UK Trade & Investment
Performance & Impact Monitoring Surveys (PIMS)

2013 Non-User Survey

Main Report

September 2013

JN: 4361

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1. Executive Summary

UKTI's Performance & Impact Monitoring Survey (PIMS) measures the impact and effectiveness of UKTI support, and the PIMS programme includes an annual telephone survey of exporting firms that have not used UKTI services. The broad aims of this non-user survey are to understand the extent and quality of any alternatives to UKTI support, explore the barriers faced by exporting businesses that may give rise to a need for such services, and measure interest in accessing export support and the factors that influence this.

The 2013 PIMS Non-User survey involved 829 interviews with UK firms that have exported (or attempted to export) in the last 2 years. This includes firms that have obtained export-related assistance from other, non-UKTI sources (supported non-users) and those that have not accessed any export-related support (unsupported non-users). Where available, comparisons have been made with firms that have received support through UKTI, with data primarily drawn from the main PIMS survey of UKTI clients.

Throughout this report, any differences referred to in the commentary are statistically significant at the 95% level of confidence unless otherwise stated.

1.1 Business Profile & Growth

The age profile of UKTI users and non-users is broadly similar, although the UKTI client base includes a higher proportion at both ends of the age spectrum (i.e. firms established in the last 5 years and over 20 years ago).

Two-thirds of non-users are micro SMEs with fewer than 10 employees, and half have an annual turnover of under £500k. UKTI clients tend to be larger than non-user firms in both employee and turnover terms, although it is still the case that the vast majority of UKTI users are SMEs (i.e. 0-249 employees).

Supported non-users (i.e. those accessing some form of non-UKTI export assistance) tend to be larger than unsupported non-users, and are therefore slightly closer in profile to UKTI clients.

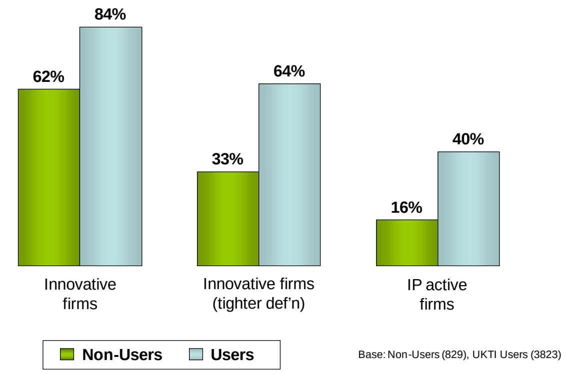
For both users and non-users of UKTI, the majority of firms operate in the services sector. However, UKTI users are comparatively more likely to be in the production sector.

UKTI clients are more likely to be classed as 'innovative' and are also more likely to hold patents, trademarks or other legal protection for their products/services and hence be classified as 'IP active'.

Business Profile

		Non-Users	UKTI Users
Base		*829*	*3823*
Age	0-5 years	17%	24%
	6-10 years	23%	16%
	11-20 years	28%	21%
	Over 20 years	32%	40%
Size (employees)	0-9 employees	65%	41%
	10-99 employees	29%	37%
	100-249 employees	3%	9%
	250+ employees	2%	10%
Size (turnover)	Up to £500k	50%	31%
	£500k - £2m	20%	20%
	£2m - £10m	10%	20%
	Over £10m	5%	19%
Sector	Production	30%	35%
	Services	70%	63%

Innovation Levels



There is generally little difference between users and non-users of UKTI when it comes to the length of time they have been operating overseas. However, UKTI clients are slightly more likely to be either very recent exporters (under 2 years experience) or very long-term exporters (over 20 years experience).

Overseas sales are significantly more important to UKTI users than non-users, in the sense that they make a greater contribution to their total turnover. Overall, 59% of non-users report that exports contribute no more than 10% of their total turnover, compared to just 35% of users.

Non-user businesses are also typically doing business in fewer overseas markets than users.

UKTI clients are notably more dynamic than non-users; they are more likely to have grown substantially in the past 5 years and to anticipate further substantial growth in the next 5 years.

Firms accessing UKTI support also tend to have a more positive outlook when it comes to the development of their overseas business. Almost three-quarters of UKTI clients expect the number of markets they do business in and their export sales to increase in the next three years, compared to less than half of all non-users. UKTI users are also more likely to have recently entered new markets and to be focussing more on overseas markets than they were a year ago.

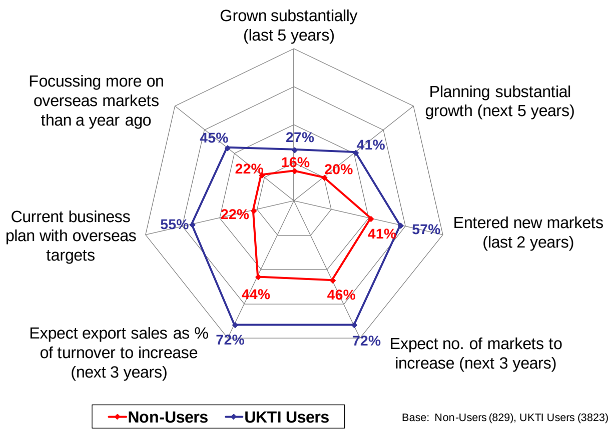
There is also evidence that UKTI clients are more strategic in their approach than non-users. Not only are they more inclined to have a formal business plan, but they are also more likely to indicate that this plan contains specific targets relating to revenues from overseas sales.

Overall, there has been little change in the growth aspirations of non-user firms over the last 4 years.

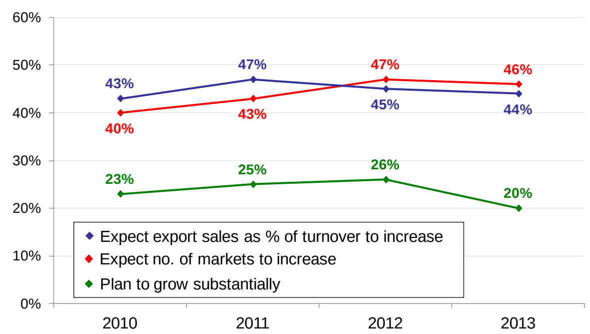
Export Experience

		Non-Users	UKTI Users
Base		*829*	*3823*
Years Exporting	0-2 years	17%	23%
	2-10 years	44%	34%
	Over 10 years	37%	43%
Export Sales (as proportion of turnover)	Up to 10%	59%	35%
	11-25%	9%	14%
	26-50%	11%	17%
	Over 50%	14%	29%
Number of Markets	None	11%	17%
	1-5	52%	31%
	6-20	31%	33%
	Over 20	6%	19%

Growth & Strategy



Business Growth – Over Time

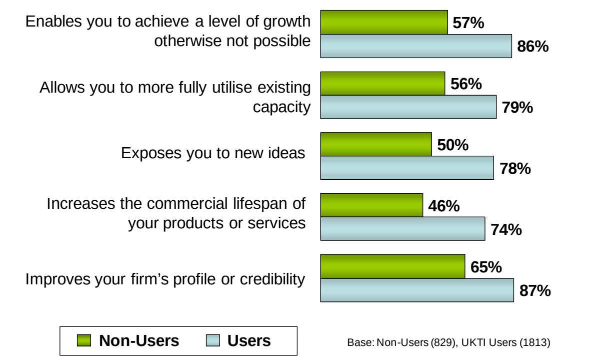


1.2 Benefits of Exporting

Exporting clearly benefits internationalising firms in a number of different ways, and not simply through enabling them to achieve a level of growth otherwise not possible. At the total level the most widespread benefit of exporting is that it improves firms' profile or credibility.

UKTI users are significantly more likely to report each of the benefits tested, suggesting that accessing support from UKTI puts firms in a better position to take advantage of the potential positive impacts of exporting.

Benefits of Exporting



1.3 Barriers to Overseas Trade

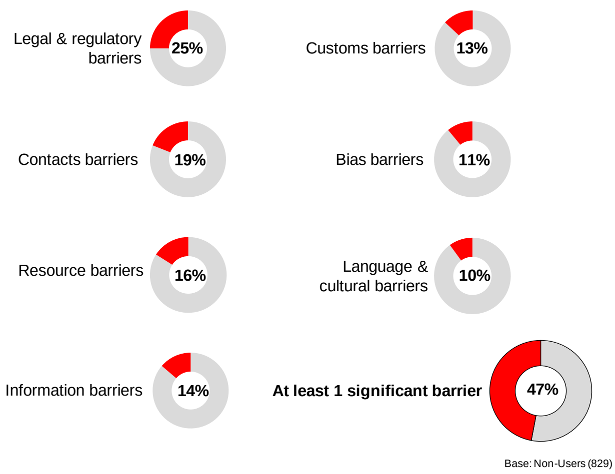
Approaching half of all non-user firms have experienced one or more significant barriers to the development of their overseas business, suggesting that many would benefit from the type of support that UKTI can provide. The most widespread issues encountered relate to legal and regulatory issues and establishing/developing contacts.

Relatively few firms reported language or cultural barriers. However, although firms do not believe they have been directly affected by a lack of language skills, this could potentially be a factor behind some of the other barriers experienced (e.g. difficulty complying with regulatory standards, problems building relationships with overseas contacts, etc).

