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ASSESSMENT OF MARKET POTENTIAL: A RESEARCH ON DETERMINING THE POTENTIAL MARKETS OF TURKISH EXPORTERS

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ABSTRACT

In this study, a research conducted on to investigate countries' market potentials for Turkish exporters. The main purpose of this research is to examine the factors that can be used in assessment of the market potential. In the research, the potential of international markets was evaluated by factors of ease of trade, market growth, market size and market accessibility. As a result of the research, China, Germany, India, USA and United Kingdom have been ranked as the top market potential for Turkish exporter companies. In addition, countries were divided into six clusters and those with the highest potentials were identified.

Keywords: *Market Potential, International Marketing, Export, Cluster Analysis*

JEL Codes: *M30, F14, O18*

PAZAR POTANSİYELİNİN DEĞERLENDİRİLMESİ: TÜRK İHRACATÇILARININ POTANSİYEL PAZARLARININ BELİRLENMESİ ÜZERİNE BİR ARAŞTIRMA

ÖZ

Bu çalışmada, Türk ihracatçıları için yabancı ülkelerin pazar potansiyelinin incelenmesi amaçlanmaktadır. Araştırmanın temel amacı, pazar potansiyelinin değerlendirilmesinde kullanılabilecek faktörleri incelemektir. Araştırmada uluslararası pazarların potansiyeli; ticaret kolaylığı, pazar büyümesi, pazar büyüklüğü ve pazar erişilebilirlik faktörleri ile değerlendirilmiştir. Araştırma sonucunda, Çin, Almanya, Hindistan, ABD ve Birleşik Krallık, Türk ihracatçı şirketler için en yüksek pazar potansiyeli olan ülkeler olarak sıralanmıştır. Ayrıca, ülkeler altı kümeye ayrılmış ve potansiyeli yüksek olanlar belirlenmiştir.

Anahtar Kelimeler: *Pazar Potansiyeli, Uluslararası Pazarlama, İhracat, Kümeleme Analizi*

JEL Kodları: *M30, F14, O18*

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1. INTRODUCTION

Research on market attractiveness of countries is an important issue in terms of international business and marketing. Determining the market potential by the marketing department in the domestic market where the company does business is much simpler than determining the potential of foreign markets with different cultural, economic and demographic structures. The choice of the international market is mostly based on the analysis of macroeconomic and political risks (Sakarya, Eckman and Hyllegard, 2006). However, different types of data are needed to evaluate the potential of a market for firms. It is also important to examine the changes in today's world, where bilateral relations affect trade.

Within the scope of this research, potential markets for Turkish exporters are examined. In 2018, Turkey has total 82 million populations and 32 million labor force. According to the World Bank, Turkey is a developing economy (2018 GDP: $784 billion.). In 2018, the largest shares in total exports ($168 billion) belong to Germany, England and Italy, respectively. In 2018, Russia, China and Germany accounted for the largest share in total imports ($223 billion). Turkey has a customs union agreement with the European Union and bilateral trade agreements which can be an advantage in foreign trade. Automotive exports, which is the largest share in total exports, is the world's 14th largest producer with production of 1.7 million vehicles by the year 2017. The share of banking services in the financial sector, which is important for exporters, is 70% and the size of the insurance services sector is 1.5% of GDP (invest.gov.tr).

In this study, a variable set consisting of macroeconomic and infrastructure status, physical and cultural distances, demography, and trade data was used to determine the international market potential. In academic literature, variables such as market size, market growth, and cultural and physical distances are used frequently in determining the market potential. However, in determining the market potential, variables can be of different importance according to each company. For example, a European company can give importance to the cultural diversity, the market size of the food producing company and the infrastructure of the technology company for the Middle East market. In this research, for the exporter companies in Turkey, the market potential is considered in general.

2. LITERATURE

Market segmentation and selection is based on the determination of the international market potential. In the early stages of international marketing research, the term international opportunity analysis or evaluation was used rather than market potential (Papadopoulos and

Martin, 2011). Therefore, academic literature is examined around terms such as opportunity analysis, market evaluation, market segmentation, and market expansion.

Sethi (1971) classified 91 countries by cluster analysis using 29 variables. In this research, the countries were grouped into seven clusters under the dimensions of production and transportation, personal consumption, trade, health and education.

Samli (1977) studied to determine the market potential of Eastern European countries by population and quality of life. In this research, the quality index of the markets was formed by using variables such as per capita income, labor in production, steel production, energy production, number of motor vehicles, number of radio and TV in use.

Green and Allaway (1985) examined the export potential of 20 OECD countries on the basis of products. In the research, countries with export potential are understood by looking at the market share growth from a certain product within their imports.

Sriram and Goplakakrishna (1991) evaluated the similarity of 40 countries for international advertising campaigns in terms of economic, cultural, media accessibility and media usage. In this research, 40 countries were grouped into 6 groups by cluster analysis. As a result of the research, it is suggested that international advertisements should be standardized considering cultural and media differences.

Helsen, Jedidi and DeSarbo (1993) grouped 23 countries under the dimensions of mobility, personal consumption, health and education, trade and city life. In the research, variables at macro level were reduced to sub-dimensions by factor analysis and clustering analysis was performed with the obtained factor loadings.

