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## Racial group differences and export market access challenges in agricultural value chains and supply networks of SMEs in South Africa

Marcia Mkansi, Godfrey Mugurusi & Temidayo O. Akenroye

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## Racial group differences and export market access challenges in agricultural value chains and supply networks of SMEs in South Africa

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### ABSTRACT

Although previous studies provide an insightful and categorised nature of internal and external export barriers experienced by agricultural SMEs in general; there is little, if any, strategic insights on the racial nuances in value chain barriers for most agricultural SMEs that target global export markets. This study posits that export barriers are not uniform and differ based on race and the context in which the agricultural SME is based. Hence, we specifically explore the nature of export barriers per race within the agro-value chains in South Africa and juxtapose these with the dynamic market and historical conditions of the South African market environment. In this multi-case study, we focused mainly on the differences between black and white-owned agricultural SMEs riding on their different supply networks' capabilities to navigate the export barriers they face. The findings serve to develop seminal knowledge to enhance export capabilities and opportunities for minority groups globally and more importantly to highlight the underlying drivers for racial imbalances in agro-supply chains. Although the findings are geographically skewed to South Africa, the market dynamics are relevant across countries with similar demographic characteristics and provide a platform for future research.

### KEYWORDS

Race; SMEs; agricultural value chains; market access barriers; supply networks; South Africa

### Introduction



In their thought-provoking editorial, Esper, Goldsby, and Zinn (2020) argue that racial politics and inequality are one of the biggest challenges for logistics and supply chain management (SCM) today, where very few SCM researchers have attempted to 'peel back the layers of how these issues of race and diversity impact and interact with supply chain phenomena' p.178. In their study on supplier diversity programmes involving large corporations and minority-owned businesses (MBEs), Vairavan (2021) concludes that MBEs create significant stakeholder value because of the way they engage with big corporations which translates to positive economic externalities. Tsing (2009) examined the concept of supply chain capitalism through the lenses of gender, ethnicity, nationality, religion, and citizenship, and argues that while supply chains offer a model for global integration, they are responsible for the growing gaps between rich and poor, across lines of colour and culture, and between North and South.

This paper sets out to explore the racial nuances within agro-supply chains in Africa. While aspects of supplier diversity (Rogerson 2012; Vairavan 2021) and SCM leadership diversity (Esper, Goldsby, and Zinn 2020) are fairly well researched, SCM literature is

lagging in acknowledging the significance and understanding of racial diversity in consumer markets, let alone in business-to-business markets.

In Africa, in particular, racial diversity issues are often repressed under the social dimensions umbrella, which explains why they receive far less attention in SCM. Yawar and Seuring (2017) study the role of stakeholders in driving social issues in supply chains in which they show a limited understanding of social issues such as poverty, community welfare, inclusion of marginalised groups and small and medium enterprises (SMEs) suppliers. They conclude that societal issues in low-income countries can indeed have damaging effects on supply performance and society in the long run. Mugurusi, Glavee-Geo, and Ambe (2021) show that the limited integration of indigenous African businesses in global supply chain networks is a big problem that is under-researched yet has a significant impact on knowledge discourses for future research on SCM in Africa.

Here we focus on small and medium enterprises (SMEs) in South Africa. SMEs are major contributors to the gross domestic product (GDP), with roughly 2.6 million SMEs contributing 40% to South Africa's GDP (OECD 2022), and providing between 70% and 80% of employment in South Africa (SEDA 2021).

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Non-white groups own 81.3% of SMEs, with 73.8% owned by blacks, and 3.8% and 3.7% owned by Indians/Asians, and coloureds, respectively (SEDA 2021). Whilst this represents a large percentage, non-whites generate less wealth and employment than white-owned SMEs (LEDET 2015). Agriculture constitutes 3% of SMEs in South Africa (SEDA 2021); therefore, value chain access should be explored and pursued as a pivotal transformation agenda of the agricultural sector.

This paper examines how agricultural SMEs (agro-SMEs) owned by different race groups perceive market access barriers and how they structure their export value chains against those barriers. The paper specifically seeks to show how different racial groups in South Africa navigate export barriers. South Africa's apartheid legacy makes the country a conducive context to explore racial differences in agro-supply chains. The scale of socioeconomic poverty in townships and rural areas resulting from the legacy of apartheid is widely embedded and shapes South Africa's current economic and social cohesion agenda (Cant 2017; Philip 2010).

The study contributes to theory by specifically responding to the call by Esper, Goldsby, and Zinn (2020, 178) for 'more research that addresses racial inclusion and equal access in other aspects of SCM'. According to both Worthington (2009) and Sordi, Tate, and Huang (2022), the societal and economic benefits of supplier diversity and inclusion strategies outweigh the costs and risks involved in implementing such programmes. Clancy and Narayanaswamy (2015) have shown the limits of sustainable development if integration of socioeconomic imbalances remains unresolved. Whitfield and Farrell (2010) claim that besides improving individual firm culture, diverse and well-developed supply chains promote business success by reducing costs, enhancing innovation and process integration while also reaching new markets. Therefore, the research elaborates on earlier studies by highlighting the contextual elements of agro-supply chain export barriers (also described as market access challenges), specifically situated within the market dynamics and historical setting of South Africa.

The next sections of the paper are organised as follows. Section 2 is the literature review. Section 3 presents the methods and techniques used to collect data in this study. Section 4 presents the results while Section 5 presents the discussion and some proposed frameworks out of the results. Section 6 concludes the article and highlights the implications of the frameworks developed including opportunities for future research.

## Review of the literature

### *Theoretical framework*

This study is based on the coopetition concept, originally developed from game theory, building on the seminal work of Adam Brandenburger and Barry Nalebuff (Brandenburger and Nalebuff 1996). The basic notion behind coopetition is that competing firms stand to gain more in net value when they cooperate rather than compete against each other (Bengtsson and Kock 1999). According to Bengtsson and Kock (2014, 182), the motives of coopetition are '(1) increased competitiveness and competitive advantages, (2) development of technological innovations, (3) exploration of international opportunities, and (4) access to needed resources'

In fact, the coopetition does not necessarily mean the absence of competition. Rather, an existence of coopetition-based relationships where the same actors are involved simultaneously in both coopetition and competition in a dyad, supply chain or even a supply chain network context (Bengtsson and Kock 2014).

The coopetition concept is uniquely fundamental for SMEs which operate in highly competitive and uncertain markets. The scale and business models of individual SMEs generally limit their capacity to influence market prices, negotiate fair prices for inputs, attract skilled labour, develop complex products and invest in good technology (Gernsheimer, Gast, and Kanbach 2024; Gumede and Rasmussen 2002; Harrison and Poe 2022; Omeihe et al. 2021; Ramukumba 2014).

Engaging in coopetition provides SMEs with an opportunity to benefit from developed technology, external knowledge source, innovate and enter new and bigger market quickly (Akdoğan and Cingöz 2012; Lechner, Soppe, and Dowling 2016). Within the coopetition perspective, SMEs are able to build collaborative networks, engage in win-win relationships, and piggy-back on big contracts, etc. allowing them to navigate complex supply chains, which enhances their size and scale in local and international markets (Francioni, Pagano, and Castellani 2016).

