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## Measures and Determinants of Export Success in Agri-Businesses: A Firm-Level Analysis of Small and Medium-Sized Enterprises in Honduras

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### Abstract

For developing countries, reaching international markets is a great challenge. There are examples of enterprises that have been able to successfully participate in international markets, but do we really understand what it takes for a small enterprise to survive in a global economy? How can they secure a position in the market in relation to the international best performers?

The agro-industrial sector in northern Honduras presents an opportunity to examine the factors that determine the success of export-oriented small and medium-sized enterprises (SMEs). Although many have inserted themselves in the international market, it is still unclear which factors determine their success while exporting.

Based on the empirical investigation of 64 agro-industrial SMEs we observed that the management capability is a key factor for the successful integration in global value chains. Variables such as the education level and international experiences of the management team, firm age and size, as well as level of technology and strategic planning and were examined. In particular those businesses that have internationally experienced managers (i.e. education abroad) and a food safety or environment certification, show a higher export intensity. Other factors such as firm age, size, or age of technical equipment do not appear to be critical determinants for the success of an export enterprise. These results indicate that in industries such as food processing, which are characterised by a high degree of international competition, the international experience of the management team has a more significant effect on the export success than the technological level of the firm.

**Keywords:** Export success, food value chain, small and medium-sized enterprises