Luqmani, Yavas and Quraeshi (1994) examined countries within macro and micro factors. Macro factors; GDP per capita, political system, geographical region and energy consumption and micro factors; the structure of the product is divided according to the purchase orientation of the consumers. In the research, countries grouped according to consumers' purchasing power and consumers' preferences (functionality or comfortability) by using multidimensional scaling.

Manrai et al. (2001) examined all the attractiveness of 18 European countries for international marketing. They investigated the potential of countries in terms of distribution and promotion. Cluster analysis was carried out in two stages, firstly according to economic

development and then distribution and promotion factors. As a result of the study, three clusters were formed according to the attractiveness of countries for marketing.

Makino, Isobe and Chan (2004) examined the impact of countries on the performance of multinational companies. In the study, 79 countries hosting multinational companies were classified according to their development and geographical regions. In addition, the performance of companies according to their industry classes and sales returns was evaluated.

Rothaermel, Kotha and Steensma (2006) examined the penetration of US Internet companies into foreign markets under the dimensions of country risk, cultural distance, avoidance of uncertainty, individuality, masculinity and power distance. In the study, it was concluded that individuality and masculinity had a positive effect on market entry and other variables had a negative effect.

Dow and Karunaratna (2006) developed a regression analysis model based on differences in culture, language, religion, education and political systems. As a result of the research, it was determined that there were significant differences between the countries except the culture dimension. There is a difference in avoidance uncertainty of the cultural dimensions of Hofstede.

Buckley et al. (2007) examined potential foreign markets for direct investments at 12 variable levels for Chinese firms. As a result of the research, they reported the political risks and institutional structure factors of the countries for Chinese multinational companies.

Öztürk, Joiner and Çavuşgil (2015) evaluated the market potential of 83 countries for the meat, automotive and health care industries using the three-stage methodology they developed to determine market potential. In the first stage of the methodology, industry specific consumer expenditures, in the second stage income growth and industry expenditure income growth and in the third stage macro measures such as GDP and country risk were used. As a result of the research, the countries' market potential for the three industry was determined.

Schühly and Tenzer (2017) examined 46 African countries under the dimensions of social factors, culture, transport and infrastructure, economy and politics. Authors asked 144 managers about the significance of the 22 variables, constitutes these dimensions. They ranked countries according to market attractiveness by analytical hierarchical process method.

Önalmiş, Ulucan and Atıcı (2019) ranked OECD countries according to the 2010-2015 data of the World Bank's ease of doing business index. The ease of doing business of the

countries was ranked according to criterias such as starting work and obtaining construction permit. In addition, the confidence factor calculated to show probability of countries' high score value.

3. METHODOLOGY

The aim of this research is to investigate the factors which are effective in determining the market potential. As a result of the research, it is aimed that the world markets will be clustered according to their potential in terms of exporting companies. Thus, what determines market attractiveness can be revealed. One of the sub-objectives of the study is to determine the potential in the international markets for export companies in Turkey.

3.1. Sampling

The sample of this research is selected from all countries of the world. Totally, sampling frame is 123 countries whose data can be accessed. These countries have been selected because they are officially recognized by the UN and can be generalized to the entire population in economic and population terms.

3.2. Variables in used Data Analysis

In the study, the market attractiveness factors were examined under 14 variables. These variables were chosen from similar studies in academic literature. Because the variables are in different types, z scores were obtained with normalization process before clustering. Cluster analysis was performed with variables' z score values.

Table 1. Variables and Sources in used Data Analysis

Variables	Description	Units	Year	Source
Country Risk	Country Risk Index	1-100 score	2018	OECD Country Risk Classification
Export	Country export quantity	US Dollar	2018	TradeMap List of Importers (All Products)
Competitiveness	Country Competitiveness Index	1-100 score	2018	WEF Global Competitiveness Report
Supply Chain	Supply Chain Risk Index	1-100 score	2019	FM Global Resilience Index
Tariffs	Importing tariffs	% rate	2018	WorldBank World Development Indicators
Population	Country population	In thousands	2018	WorldBank World Development Indicators
Share in export	The share of Turkey's exports to countries	% rate	2018	TİM (Turkish Exporters Council) Countries' consolidated exports
Physical distance	Distance to Turkey from country	Km	2019	Google Maps
Cultural distance	The country's cultural similarity to Turkey	1-100 score	2019	Calculation with formulation of Morosini et al. (1998) to Hofstede' cultural dimensions
Trade Agreements	Is country trade agreement with Turkey?	Yes / No	2019	ITC Market Access Map
GDP growth	GDP real growth rate	% rate	2018	WorldBank World Development Indicators
Urban population	Proportion of population living in the urban	% rate	2018	WorldBank World Development Indicators
Internet usage	Proportion of individuals using the Internet in the total population	% rate	2017	WorldBank World Development Indicators
GDP	GDP per capita	US Dollar	2018	WorldBank World Development Indicators
Final Consumption Growth Rate	Final consumption growth	% growth rate	2018	WorldBank World Development Indicators

Country Risk

Country risk refers to the political risk as mean of chaos in a country. In general, country risk is the methods of rating and rating systems of foreign markets in order to guide international firms in their investment, financial and political decisions (Papadopoulos and Martin, 2011). In order to assess country risks, there are international organizations such as World Bank, United Nations, OECD and private sector organizations such as large investment consultancy firms. Countries with high country risk generally receive less direct investment by foreigners (Chakrabarti, 2001). When countries examined within the scope of international trade, it is seen that politically stable countries are more attractive for exporters (Srivastava and Green, 1986).