Those non-user firms that had accessed (non-UKTI) export support are more likely to report barriers than unsupported firms. This suggests that coming up against difficulties can act as a catalyst for seeking external support, and is consistent with UKTI's Internationalisation Survey which found that UKTI clients report more barriers than non-users.

It is important to note that all of these barriers can, to at least some extent, be addressed by the existing range of UKTI export support services. The table on the right matches each barrier to relevant impacts reported by UKTI clients in the main PIMS surveys (along with the proportion of UKTI users benefiting to a significant extent from each one).

Barriers to Doing Business Overseas



How UKTI Support Can Address Barriers

Barrier	Corresponding Benefit of UKTI Support
Legal & Regulatory	• Overcome problem or difficulty with a legal or regulatory issue or quality standards (12%) • Introduced new products/services or improved existing ones (21%) • Made improvements to new product development strategy (22%)
Customs	• Improved way do business in an overseas market (32%)
Contacts	• Gained access to prospective customers/business partners (40%) • Improved overseas marketing strategy (30%)
Information	• Gained access to information otherwise unable to come by (39%)
Resource	• Gained confidence to enter new market/expand in existing one (36%)
Language & Cultural	• Gained access to information otherwise unable to come by (39%) • Improved way do business in an overseas market (32%) • Improved overseas marketing strategy (30%)
Bias	• Improved profile or credibility (36%) • Improved knowledge of competitive environment in overseas market (35%)

1.4 Awareness of UKTI

Awareness of the UKTI name among exporters that have not used UKTI services stands at just 45%. Furthermore, only a third of firms knew that UKTI provides assistance to help UK firms do business overseas (i.e. were aware of UKTI's role).

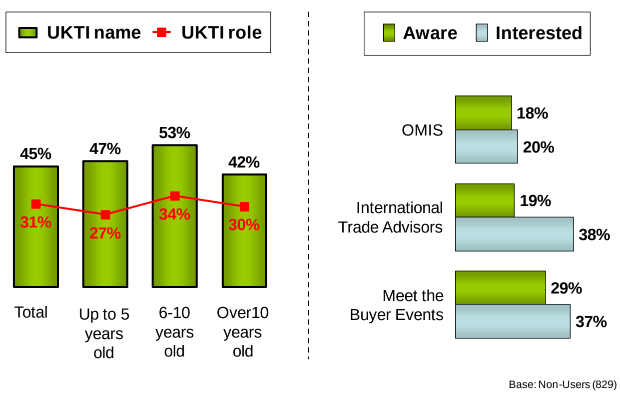
Less than a fifth of non-users had heard of the OMIS service and the support available through UKTI's ITA network, although awareness increased a little for 'Meet the Buyer' events.

Interest in using these services is highest for ITAs and Meet the Buyer events. For all three services, interest levels were highest among very inexperienced exporters, yet this group tended to have the lowest awareness levels.

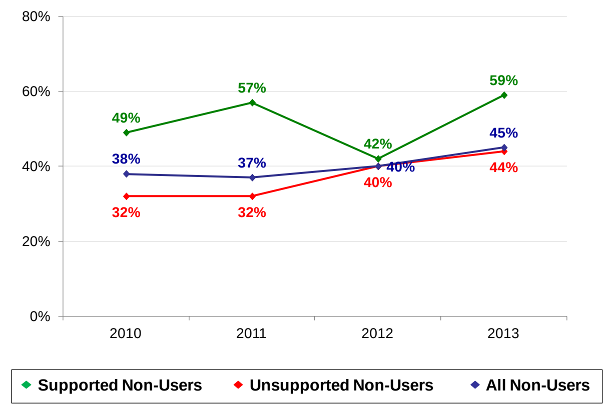
Interest in these services was also particularly high among firms that were planning to grow, suggesting that dynamic firms can often seek external support to help them realise their growth ambitions.

Overall, awareness of the UKTI name among non-user firms has risen over the past 3 years (particularly for unsupported non-users).

Awareness of UKTI



Awareness of UKTI – Over Time



1.5 Demand for Export Support

Just 12% of non-user firms have obtained export support from a non-UKTI source in the previous two years, and are therefore classed as 'supported' non-users.

A variety of different providers were used by these firms, but the most common was the Chamber of Commerce, followed by HMRC.

The most widespread type of support accessed by non-users related to information on how to do business in an overseas market, with almost half of all supported non-users obtaining this in the previous 2 years.

Approaching a quarter had received information or advice about entering a specific market and help identifying business opportunities overseas, and a similar proportion had obtained Certificates of Origin (from the Chamber of Commerce).

Use of External (Non-UKTI) Support

Received any external support in the last 2 years?

Support Providers Used	
Base: All Non-Users	*829*
Chamber of Commerce	6%
HMRC	4%
Bank	3%
Consultant	2%
Trade Association	2%
Online info service (paid for)	1%
Market research agency	1%

Support Received	
Base: Supported Non-Users	*102*
Info on how to do business in an overseas market	46%
Info about entering a new market	24%
Certificates of Origin	23%
Info about business opportunities in an overseas market	23%
Help with developing overseas business strategy	21%
Help identifying contacts overseas	19%
Help accessing finance or funding	19%
Help doing market research overseas	18%
Other	36%

Of the non-user firms that had not received support, 43% felt they *would* have benefitted from some type of export related assistance.

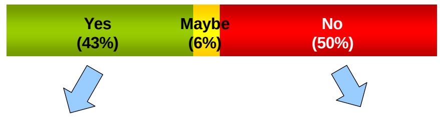
In most cases the reason why firms have not accessed any export support (even though they feel it would be beneficial) is because they are *unaware* of any providers of this type of assistance, with 72% indicating that this is the case. This clearly suggests that, if awareness is increased, there is potential for UKTI to help significantly more firms.

Among the unsupported non-users who thought they would not benefit from any external support, the main reason given was that they had sufficient experience or capabilities in-house. However, a significant minority believed that no one would be able to help them in this way and/or that their business was too niche for external support to be beneficial.

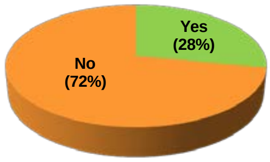
When asked which country it would be most useful to receive support about, the most common response was the USA. Overall, demand for support is greatest in relation to European markets.

Need For Support

Whether would have benefited from some kind of external support



Aware of anyone who could provide this type of support?



Why would you not benefit? (Top Mentions)	
Already have experience/expertise within the company	40%
Easy/straightforward/don't need help	30%
Manage fine as we are/do it ourselves	22%
Have our own/existing contacts	16%
Have a niche market/product	11%
No one could provide relevant help	8%
Customers contact us/we respond to orders/enquiries	7%

Base: Unsupported non-Users (727)

Most Useful Country to Receive Support About

Individual Markets (3%+ mentions)	
USA	12%
China	8%
Germany	6%
France	6%
United Arab Emirates	4%
Spain	3%
Australia	3%
India	3%
None/not interested in external support	*44%*
Don't know	*3%*

Market Area	
Europe	21%
Asia Pacific	16%
North America	13%
Middle East / Africa	11%
Latin America	2%

Market Type	
High Growth	19%
Established	19%
Other	23%

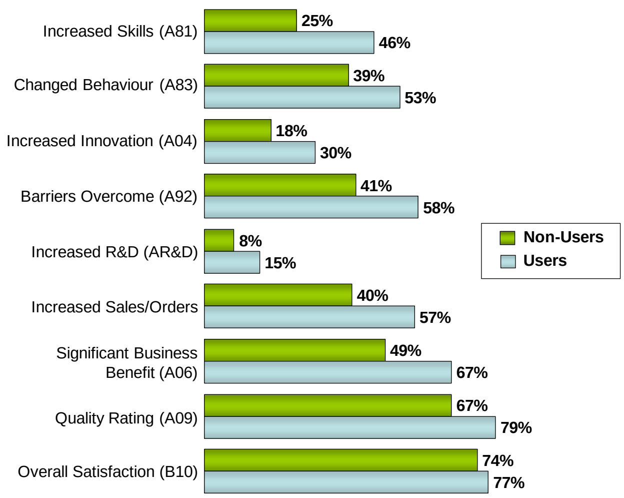
Base: Non-Users (829)

1.6 Key Measures

There is clear evidence that the export support provided by UKTI is more effective than that delivered by non-UKTI sources. UKTI users are significantly more likely to score against all of the key impact measures, with the exception of Increased R&D. The perceived quality of the UKTI support is also considerably higher than that seen for other support providers, although there is little difference in overall satisfaction levels.

It is also notable that over a third of those firms receiving non-UKTI export support judged this to have been 'non-additional' (i.e. they would have achieved similar results anyway even if they had not obtained the support). In contrast, just 21% of UKTI users classified the assistance as 'non-additional'.

Key Measures



Base: Supported Non-Users (70), UKTI Users (3823

1.7 Conclusions

- UKTI users and non-users display some notable differences in business profile. UKTI clients tend to be a little larger than non-users (although the vast majority are still SMEs) and display significantly greater innovation levels. They are also more export intensive than non-users in terms of the number of overseas markets they operate in and the share of turnover accounted for by overseas sales (despite having a similar profile when it comes to the length of time they have been doing business overseas).

- UKTI clients are significantly more dynamic than non-users, both in terms of their overall business growth and their overseas development. They are also more strategic in their approach. That said, there are still significant proportions of non-users firms that are on an upward growth trajectory, are innovating and adopt a strategic approach to their business development and would therefore represent very good additions to UKTI's client base.