### *Agricultural SMEs – structure and characteristics, and export challenges*

The importance of agricultural SMEs in Africa as the steam engine of economic growth and employment is greatly discussed and recognised by previous scholars (Banson et al. 2014; Nutsukpo, Jalloh, and Zougmore 2012). In South Africa, an opportunity exists for further contribution not only as borne out by agricultural advantage in terms of land utilisation (only 1.29 million hectares currently utilised

from an available 16.74 million hectares for crops) and cheap labour in comparison to Western countries, but also the forecasted 70% to 110% global demand growth for agricultural produce by 2050 (Banson et al. 2014). However, two of the many key challenges for agricultural SMEs are access to high markets in the value chain and interaction with other countries in order to exploit export opportunities. This requires high agricultural productivity, ample food supplies, financing, fair competition, equal distribution of income, predictable weather climates, water resources, knowledge, trade facilitating measures, agricultural support, high income, equipment, adherence to agricultural export standards, distribution and logistics as well as literacy and education (Barlow and van Dijk 2013; Biénabe et al. 2004; Jordaan 2014; Lund-Thomsen and Wad 2014; Nutsukpo, Jalloh, and Zougmore 2012). Overcoming these export barriers has been an ongoing struggle for agricultural SMEs and calls for considerable efforts to assist this important yet struggling business sector. With agricultural export activities hovering around 10% of the country's overall export earnings (ITA 2023), it is safe to conclude that export challenges are a bane impacting the growth of the sector, especially SMEs.

In South Africa, export trade is also affected by growth and stability in world markets. The global food demand is reliant on world population, income, and economic growth. Other factors affecting world trade are the exchange rate, labour unions, changing regulations, trade policies and lack of agricultural policy direction and governmental support (Jooste and Spies 2006; Makhura et al. 2011). Although the latter scholars provide an insightful nature of internal and external export barriers experienced by agricultural SMEs, there is a lack of strategic insight into alternative market approaches for agribusinesses whose ownership models vary by racial demographics and could be a barrier to accessing global export markets. This study posits that export barriers are not uniform and differ based on race and the agricultural context within which the SME is based. The nature of barriers per race has to be explored and considered as the reality may not be the same for all races, given the historical market conditions of South Africa. An understanding of racial export barriers is needed to break down impediments to export market access per race which serves as a planning tool in world trade, governments, agriculture departments, financial institutions, etc. Maximising the rate of exports is desirable for agricultural SMEs, particularly for minority-owned SMEs may also increase employment and reduce inequalities in the economy.

Research on agricultural export barriers experienced by SMEs over the past 10 years has increased (Ashraf, Giné, and Karlan 2009; Barlow and van Dijk

2013; Biénabe et al. 2004; Cant 2017; Jooste and Spies 2006; Jordaan 2014; Lund-Thomsen and Wad 2014; Makhura et al. 2011; Nutsukpo, Jalloh, and Zougmore 2012). However, research on agro-SMEs' access to more expansive markets in the value chain and strategies for providing value to these markets (necessary steps of cooperation required to export products) is somewhat limited. A review of articles covering issues of export guidelines and export barriers published in the past 5 years focused mainly on issues related to food safety, quality, and standards in various regions of the world (Balsevich et al. 2003; Henson and Loader 2001). In some contexts, scholars such as Ashraf, Giné, and Karlan (2009), Weatherspoon and Reardon (2003), Ortmann and King (2007), and Wiig and Kolstad (2005) appear to show strides towards addressing issues of exports but ceased to address access to markets and the necessary supply chain cooperation required for specific markets.

For example, Ashraf, Giné, and Karlan (2009) focus on the lack of a market for crops and the collapse of DrumNet, an NGO in Kenya but no prescriptive steps for finding the missing market. Weatherspoon and Reardon (2003) report on the opportunities and challenges to smaller farmers in Southern Africa when it comes to accessing supermarkets but offer little evidence on how such small farmers could access these supermarkets. Wiig and Kolstad (2005) offered technical export assistance to developing countries to lower barriers to agricultural export. Ortmann and King (2007) investigated the appropriateness of cooperatives in reducing transaction costs for smallholder farmers and facilitating their access to input and product markets. Although the internal and external conditions considered key for successful supply chain cooperation offered by the latter scholars are of crucial importance, there is nothing geared towards how agricultural SMEs can access higher markets in the value chain. Other studies include Giovannucci and Ponte's (2005) sustainability initiative in the coffee industry with more emphasis on creating new markets such as the Fair Trade, the Bird Friendly, and the Rainforest Alliance.

For a majority of articles (e.g. Ahimbisibwe and Abaho 2013; Crick, Chaudhry Iv, and Batstone 2000; Hazell 2003; Sousa and Bradley 2009), issues of policy, support programmes, performance, growth, and competitiveness in different regions of the world are prevalent and less on accessing higher markets in the value chain and the necessary value required. For example, Sousa and Bradley (2009) evaluated the effects of export assistance programmes and distributor support on the export performance of SMEs. Ahimbisibwe and Abaho (2013) reported on export performance and export entrepreneurship orientated in Uganda. Crick, Chaudhry Iv, and Batstone (2000) focused on perceptions of export support programmes

and the competitiveness of agricultural export markets in the UK. Hazell (2003) investigated appropriate policy interventions for small agricultural farms.

In the context of the specific region and province under study, Groenewald (2004) analysed the issue of land reforms in South Africa. Bernstein (2013) considered black economic empowerment (BEE) in agriculture and transformation issues post the apartheid era, i.e. post-1994. Oni, Maliwichi, and Obadire (2010) reviewed socio-economic constraints affecting small-holder farmers in South Africa. With a specific focus on the Limpopo province, Anim (2010) reported on the effect of private extension services on contract farming participation by SMEs in the Limpopo province. Groenmeyer (2013) focused on small-scale agriculture's right to food supply in South Africa, especially strategies for addressing food security in the Limpopo province of South Africa. Exception towards addressing the issue of access to markets goes to Biénabe et al. (2004), and Louw et al. (2008) with a focus on alternative marketing options and various initiatives for small-scale farmers in South Africa to connect to other markets.

Most literature vaguely describes the necessary supply chain cooperation required in export markets access beyond the entry level. According to Jocumsen (2002), SMEs prefers fewer complex processes than complex theoretical strategies. Although the latter studies echo the benefits of exports for SMEs, they are inconclusive on how SMEs can achieve access and provide value, hence the existing gap. In response to this gap, this study aims to extend Louw et al. (2008) foundation by drawing in great detail on agricultural export barriers by race, identifying ways in which agricultural SMEs can increase their access to higher-level export markets, offering an alternative market and export approach, and providing strategies that may enable the agricultural SMEs to create better value to these markets.

## Methods

The study adopted an exploratory case study research approach. The merits of the exploratory approach have been greatly discussed by several scholars such as Engel and Schutt (2005) regarding its strength in uncovering complex connections beyond the limits of traditional survey or experimental methods. This study explores the challenges and value chain strategies that cannot be minimised into a single pathway within the real-life context of agricultural SMEs. The exploratory case study approach helped to delimit the access practices of different ownership models previously unbeknown in the existing research. Case study research as a tool also permitted more in-depth research into multidimensional constructs such as race in a real-life setting

(Yin 2017). At least from the perspective of racial group differences, very little is known about SMEs' agricultural export barriers.