Cultural Distance

Cultural distance is defined as the differentiation degree of cultural norms from one country to another country (Morosini, Shane and Singh, 1998). There is a significant relationship between cultural similarity and the total level of trade between countries (Srivastava and Green, 1986). Hofstede (1980) used six cultural dimensions of nations in determining cultural distance. These dimensions are power distance, collectivism against individuality, avoidance of uncertainty, femininity against masculinity, long-term orientation, and limitation against freedom. The cultural distances to Turkey from other countries according to Hofstede's cultural dimensions are calculated to the formula based on Morosini, Shane and Singh (1998)'s study. This formula is as follows:

$$CD = a\sqrt{\sum_{n=1}^{6}\left(I_{ij} - I_{iT}\right)}_{0} +$$

CD= cultural difference of j'th country

I_{ij} = i'th Hofstede score of j'th country

I_{iT} = Turkey's i'th Hofstede score

In Hofstede's (1980) study, there were missing values for some countries. Therefore, the cultural distance calculation wasn't made from six dimensions. Some countries cultural distance calculation made from one or two dimension. In the appendix two, countries' cultural distances from Turkey.

Competitiveness

Competitiveness is defined as the "institutions, policies and factors that determine the productivity level of a country" (weforum.org, 13.09.2019). According to the World Economic Forum, productive countries provide economic growth and prosperity. Therefore, the most productive among the countries is considered the most competitive. More than 100 indicators are used in the competitiveness index developed by the World Economic Forum to measure competitiveness. Competitiveness index is examined under 12 dimensions. These; institutions, infrastructure, macroeconomic environment, health and basic education, higher education and education, efficiency of physical goods markets, labor market efficiency, financial market development, technological readiness, market size, business sophistication, innovation.

Market Size

The market size refers to the size and intensity of commercial activities. It is determined by the total population of the country, country's exports and the share of Turkey. As the market size increases, the utilization of efficient resources and economies of scale will increase (Buckley, 2007). Therefore, variables that measure the market size are used in the study.

Market Accessibility

Market accessibility is measured whether or not the country's trade agreement with Turkey and geographical distance. The geographical distance is the physical distance between the borders of the countries. Geographical boundaries adversely affect transportation costs. Raw materials and fragile goods effect more negatively transport costs (Ghemawat, 2004). Because raw materials have been transported in large quantities and fragile goods are required careful handling. There is also a relationship between geographical distance and cultural distance. As geographical distance increases, cultural distance increases (Sousa and Bradley, 2006). Firms often prefer nearby and familiar markets (Davidson, 1980). Markets in remote and unknown regions is not preferred too much because of uncertainty.

Market Growth Rate

The growth rate of the market represents the growth rate of GDP and the increase in expenditures on consumption products. Countries with increased income and final consumption have high market potential. The growth rate of the market may be due to reasons such as the stages of product life cycles, the increase in revenues, the increase of the population, and the increase in the use of technological products. As a measure of market share availability in a country, it varies depending on whether the market growth rate in that country is above the average (Green and Allaway, 1985).

Supply Chain

The supply chain demonstrates the existence of the necessary infrastructure for trade. The supply chain scores of the countries were obtained from the FM Global Resilience Index survey conducted by a private consulting firm to compare the economic performance of the countries. This research consists of disruption of power control, quality of infrastructure, management of companies and supply chain visibility (www.fmglobal.com, 16.09.2019). The loss of power control is the index that shows that there is deterioration in the management of the public sector due to corruption, bribery and data generated from World Bank data.

Infrastructure quality is the capacity to carry such as road and maritime transport from the World Economic Forum. Management of companies is information about companies such as accounting and auditing power, interest rates, partnership structures obtained from World Economic Forum. Supply chain visibility evaluated the supply chain of countries using World Bank logistics performance index data. The World Bank logistics performance index is based on customs, infrastructure, traceability, ease of international shipment, quality of logistics service and shortness of time (https://lpi.worldbank.org/, 16.09.2019).

3.3. Data Analysis Techniques

Factor analysis and cluster analysis are frequently preferred methods in determining market potential. Therefore, the methods used in this study. First, factor analysis was used to reduce the dimensions. The clusters were formed by clustering analysis with factor loadings obtained from factor analysis. This method is one of the most commonly used techniques in academic literature (Gaston-Bretton and Martin, 2011, Askegaard and Madsen, 1998; Steenkamp, 2001). SPSS 22.0 program was used for analysis.

4. FINDINGS AND DISCUSSION

4.1. Factor and Reliability Analysis

Factor analysis was performed by using Principal Components method and Varimax rotation in order to reduce the variables into sub-dimensions. After determining the dimensions, the variables were tested by Cronbach Alpha reliability analysis. Table 3 below shows the factor analysis findings.