- Notwithstanding their less ambitious approach to exporting, almost half of all non-user firms have still experienced significant barriers to the development of their overseas business. The most widespread of these are legal and regulatory barriers and contacts barriers, all of which could potentially be addressed (or at least reduced) by existing UKTI services.

- Non-users lack awareness of UKTI. This applies to recognition of the UKTI name (45%), understanding of UKTI's role (31%) and awareness of specific services (OMIS 18%, ITAs 19%, meet the buyer events 29%).

- However, awareness of UKTI has risen over the last few years (up from 38% in 2010), and there is also clear interest in the types of service that UKTI provides (with this particularly true of less experienced exporters, who conversely display the lowest awareness of these services).

- Even though many non-user firms feel that external export support would be beneficial to them, just 12% have accessed assistance from a non-UKTI source in the past 2 years. The primary reason for not obtaining support is that firms are unaware of anyone that could provide it.

- UKTI support generates significantly greater business impacts than export support provided by other sources. UKTI assistance is also associated with much higher levels of additionality; firms accessing non-UKTI support are significantly more likely to feel that they would have achieved the same outcomes anyway even if had they not received the support.

2. Background & Objectives

UKTI's Performance & Impact Monitoring Survey (PIMS) measures the impact and effectiveness of UKTI support, and the PIMS programme includes an annual survey of exporting firms that have not used UKTI services. This report details the findings of the 2013 PIMS Non-User Survey.

The broad aim of the PIMS Non-User Surveys is to help shed light on the economic rationale for UKTI trade development services, and investigate the following issues:

- The extent of existence of private sector alternatives of comparable scope and quality to UKTI;
- The extent to which businesses encounter barriers which give rise to the need for such services, and how these may vary across business groups;
- The extent to which businesses may have differential access to existing alternatives and why (e.g. differential access to key networks, service providers catering for specific groups such as larger firms, etc);
- The level of business interest in using export support services, and the factors which influence the demand side of the market for such services.

While much of the survey content is consistent across waves, to allow comparison over time, some elements are varied each year to enable the survey to provide new evidence on evolving policy issues. It was therefore decided that the 2013 PIMS Non-User Survey would focus on addressing the following specific objectives:

- Gather evidence on use of non-UKTI support services, including the impact and effectiveness of these programmes (in a consistent and comparable form to the ongoing PIMS user data);
- Assess the extent to which businesses encounter barriers which give rise to a need for such services;
- Explore attitudes towards support services amongst those non-user firms not accessing any forms of external support;
- Measure awareness of, and interest in, certain key UKTI services;
- Examine the benefits arising from doing business overseas;
- Explore any impact of the current economic climate;
- Collect non-user profile data, including data on innovation, growth and export strategy.

3. Methodology

This survey of UKTI non-users employed a telephone methodology, with interviews conducted using CATI (Computer Assisted Telephone Interviewing). A total of 829 interviews were completed, lasting an average of 20 minutes.

3.1 Questionnaire & Piloting

The questionnaire was fully piloted prior to the start of main fieldwork to check the flow, clarity, relevance and length of the questionnaire as well as the content. Where appropriate, the questions included in the non-user survey replicated those asked in the main PIMS user surveys to ensure comparability of results. A copy of the final questionnaire is appended to this report.

The research was positioned as being on behalf of UK Trade & Investment and the Department for Business, Innovation & Skills, and respondents were informed that it would cover their current export activities and the impact that exporting has had on their business. Interviewers initially asked to speak to either the owner or the person responsible for the firm's strategy in relation to business development and then further clarification was sought as to whether the respondent was the person best qualified to talk about their company's export activities, with referrals taken as necessary.

3.2 Sampling Approach

To ensure that the research covered a representative sample of exporters, the sample frame was built from a random sample of UK businesses which was then screened to identify those engaged in overseas business. The sample was stratified by age of firm (those established up to 5 years, 6-10 years and over 10 years) in order to achieve a robust number of interviews with each of these groups. The final data was then weighted back to the age profile of all UK exporters using Annual Small Business Survey data.

In order that the incidence within the sample frame of firms eligible for interview (i.e. engaging in international business activity) was kept to within sensible limits, a small number of industry sectors where export propensity is very low were excluded from the initial sample frame. The exclusions were made on the basis of analysis of data from the Community Innovation Survey (CIS) on the incidence of exporting for individual industry sectors by age group[1].

The initial sample was 'de-duplicated' against known users of UKTI (using a list compiled from all records of supported firms provided for the main PIMS user surveys), to ensure that any firms that had received assistance from UKTI were removed from the sample frame. As a further precaution, 'screening' questions were included at the start of the questionnaire and the interview was terminated if the firm had not sold any goods or services to overseas customers in the last 2 years (and hadn't seriously considered doing so) or revealed that they had used UKTI services in relation to trade development in the last 5 years.

[1] Based on analysis by Professor Richard Harris, University of Durham.

In 2013, the Non-User survey was expanded to enable it to measure recall of a separate UKTI marketing campaign being conducted in the north of England. The survey therefore consisted of three different elements, as follows:

- *Core survey:* 301 interviews with a UK-wide sample of firms
- *Pre-campaign boost:* 264 interviews with firms in the north of England
- *Post-campaign boost:* 264 interviews with firms in the north of England

Throughout the bulk of this report, the analysis is based on all 3 of the above elements. However, in key areas (such as awareness of UKTI) the analysis excludes the 'boost' interviews to ensure direct comparability with previous waves of the Non-User survey.

Due to the need to cover the pre and post campaign periods, fieldwork took place over a 4 month period (April-July 2013). The following table summarises the number of sample records selected for CATI, the approximate number of records lost due to screening-out or incorrect contact details, and the response and refusal rates.

Table 3.1 Sample Analysis

CATI SCREENING	
Selection for CATI	18,526
Unusable – do not export	13,704
Unusable – Other reason (e.g. incorrect contact details, UKTI user, public sector organisation, etc)	1,521
ACHIEVED INTERVIEWS / RESPONSE RATES	
Total useable sample	3,301
Interviews achieved	829
Response rate (%)	25%
Refusal rate (%)	36%

3.3 Comparative Analysis

Throughout this report, comparative data has also been shown (where available) for users of UKTI services, from the following sources:

- *Main PIMS Surveys:* Users of UKTI's trade development services interviewed in the main PIMS research.
- *PIMS Follow-Up Surveys:* Users of UKTI's trade development services interviewed in the PIMS follow-up surveys (conducted c.1 year after the initial PIMS survey).

Wherever possible the 'user' data has been taken from the main PIMS surveys, which involve a larger sample, but in some cases the relevant questions were only included in the PIMS Follow-Up surveys. In line with the standard PIMS reporting conventions, firms only receiving very light-touch assistance[2] have been excluded from the UKTI user analysis.

[2] The Website Business Opportunities service and English Regions' Events lasting less than ½ day.

For the non-user data, as well as providing a breakdown by age of firm, analysis has also been provided by 'supported' and 'unsupported' non-users. The definitions of these two non-user sub-groups are as follows:

- *Supported Non-Users:* Exporting firms that have received some form of export-related support from external (non-UKTI) sources in the last 2 years
- *Unsupported Non-Users:* Exporting firms that have not received any external export-related support in the last 2 years

Please note that when the analysis of supported/unsupported non-users is further split by age of firm, the base sizes are very low for some groups (particularly supported non-user aged 0-5 years and 6-10 years). As a result, all findings for these sub-groups should be treated as indicative only.

3.4 Statistical Significance

Throughout this report, any differences referred to in the commentary are statistically significant at the 95% level of confidence unless otherwise stated. Confidence intervals (calculated at the 95% level) have been shown for all of the key survey measures.

3.5 Weighting

All the data from this survey has been weighted to reflect the true age profile of UK exporters, and more details of the weighting approach can be found in Section 4.1. Throughout this report all the results show the weighted figures. However, the bases displayed in each chart/table are unweighted.

3.6 Rounding

Throughout this report results are typically presented to the nearest whole number (e.g. 24.7% will be rounded up and displayed as 25%). For this reason there can be apparent discrepancies between the charts/tables and the commentary when several figures are combined. For example, values of 8.4% and 15.3% would be shown as 8% and 15% respectively in a chart, but the combined value if referred to in the commentary would be 23.7% and hence displayed as 24%.

4. Business Profile

4.1 Age

The sample for this survey was stratified by age of firm. The primary reason for this is that young firms are an important group for UKTI and it is therefore important that sufficiently robust data of collected for this group to enable a good understanding of their profile, barriers experienced, benefits of exporting, etc. Furthermore, stratifying the sample by age of firm also provides a unique insight into how exporting businesses develop over time.

The sample was stratified into 3 age groups (0-5 years old, 6-10 years old and over 10 years old). To account for this disproportionate sampling approach, the final non-user data has been weighted back to the true age profile of internationalising firms (using data from the Annual Small Business Survey).

The table below provides details of the actual (unweighted) age distribution of sampled firms, the age profile of all UK exporters, and the weighted proportion of firms in the final sample.