The target of the study in this multi-case design was eight agro-SMEs in the Limpopo province of South Africa. The eight were purposively sampled as representative cases of the two major racial groups in the province and are considered adequate to provide the necessary information required to answer the questions in this study.

One could argue that the sample may not be representative of the entire population. Sihlobo and Kirsten (2022) report a significant racial imbalance in export orientation among agricultural SMEs with few white-owned businesses dominating over 80% to 90% of agricultural outputs. We followed these different cases (hence a multi-case study) to empirically explore value chain access and export barriers based on the lived experiences of the farmers and business owners. This study cited several previous studies that only uncovered generic export barriers for SMEs in the agricultural sector and offered little guidance on how to enhance the capabilities of the sector.

## Data, data collection and analysis

Semi-structured interviews lasting about 40–60 min were conducted by telephone with the agricultural SMEs. Interviews were also conducted with stakeholders and export market enablers in the supply chain networks accessed by agricultural SMEs using telephone, Microsoft Teams, off-the-web searches and in-agency contacts, to clarify, expand and corroborate value chain access information. These as shown see Table 2 includes the Department of Trade and Industry (DTI), the South African Revenue Services (SARS), Spar, Pick n' Pay, Woolworths, Shoprite Checkers, the Cooperation of Farmers in Limpopo, the Department of Agriculture, the Land Bank, Agri-SETA formerly known as South African Primary Agriculture Education and Training (PAETA), and the Agricultural Research Council based on the recommendation by Oni, Maliwichi, and Obadire (2010).

The rationale for involving these agencies was to get a professional review of export practices and support for SMEs in the agricultural sector. All interviews were recorded and transcribed by the first author and a research assistant. The other two authors were involved in the coding and analysis of the data. A rigorous content data analysis technique was used. This procedure allowed the researchers to ensure inter-coder reliability and validity as well as increase the extent to which the final coding results represented what was intended to be assessed. Direct quotes from interview data were chosen to represent the words of participants accurately and support the presentation

**Table 1.** Overview of SMEs interviewed.

Case	SME classification Micro < 5 Very small < 10 Small < 50 Medium < 100	Number of Employees	Nature of farming	Gender	Race (ownership)
A	Micro	5	Mixed farming	Female	Black
B	Micro	2	Vegetables	Female	Black
C	Micro	2	Mixed farming	Female	Black
D	Very small	10	horticulture	Male	Black
E	Micro	4	Horticulture	Male	Black
F	Micro	4	Mixed farming	Male	Black
G	Small	15	Horticulture	Male	White
H	Medium	22 (40*)	Horticulture	Male	White

\*Seasonal or temporary workers.

of results in the subsequent sections. The grammar and sentence structure of some of these quotes were adjusted where necessary for readability.

To enhance the accuracy and validity of the transcriptions, all study participants were emailed transcripts of their interviews to validate the content. It is also acknowledged that this study is skewed geographically and only limited to export barriers' racial views of those SMEs in the Limpopo province of South Africa.

Table 1 shows the profiles and positions of the agricultural SMEs studied. All of the interviewees were either owners and managers of the farms or agribusinesses. First case descriptions of each agro-SME are presented. ATLAS.ti was used to analyse the data and to organise the data together with content analysis. Content analysis was first employed to the categories generated by ATLAS.ti. This assisted in establishing commonalities and differences of barriers across the two racial groups. In addition, Atlas.ti software was used to identify key barriers and words mentioned most by all farmers and by race. The barriers discovered and discussed are used as the building blocks for the value chain ladder presented in the findings section. In the subsequent section, the findings are presented with supporting quotes. It is from these findings that the researchers developed an export guide tailored for all races.

### Case study context and key definitions

South Africa has two important issues that make it interesting to explore racial group differences in the agro-supply chain. The first issue points towards the extent to which social impacts vary by race in South Africa. The World Bank Report (2018) and SAHRC Report (2018) have described South Africa as the most unequal society in the world. The poverty imbalance is very high among blacks (64%) compared to 1% among whites, 41% among mixed or coloured people, and 6% among Indians (SAHRC 2018).

The second issue explains the economic structure that is unique to South Africa. For example, Oduwole's (2018) study on the attainment of development goals in South Africa, recognises the structural complexity

inherited from the systematic exclusion of blacks from participation in economic activities which explains South Africa's current triple challenge of poverty, inequality, and unemployment. Of particular importance is that, while many countries that have equally undergone colonisation are now moving towards some 'version of social democracy', South Africa has been under apartheid rule since 1948 and only came to an end in the year 1990 (Makhubu 2016). Racial group imbalances are still prevalent to date.

This study particularly focused on SMEs in the agriculture sector and the different race groups in South Africa. We defined 'agriculture' as "... consisting of activities which foster biological processes involving growth and reproduction to provide resources of value. Typically, the resources provided are plants and animals to be used for food and fibre. Race is defined according to the South African Employment Equity Act of 1998, as black and white. Black was operationalised by the Act and is a generic term for blacks, coloureds, and Indians.

An SME in this study was defined based on aDTI (2008) report as a very broad range of firms that are either formally registered or informal, as well as non-VAT registered organisations that employ 1–100 people. The upper end of the range is comparable to the SME segment found in developed countries (Berry 2002).

In South Africa, a more specific classification of SMEs is that provided by the National Small Business Act of South Africa of 1996, amended in 2003, according to sectors. The SMEs, in this case agro-SME, are classified: as 'micro' with less than five paid employees generating less than R0.15 million in annual turnover; 'very small' having less than 10 paid employees with an annual turnover not exceeding R0.4 million; 'small' with less than 50 paid employees and less than R2 million in annual turnover, and 'medium' having less than 100 paid employees and generating R4 million in annual turnover.

We focused on SMEs in Limpopo province of South Africa. Geographically, the Limpopo province where all the cases in the study are based, is home to 5.8 million people (Stats SA 2016). SMEs make up 8% (199,680) of

Table 2. Overview of key agencies contacted.

Agency industry	Agency	Number of people	Gender	Race	Position	Nature of support offered
Export agencies	Elite Clearing and Forwarding	1	Male	White	Estimated customer care manager.	- Offers export check compliance and export cost solutions
	Courier Solutions	1	Female	White	Clearing agent	Ensures that clients comply with export trade regulations.
	Pasiwa Customs Clearing and Forwarding	1	Male	African	Export operator	Offers quality control customs services for exporting and importing.
	Airwaves	1	Female	African	Export operator	- Assists with customs tariffs and exporting solutions
	CH Logistics	1	Female	White	Export operator	- SARS registration - Load containers
Consulting Group	Cargo Compass	1	Female	White	Airfreight export controller	Transport goods from farm to airport/harbour Assists with loading permits for exports.
	Rural Development Alliance Group	1	Male	African	Founder & CEO	Assist small farmers access top retailer such as Kellogg and Tiger Brands
	Spar	Web-based	Web-based	Web-based	Web-based	Assists micro and small food suppliers become Spar compliant.
	Afgrl	Web-based	Web-based	Web-based	Web-based	Offers farmers agricultural trading and storage services.
	Shoprte Group	Web-based	Web-based	Web-based	Web-based	Small businesses can apply to become a supplier.
Retail	Food Lover's Market	Web-based	Web-based	Web-based	Web-based	Offers supplier development partnership opportunities to small businesses.
	Pick n Pay Group	Web-based	Web-based	Web-based	Web-based	Assists small retailers enter the market through the supplier development toolkit checklist.
	SARS	Web-based	Web-based	Web-based	Web-based	- Assists farmers with information on how to register as an exporter and documentation required for registration.
	Land Bank	1	Male	African	Agri Project Manager	Agricultural workshops and finance
	Agricultural Research Council	2	Female	African	Enterprise development manager and Business training manager	- Link farmers with relevant specialists - Does not provide export support - Crop growth training
Government sector	National Empowerment fund	1	Female	African	Pre-investments department	- Business management and administration training - Offers agri-business finance in the form of a loan - Hosts country-wide seminars about finance
	AgriSETA (Formerly known as PAETA)	Web-based	Web-based	Web-based	Web-based	AgriSETA only funds skills development (Training) to increase farming knowledge

