questionnaire
4. Establishing communication with the respondents
5. Distributing and collecting questionnaires that have been filled out by respondents

3.6 Data Analysis Techniques

Instrument Analysis

Before the questionnaire is used, validity tests and reliability tests must be carried out to ensure that we are actually measuring concepts that have been planned and do not contain errors (Sekaran and Bougie, 2017).

a) Validity Test

The validity test ensures that the measurements include an adequate and representative set of points that reveal the concept and are also a function of how well the depiction of the dimensions and elements of a concept is in the questionnaire (Sekaran and Bougie, 2017). According to Heir et al (2010) say that the questionnaire is said to be valid if the value of the degree of difference exceeds 0.50 and the value less than that number should be removed from the test.

b) Reliability Test

According to Sekaran and Bougie (2017), the reliability test is a measurement to show the extent to which the measurement does not contain bias and guarantee the consistency of measurements at various points on the questionnaire. So that a questionnaire is said to be reliable if constant results are found (Kothari, 2004). Heir et al (1998) said the reliability coefficient can be used to measure the consistency of the scale by using Cronbach’s Alpha which exceeds the threshold value of 0.60.

Data Analysis and Hypothesis Testing

After the primary data was obtained through filling out a questionnaire, data analysis was then carried out. The first step was to verify the data by checking the completeness of the number of questionnaires and the completeness of the demographic data of each respondent. Furthermore, tabulations and assigning values for each indicator between 1 and 4 were carried out. Then the data was analysed by using descriptive statistical analysis to obtain the mean value (average). Hypothesis testing was performed using a simple linear regression model using the SPSS program.

The first hypothesis testing was to identify the strength of the relationship of dependent and independent variables by analysing the significant value of the path relationship (path coefficient)
between variables resulting from structural model testing using bootstrapping functions. This model was evaluated by using R-Square (X2). A high value of X2 indicates a correlation between the observed and the predicted significantly different.

The next hypothesis test was to identify the significant influence between variables by looking at the value of the parameter coefficient and the statistical significant value of t which also shows a significant degree. Heir, et.al (2006) says that the influence between variables is said to be significant if the t-statistical value above 1.96 for the two-tailed hypothesis and 1.64 for the one-tailed hypothesis applies to hypothesis testing at 5 percent alpha.

**Table 1 Operational Variables**

<table>
<thead>
<tr>
<th>Variables</th>
<th>Concept of Variables</th>
<th>Indicators</th>
<th>Scales</th>
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</table>
| MSMEs’ knowledge about the AEC    |                                             | 1. Knowledge of the AEC as a single market and production-based.  
2. Knowledge of the AEC as a highly competitive area.  
3. Knowledge of the AEC as a free trade area.  
4. Knowledge of the AEC as a balanced economic development area. | Likert Scale 1-4 |
| MSMEs’ expectations about the AEC |                                             | 1. Expectation of the AEC to integrate markets in ASEAN.  
2. Expectation of the AEC to ease export and selling products to ASEAN countries.  
3. Expectation of the AEC to ease business expansion process to ASEAN countries.  
4. Expectation of the AEC to form qualified and competitive products.  
5. Expectation of the AEC to lower expenses of export process. | Likert Scale 1-4 |
| MSMEs’ conclusions about the AEC  |                                             | 1. Conclusion of the AEC to integrate markets in ASEAN.  
2. Conclusion of the AEC to lower expenses and to ease export to ASEAN countries.  
3. Conclusion of the AEC to create sustainable business development to ASEAN countries.  
4. Conclusion of the AEC to extend export trend in ASEAN.  
5. Conclusion of the AEC to increase exporter flows. | Likert Scale 1-4 |
| Export Intention                  | The extent of self-involvement in establishing a business | 1. Exporting to new foreign markets (NFM).  
2. Introducing products to foreign markets. | Likert Scale 1-4 |

(Source: own research)

3.7. Operational Definition of Research Variables
A variable is anything that can carry or distinguish variations in a value. Variables can be distinguished into 4 types, namely dependent variables, independent variables, moderating variables and intervening variables (Sekaran, 2006). This study used 2 types of variables, namely free variables and bound variables. The perception about the AEC variable is an independent variable. Meanwhile the export intention variable is a dependent variable. Operationalization of research variables can be seen in Table 1.