Table 4.1.1 When Business Established – Stratification & Weighting (Non-Users)

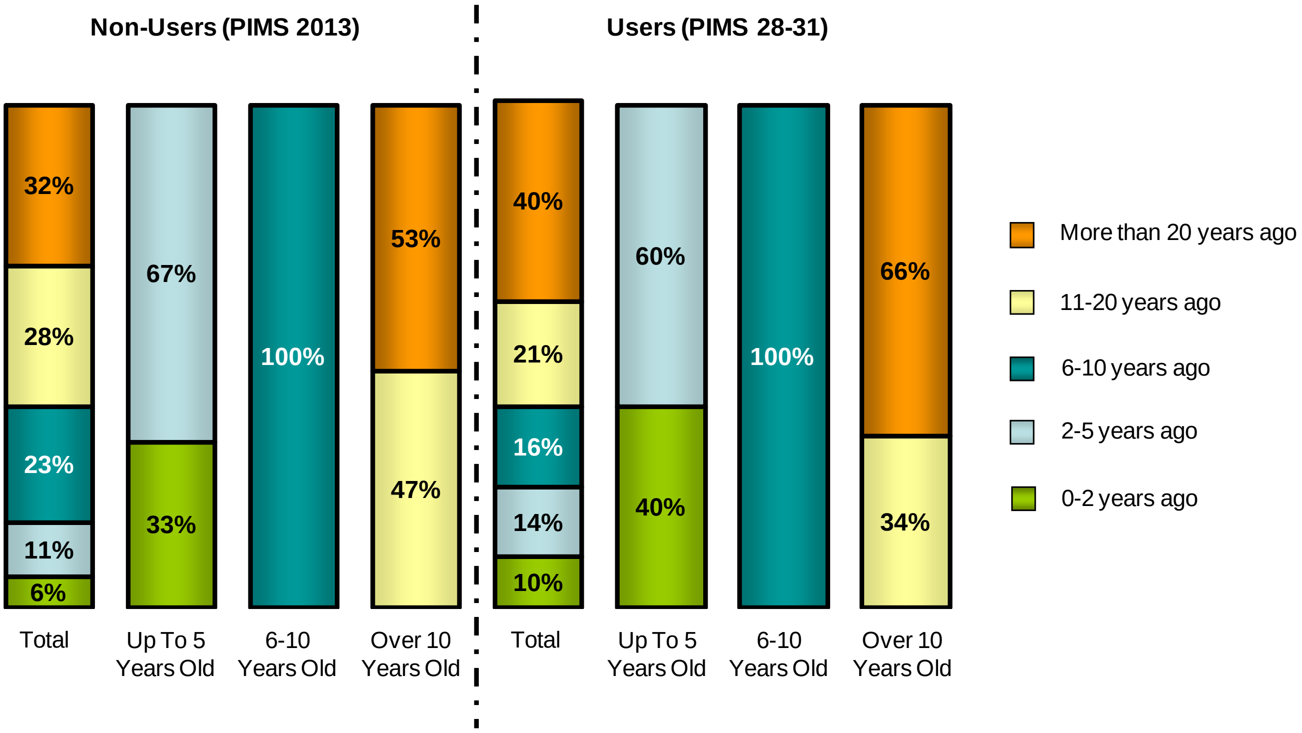
	No. of interviews	% of interviews (unweighted)	True profile of exporters (ASBS data)	% of interviews (Weighted)
Not yet trading	1	0%	17%	0%
Within the last 2 years	55	7%		5%
2-5 years ago	97	12%		11%
6-10 years ago	225	27%	23%	23%
11-20 years ago	211	25%	60%	28%
More than 20 years ago	240	29%		32%
Total	**829**	**100%**	**100%**	**100%**

As detailed above, younger firms (under 11 years) are very slightly over-represented in the sample for this survey and as a result have been down-weighted, whilst older firms are up-weighted slightly.

Please note that all results shown in the remainder of this report have been weighted.

The chart below shows the weighted profile of the non-user businesses interviewed in terms of the number of years they have been established. Comparative data has also been provided for users of UKTI support (from the main PIMS survey).

Chart 4.1.1 When Business Established



Base: All respondents (Base, Don't know/Refused)
Non-Users – Total (829, 0%), Up to 5 years old (153, 0%), 6-10 years old (225, 0%), Over 10 years old (451, 0%)
Users – Total (3823, 0%), Up to 5 years old (888, 0%), 6-10 years old (593, 0%), Over 10 years old (2340, 0%)

As detailed earlier, the overall sample frame for the non-user survey was stratified by age to ensure robust coverage of firms established 0-5 years, 6-10 years and over 10 years. The data was then weighted to the known profile of internationalising firms (based on data taken from the Annual Small Business Survey), and the overall profile of firms reflects this.

The age profile of UKTI users and non-users is broadly similar. However, the UKTI client base includes a higher proportion at both ends of the age spectrum (i.e. young firms established in the last 5 years and firms that have been trading for more than 20 years).

The following table provides a further breakdown of the non-user age profile by those firms that have received some form of export-related support from non-UKTI sources (‘supported non-users’) and those that have not (‘unsupported non-users’). Details of the type of non-UKTI support received and the providers used can be found in Section 9 of this report.

Table 4.1.2 When Business Established
- Non-Users by Whether Supported

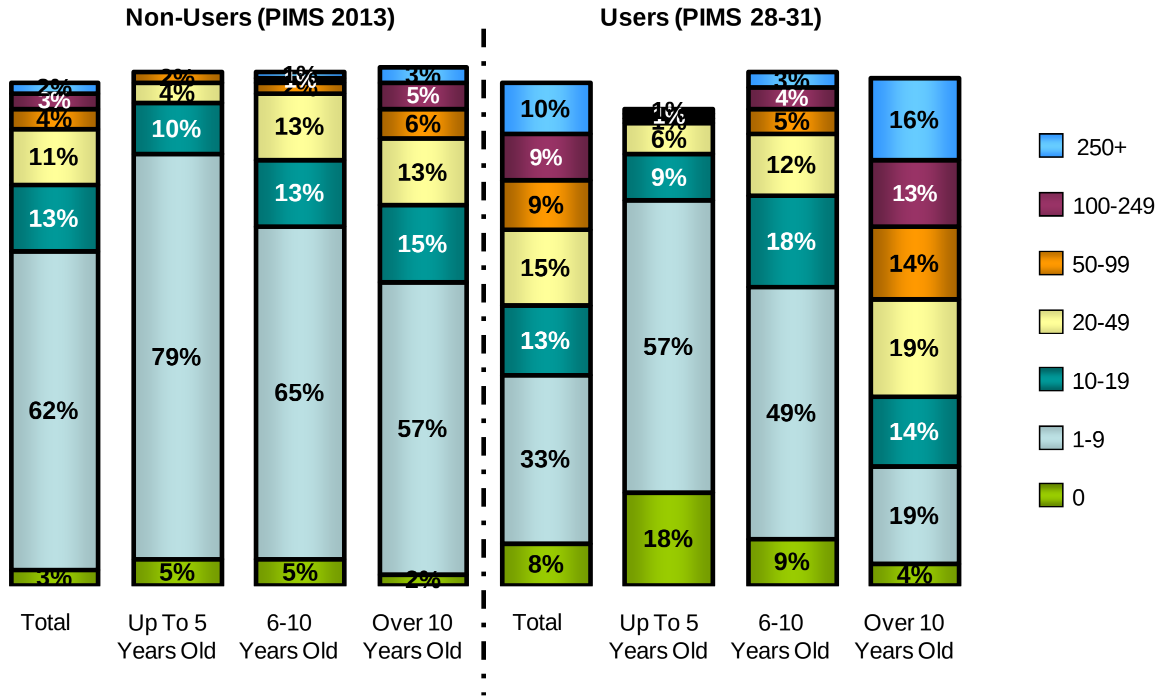
	Total		Up to 5 years		6-10 years		Over 10 years	
	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted
Base	*102*	*727*	*14*	*139*	*20*	*205*	*68*	*383*
Less than 2 years	2%	6%	22%	34%	-	-	-	-
2-5 years	9%	12%	78%	66%	-	-	-	-
6-10 years	17%	24%	-	-	100%	100%	-	-
11-20 years	37%	27%	-	-	-	-	51%	46%
Over 20 years	35%	31%	-	-	-	-	49%	54%

Supported non-users have an older profile than their unsupported counterparts, with 72% of the former established for over 10 years compared to 58% of the latter.

4.2 Size (Employees)

The chart below shows the profile of the non-user businesses interviewed in terms of the number of employees they have within the UK. Comparative data has also been provided for users of UKTI support.

Chart 4.2.1 Number of Employees



Base: All respondents (Base, Don't know/Refused, Not yet trading)
Non-Users – Total (829, 0%, 1%), Up to 5 years old (153, 0%, 0%), 6-10 years old (225, 0%, 0%), Over 10 years old (451, 1%, 0%)
Users – Total (3823, 1%, 2%), Up to 5 years old (888, 0%, 8%), 6-10 years old (593, 0%, 0%), Over 10 years old (2340, 1%, 0%)

Two-thirds (65%) of non-user firms are micro SMEs with fewer than 10 employees. Even among firms that have been trading for over 10 years, the majority still have less than 10 employees.

Whilst they are still primarily SMEs, UKTI clients tend to be significantly larger than non-user firms, with the majority (56%) having 10 or more employees. Around a quarter (28%) of UKTI users have 50 or more employees, compared to just 9% of non-user firms. This difference in the size profile of users and non-users is most evident when it comes to firms that have been trading for more than 10 years.