the businesses in the province, with 5% (9,714) of them engaged in formal and informal agricultural activities (SEDA 2021). The province boasts the third largest agro-SMEs following the Western Cape and Free state with 14,451 and 12,927, respectively. In this instance, we identified and selected a limited number of cases picking specifically the polar types to achieve a focused outcome and aid in minimising variation as proposed by Plano and Cresswell (2015). The study mainly targeted farmers (crop and livestock farmers) who produce goods for sale, i.e. agro-businesses. Outside this sample, we also contacted export operators, clearing agents, CEOs, freight export controllers, and retail supply chain actors in key export-support agencies in South Africa to supplement the data we got from SMEs themselves specifically on issues of access to retail markets, export policies, export practice, export support, etc.

### Case descriptions

#### Case A: a mixed farming business

Case A is a black-owned agro-business of five employees that started in 2018. They operate a mixed farming business of livestock (pigs and goats) and horticultural crops (garden vegetables, tomatoes, peppers, and onions). They produce and sell weekly at local markets in the Limpopo province and have access to rural markets such as the Tzaneen Fruit Market and Food Lovers grocery retailer. She, together with other small-scale farmers in the region has limited distribution capacity that constrains their access to bigger markets beyond the local markets. They pool resources and tap into a larger distribution network of a well-established 250-employee white-owned farming business called CP Minnaar that has several trucks to distribute their food produce to market. CP Minnaar trucks are the only ones available in the region for such an operation enabling a group of small farmers similar to Case A to share transport costs instead of hiring a pick-up truck known as a 'bakkie' in South Africa.

The business owner has no access to South Africa's top retailers such as Spar and Pick n' Pay. Case A's farm also intends to export but is limited by scale and informality.

#### Case B: a horticultural business

Case B is a black-owned agro-business of two employees established in 1994. They operate a horticultural farm and produce mainly tomatoes, onions, cabbage, mango, pumpkins, and watermelon in the Limpopo Province of South Africa. Their produce is sold at local markets in Johannesburg and Pretoria. Case B has a gentlemen's agreement with CP Minnaar – the same business used by Case A, to collect and distribute its food produce to market. He uses CP Minnaar's extensive network to distribute

their goods to national markets. He is aware of the potential of international export but is limited by knowledge, scale, and informality. They cite paperwork and the requirements involved in international export as a big challenge.

We approached big supermarkets who demanded to see the farm ownership certificate and hygiene certificate – CEO Case B.

#### Case C: a mixed farming business

Case C is a black-owned mixed farming agro-business. It was established in 2011, employs two people and produces tomatoes and runs a piggery. She produces and sells to the local community, as well as bulk purchasers who resell in Giyani town and to schools in the Limpopo province. Case C approached the largest local retailers including Spar but could not meet their strict supplier qualification requirements. As such, they continue to produce for the rural market and all the excess or unsold products are either preserved using indigenous methods or given away to drop-in centres for other people to consume for free.

#### Case D: a horticulture business

Case D is a black-owned mixed farming agro-business established in 2011, employing 10 people and producing horticultural crops (chillies, butter-nuts, baby marrows, and green peppers) and livestock (pigs). He has no formal contracts but occasionally supplies to the local Tzaneen market and friendly supermarkets on a cash-on-delivery model. The business makes informal visits to these local markets before harvest, to promote their products and present samples. The markets then place orders and specify the quantity required. He has no access to international and global markets partly due to scale but also the lack of an export licence. In the long term, the business wants to begin exporting to neighbouring countries such as Mozambique, where tomatoes and chillies are more expensive to produce.

#### Case E: a horticulture business

Case E is a black-owned horticulture agro-business. It was established in 2011, employs four people and produces green vegetables like spinach, Indian beans, garlic, baby marrow, cabbage, green beans, and chillies. He produces relatively at scale and has direct market access to Spar (one of the biggest supermarkets) and Boxer (a friendly supermarket). They also supply to markets in Pretoria and Johannesburg markets. The business does not currently export, but is considering it. He is, however, limited by lack of international contacts, money and information. "We would love to do that, but we do not have the information" – CEO.





In general, all agro-businesses in the Limpopo province face challenges of financing and limited government support. This is not unique to any race. Agro-financing is the biggest barrier for both groups, but there are notable differences in how each group finances its business operation. Most businesses that are based on the mixed farming model such as cases A, C, and F sell livestock to finance their crop business that has relatively higher returns per acreage.

We are self-financed by selling livestock. I finance my business by selling the livestock (cows) that I own – black owner, Case F.

In addition, it is a common understanding among all groups that there is a lack of direct or indirect support from the government specifically for agricultural business financing in South Africa, which affects the farmers' capacity to scale their operations.

Yes. When things are not going well, I have to pay the employees from my salary as well'. No support from government. Actually, let me say I have once applied because I needed the government to assist me with land, they were giving in some project they were doing, and they said they would not be able to assist me because I am a government employee. So, I have hired the land I am farming on – black owner, Case E.

No government support in terms of finance. We approached Nedbank but didn't get loan. It's hard to expand infrastructure – black owner, Case D.

Well yes but because of the current situation there is basically a cold shoulder given to the white farmers. You cannot depend on any assistance from the government. There are no subsidies to my knowledge you get a small rebate but the farmer's inputs, loans, expansions, or financing for land are basically non-existent. So, we had to find our own means of finance and financial institutions also have a problem to help farmers, I think there is a political influence with regards to that – white owner, Case H.

In addition, all groups irrespective of the ownership model had a strong interest and plans to produce for international export. They argue that export markets guarantee better prices hence better returns on investment but are limited by both internal and external barriers. Here is where the differences in groups are strong.

The black business owners had a unique set of challenges – mostly internally focused. The main ones were land issues and the lack of training support. In South Africa, there are different levels of land ownership. Village land is owned and distributed by chiefs where access to land use requires permission from local tribunals and their council, while in other cases, the government gives access rights to farmers. This approach has caused so much conflict with local authority structures. All the farmers in this group had a land problem, which occasionally had some racial undertones and counter-undertones that were beyond

the scope of the paper. As a result, most had very little land to scale their operations, and this affected the security of the equipment and livestock.

What I would love is to get a bigger place because the land I am currently farming on is very small and I am unable to employ more people because the space is very small – Black owner, Case E.

