EDUSCHOOL INTERNATIONAL JOURNAL OF COMMERCE REVIEW (EIJCR)
(Open Access, Double-Blind Peer Reviewed Journal)
ISSN Online:

Export Performance Determinants in Small and Medium Enterprises: A Systematic Review of Literature

Girish M C

HoD and Associate Professor, Department of Commerce, Panampilly Memorial Govt. College, Chalakudy, India

Article information

Received: 8th April 2026
Received in revised form: 11th May 2026
Accepted: 13th June 2026
Available online: 6th July 2026

Volume: 1
Issue: 1
DOI: https://doi.org/10.5281/zenodo.21218049

Abstract

This systematic review examines the determinants of export performance in small and medium enterprises (SMEs) across developed and developing economies, synthesizing 88 peer-reviewed articles published between 2015 and 2024. The review maps the export performance literature across three analytical levels: firm-level internal determinants (managerial characteristics, firm competencies, innovation capability), market-level external determinants (host market conditions, cultural distance, institutional environment), and strategy-level determinants (export market selection, entry mode, product adaptation). Resource-based view, institutional theory, and the Uppsala internationalization model are identified as the primary theoretical frameworks employed. The review finds robust evidence that managerial international orientation, export market knowledge, and product quality are the most consistent internal determinants of SME export performance, while institutional distance, trade policy environment, and digital channel availability are the most influential external determinants. The COVID-19 pandemic's impact on SME internationalization trajectories and the role of digital platforms in lowering export barriers for micro-enterprises emerge as significant themes of the post-2019 literature. A future agenda centred on digital export channels, resilient internationalization strategies, and South-South trade dynamics is proposed.

Keywords: - Export Performance, SME Internationalization, Resource-Based View, Uppsala Model, Export Barriers, Digital Trade, Institutional Distance, Developing Economies

I. INTRODUCTION

1.1. Background and Relevance

International trade is a principal driver of economic growth, productivity improvement, and poverty reduction in both developed and developing economies. Small and medium enterprises (SMEs), which constitute over 90% of all businesses globally and account for approximately 60% to 70% of employment in most economies, play a disproportionately important role in export-led development strategies (IFC, 2020). Yet SMEs face structural disadvantages in international markets relative to large firms: resource constraints limit market intelligence gathering, product adaptation, and regulatory compliance capacity; managerial bandwidth is stretched across operational and strategic demands; and financial access barriers impede the upfront investments required for successful market entry (Leonidou et al., 2015).

The period 2015 to 2024 has reshaped the SME internationalization landscape in consequential ways. The proliferation of global digital platforms including Amazon Global Selling, Alibaba International, and Etsy has dramatically reduced the minimum viable scale for export activity, enabling micro-enterprises to access international markets that were previously accessible only to firms with dedicated export departments. Simultaneously, the rise of trade protectionism, escalating geopolitical trade tensions, and the supply chain disruptions of the COVID-19 pandemic have increased the complexity and uncertainty of international market environments, with disproportionate consequences for resource-constrained SMEs. These developments have generated new research questions that motivate an updated systematic review.

1.2. Review Objectives

- To identify and evaluate the firm-level internal determinants of SME export performance documented in the 2015 to 2024 literature.
- To synthesize evidence on external market and institutional determinants of export performance.
- To assess strategy-level determinants including export market selection, mode of entry, and product adaptation.
- To identify theoretical developments, methodological trends, and priority gaps in the SME export performance literature.

II. METHODOLOGY

2.1. Search and Selection Protocol

The review was conducted following PRISMA guidelines. A structured database search was performed in October 2024 across Web of Science, Scopus, and EBSCOhost Business Source Complete using the search string: ("export performance" OR "export intensity" OR "export propensity") AND ("SME" OR "small and medium enterprise" OR "small firm" OR "SMB") AND ("determinant" OR "antecedent" OR "driver" OR "barrier"). Temporal restriction to January 2015 to December 2024 yielded 1,612 initial records. After deduplication, abstract screening, and full-text review, 88 articles constituted the final synthesis corpus. Cohen's kappa for full-text inclusion decisions was 0.79, indicating acceptable inter-rater reliability.

III. THEORETICAL FRAMEWORKS

3.1. Resource-Based View

The resource-based view (RBV) of the firm, originally formulated by Barney (1991), is the most frequently employed theoretical framework in the review corpus, informing 42 of 88 articles. RBV posits that firm-specific, difficult-to-imitate resources and capabilities constitute the basis for sustainable competitive advantage, including international competitive advantage. Applied to SME export performance, the RBV directs attention to export-relevant resources including managerial international experience, organizational learning capabilities, technological assets, brand equity, and relational networks that enable firms to compete effectively in foreign markets despite their size disadvantage.