4 RESULTS

4.1 Data Description

Type of Business

The total questionnaires spread randomly to MSMEs were 170. The MSMEs ranged from furniture business (18 respondents/10.58%), fashion business (66 respondents/38.82%), commodity business (5 respondents/2.94%), food and drink business (33 respondents/19.41%), farming business (2 respondents/1.17%), automotive business (3 respondents/1.76%), pet business (5 respondents/2.94%), stationery business (5 respondents/2.94%), handicraft and interior business (24 respondents/14.11%), toys business (1 respondent/0.58%), education and training business (1 respondent/0.58%), building materials business (1 respondent/0.58%), e-cigarettes business (1 respondent/0.58%), and cosmetics (5 respondents/2.94%).

Way of Selling

The majority of respondents, 74 respondents/43.52%, mentioned that they only sell their products from shop/store. 50 respondents/29.41% mentioned that they sell their product from online and shop/store, 18 respondents/10.58% mentioned that they sell their products only via online, 8 respondents/4.70% mentioned that they sell their product from home, 3 respondents/1.76% sell their product by consignment, 4 respondents/2.35% sell by consignment and online, 3 respondents/1.76% sell from home and online, 3 respondents/1.76% sell from consignment, online and shop, 2 respondents/1.17% marketed their product by home and online, and 2 respondents/1.17% from home, consignment, and online. 1 respondent/0.58% sells products from consignment and shop, 1 respondent/0.58% sells their product from home, online and shop, 1 respondent/0.58% sells their product from home, consignment, online, and shop.

Duration of Business

In the questionnaires business run by respondents was divided into three categories, namely below 5 years (<5 years), more than 5 to 10 years (>5-10 years) and more than 10 years (>10 years). 70 respondents/41.17% mentioned that they have run their business below 5 years, 59 respondents/34.7% mentioned that they have run their business more than 5 to 10 years, and 41 respondents/24.11% have run their business more than 10 years.

Country of Export Destination

From 200 respondents, only 34 respondents (17%) have conducted marketing abroad with destination country; Malaysia (30 respondents), Singapore (3 respondents), China (2 respondents), South Korea (2 respondents), Spain (2 respondents), United States of America (1 respondent).

4.2 Instrument Testing
Testing instruments (questionnaires) of this study used two ways, namely validity tests and reliability tests. The description of these tests, among others:

**Validity Test**

The validity test is carried out to determine the validity or suitability of the questionnaire to be used in data collection in the field. The data analysis tool used to test the validity of the questionnaire is the *product moment Pearson correlation*, which uses the principle of correlating or correlating between each question score and the total score obtained from the respondents' answers. The results of the validity test are seen in Table 2: Correlations and Table 3: Correlations.

Furthermore, items per question are analysed to determine whether they are valid or not. A question item is said to be valid if the *r count* value (the Pearson correlation value of the question with the total score) is greater than the *r table* value at 5% significance (*r count>* *r table*). The *r table* value for *N=30* at 5% significance is 0.361. Then the *r count* value of each of the question items was compared to the *r table*.

The perception about the MEA variable has 14 question items (P1-P14). Based on the SPSS output in Table 2: Correlations, it can be seen that the *r count* value of each question item is greater than 0.361. This indicates that all question items on the MEA perception variable are valid.

The export intention variable has 2 question items (E15-E16). Based on the SPSS output in Table 3: Correlation, it can be seen that the *r count* value of each question item is greater than 0.361. This indicates that all the question items on the export intention variable are valid. The correlations table results for export intention question items are shown in Table 3: Correlations below.

**Reliability Test**

Reliability tests are carried out to determine the level of trust of questionnaires or questionnaires that researchers will use to collect data. Reliability test uses Alpha Cronbach.

**Reliability test for Perception about the AEC Variable**

The reliability level of each item of perception about the AEC variable can be seen in Table 4: Reliability Statistics and Table 7: Item-Total Statistics. The results of Table 4: Reliability Statistics for perception about the AEC variable can be seen in Table 4:
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<td><strong>P1</strong></td>
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**Source:** own research
# Table 3 Correlations

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<tr>
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<th>E15 Pearson Correlation</th>
<th>E16 Pearson Correlation</th>
<th>TOTAL Pearson Correlation</th>
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<tr>
<td><strong>E15</strong></td>
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<tr>
<td>Sig. (2-tailed)</td>
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<td>N</td>
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<td><strong>E16</strong></td>
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<td>Sig. (2-tailed)</td>
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<td>Sig. (2-tailed)</td>
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<td>N</td>
<td>30</td>
<td>30</td>
<td>30</td>
</tr>
</tbody>
</table>

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

(Source: own research)

# Table 4 Reliability Statistics

<table>
<thead>
<tr>
<th>Cronbach's Alpha</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>.939</td>
<td>14</td>
</tr>
</tbody>
</table>

(Source: own research)