Both groups perceived the lack of training somewhat differently. It is important to mention that both groups are relatively well-educated. The owners in cases A, B, E and G had tertiary education while the owners in cases C and D have university education; C is educated as a teacher and D as a finance and accounting specialist. The owner in case G has a diploma in agriculture.

The black agro-business owners perceived the lack of training as a barrier that limits their access to information on what markets to target, and when and how to target these markets. Most believed the government had done little to address the access to markets challenge but instead focused their training on the technical parts of farming. This, they believe is unnecessary as they have built cumulative farming knowledge and experience over the years from their families and working on white-owned commercial farms.

We have no knowledge of international markets, but the Department of agriculture knows, and it would be nice if they taught us how to access different markets and the criteria for such market – Black owner, Case B.

We received government training related to irrigation, manure mixture, and irrigation, but not access to local and international. The training for crops and prevention from illnesses I got from the department of agriculture in Mopani, I don't remember the exact date because we are always attending. The manure mixture and irrigation training I voluntarily attended and most of these projects are sponsored by the department of agriculture – Black owner, Case D.

The training that we receive teaches us more about insecticides and how to farm which assists in our farming – Black owner, Case F.

The white agro-business owners perceived the lack of training as a barrier that limited their capacity to produce quality products that meet international standards. In both white-owned business cases studied, it was evident that they had mature businesses and had begun building knowledge on international markets and the technical requirements for export. They, however, cited the lack of training and knowledge on these issues from the government.

Yes, I would say the problems you experience as a farmer is that you are completely in the dark when it comes to the prices and products. The agriculture research committee barely exists these days. In my day there were a lot of knowledgeable people working there who could give you much more technical information that you needed, and it was free to access – White owner, Case H.

There are too many regulations, and you need a contract to send products over there, so I don't know where to get these contracts. And I don't know where to send it to. 'If you can get a group of buyers together or an international buyer with a group of local sellers, we don't have any knowledge about this, so that will help – White owner, Case G.

Another common challenge was infrastructural barriers under which bad roads, transport, and electricity problems were cited by all groups regardless of the ownership model. Both groups had a strong interest and plan to produce for international export; however, they were concerned by the quality of infrastructure needed for access to local and international markets. Each group, however, perceived this barrier somewhat differently.

The black agricultural business owners perceived the infrastructure barrier as an inhibitor to productivity and diminishing the price of the goods. One black-owned business recently received a certificate that enabled him to export his produce to international markets. He cited 'the lack of training, funds and electricity, no houses and no water dams' as some of the biggest challenges they face.

Another noted that because of the lack of transport (which increases the cost of production), some farmers do not sell all their products, with the unsold ones subsequently getting spoilt. In some cases, the farmer distributes unsold vegetables to drop-in centres and gives them away to the community for free. Alternatively, some indigenous methods are used to preserve the produce.

Another noted:

During harvesting season, we send produce to market twice a week. Its limited profit because most products were damaged by the time, they reach market. Farmers use gravel road which is not good for fresh produce – Black owned, Case B

On the other hand, the white agro-business owners considered the transport barrier as a limiting factor for export and network building internationally. One cited the lack of information forums for specific products that are needed. This lack of channel information was considered an infrastructural challenge as farmers lacked exhibitions and trade information compared to their global customers and trading partners. One noted:

There are too many regulations, and you need a contract to send products over there, so I don't know where to get these contracts. And I don't know where to send it to – White owner, Case G

Yes, our roads are in bad condition, and then of course the e-toll which is very unfair because we use those roads less than the people in Gauteng, they have to sort out their own problems we shouldn't have to pay for the Gautengers – White owner, Case H

Another notable challenge is that of power imbalances and discrepancies in terms of prices for agricultural products. From the interviews, it is evident that both blacks and whites struggle with price determination as retailers and agricultural markets dictate the economic value of fresh produce. In some cases, the absence of strong brands creates disequilibrium. The disequilibrium is worsened by the lack of a central market and commodity exchange platforms for those SMEs limited to local town markets. Hence big markets in Pretoria and Johannesburg markets make it complex to reconcile the interests of small agricultural farmers with those of the market where multiple farmers compete for each transaction.

I would say the problem you experience as a farmer is that you are completely in the dark when it comes to the prices of the products. And because you are extremely far from the market you can get turned down by them, they can say the market is full or the market was quiet, not enough buyers and that influenced the price in other words they can tell you that indications show that a price will be this high and at the end of the day that price does not realize and then they have a lot of excuses. This is a big obstacle in terms of budgeting and regarding long-term profitability – White owner, Case H.

You don't have control over the price, you have to take what the guy is giving to you. You have no idea what you are going to get- White owner, Case G.

Lack of strong brand places the farmer in a vulnerable position in terms of negotiating prices. Market dictates prices – Black owner, Case D

How do these two groups navigate these barriers as agro-SMEs in South Africa?

Figure 1 identifies four mechanisms describing how agricultural SMEs (either black or white or both) navigated market access barriers across the four value chain levels – levels 0–3.

- (a) Level 0 represents a basic market penetration level where small agricultural businesses, which mostly operate at a small scale and have limited land, target locals, easy-to-access markets such as schools, local communities and vegetable markets. The transaction cost in these local markets is very low for these resource-constrained SMEs. These Level 0 markets are more sustainable, despite having lower premiums compared to other markets to be discussed. All SMEs at Level 0 were black-owned and recently established. The example in this study includes Case C.
- (b) Level 1 represents those agro-SMEs that have relatively mature value chains but had significant market access challenges such as limited technical support, transport challenges and farm equipment challenges. Perhaps the biggest barrier for this group of SMEs was the cost