Supported non-users tend to be slightly larger than unsupported ones, although on average they still have significantly fewer staff than UKTI clients.

Table 4.2.1 Number of Employees
- Non-Users by Whether Supported

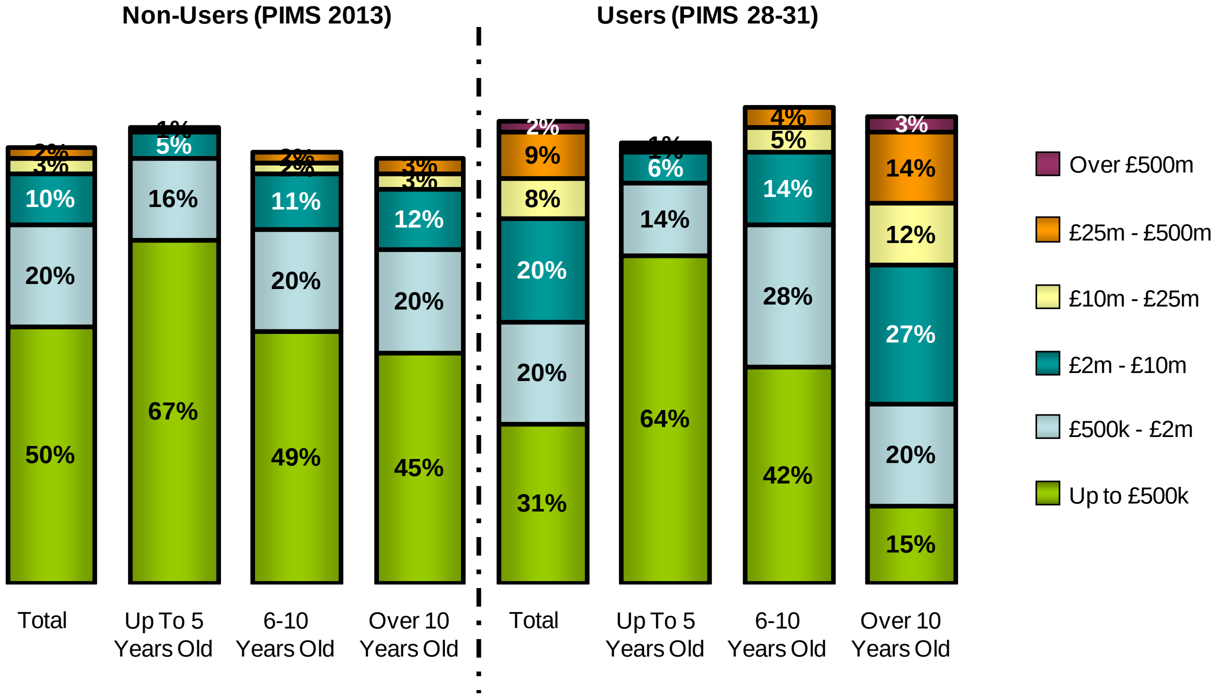
	Total		Up to 5 years		6-10 years		Over 10 years	
	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted
Base	*102*	*727*	*14*	*139*	*20*	*205*	*68*	*383*
0	3%	3%	0%	5%	11%	4%	1%	2%
1-9	52%	64%	88%	79%	54%	66%	46%	59%
10-19	15%	13%	12%	9%	15%	13%	15%	15%
20-49	16%	10%	0%	4%	10%	2%	20%	11%
50-99	3%	4%	0%	2%	0%	2%	4%	6%
100-249	5%	3%	0%	0%	0%	1%	7%	4%
250+	6%	1%	0%	0%	10%	0%	6%	2%
Don’t know	0%	1%	0%	0%	0%	0%	0%	1%
Not yet trading	0%	0%	0%	1%	0%	0%	0%	0%

4.3 Turnover & Profitability

4.3.1 Turnover

The chart below shows the profile of non-user businesses in terms of their current annual turnover. Comparative data has also been provided for users of UKTI support.

Chart 4.3.1.1 Annual Turnover



Base: All respondents (Base, Don't know/Refused, Not yet trading)
Non-Users – Total (829, 15%, 0%), Up to 5 years old (153, 10%, 0%), 6-10 years old (225, 16%, 0%), Over 10 years old (451, 17%, 0%)
Users – Total (3823, 8%, 2%), Up to 5 years old (888, 6%, 8%), 6-10 years old (593, 7%, 0%), Over 10 years old (2340, 9%, 0%)

Reflecting their smaller size in terms of employee numbers, non-user businesses also tend to have lower annual turnovers than UKTI clients, with half reporting sales of no more than £500,000 per year (compared to 31% of UKTI users).

Amongst UKTI users there is a clear correlation between the length of time firms have been established and their annual turnovers, with the proportion of firms reporting sales of £500,000 or less falling significantly amongst older businesses. However, this relationship is less pronounced among non-users, with a similar proportion of firms aged 6-10 years and over 10 years reporting a turnover of £500,000 or less.

The table below provides a comparison of the turnovers of supported and unsupported non-user firms.

Table 4.3.1.1 Annual Turnover
- Non-Users by Whether Supported

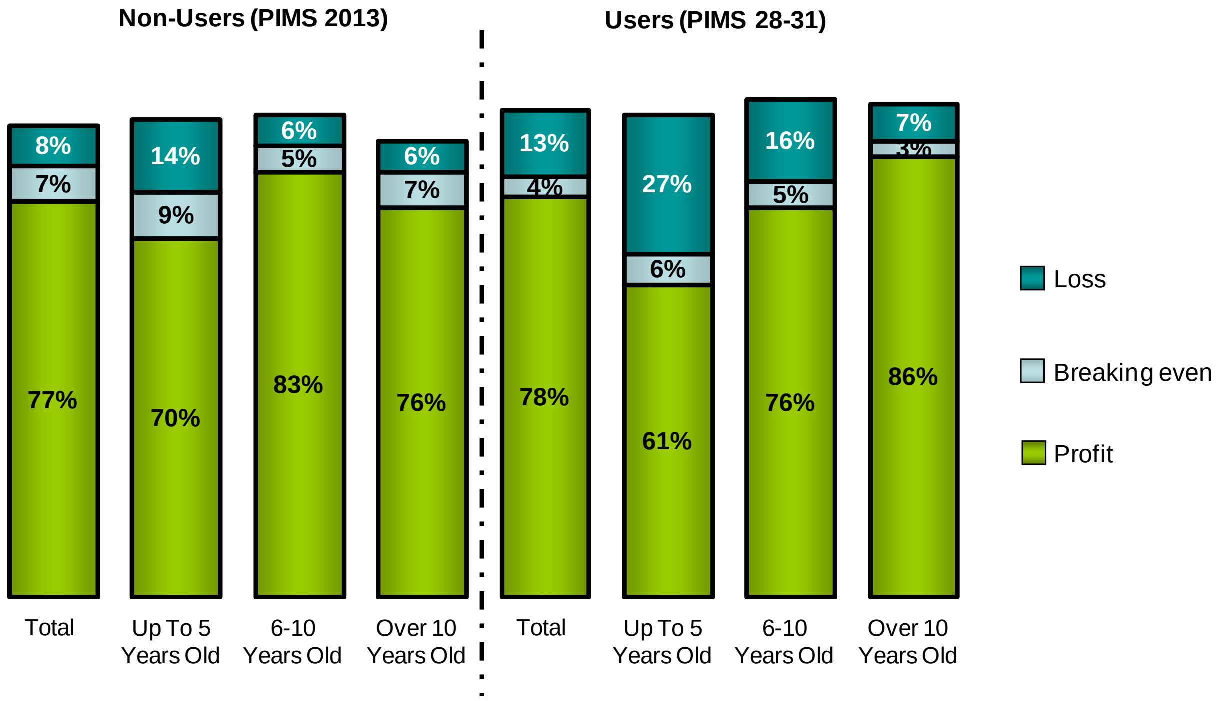
	Total		Up to 5 years		6-10 years		Over 10 years	
	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted
Base	*102*	*727*	*14*	*139*	*20*	*205*	*68*	*383*
Up to £500k	48%	50%	70%	66%	45%	50%	46%	45%
£500k-£2m	17%	20%	24%	16%	25%	20%	13%	22%
£2m-£10m	17%	9%	6%	5%	15%	11%	19%	10%
£10m-£25m	2%	3%	0%	1%	0%	2%	3%	3%
£25m - £500m	6%	2%	0%	0%	5%	1%	7%	2%
Over £500m	0%	0%	0%	0%	0%	0%	0%	0%
Don't know/refused	10%	16%	0%	11%	10%	16%	11%	18%
Not yet trading	0%	0%	0%	1%	0%	0%	0%	0%

As seen above, those non-users that have accessed some form of (non-UKTI) assistance report slightly higher sales than those that have not used export-related support, and are therefore somewhat closer in profile to UKTI users in this respect. Supported non-users are significantly more likely to have a turnover in excess of £2 million.

4.3.2 Profitability

The chart below shows the profile of non-user businesses in terms of whether they are making an annual profit or loss. Comparative data has also been provided for users of UKTI support.

Chart 4.3.2.1 Annual Profit or Loss



Base: All respondents (Base, Don't know/Refused)
Non-Users – Total (829, 9%) Up to 5 years old (153, 7%), 6-10 years old (225, 6%), Over 10 years old (451, 10%)
Users – Total (3823, 4%), Up to 5 years old (888, 5%), 6-10 years old (593, 4%), Over 10 years old (2340, 4%)

Three-quarters (77%) of non-user firms indicated that they were making a profit, with firms that have been trading for between 6-10 years most likely to indicate that this is the case.