Table 2. Factor and Reliability Analysis Findings

Dimension	Variable	Factor Loading	Explanatory	Reliability
Ease of trade	Supply chain	0,897	33,905	0,702
	Competitiveness	0,858		
	Internet Usage	0,820		
	GNP per capita	0,852		
	Country Risk	-0,808		
	Urbanization	0,702		
	Distance to culture	0,521		
Market Growth Rate	GDP Growth	0,879	14,981	0,793
	Final Consumption Growth Rate	0,856		
Market Size	Export	0,885	13,850	0,696
	Population	0,763		
	The share of Turkey's exports	0,637		
Market Accessibility	Physical distance	-0,864	10,963	-0,826
	Trade Agreements	0,582		

KMO: 0,792; Bartlett's test of sphericity: Chi-square,1078,122, df, 91, significance, 0,000

The above table shows the findings of factor analysis and reliability tests. Factor analysis yielded a four-dimensional structure. Factor loadings of all variables were greater than 0.50. The explanatory of the factor structure was determined as 73,699% in total. As a result of the reliability tests, all dimensions increased above 0.70. The tax variable was excluded from the analysis because reliability decreases with it.

4.2. Market Potential Index

The market potential index is used to measure market attractiveness in order to prioritize countries at the initial stage before entering the market (Çavuşgil, 1997). Index calculation was made with scores of the market potential dimensions. After the factor analysis, the average of the variables under each factor in the five-dimensional structure obtained was assigned to the newly created variables. The total score was obtained by summing the five newly formed variables. Indices are calculated over 100 points based on the country with the highest score. The table below shows the rankings and scores of the top five countries according to market potential index.

Table 3. Market Potential Index of Top Five Countries

Country	Ease of Trade	Market Growth	Market Size	Market Availability	Total Score
China	68,42594	83,3219	100	51,1321	100
Germany	75,54054	40,70496	77,25552	100	85,39648
India	60,4257	86,75682	77,89901	61,33589	85,37341
United States	83,46248	50,79857	89,10811	53,18387	80,78102
United Kingdom	84,11541	47,68938	62,68821	86,31114	75,24821

All index calculations for countries are given in Appendix 1. China is the country with the greatest potential for exporting companies in Turkey, as shown in the table above. China is the country with the highest market size and total score. The countries with the highest market potential score are China, Germany, India, USA and United Kingdom.

4.3. Cluster Analysis Findings

Cluster analysis was performed by using the hierarchical and K means method together. After determining the number of clusters with hierarchical clustering, clusters were determined with K means. Cluster analysis was performed to determine potential markets with variables of the country's economy, infrastructure, etc. Table 4 below presents the cluster analysis findings.

Table 4. Cluster Analysis Findings

Cluster 1	Cluster 2	Cluster 3	Cluster 4	Cluster 5	Cluster 6
USA	China	Austria	Morocco	Equator	Senegal
United	India	Sweden	Kazakhstan	Trinidad	Kenya
Kingdom		Lithuania	Tunisia	South Africa	Lao PDR
Germany		Denmark	Bulgaria	Jamaica	Cambodia
		Norway	Albania	El Salvador	Mongolia
		Hungary	Cyprus	Paraguay	Ghana
		Finland	Serbia	Uruguay	Malawi
		Estonia	Moldova	Bolivia	Mozambique
		Luxembourg	Greece	Costa Rica	Nepal
		Czech Republic	Bosnia and	Brazil	Benin
		Chile	Herzegovina	Honduras	Cameroon
		Switzerland	Kirghizstan	Guatemala	Rwanda
		Slovakia	Portugal	Panama	Financial
		South Korea	Saudi Arabia	Colombia	Ivory Coast
		Malaysia	Montenegro	Haiti	Guinea
		Latvia	Russia	Peru	Ukraine
		Iceland	Bahrain	Mexican	Vietnamese
		Singapore	Georgia	Oman	Indonesia
		Hong Kong	Azerbaijan	Venezuelan	Thailand
		Australia	Iranian	Brunei	Tanzania
		Netherlands	Northern	Darussalam	Ethiopia
		Israel	Macedonia	Nigeria	Sri Lanka
		Canada	Jordan	Zambia	Uganda
		Ireland	Romania	Argentina	Philippines
		Japan	Egypt	Nicaragua	Botswana
		Malta	Poland		Bangladesh
		New Zealand	Slovenia		Dominica
			Kuwait		Pakistan
			Algeria		Zimbabwe
			United Arab		Tajikistan
			Emirates		Croatia
			Lebanon		Chad
			Train		Mauritius Island
			Belgium		
			Italy		
			France		
			Spain		

ANOVA: Ease of trade: F, 56,973, 0,000; Market growth: 31,87, 0,000; Market size: 79,213; Market availability: 38,807, 0,000

As shown in the table above, a six-clustered result was obtained by cluster analysis. There are 30 countries in Cluster 1, 32 in Cluster 2, 24 in Cluster 3, 28 in Cluster 4, 3 in Cluster 5, and 5 in Cluster 6. The following figure shows the distribution of countries by clusters. On the vertical axis, the distance of the cluster elements from the center and on the horizontal axis are the information about the number of clusters.