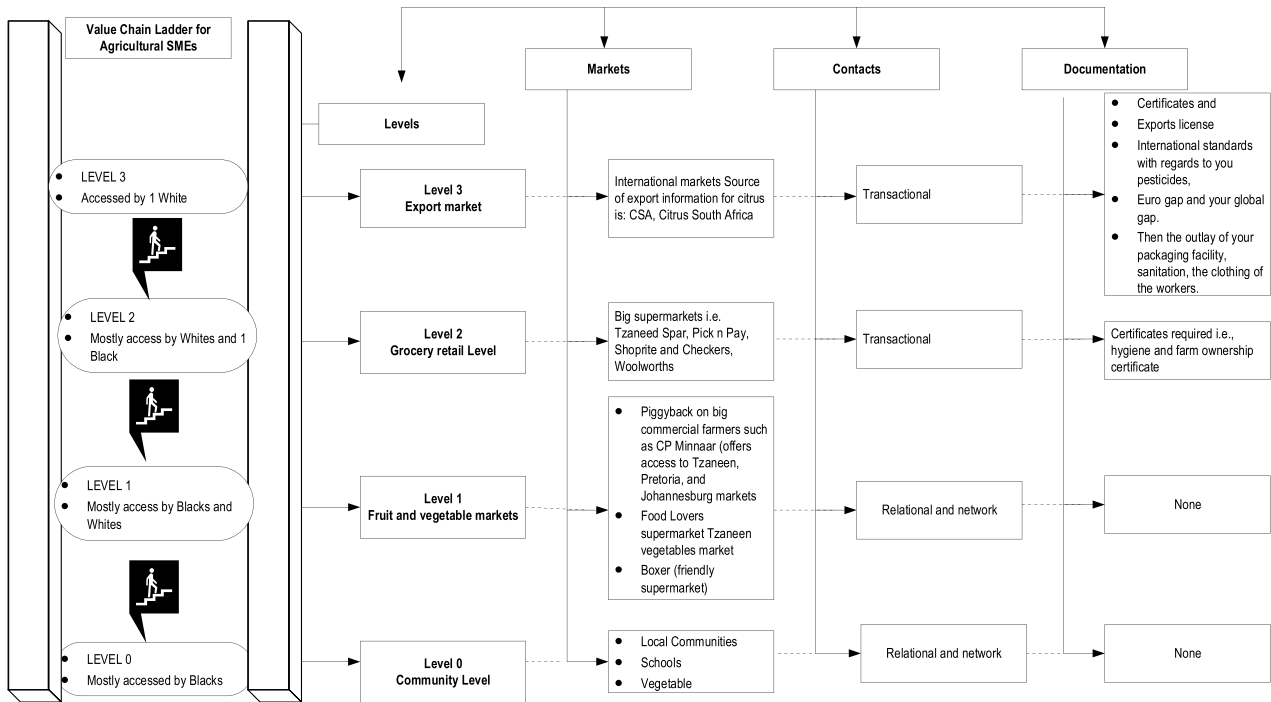


Figure 1. Value chain ladders with small agricultural businesses.

and availability of transport. All SMEs at Level 1 were black-owned firms. The evidence shows these SMEs circumvented the market access barriers using a piggybacking strategy. These firms piggybacked on resource-rich and experienced actors in the market. This way they minimised their transport costs, and reduced market risk. The best example is Case C, which had limited access to big food retailers such as Spar and Pick n Pay, but instead pooled its products with other firms of the same size to be transported and distributed to the market by a large commercial farmer (CP Minnaar). The collective power of the small actors with a large, well-established white-owned business helped them navigate the documentation requirements (e.g. farm ownership and hygiene certificates) demanded by the large market actors.

- (c) Level 2 represents those agricultural SMEs that managed to penetrate the big supermarket space. The evidence showed that both black and white-owned businesses exploited their collective collaborative power to overcome market access barriers such as limited government support, and limited financing. It is unsurprising that the SMEs that were able to achieve this were experienced in the market and had relevant education for the jobs they were doing, which helped navigate some of the barriers. The white owner in case G had a diploma in agriculture, while the black owner in case D was a finance graduate. The motivation for international market access among SMEs at

Level 2 appears to be driven largely by growth, business expansion and attracting better prices compared to what the current local markets offered.

- (d) Level 3 represents a relatively more advanced group of SMEs that operate at scale and whose main barrier is infrastructure and limited government support. They managed to navigate market access barriers through better information sharing and investment in research. Only case H, a white-owned firm, belonged to this category. The firm operates at a large scale, which drives economies of scale, reducing transport/freight costs as well as transactional costs associated with their supply chain operations.

I had negotiations with Land Bank and as far as I'm concerned Land Bank's criteria regarding the establishment of the value of the land and the potential of the land is archaic. They are not up to date, it basically boils down to you. You have to be financially strong to secure a small loan from them and if you wish to develop in the agriculture sector then you will never be able to make use of the effectiveness of financing, the criteria just won't be met. In other words, your own personal estate must be strong enough to carry yourself, you will always fall short when it comes to them – White owner, Case H.

To supplement the interviews with small agricultural farmers, further interviews were held with some of the supply chain networks accessed by agro-SMEs to clarify, corroborate and expand value chain access information as deemed necessary. These were carried out

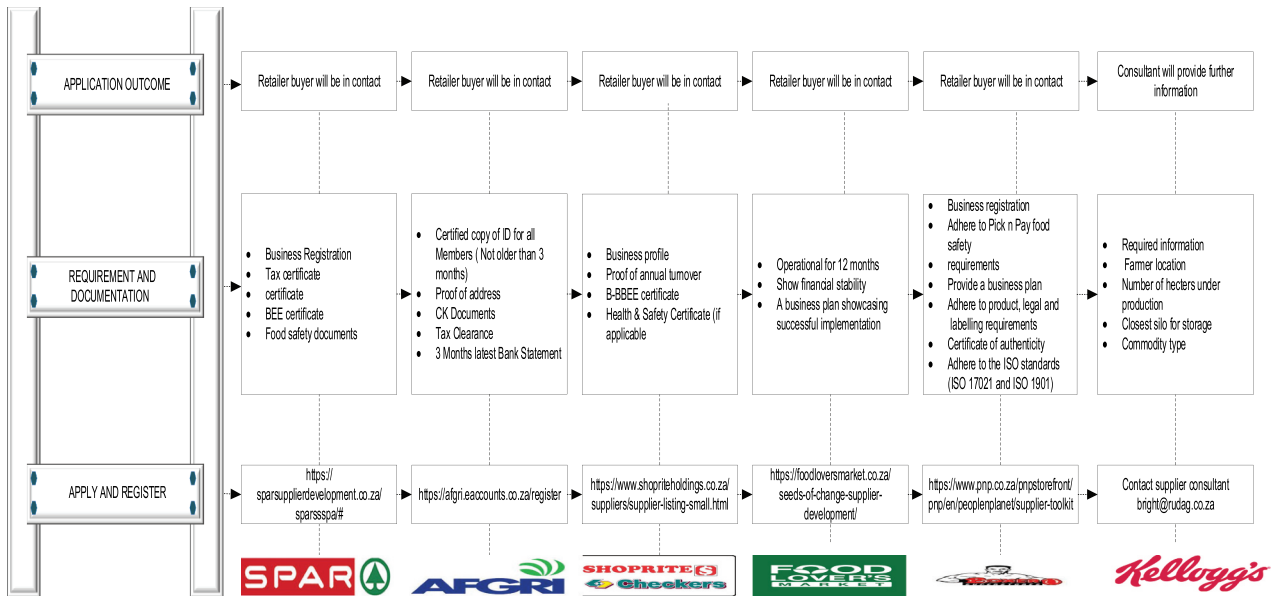


Figure 2. Value chain ladder: retailers' perspective.

by different means, including telephone calls, MS Teams, direct contact, and in-agency contact. The supply network's account of market access helped to contrast and enhance the agricultural SMEs' views of the robustness of the value chain ladders. The corroboration provided insights for agro-SMEs of different races in relation to the local markets and export approaches and the necessary steps for cooperation required to access diverse markets and export products. Figure 2 and Appendix I, show the consolidated supply network's account of access to their specific chain, and which supplements Figure 1.

## Discussion

Foundationally, this study sought to examine how agricultural SMEs owned by different racial groups perceived export market access barriers and how they navigated these barriers in their value chains. We specifically show how the two main racial groups in South Africa navigate the export barriers they face in the agricultural value chains.

