differentiating SMFs in the sample into firms with high export orientation and firms with low export orientation.

To a firm contemplating exporting or even a successful exporter, the lack or a sudden alteration of the motivating variables shown in Figure 1 may become barriers to export market development. These barriers are internal or external to the firm and in this paper, it is argued that the barriers will differ between firms with high export orientation (assumed to be proactive firms) and firms with low export orientation (assumed to be reactive). Also, internal barriers such as the lack of scale economies or the lack of in-house expertise have to be overcome first to consider export market development. Some of the barriers considered in this study relate to the size of the firm, limited scope of product development for export markets, inadequate management, supply and demand related issues, and competitive problems. SMFs may lack economies of scale such as financial resources for exporting. Scope economies such as the lack of in-house expertise are an obstacle. Management related factors are the lack of risk willingness, lack of management time, poor labor-management relations, and ineffective coordination of the value-added chain. Strong domestic competition, the lack of demand for the firm's products, and competition from foreign producers at the destination are major hindrances on their own but become highly restrictive for SMFs interested in exporting if supplier relationships are not strong. For example, the shortage of production materials, rising cost of production inputs, outdated plant and equipment, lack of operating capital, and labor recruitment difficulties are often problems faced by SMFs especially located in small places. In sum, internal barriers are firm-specific (scale, scope, technology) and external barriers pertain to the business environment such as government regulations, trade