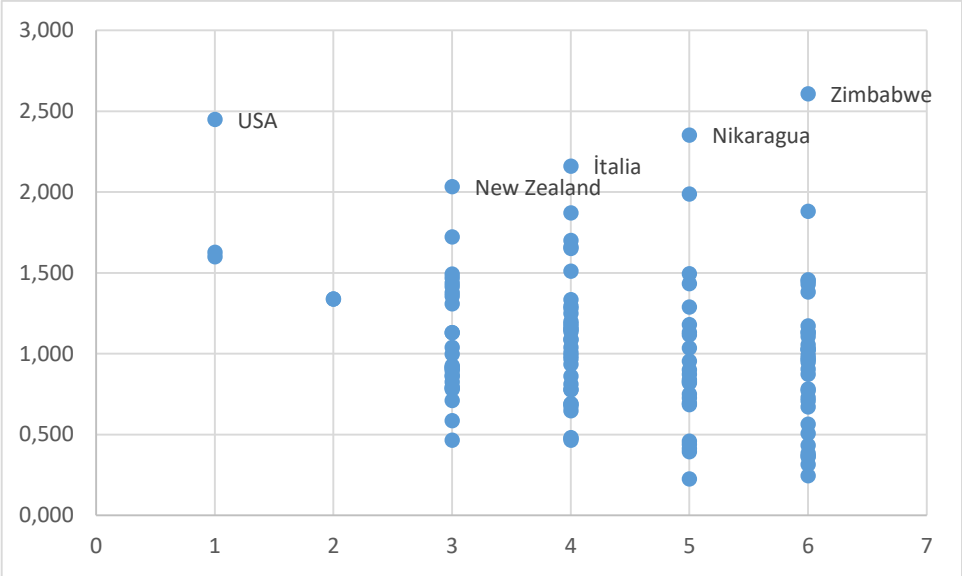

Figure 1. Country Cluster Distributions

As shown above, the United States in Cluster 1, New Zealand in Cluster 3, Italy in Cluster 4, Nicaragua in Cluster 5, and Zimbabwe in Cluster 6 are the most unique countries in their cluster. The figures below show the average values of ease of trade, market growth, market size and market accessibility by clusters.

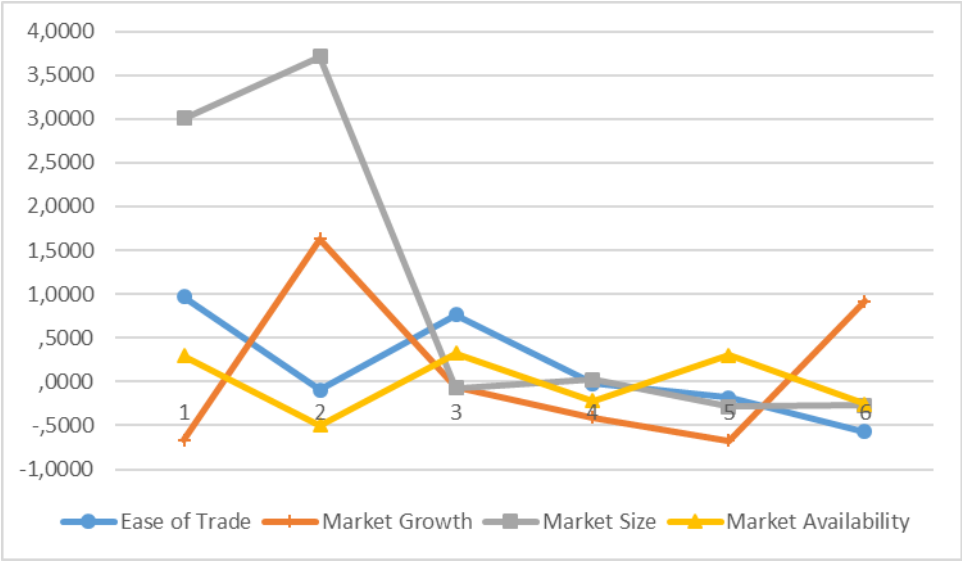

Figure 2. Means of Factor Dimensions by Clusters

Features of Cluster 1 are as follows: most export made in the world, the share of Turkey's exports is the highest, country risk is very low, GDP growth is low, the competitiveness index is the highest, supply chain index is the highest, cultural distance is the highest, per capita GDP is the highest. The countries with the highest ease of trade are in this cluster.

Features of Cluster 2 are as follows: the total population, GDP growth rate, the final consumption expenditure are the highest, urbanization and internet usage are low, exporting is higher than the world, the most negative circumstances of trade agreement with Turkey, per capita GDP is low. Countries with the highest market size and market growth are in this cluster.

Features of Cluster 3 are as follows: country risk is low, the competitiveness index is high, supply chain index is high, the most positive circumstances of trade agreements with Turkey, the internet usage is the highest, per capita GDP is higher, cultural distance from Turkey is too more, urbanization rate is the highest, geographically close to Turkey, the countries which have the lowest populations. The countries with the highest market accessibility are in this cluster.

Features of Cluster 4 are as follows: The Internet usage is high, per capita GDP is low, the urbanization rate is high, positive circumstances of trade agreements with Turkey, culturally closest to Turkey, physically nearest to Turkey, the high share in Turkey's exports. In this cluster, all dimensions such as trade feasibility, market size, market growth, market accessibility are low.

Features of Cluster 5 are as follows: the competitiveness index is the lowest, country risk is high, the physical distance to Turkey is the highest, GDP growth is the lowest, negative circumstances of trade agreements with Turkey, supply chain index is low, the growth of final consumption expenditure is low. In this cluster, while market accessibility is quite high, market growth is very low.