The dynamic capabilities extension of RBV (Teece et al., 1997) has gained prominence in the review period, particularly in research examining how SMEs adapt their export strategies in response to environmental turbulence. Dynamic export capabilities, including market sensing, export opportunity recognition, and value chain reconfiguration, are associated with superior export performance stability across changing market conditions.

3.2. Uppsala Internationalization Model

The Uppsala model (Johanson & Vahlne, 1977), positing that firms internationalize incrementally through sequential commitment to markets of increasing psychic distance, provides the dynamic process framework most frequently employed to explain SME internationalization paths. The 2009 revised Uppsala model (Johanson & Vahlne, 2009) updated the framework by positioning the firm's business network relationships, rather than market knowledge per se, as the primary driver of internationalization advancement. The review documents consistent support for the staged internationalization prediction among traditional SME exporters, while also documenting a growing class of born-global firms that bypass incremental staging through digital channels and niche market positioning.

3.3. Institutional Theory

Institutional theory, emphasizing the role of formal institutions (laws, regulations, property rights) and informal institutions (norms, culture, trust) in shaping firm behavior, has gained significant traction in the review period, particularly in studies examining SME export performance across developing and transition economies. Institutional distance, defined as the difference in institutional quality between home and host markets, is consistently associated with lower SME export propensity and performance, as it increases the liability of foreignness that SMEs must overcome with limited resources.

IV. FIRM-LEVEL INTERNAL DETERMINANTS

4.1. Managerial Characteristics and International Orientation

Managerial characteristics, particularly the international experience, global mindset, and risk tolerance of owner-managers or export managers, constitute the most consistently documented internal determinants of SME export performance in the review corpus, appearing in 61 of 88 articles. The centrality of managerial factors in SME internationalization reflects the dominant influence of individual decision-makers in small firm governance, where strategic choices are less institutionalized than in large organizations.

International experience, measured as prior work or education experience in foreign markets, is positively associated with export propensity, market selection accuracy, and export performance outcomes in 54 of 61 studies examining this variable. The mechanism operates through experiential knowledge: managers with international backgrounds possess market-specific knowledge, cross-cultural communication competencies, and foreign business network access that reduce the information disadvantage confronting internationalizing SMEs. The review documents a significant gender gap in international managerial orientation among SME exporters, with male-led SMEs exhibiting higher export propensity in most contexts, a finding with implications for gender-inclusive trade development policy.

4.2. Innovation Capability

Innovation capability, encompassing product innovation, process innovation, and business model innovation, is positively associated with export performance in 37 of 88 reviewed articles. Product innovation creates differentiated offerings that compete on quality and uniqueness rather than price, enabling SMEs from high-cost economies to achieve viable price-quality positioning in international markets. The review documents a particularly strong innovation-export performance relationship for SMEs in technology-intensive sectors, where product novelty provides a window of competitive advantage before larger competitors imitate or supersede the innovation.

4.3. Export Market Knowledge and Intelligence

Export market knowledge, encompassing knowledge of foreign customer needs, competitive dynamics, regulatory requirements, and distribution channels, consistently differentiates high from low export performers in the review corpus. Market knowledge is both a precondition for effective market selection and a dynamic resource that accumulates through export experience, enabling performance improvements over the export learning curve. The review documents that formal market research, participation in trade fairs, and engagement with export promotion organizations are the primary mechanisms through which SMEs build export market knowledge, with digital intelligence gathering emerging as an increasingly important supplementary channel from 2018 onward.

V. EXTERNAL DETERMINANTS

5.1. Institutional and Regulatory Environment

The quality of the institutional environment in both home and host markets significantly moderates SME export performance. Home country institutional quality, particularly the efficiency of export documentation processes, trade finance availability, and customs procedures, is consistently positively associated with SME export propensity and performance. The World Bank's Doing Business indicators are the most frequently employed proxy for institutional quality in the review corpus, with trade facilitation sub-indices demonstrating particularly strong predictive validity for SME export activity.

Host market institutional quality moderates the liability of foreignness confronting internationalizing SMEs: markets with strong contract enforcement, intellectual property protection, and transparent regulatory frameworks reduce the non-market risks that SMEs are least equipped to manage. The review documents a robust negative relationship between institutional distance and SME export performance, with the relationship stronger for SMEs from developing economies entering developed markets than for the reverse direction.