At the total level, a similar proportion of UKTI clients are making a profit (78%). However, in the two younger age bands UKTI clients are in fact less likely to be profitable than non-user firms, but in the oldest age bands UKTI clients are significantly more likely to be profitable than non-users.

The table below provides a comparison of the profitability of supported and unsupported non-user firms.

Table 4.3.2.1 Annual Profit or Loss
- Non-Users by Whether Supported

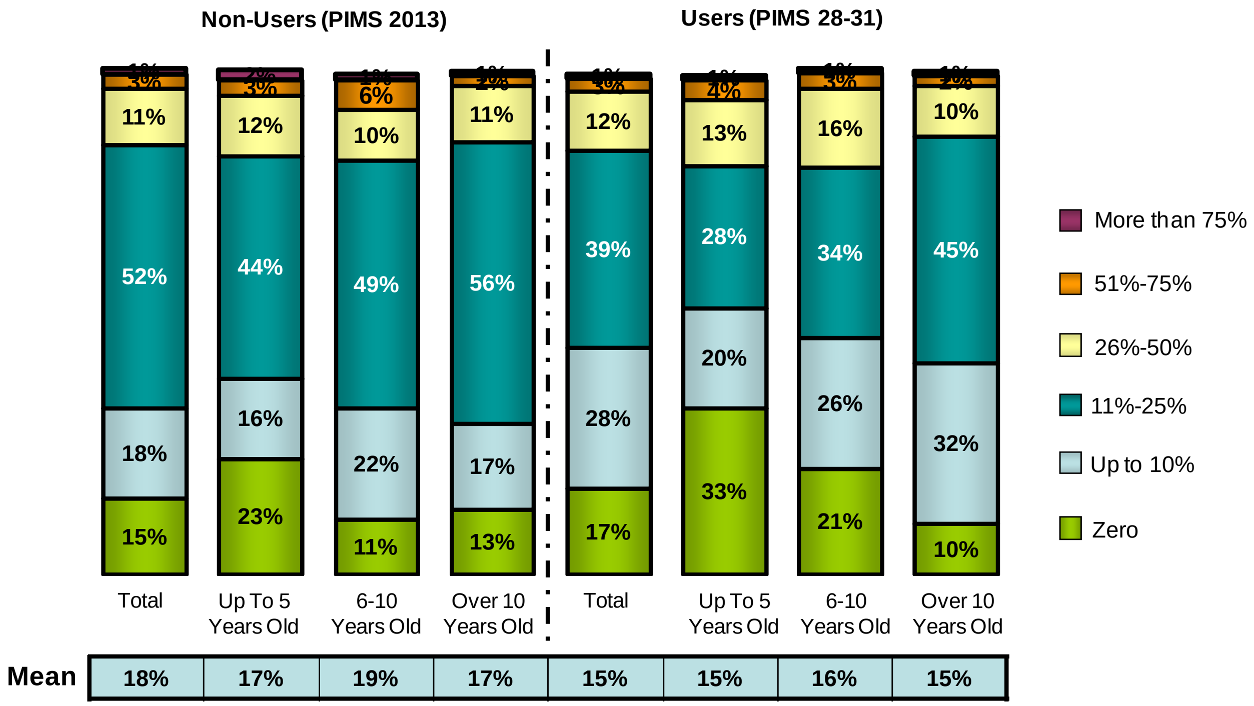
	Total		Up to 5 years		6-10 years		Over 10 years	
	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted
Base	*102*	*727*	*14*	*139*	*20*	*205*	*68*	*383*
Profit	80%	76%	68%	70%	85%	83%	80%	75%
Breaking even	7%	7%	16%	8%	5%	5%	6%	7%
Loss	6%	8%	6%	15%	0%	6%	8%	6%
Don't know/refused	7%	9%	10%	7%	10%	5%	6%	13%

Although supported non-users appear slightly more likely to report a profit than unsupported firms, these differences are not statistically significant.

4.3.3 Profit Margin

Firms were also asked to give details of the proportion of their turnover accounted for by bottom line profits (i.e. their profit margin). Please note that firms making a loss or breaking even have been treated as 0% profit for the purposes of calculating the mean.

Chart 4.3.3.1 Profit Margin



Base: All respondents (Base)
Non-Users – Total (829), Up to 5 years old (153), 6-10 years old (225), Over 10 years old (451)
Users – Total (3823), Up to 5 years old (888), 6-10 years old (593), Over 10 years old (2340)

The mean profit margin amongst non-user firms is actually slightly higher than that reported by UKTI clients (18% vs. 15% respectively), and this difference is apparent for all age bands.

The table below provides a comparison of the profitability of supported and unsupported non-user firms.

Table 4.3.3.1 Profit Margin
- Non-Users by Whether Supported

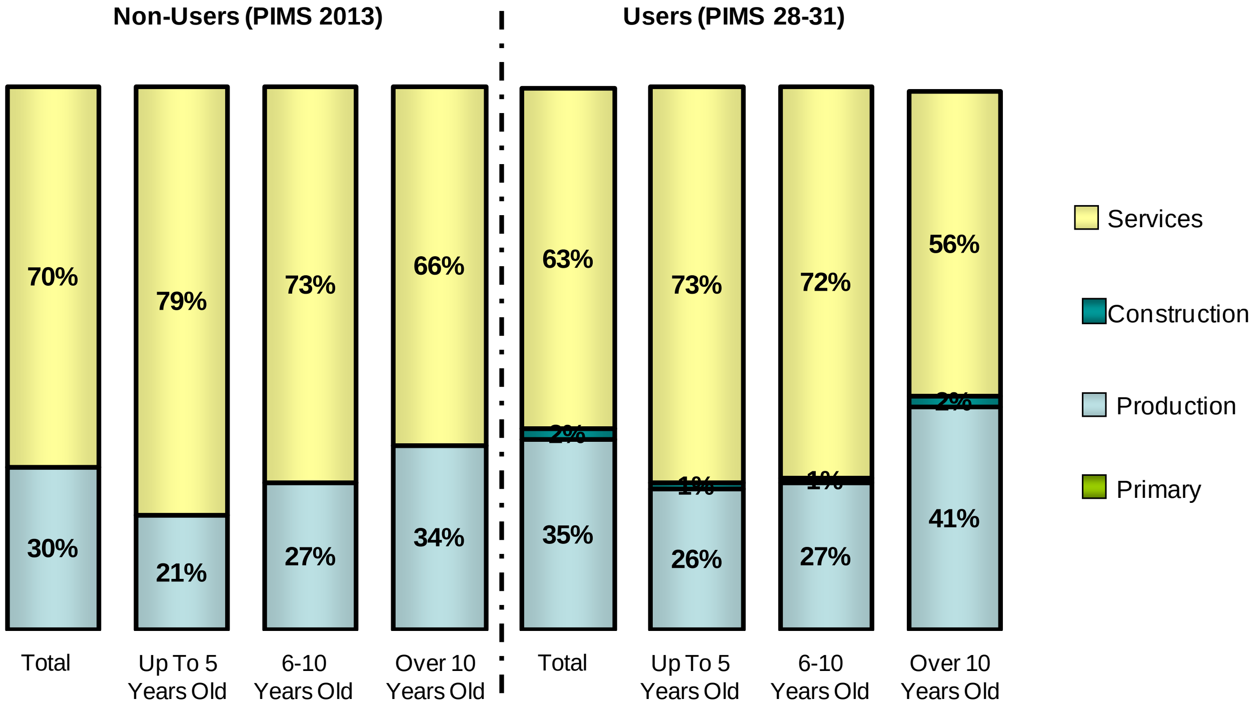
	Total		Up to 5 years		6-10 years		Over 10 years	
	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted
Base	*102*	*727*	*14*	*139*	*20*	*205*	*68*	*383*
Zero	13%	15%	22%	24%	5%	12%	14%	13%
1%-10%	16%	18%	6%	16%	10%	24%	20%	16%
11%-25%	50%	53%	40%	45%	56%	49%	51%	57%
26%-50%	15%	10%	26%	11%	15%	9%	13%	11%
51%-75%	3%	3%	6%	3%	10%	6%	2%	2%
More than 75%	2%	1%	0%	2%	5%	1%	1%	0%
Mean	*20%*	*17%*	*24%*	*16%*	*27%*	*19%*	*17%*	*17%*

As seen above, supported non-users have a slightly higher average profit margin than unsupported firms. However, due to the low base sizes for supported non-users these differences are not statistically significant.

4.4 Industry Sector

The chart below shows the profile of the non-user businesses interviewed in terms of their broad industry sector. Comparative data has also been provided for users of UKTI support.

Chart 4.4.1 Sector



Base: All respondents (Base)
Non-Users – Total (829), Up to 5 years old (153) 6-10 years old (225), Over 10 years old (451)
Users – Total (3823), Up to 5 years old (888), 6-10 years old (593), Over 10 years old (2340)

For both users and non-users of UKTI, the majority of firms operate in the services sector. However, UKTI users are comparatively more likely to be in the production sector, with this particularly true of older firms that have been established for more than 10 years.

At the overall level, there is no difference in the sector profile of supported and unsupported non-users.