The Reliability Statistics table shows the reliability level of all question items. If the value of Cronbach's Alpha is greater than 0.60 then the questions are reliable. Based on the table above, it can be seen that the value of Cronbach's Alpha is 0.939. The value is greater than 0.60, so it is implied that the 14 questions for the perception about the AEC variable are reliable. Furthermore, the reliability of each question can be seen in the Table 5: Item-Total Statistics. The output results of the table can be seen as follows:

# Table 5 Item-Total Statistics

<table>
<thead>
<tr>
<th>Item</th>
<th>Scale Mean if Item Deleted</th>
<th>Scale Variance if Item Deleted</th>
<th>Corrected Item-Total Correlation</th>
<th>Cronbach's Alpha if Item Deleted</th>
</tr>
</thead>
<tbody>
<tr>
<td>P1</td>
<td>42.70</td>
<td>38.562</td>
<td>.750</td>
<td>.934</td>
</tr>
<tr>
<td>P2</td>
<td>42.50</td>
<td>37.638</td>
<td>.757</td>
<td>.933</td>
</tr>
<tr>
<td>P3</td>
<td>42.63</td>
<td>37.895</td>
<td>.718</td>
<td>.935</td>
</tr>
<tr>
<td>P4</td>
<td>42.70</td>
<td>38.976</td>
<td>.617</td>
<td>.937</td>
</tr>
<tr>
<td>P5</td>
<td>42.43</td>
<td>38.254</td>
<td>.725</td>
<td>.934</td>
</tr>
<tr>
<td>P6</td>
<td>42.27</td>
<td>37.168</td>
<td>.795</td>
<td>.932</td>
</tr>
<tr>
<td>P7</td>
<td>42.60</td>
<td>38.593</td>
<td>.672</td>
<td>.936</td>
</tr>
<tr>
<td>P8</td>
<td>42.40</td>
<td>37.007</td>
<td>.817</td>
<td>.932</td>
</tr>
<tr>
<td>P9</td>
<td>42.57</td>
<td>37.220</td>
<td>.772</td>
<td>.933</td>
</tr>
<tr>
<td>P10</td>
<td>42.57</td>
<td>39.357</td>
<td>.617</td>
<td>.937</td>
</tr>
<tr>
<td>P11</td>
<td>42.63</td>
<td>40.516</td>
<td>.484</td>
<td>.941</td>
</tr>
<tr>
<td>P12</td>
<td>42.67</td>
<td>38.506</td>
<td>.658</td>
<td>.936</td>
</tr>
<tr>
<td>P13</td>
<td>42.57</td>
<td>38.530</td>
<td>.664</td>
<td>.936</td>
</tr>
<tr>
<td>P14</td>
<td>42.60</td>
<td>37.972</td>
<td>.758</td>
<td>.934</td>
</tr>
</tbody>
</table>

(Source: own research)
The output table above shows that the value of Cronbach's Alpha If Item Deleted for all 14 questions is greater than 0.60. This indicates that all 14 questions are reliable.

**Reliability test for Export Intention Variable**

The reliability test for the export intent variable can be seen in the following table:

<table>
<thead>
<tr>
<th>Cronbach's Alpha</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>.870</td>
<td>2</td>
</tr>
</tbody>
</table>

(Source: own research)

Based on the table above, it can be seen that the value of Cronbach's Alpha is 0.870. The value is greater than 0.60, so it is concluded the two question items for the export intention variable are reliable. Furthermore, the reliability of each question can be seen in Table 7: Item-Total Statistics. The output results of the table can be seen as follows:

<table>
<thead>
<tr>
<th>Scale Mean if Item Deleted</th>
<th>Scale Variance if Item Deleted</th>
<th>Corrected Item-Total Correlation</th>
<th>Cronbach's Alpha if Item Deleted</th>
</tr>
</thead>
<tbody>
<tr>
<td>E15</td>
<td>3.33</td>
<td>.368</td>
<td>.770</td>
</tr>
<tr>
<td>E16</td>
<td>3.37</td>
<td>.378</td>
<td>.770</td>
</tr>
</tbody>
</table>

(Source: own research)

The output table above shows that the value of Cronbach's Alpha If Item Deleted for all 2 question items is greater than 0.60. This indicates that the two question items are reliable.