Features of Cluster 6 are as follows: the growth in final consumption expenditure is high, internet usage and urbanization are the lowest, negative circumstances of trade agreements with Turkey, per capita GDP is the lowest, GDP growth is high, country risk is the highest, the share of Turkey's exports is the lowest, competitiveness index and supply chain index are lowest, cultural distance to Turkey is low. While the market growth of this cluster is quite high, ease of trade is very low.

5. CONCLUSION

The economies of developed countries are mostly export oriented. It provides the development of a country's economy by prompting trade activities. In addition, international markets can offer many opportunities to a company. The customer potential in foreign markets can offer high sales to companies. The companies treat each country separately while they are

internationally investigating potential markets. After evaluating the market potential of each country, it is decided to enter the market. In this study, each country is considered as a market and its potential is evaluated separately from the others.

As a result of this research, the market potential dimensions were determined. The market potential index was calculated and countries ranked to this calculation. Country clusters are formed by using attractiveness of markets. In the study, the potential markets for Turkish exporters were evaluated internationally in the world. The market potential factors are population, GDP growth, per capita GDP, urbanization, cultural differences, physical distance, presence of trade agreements, and internet usage. These factors exhibit potential of market and most frequently used in academic literature. Trade feasibility, market size, market growth, market accessibility are four dimensional forms of market potential. When evaluated according to these dimensions, the countries with the highest market potential for Turkish exporters are China, Germany, India, USA and United Kingdom.

As a result of the cluster analysis, countries are grouped into six clusters according to their market potential. Cluster 1 and Cluster 2 have the highest market potential for Turkish exporters. While Cluster 1 is currently the largest market for Turkish exporters, Cluster 2 is likely to be the largest market in the future due to the countries with the highest market size and market growth rate. Cluster 3 and Cluster 4 is low market potential despite close to Turkey due to lower growth rate. Cluster 5 has with the lowest potential markets due to very low scores in terms of infrastructure, trade conditions and market growth. Cluster 6 can be assessed for some sectors because of its increasing consumption expenditures despite the poor infrastructure and high-country risk. For example, it can be said that there is a market potential for clothing and textile companies due to their cultural closeness. Especially in this cluster, Zimbabwe stands out as a separate market compared to the other countries.

As a result, countries were ranked and clustered in order to determine market potential. The limitations of this research are as follows: (1) not all countries of the world are in the sample, (2) more factors cannot be taken into consideration because of the difficulties in data access. For future studies in this area, it is recommended to use future economic forecasts in respect of political and technological developments. For example, how trade wars between China and the United States affect China's economy can be analyzed. In addition, the consumer researches can be analyze in order to determine market potential. For example, Euromonitor Lifestyle research can be use as indicator to calculate market size for a specific product or industry.

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Appendix 1. Market Potential Index