First, each racial group had a unique set of challenges despite all operating in a similar context. The black-owned firms struggled with barriers mostly associated with the scale and size of their farms. In all the black-owned SMEs, the lack of equipment, limited resources, financing etc. delimited their capacity to produce and distribute their goods at scale. Omeihe et al. (2021) show that a majority of Nigerian SMEs deliberately choose to remain active in the informal economy because they do not perceive that they could benefit from the opportunities of formal exporting trade activities. In the South African context, April and Reddy (2015) investigated how the commitment of owner-managers to the export market influenced

the export capacity of SMEs in a developing country and concluded that SMEs lack the financial and managerial resources to acquire rapidly external services or specialised knowledge in order to internationalise. There are arguments that black-owned SMEs still struggle with racial group differences. Musabayana and Mutambara (2022) studied the effects of the Broad-Based Black Economic Empowerment (B-BBEE) policy on the SMEs and concluded that the implementation of the B-BBEE policy is still a myth as it has failed to overcome the apartheid legacy's racial discrimination in SMEs in South Africa.

In contrast, white-owned agricultural businesses had more agricultural experience, produced at scale, and committed resources to research; as such, they had better access to markets. The limited power to control the price of their product was the most common barrier among the white-owned firms. Gumede and Rasmussen (2002) cite the lack of access to information, required capital and export capabilities by SMEs as the biggest challenges to exporting their product. April and Reddy (2015) found that export commitment influenced export capacity indirectly using the SME's export capabilities and confirmed the importance of an experiential learning process in the case of SME exporters within developing countries.

Because of the contextual similarities, both the black-owned and white-owned businesses considered the lack of market information, poor infrastructure such as transport, limited financing, and limited government support as the biggest barriers to export market access. This is consistent with Gumede (2000) who studied the growth and exporting of SMEs in South Africa and concluded that the provision of finance, information, training, and an enabling environment are the most important variables to be taken into account when

crafting a support framework for SMEs. This, according to April and Reddy (2015) is because many SMEs are unfamiliar with national and international sources of information, and they do not have a clear idea about the specific information required to identify and analyse potential export markets.

Second, the perception of the export market barriers for both racial groups appears to be inherently informed by SME size, scale, and value chain network irrespective of racial group characteristics (except for education, which was never investigated). The value chain network is dependent on the maturity of the supply chain.

The evidence showed that across all the agro-SMEs, small-sized SMEs (i.e. micro, and very small SME categories) (refer to Table 1), produced at a small scale, which limited their production capacity and therefore their market access possibilities. In addition, their value chain network seemed to be limited to the villages and communities they operated in, except for the two cases that tapped into the distribution networks of two fairly sized SMEs. On the other hand, the two medium-sized SMEs (refer to Table 1) had relatively mature value chain networks, which allowed them to produce and invest at scale and engage in local network capability building that drives relatively better market access. These two relatively medium-sized SMEs had more detailed plans for international export compared to the small-sized SMEs. In addition, it is a big plus that their owners had more experience in the agricultural sector.

These findings on fairly medium-sized SMEs are consistent with Harrison and Poe (2022) who argued that an SME's absorptive capacity and knowledge management capabilities play a significant role in positively influencing the development of export orientation and innovation capacity, especially when entrepreneurial competence is not significant enough. Vu et al. (2016) drew an example of productivity from Vietnamese SMEs, where they argued that more productive SMEs were inclined to export when they were supported by strategies that helped SMEs become more productive.

However, the barriers associated with size and scale constrained small-sized SMEs as they had limited ability to learn and assimilate new knowledge, which placed restrictions on their expansion to markets beyond their present boundaries (Harrison and Poe 2022). The findings are consistent with Ramukumba (2014) who notes that the limitations for SMEs to improve their performance within the competitive market environment are mainly due to low production capacity, the lack of management skills, finance and obtaining credit access, the difficulty in developing relationships with customers and lack of appropriate technology.

According to Bischoff and Wood (2013), smaller South African SMEs are reluctant to expand their

businesses, especially if it means taking on more labour because it would demand more investment that might cause their firm to expand beyond the 'protected' SME status.

Third, SMEs in the South African agricultural sector navigate the market access and export barriers using two distinct strategies. On one hand, the small to micro-SMEs, which are limited by size and scale use relational and network-based strategies such as collaboration and piggybacking to minimise the cost of production of the goods and the documentation demands that both local and international markets require. For these SMEs, the limitation of size and scale means that the role of the network is critical to their operations (Francioni, Pagano, and Castellani 2016). The latter is in accordance with Clancy and Narayanaswamy's (2015) evidence about the role of partnership in contributing to smallholders' participation in supply chains. McGrath (2008) illustrates that the relational capabilities among Finnish and Irish SMEs are important in addressing the resource/time constraints SMEs face by providing them with marketing route-ways through their existing and potential networks. Haddoud, Jones, and Newbery (2017) show that investments in informational and experiential export promotion programmes have an impact on the export performance of SMEs. It is foreign buyer relationships and networks that have the most impact on their export performance and therefore government export promotion initiatives should focus on network building. Kapurubandara, Arunatileka, and Gnige (2004) show that clustering, otherwise called networks, enables SMEs to form clusters to strengthen their marketing and buying power. Gumede and Rasmussen (2002) show that business linkages such as networks, joint ventures and subsidiaries play an important role in increasing the probability of small enterprises to export.

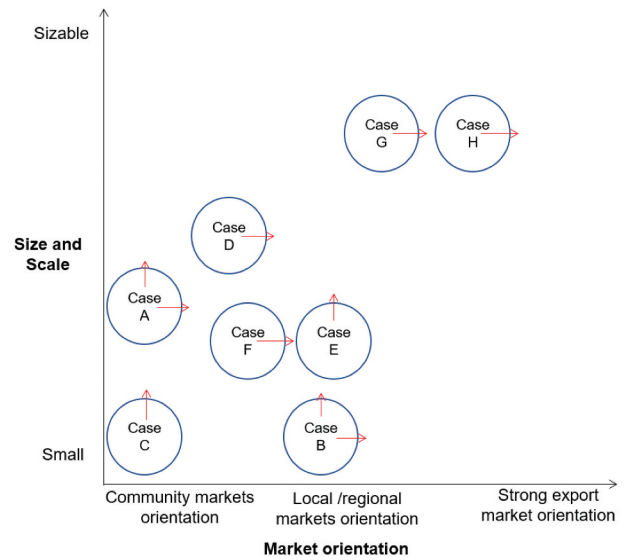
On the other hand, the medium-sized SMEs that produced and distributed at a relatively large scale used a transaction-based strategy to drive sales volumes and maximise the efficiency of the operations. They had bigger customers with higher purchasing power, which meant they had limited power to decide on price. Rather, these SMEs sought to increase sales revenue as a short-term goal, while building transaction-specific investments targeting the export market. Wyld, Pugh, and Tyrrall (2012) state that consumers with bigger buying, or better resources and financial clout, affect how suppliers' price their products and services. Lechner, Soppe, and Dowling (2016) assert that for SMEs, the power imbalance similar to the structure of vertical competition can either stimulate or hinder growth, depending on important attributes of the relationship. Gumede (2000) avers that participating in such transaction-based markets provides SMEs with finance, information, and training and

ensures an enabling environment which are the most important variables when crafting support frameworks for small and medium enterprises. April and Reddy (2015) show that participation in such networks offers exposure and experiential learning that most SME exporters in developing countries need.