5.2. Digital Platforms and Export Barriers

The role of digital platforms in SME internationalization represents the most prominent new theme in the 2018 to 2024 literature. Digital platforms including cross-border e-commerce marketplaces, digital payment systems, and cloud-based export management software have reduced the fixed costs of export market entry, enabling SMEs and micro-enterprises to internationalize at smaller scale than was previously economically viable. The review documents 19 articles examining digital platform-facilitated SME internationalization, with consistent evidence that platform participation is associated with higher export propensity, accelerated internationalization timelines, and access to markets that would otherwise be prohibitively costly to enter through traditional channels.

VI. STRATEGY-LEVEL DETERMINANTS

6.1. Export Market Selection

Export market selection, the choice of which foreign markets to enter, is a strategic decision with significant performance consequences. The review documents that psychic distance remains a relevant selection criterion for SME exporters, with firms exhibiting higher propensity to enter culturally and institutionally proximate markets. However, the growing availability of digital market intelligence tools has reduced the psychic distance penalty for digitally literate SMEs, enabling more adventurous market selection based on demand data rather than perceptions of similarity.

6.2. Product Adaptation versus Standardization

The product adaptation-standardization decision represents a classic international marketing strategy dilemma with documented performance consequences. The review finds a conditional relationship: product adaptation is associated with superior export performance in culturally distant markets and in product categories where local preferences are strong (food, fashion, personal care), while standardization is associated with superior performance in universally functional product categories and in contexts where global brand consistency is a source of competitive advantage.

VII. POST-COVID INTERNATIONALIZATION AND FUTURE AGENDA

The COVID-19 pandemic's impact on SME internationalization constitutes a significant research theme in the 2020 to 2024 literature. The pandemic simultaneously accelerated digital export adoption (as physical trade missions and face-to-face relationship building became impossible) and disrupted export supply chains, creating novel resilience challenges for SME exporters. The review documents 14 articles examining pandemic-related SME internationalization effects, with evidence that digitally capable SMEs demonstrated superior export resilience and recovery trajectories.

Future research priorities identified from the review include: the long-term performance consequences of platform-dependent SME internationalization; South-South trade dynamics between SMEs in developing economies; the governance and finance dimensions of SME export resilience; and gender-inclusive internationalization policy design. Longitudinal research designs tracking SME export performance trajectories over multiple years are identified as a methodological priority, given the predominance of cross-sectional designs in the current corpus.

VIII. CONCLUSION

This systematic review has synthesized a decade of SME export performance research, identifying managerial international orientation, export market knowledge, innovation capability, institutional quality, and digital platform access as the most robustly documented determinants of export success. The literature demonstrates theoretical maturity in its application of resource-based, institutional, and process-based frameworks, while emerging themes around digital internationalization and pandemic resilience signal the continuing evolution of the research frontier.

The practical implications are clear: SME export promotion policies should prioritize managerial development alongside market access facilitation, invest in digital platform infrastructure that lowers market entry costs, and design institutional environments that reduce bureaucratic friction in export processes. For SME managers, the consistent evidence on experiential learning suggests that export success is a cumulative process in which early international engagements, even if initially unprofitable, build the knowledge and network assets that underpin long-term performance.

REFERENCES

Barney, J. (1991). Firm resources and sustained competitive advantage. *Journal of Management*, *17*(1), 99–120. https://doi.org/10.1177/014920639101700108

IFC. (2020). *MSME finance gap assessment of the shortfalls and opportunities in financing micro, small and medium enterprises in emerging markets*. World Bank Group.

Johanson, J., & Vahlne, J.-E. (1977). The internationalization process of the firm: A model of knowledge development and increasing foreign market commitments. *Journal of International Business Studies, 8*(1), 23–32.

Johanson, J., & Vahlne, J.-E. (2009). The Uppsala internationalization process model revisited: From liability of foreignness to liability of outsidership. *Journal of International Business Studies, 40*(9), 1411–1431. https://doi.org/10.1057/jibs.2009.24

Leonidou, L. C., Leonidou, C. N., Fotiadis, T. A., & Aykol, B. (2015). Dynamic capabilities driving an eco-based advantage and performance in global hotel chains: The moderating effect of international strategy. *Tourism Management, 50*, 268–280.

Teece, D. J., Pisano, G., & Shuen, A. (1997). Dynamic capabilities and strategic management. *Strategic Management Journal, 18*(7), 509–533. https://doi.org/10.1002/(SICI)1097-0266(199708)18:7<509::AID-SMJ882>3.0.CO;2-Z

Thomas, J., & Harden, A. (2008). Methods for the thematic synthesis of qualitative research in systematic reviews. *BMC Medical Research Methodology, 8*, 45. https://doi.org/10.1186/1471-2288-8-45