Country	Ease of Trade	Market Growth	Market Size	Market Availability	Total Score
China	68,42594	83,3219	100	51,1321	100
Germany	75,54054	40,70496	77,25552	100	85,39648
India	60,4257	86,75682	77,89901	61,33589	85,37341
United States	83,46248	50,79857	89,10811	53,18387	80,78102
United Kingdom	84,11541	47,68938	62,68821	86,31114	75,24821
Ireland	94,70889	78,42882	37,97304	74,43567	73,14366
Netherlands	89,93678	57,15948	49,7925	79,59146	70,10597
Malta	82,97143	77,23976	35,76541	83,14203	69,00727
France	76,93744	47,14127	56,78625	90,4637	68,55498
Israel	84,06005	60,27512	43,13214	86,96092	67,35114
Italy	69,46245	43,86158	59,54235	94,61736	67,03693
Spain	72,98135	48,9468	53,0897	94,22478	66,53493
Iceland	96,11271	70,4924	34,86012	71,31297	65,01044
Romania	65,93337	63,25178	45,70423	92,52769	64,55273
Slovak R	80,56448	68,59511	40,85755	76,88909	63,41581
Poland	71,78215	64,42926	47,85227	79,348	63,20746
Slovenia	74,11827	63,2016	39,86523	90,65086	63,15874
Singapore	100	65,36775	41,35619	59,45109	63,0481
Sweden	94,07863	59,80671	41,27538	70,88235	62,48804
Malaysia	83,05895	73,35949	41,50379	66,07932	62,47375
Bangladesh	59,41755	87,21674	46,02588	66,78334	62,31525
Switzerland	86,91762	57,65358	42,38554	78,12287	62,09054
Latvia	80,89556	70,57222	38,22347	75,70117	62,0354
Denmark	96,03727	59,80671	39,71355	69,76254	61,6804
Zimbabwe	61,39776	100	40,65569	56,09647	61,12069
Estonia	82,78351	66,62851	37,95625	75,84672	60,53262
Norway	94,84756	59,15297	37,64792	72,02674	60,1797
Pakistan	52,75709	73,69503	46,49798	83,87694	59,99763
Egypt, A	57,92418	62,12653	47,90342	89,74417	59,98484
Finland	88,84885	58,65397	38,13591	77,12939	59,77034
Austria	84,83726	60,07497	43,26339	71,10302	59,49735
Indonesia	67,96216	71,67896	48,31273	65,75402	58,82928
Hungary	76,2856	65,95314	42,5922	71,36419	58,10536
Hong Kong	91,78959	63,18415	46,62737	52,39829	57,99172
Luxembourg	94,85326	62,20766	35,29278	66,89319	57,44408
Vietnam	65,03444	78,189	46,82727	60,61196	57,31001
Japan	88,96893	52,42449	49,84827	59,63606	56,43066
Belgium	81,90331	47,45554	49,41668	72,07233	55,86281
Serbia	62,79832	61,44781	40,29372	89,0109	55,64295
Croatia	60,34904	68,84341	41,47581	81,12074	55,62095
Portugal	75,275	56,64137	40,81474	80,4516	55,30453
Korea, Republic	80,58877	58,78661	45,9861	64,59549	55,2956
Australia	94,94811	63,61779	40,90026	52,05555	55,12896
Rwanda	55,46241	79,69962	42,10598	71,64047	55,11346
Czech Re	75,91137	58,39957	42,923	72,94881	54,48346
Georgia	58,70696	57,414	40,86723	94,24537	54,26203
Bulgaria	66,59484	60,13436	44,23813	77,89616	54,24732
Montenegro	64,0309	64,05967	38,54264	84,54746	54,12289
Guinea	54,92414	83,00334	42,53918	65,74661	54,08754
Mauritius	70,51294	66,50197	40,09595	71,60779	53,51354
Ethiopia	49,24239	79,24926	44,92282	70,5576	53,27226
Albania	64,69713	61,01059	40,02099	83,41117	53,24897
Russian	66,60855	51,64313	49,68825	77,08243	53,13912
Philippi	68,28333	74,29619	44,53439	57,24512	53,09776
Lithuania	77,39742	62,81767	40,69112	66,35725	52,68283
Greece	68,58279	49,06055	41,7964	88,94101	52,45562
Canada	88,58344	56,01487	46,71253	52,89976	52,34777
Cyprus	67,74682	58,86129	39,79898	81,17375	52,2272
Iran, Is	60,2888	55,7202	44,14106	84,80836	51,80656
Morocco	64,90161	57,46502	43,38017	78,44487	51,3557
Kazakhstan	61,46249	56,19686	40,12845	88,35028	51,32435
Moldova	58,16869	59,83599	39,73708	87,94849	51,24199
Senegal	56,75768	74,11755	42,12445	68,40257	50,78914
Ukraine	62,30483	63,37223	44,82487	70,22063	50,40378
Thailand	65,78357	62,83464	45,75272	65,28687	50,09357
New Zeal	96,8176	64,79562	37,64516	42,71588	49,34079
Kenya	54,49768	71,49984	44,19692	67,70638	49,33943
United A	77,12129	45,57342	44,37418	72,72897	48,50623

Chile	81,51402	61,45773	38,57008	58,39802	48,1908
Nepal	51,89887	68,98776	43,75156	71,67919	48,17809
Saudi Arabian	69,93084	47,35313	45,07255	75,96179	48,02823
Cambodia	52,87269	72,19098	42,3788	68,11118	47,64538
Bosnia a	55,20692	53,29643	40,01957	90,07098	47,10502
Cote d'I	61,54064	76,03026	41,6838	54,85006	47,04624
North Ma	54,38737	55,18261	37,47297	91,30792	46,39625
Kyrgyz R	51,91746	59,19168	41,19483	83,31161	46,3266
Lao PDR	55,67775	71,42444	42,8032	62,55196	46,11339
Ghana	61,02015	70,5396	42,57808	58,15003	45,92596
Tajikistan	47,05037	62,35022	42,95834	80,70426	45,71468
Dominica	70,89042	69,22495	39,84924	53,36142	45,65025
Mongolia	59,79869	67,43018	41,93237	63,29813	45,58282
Tunisia	61,69248	51,42399	41,9107	78,3125	44,80447
Mali	48,9854	68,07209	42,55463	71,03408	44,79876
Botswana	67,73176	63,74098	41,1142	59,09037	44,70683
Cameroon	55,26458	67,25011	43,05718	63,7786	44,24298
Benin	52,63009	66,14911	43,20531	67,45413	44,22905
Uganda	47,18674	63,84339	43,35868	72,31455	42,63692
Sri Lank	55,35156	59,27091	44,35295	66,44348	41,9475
Bahrain	69,28484	47,6846	39,25788	72,44912	41,38229
Qatar	77,93623	45,27875	37,38177	69,01692	41,20408
Malawi	49,00833	68,45805	43,57448	61,85069	41,08486
Oman	70,30764	50,08735	41,13258	64,81217	40,89229
Tanzania	50,55014	61,72659	44,57604	64,78773	40,20601
Mozambique	52,42628	66,02961	44,06869	58,56925	40,12308
Azerbaijan	56,5878	44,46668	43,27227	80,28586	40,08009
Panama	68,86068	59,08904	40,96056	52,45692	38,94624
Algeria	53,53308	46,69545	45,3625	74,59111	38,52324
Mexico	69,88593	51,64433	49,9845	44,96992	38,39931
Nigeria	53,50472	49,41138	47,0039	68,12052	38,08617
Kuwait	69,55607	41,48022	39,05443	73,19282	38,03953
Colombia	70,29692	56,82634	42,59282	47,47373	37,07047
Peru	66,15657	58,7124	41,62883	50,67717	36,90933
Jordan	59,17698	42,21187	42,07304	75,62537	36,7064
Brunei D	76,91804	48,56287	38,87335	54,11707	36,08041
Honduras	59,0843	59,63165	42,19825	51,90628	34,8332
Guatemala	60,23941	59,40151	42,34532	50,51898	34,70035
Zambia	49,19042	52,63145	43,25194	67,06209	34,17156
Costa Rica	70,15228	52,24549	40,38519	49,65293	33,614
Chad	41,60105	53,18088	45,02673	69,89505	33,40593
Paraguay	59,98716	56,83028	40,64335	53,58758	33,25786
South Africa	66,21818	48,41207	44,88908	49,75867	32,92907
Bolivia	56,72973	57,11993	40,74041	55,02321	32,54108
Jamaica	63,77174	52,70387	43,07965	47,17672	31,4083
Brazil	60,65854	43,45805	47,19075	54,53492	31,3768
Lebanon	56,18047	36,25746	42,29336	73,78452	30,78931
Trinidad	66,22713	46,99979	41,44926	52,05871	30,51931
El Salvador	59,83058	52,82873	42,37533	47,39574	28,95568
Uruguay	69,53626	46,0754	39,60725	49,57439	28,93489
Ecuador	61,28935	49,86318	42,07011	49,11013	28,59718
Haiti	45,25618	46,74826	44,18342	50,64312	20,79225
Venezuela	59,2934	39,66466	42,18182	43,90765	18,83384
Argentina	61,5074	26,87459	42,996	43,86439	12,98625
Nicaragua	49,96126	24,63806	45,16411	44,66632	7,732219