### 4.3 Hypothesis Testing

**Rejection Criteria**

To determine whether one of the hypotheses is accepted or rejected, the following conditions are used:

- H0 is accepted if sig>0.05
- H1 is accepted if sig<0.05

**Conclusion**

To ascertain whether the regression coefficient is significant or not (variable X affects variable Y) can be done by hypothesis testing by comparing the significance value (Sig) with a probability of 0.05. If the sig value is less than the probability of 0.05 it means that there is an influence of the perception of the AEC on the export intention (sig<0.05) and vice versa. From Table 8: Coefficients it can be seen that the sig value is 0.000. The value is smaller than 0.05, so it can be concluded that there is an influence of the perception of the AEC on export intentions.

### 4.4 Simple Linear Regression Analysis Results
The data analysis used in this study is a simple regression analysis. This analysis is used to measure the magnitude of the influence of one free variable on the bound variable. The results of the regression test can be seen in Table 8: Coefficients below:

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1 (Constant)</td>
<td>-1.475</td>
<td>1.204</td>
<td>-1.226</td>
<td>.222</td>
</tr>
<tr>
<td>Perception of</td>
<td>1.518</td>
<td>.383</td>
<td>.292</td>
<td>3.963</td>
</tr>
<tr>
<td>the AEC</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Based on the table above, it can be concluded:

*Simple linear regression equation*

The general simple linear regression equation is \( Y = a + bX \). Based on the output above, the simple regression equation is: \( Y = -1.475 + 1.518X \).

*Analysis of the (significant) influence between variables*

The value of \( a \) (constant) is 1.475. This number is a constant number which means that if there is no perception of the AEC \( X \) then the consistent value of the export intention \( Y \) is \(-1.475\). The value of \( b \) (regression coefficient) is 1.518. This figure means that every addition of 1 \%\) of the perception of the AEC level \( X \), then the export intention level \( Y \) will increase by 1,518.

According to the regression coefficient value (+), this shows that perception of the AEC \( X \) has a positive effect on export intentions \( Y \).

Hence, based on the results of the research above, it can be concluded that the perception of MSMEs about the AEC has a significant and positive effect on the export intentions of MSMEs in Pekanbaru.

### 4.5 ANOVA Analysis

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Regression</td>
<td>95.161</td>
<td>1</td>
<td>95.161</td>
<td>15.706</td>
<td>.000*</td>
</tr>
<tr>
<td>Residual</td>
<td>1017.927</td>
<td>168</td>
<td>6.059</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>1113.088</td>
<td>169</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*ANOVA Analysis*

(Source: own research)
Based on the ANOVA output table above, it is known that the significance value (Sig) in the F test is 0.000. Because the sig value of 0.000 < 0.05, it can be concluded that the perception of the AEC affects export intentions.

**4.6 Relationship between the perception of the AEC and the export intentions**

*Histogram*

![Histogram of Perception of the AEC](Source: own research)

![Histogram of The Export Intentions](Source: own research)

To make it easier to see the appearance of the data, a histogram graph is made which represents the distribution of the data. The histogram graph is a row of coexisting equally wide bars whose height
depicts the abundance of data for various intervals of values. The vertical axis shows the frequency of each value interval while the horizontal axis displays the interval of the changer value for which the distribution will be seen. The slope of the histogram on perception of the AEC variable and export intentions variable is symmetrical and the distribution pattern is deviated to the right, which means that the data is normally distributed.

**Coefficient of Determination (R²)**

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.292²</td>
<td>.085</td>
<td>.080</td>
<td>2.46152</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Perception of the AEC
b. Dependent Variable: Export Intentions

(Source: own research)

The table above shows the value of R square (R²) or coefficient of determination. This value is meaningful as the influence’s contribution to the given perception of the AEC variable on the export intention variable. The value of R² in this study was 0.085, or equal to 8.5%. The figure shows that perception of the AEC variable (X) affects the export intention variable (Y) by 8.5%. It can be concluded that the simultaneous influence contribution of perception of the AEC variable on the export intention variable was 8.5%. While the rest (100% - 8.5% = 91.5%) is influenced by factors from other variables outside this regression equation or from variables that are not studied.

**CONCLUSION**

The purpose of the AEC, that wants fair competition among MSMEs has been an ideal. As an economic cooperation throughout the Southeast Asian region, the AEC will ease the export and import of products and services. The AEC will be a chance for MSMEs to grow by internationalizing their business. In order to internationalize business, an entrepreneur should have an export intention, which is influenced by perception.

Since the AEC provides prospects to export, MSMEs should have a good perception of the AEC to internationalize their business. This argument can be perceived from this research. The research result shows that the perception of the AEC significantly affects the export intentions of MSMEs in Pekanbaru. However, the contribution value of the perception of the AEC toward export intentions is still low (8.5%). Meanwhile, there are other variables (91.5%) that will influence export intentions. These other variables should be examined deeply by other researchers.

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