Table 4.4.1 Sector - Non-Users by Whether Supported

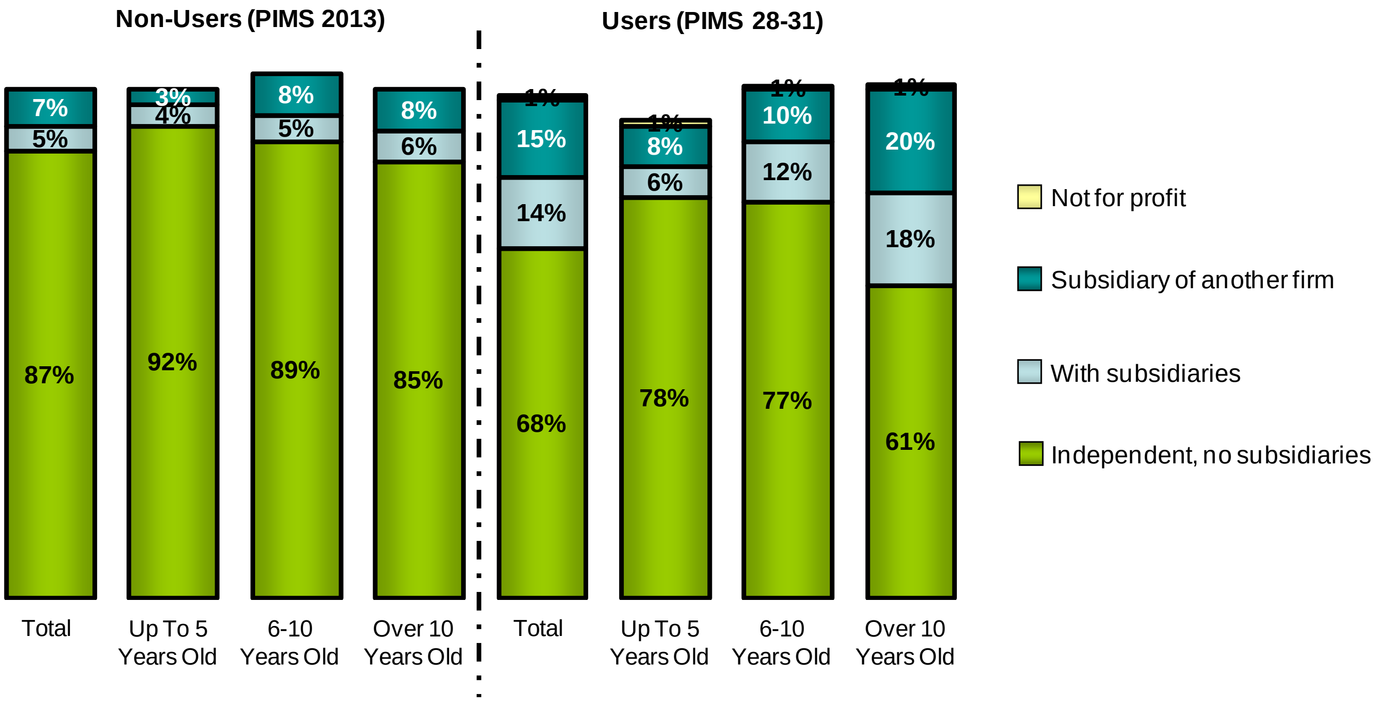
	Total		Up to 5 years		6-10 years		Over 10 years	
	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted
Base	*102*	*727*	*14*	*139*	*20*	*205*	*68*	*383*
Primary	0%	0%	0%	0%	0%	0%	0%	0%
Production	28%	30%	12%	22%	20%	27%	33%	34%
Construction	0%	0%	0%	0%	0%	0%	0%	0%
Services	72%	70%	88%	78%	80%	73%	67%	66%

4.5 Company Status & Ownership

4.5.1 Company Status

The company status of the non-user businesses interviewed is shown below, along with comparative data for users of UKTI support.

Chart 4.5.1.1 Company Status



Base: All respondents (Base, Don't know/Refused, Not yet trading)
Non-Users – Total (829, 0%, 0%) Up to 5 years old (153, 0%, 0%), 6-10 years old (225, 0%, 0%), Over 10 years old (451, 0%, 0%)
Users – Total (3823, 1%, 2%), Up to 5 years old (888, 0%, 8%), 6-10 years old (593, 1%, 0%), Over 10 years old (2340, 1%, 0%)

Users of UKTI's services are significantly more likely to either have their own subsidiaries or be a subsidiary of a larger firm. However, for both users and non-users the majority are still independent firms with no subsidiaries.

As seen below, supported non-users are comparatively more likely to be subsidiaries of larger firms or have their own subsidiary, and are therefore a little closer in profile to UKTI users. This difference is most apparent amongst non-user firms that have been established for over 10 years.

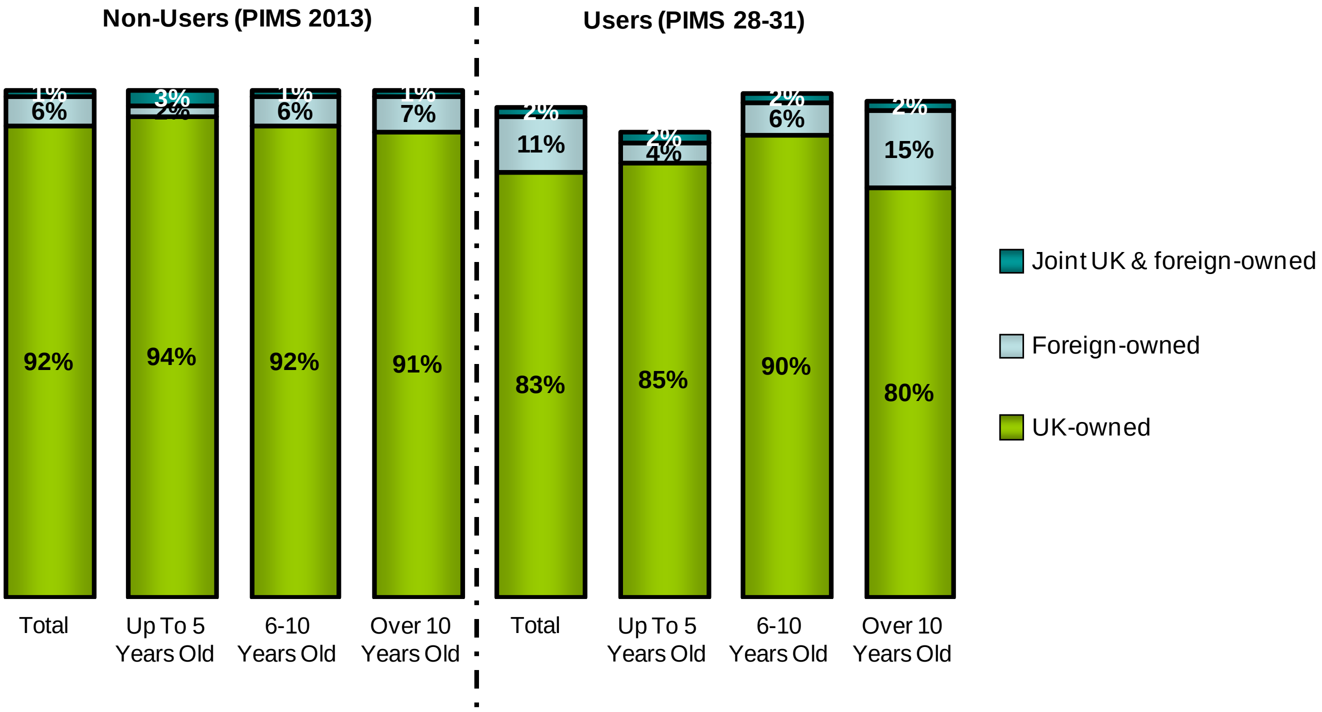
Table 4.5.1.1 Company Status
- Non-Users by Whether Supported

	Total		Up to 5 years		6-10 years		Over 10 years	
	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted
Base	*102*	*727*	*14*	*139*	*20*	*205*	*68*	*383*
Independent, no subsidiaries	81%	88%	94%	92%	90%	89%	77%	86%
Business with subsidiaries	9%	5%	0%	4%	5%	5%	12%	5%
Subsidiary of another firm	10%	7%	6%	3%	5%	8%	12%	7%
Not for profit	0%	0%	0%	0%	0%	0%	0%	0%
Other	0%	0%	0%	0%	0%	0%	0%	1%
Don't know	0%	0%	0%	1%	0%	0%	0%	0%
Not yet trading	0%	0%	0%	1%	0%	0%	0%	0%

4.5.2 Company Ownership

The chart below shows data on the ownership of non-user businesses, along with comparative data for users of UKTI support.

Chart 4.5.2.1 Company Ownership



Base: All respondents (Base, Don't know/Refused, Not for profit/other business type, Not yet trading)
Non-Users – Total (829, 0%, 1%, 0%), Up to 5 years (153, 0%, 0%, 0%) 6-10 years (225, 0%, 0%, 0%), Over 10 years (451, 0%, 1%, 0%),
Users – Total (3823, 0%, 2%, 2%), Up to 5 years (888, 0%, 1%, 8%), 6-10 years (593, 0%, 2%, 0%), Over 10 years (2340, 0%, 2%, 0%)

Reflecting the fact that they tend to be independent firms rather than subsidiaries, the vast majority of non-user businesses are UK-owned. This is also true of UKTI users, although this latter group are comparatively more likely to be either solely or jointly foreign owned (13% vs. 7% of non-users).