Appendix 2. Cultural Distances from Turkey

Country	**C.D.**	**Country**	**C.D.**	**Country**	**C.D.**
Bolivia	14,52597	Panama	38,97435	Mauritius	59,54635
Brazil	14,52597	Moldova	39,26685	Nicaragua	59,54635
Spain	17,94996	Romania	39,41694	Oman	59,54635
Georgia	18,67539	Zambia	39,76167	Tunisia	59,54635
Cyprus	20,75893	Kenya	40,12481	Mexican	60,34924
Northern Macedonia	21,2464	Ecuador	40,41039	Nigeria	60,45499
Uganda	22,16866	Tanzania	40,73146	Lao PDR	60,61892
Kazakhstan	22,64385	Lebanon	41,41256	Mongolia	60,61892
Kyrgyz Republic	22,64385	Honduras	41,65333	Vietnamese	60,61892
Tajikistan	22,64385	Montenegro	41,69523	Egypt, Arab Republic	60,72316
Croatia	23,04766	Bulgaria	41,77223	Albania	61,35032
Bosnia and Herzegovina	24,67495	Czech Republic	42,06929	Republic of Korea	61,47421
Algeria	25,81244	Luxembourg	42,90684	Trinidad and Tobago	62,62983
Mali	26,25142	Islamic Republic of Iran	43,11773	Malaysia	63,86296
Paraguay	26,34712	Morocco	44,73485	Ukraine	64,2002
Uruguay	26,34712	Costa Rica	44,96665	Germany	64,55658
Kuwait	27,74887	Bangladesh	45,82576	Switzerland	66,39677
Slovenia	28,66318	Nepal	45,82576	Canada	66,75419
Rwanda	29,66507	Guatemala	46,06517	Estonia	66,82558
Peru	29,71033	Brunei Darussalam	49,40306	Hungary	67,65039
Greece	30,22024	Indonesia	49,40306	Lithuania	67,95377
Pakistan	30,30407	El Salvador	51,78576	Japan	67,96337
Azerbaijan	31,34023	Finland	54,07005	Hong Kong SAR, China	68,53651
Malta	31,37075	India	54,26389	Mozambique	68,7457
Qatar	31,59114	Belgium	54,59174	Iceland	69,97751
Cambodia	32,60481	South Africa	54,95803	Norway	70,72593
Thailand	32,60481	Sri Lanka	55,00319	Austria	71,66771
Chile	32,64015	Russian Federation	55,2124	Latvia	72,09454
Ethiopia	32,79717	Italy	55,95488	Venezuela, RB	72,13579
Serbia	32,8655	Dominican Republic	55,96604	Netherlands	73,78967
Portugal	34,91765	Haiti	55,96604	New Zealand	77,31461
Argentina	35,89376	Colombia	56,30265	Australia	78,10397
Bahrain	35,89737	Israel	56,41782	USA	78,47269
United Arab Emirates	35,89737	Philippines	56,84132	Jamaica	78,47293
Malawi	36,26293	Ghana	58,42438	Ireland	79,12557
Saudi Arabia	36,69172	Benin	59,54635	China	79,66742
Jordan	37,01167	Botswana	59,54635	Singapore	83,5277
Zimbabwe	37,05182	Cameroon	59,54635	United Kingdom	83,96015
Poland	37,59833	Chad	59,54635	Sweden	89,36826
Senegal	38,52308	Ivory Coast	59,54635	Slovak republic	91,87405
France	38,55692	Guinea	59,54635	Denmark	94,32408