### Policy implications

Far from the dominant racial divide of the apartheid legacy, our findings bring fresh insight into how the legacy of apartheid unintentionally brings forth commonalities of a unified objective of value chain access. Contrary to the popular white and black divide, the study observed co-competition between small black and white-resourced agricultural SMEs in Limpopo. Further, our study reveals how small farmers who used to be employees in resource-rich white businesses shared logistics capabilities, a shared value approach that potentially uplifts the activities of black agricultural SMEs. The phenomenon of co-competition between agro-SMEs, who simultaneously engage in cooperation and competition in the same type of products, markets, and networks, not only displays the potential power of shared value but also creates opportunities for whites and marginalised communities to collectively address development challenges and to increase their access to broader economic and market opportunities. The latter provides opportunities for policymakers to expand the scope of B-BBEE codes for the agricultural sector to include points for shared value incentives that can encourage co-competition between resource-rich and under-resourced agricultural farmers.

The pronounced commonalities of dominant financial, government, and export barriers amongst black and white agricultural SMEs throw into the spotlight-specific access to market pain points and offer several possible policy implications. On the one hand, there are complex needs required to advance the sector. Traditionally, the government provides farming-related support that includes, but is not limited to pipes, soil and irrigation training alluded by other SMEs; however, it is increasingly apparent that the sector requires complex agro-economic reform and frameworks necessary to achieve a better farm-to-market transformation agenda. Local markets such as schools and community associations provide essential value chain access for local agricultural SMEs. Procurement analysis for school and local aid needs to be integrated with agricultural and cooperative frameworks if value chain and African trade policies are to be developed. On the other hand, the study revealed the need for an innovative aggregation model to help small agricultural businesses produce at scale and engage the market well to get good prices, especially for fresh produce. The lack of a digital commodity exchange platform leaves small farmers at the mercy



**Figure 3.** SME size and scale as a predictor for market ambitions.

of the markets. Local policymakers need to consider fair trade agreements and certifications for local and regional markets as a component of promoting price equilibrium and promote approaches to addressing no-hunger sustainable development goals, and to curb food security issues.

### Managerial implications

Our findings have practical implications for small agricultural SMEs and farmers of all races. Figure 1 reflects value chain access strategies and practices from SMEs operating within the agricultural environment. The value chain ladder demonstrates market access opportunities and guides that can be easily optimised by current and prospective small farmers and agro-SMEs. Importantly, Figure 2 provides a supplementary value chain access ladder from the supply chain network of some of the top grocery retailers in South Africa. The two ladders provide a comprehensive guide for short- and medium-term strategies for local and foreign markets. Figure 3 addresses one of the top three challenges related to international export markets. It contains links and steps that provide comprehensive information for strategic long-term ambitions and plans for farmers of all sizes and scales. Taken together the three ladders provide SMEs with fewer complex processes than complex theoretical strategies. In general, we extend the view of Jocusmsen (2002) by bringing forward a practical insight on how SMEs can achieve access and provide value in local and international markets. The racial differences highlight how the legacy of apartheid, an under-resourced environment, and weak local government service delivery systems shape value chain access models across racial lines.

## Conclusion

In sum, there appears to be a close relationship between the size and scale of an SME and the intensity of export in the agricultural sector as demonstrated in [Figure 3](#). The cases show that small and micro-agricultural businesses that focus mostly on local markets and local communities have a strong disposition to expand and grow their value chains organically first before they consider the export markets as [Appendix 1](#) shows. The medium to large SMEs that already produce and distribute to local and regional markets and bigger customers, naturally have a stronger export orientation. This is expected as they have extensive market experience and well-developed value chains. It is important to note that there were several small- and micro-SMEs (e.g. [Case D](#) and [Case F](#)) with export market ambitions despite market access barriers shown in [Table 3](#). [Case B](#) and [Case D](#) are an example of SMEs with a dual ambition – long-term growth and an export market ambition.

In both black-owned SMEs and white-owned SMEs, the market ambitions, and market orientation, appear to be driven by different factors (such as experience in the business and maturity of value network) and not necessarily the racial nuances. We discuss this further in the next section.

### *Racial group differences and ability to move along the value chain ladder*

Across the four levels we identified in [Figure 1](#), there were notable differences among white-owned SMEs and black-owned SMEs and how they navigated the value chain ladder. The black-owned SMEs, with little resources, less market experience and immature value chain networks operating at Level 0, targeted markets closer to their farms (local communities, vegetable retailers and schools) which reduced their distribution costs. Some at Level 1 with better value chain networks, piggybacked on white-owned distribution networks to distribute their products to local and regional markets (see, [Appendix I](#)).

The white-owned SMEs, with better value chain networks and a better resource pool, operated largely at Levels 2 and 3. They could sell their product to big supermarkets such as Tzaneen, Spar, Pick n Pay, Shoprite Checkers and Woolworths.

From this, one could argue that the maturity of the value chain network is the single most valuable mechanism to grow and expand market access for SMEs as well as an enabler for moving from one level to another. Black-owned SMEs, however, lacked this while the white-owned SMEs had stronger value chain networks which gave access to a wider market.

This is consistent with [Van Scheers \(2010\)](#) who found a positive relationship between ethnical and

cultural background and successful small business in South Africa. [April and Reddy \(2015\)](#) used the dynamic capabilities lens to argue that entrepreneurs deliberately use their business networks for knowledge-building to expand their export market capabilities.

[Lee \(2010\)](#) examined racial inequality and affirmative action in Malaysia and South Africa focusing on the two countries with politically dominant but economically disadvantaged majority groups the Bumiputera in Malaysia and blacks in South Africa. They concluded that aside from the differences in education among these groups compared to white groups, their interaction with their peers affected their occupational or business growth as is the case here.

It is for this same reason that [Mwale \(2020\)](#) notes that the South African government launched campaigns to promote SMEs as a vehicle to achieve a radical socio-economic transformation agenda because poverty and economic inequality tended to manifest along racial, gender and disability lines and was largely exacerbated among businesses. [Musabayana and Mutambara's \(2022\)](#) study on the impact of the B-BBEE policy among SMEs argued that the strength of current business networks is a legacy of apartheid in South Africa.

From our paper, it is evident that several studies have uncovered the challenges agricultural SMEs face in accessing markets. However, there is a noticeable gap in progressive studies aimed at addressing the latter challenge. This study introduced a value chain ladder as an attempt to alleviate this deficiency. Our study was limited to eight cross-sectional cases in a single province of South Africa; hence, future research could employ the value chain ladder for entrepreneurial experimentation, potentially leading to transformative research approaches. In doing so, SCM studies not only theoretically address value chain constraints for SMEs but also facilitates real-time access. Only when transformational approaches are reflected in practice would a fresh stream of impact research emerge to re-position a pragmatic tradition that bridges the gap between SCM theory and practice.

Beyond the specific context of South Africa, the findings have implications for understanding racial distinctions and market access difficulties in value chains for agricultural SMEs in other developing countries. Most of the problems and obstacles that small businesses face are common or perhaps universally applicable. In light of this, the paper contends that if a similar study were conducted in other developed regions of the world with cultural/racial diversity such as South and East Asia as well as Latin America, the specific findings might differ but the overall structure of the argument and the measures to be taken to reduce barriers would probably be similar.



## Disclosure statement

No potential conflict of interest was reported by the author(s).

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## Appendix I

### The Multi-agency Export Ladder Perspective