There is some indication that supported non-users are more likely than their unsupported counterparts to be foreign-owned, although this difference is not statistically significant.

Table 4.5.2.1 Company Ownership
- Non-Users by Whether Supported

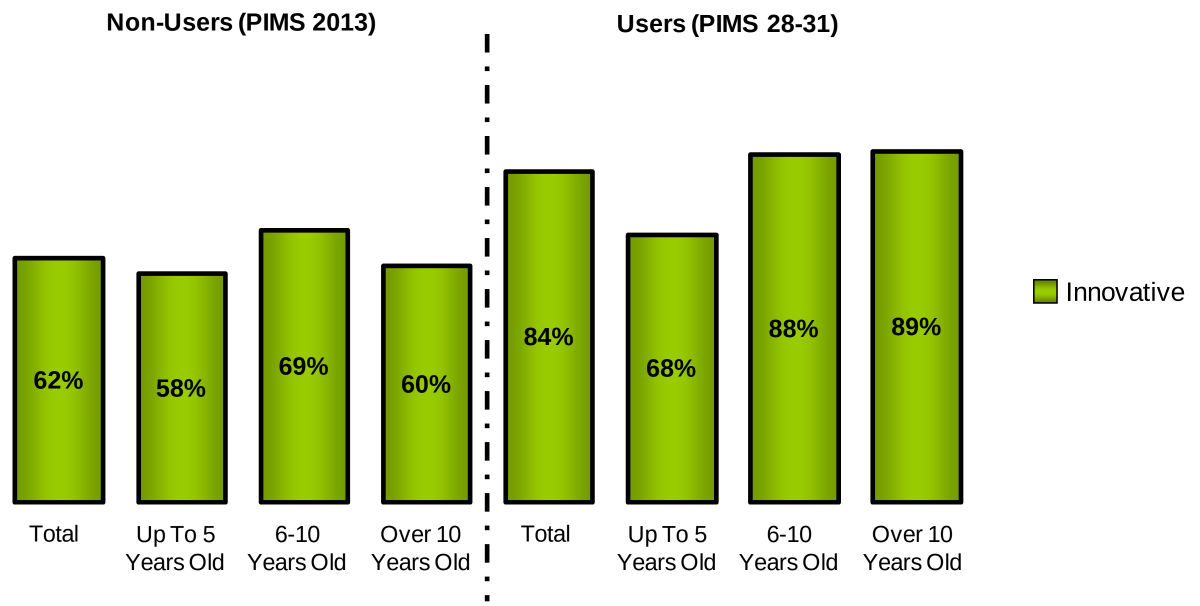
	Total		Up to 5 years		6-10 years		Over 10 years	
	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted
Base	*102*	*727*	*14*	*139*	*20*	*205*	*68*	*383*
UK-owned	88%	92%	94%	94%	95%	92%	85%	92%
Foreign-owned	9%	6%	0%	3%	0%	7%	12%	6%
Joint UK & foreign-owned	3%	1%	6%	2%	5%	1%	1%	0%
Not for profit/ other business type	0%	1%	0%	0%	0%	0%	0%	1%
Don't know	0%	0%	0%	1%	0%	0%	0%	0%
Not yet trading	0%	0%	0%	1%	0%	0%	0%	0%

4.6 Innovation

4.6.1 Innovative Firms

The chart below shows the proportions of supported businesses that are classified as being ‘innovative’. Comparative data has also been provided for users of UKTI support (from PIMS).

Chart 4.6.1.1 Innovative Firms



Base: All respondents (Base)
Non-Users – Total (829), Up to 5 years old (153), 6-10 years old (225), Over 10 years old (451)
Users – Total (3823), Up to 5 years old (888), 6-10 years old (593), Over 10 years old (2340)

Innovation levels differ significantly between non-users and users, with 62% of the former classified as being innovative, compared with 84% of UKTI clients.

It appears that supported non-user firms are slightly closer in profile to UKTI users and are more likely to be innovative, although this difference is not statistically significant.

Table 4.6.1.1 Innovative Firms
- Non-Users by Whether Supported

	Total		Up to 5 years		6-10 years		Over 10 years	
	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted
Base	*102*	*727*	*14*	*139*	*20*	*205*	*68*	*383*
Innovative	67%	61%	60%	58%	71%	68%	68%	59%

The panel below provides details of how 'innovative' firms have been defined for the purposes of this analysis.

Innovative Firms

In the PIMS non-user survey and the PIMS user surveys, firms are classified as being 'innovative' if…

- They have more than one employee engaged either wholly or partly in R&D activity and have more than one employee engaged either wholly or partly in new product or service development
- Or, they have employed someone external to the business to conduct new product or service development in the last year
- Or, have introduced new products or services in the last 3 years *except firms established in the last 2 years*

As detailed above, the 'introduced new products or services in the last 3 years' element is not used as an indicator of innovation for recently established firms (on the basis that all products/services sold by newly established firms would theoretically be classed as 'new'). However, it should be noted that the omission of this element for new firms is pulling down the innovation results for the youngest age group.

The table below compares results for all firms established in the last 5 years with results for firms established 2-5 years (i.e. excluding those not asked the new products/services element of the innovation measure).

Table 4.6.1.2 Innovative Firms – Excluding Those Established in Last 2 Years

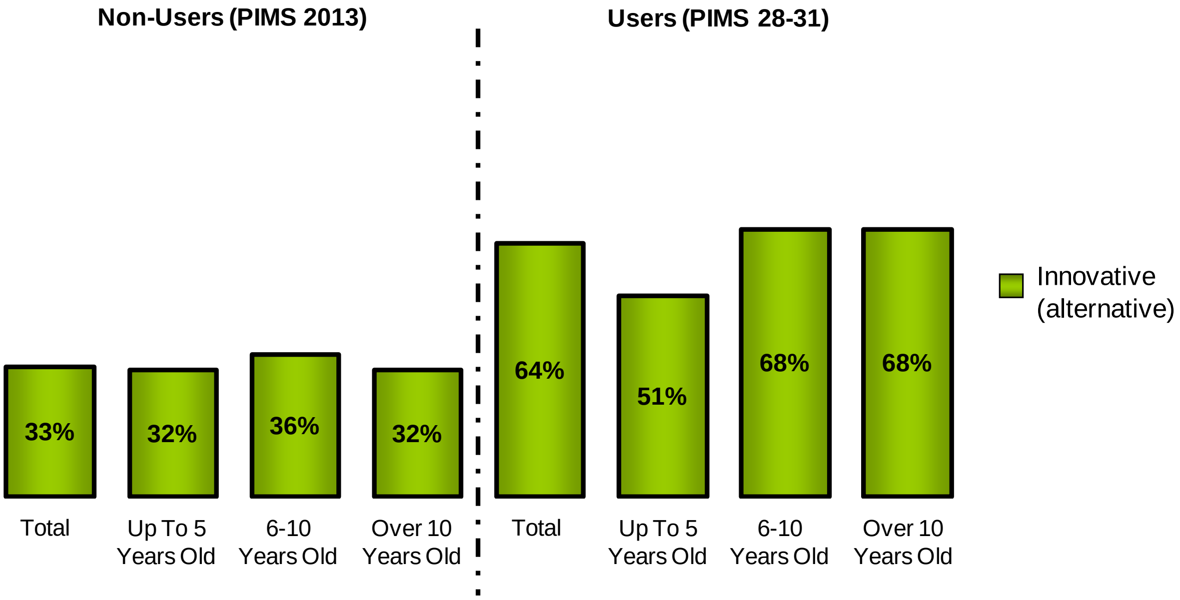
	Non-Users (PIMS 2013)		Users (PIMS 28-31)	
	0-5 years old	2-5 years old	0-5 years old	2-5 years old
Base	*153*	*97*	*888*	*549*
Innovative	58%	68%	68%	87%

When the innovation definition is recalculated to exclude firms established in the last 2 years, the proportion of innovative firms increases for both users and non-users.

4.6.2 Innovative Firms (Alternative, Tighter Definition)

The chart below shows the proportions of supported businesses that have been classified as being ‘innovative’ using the alternative, tighter definition. Comparative data has also been provided for users of UKTI support.

Chart 4.6.2.1 Innovative Firms



Base: All respondents (Base)
Non-Users – Total (829), Up to 5 years old (153), 6-10 years old (225), Over 10 years old (451)
Users – Total (3823), Up to 5 years old (888), 6-10 years old (593), Over 10 years old (2340)

When the alternative definition of innovation is employed, the difference between users and non-users of UKTI is even more apparent, with almost two-thirds of the former classified as innovative compared to just a third of the latter.

There is no difference between supported and unsupported non-users in this respect.

Table 4.6.2.1 Innovative Firms (Alternative)
- Non-Users by Whether Supported

	Total		Up to 5 years		6-10 years		Over 10 years	
	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted
Base	*102*	*727*	*14*	*139*	*20*	*205*	*68*	*383*
Innovative (alternative)	35%	33%	34%	32%	51%	35%	32%	32%

The panel below provides details of how ‘innovative’ firms have been defined for the purposes of this analysis.

Innovative Firms (Alternative)

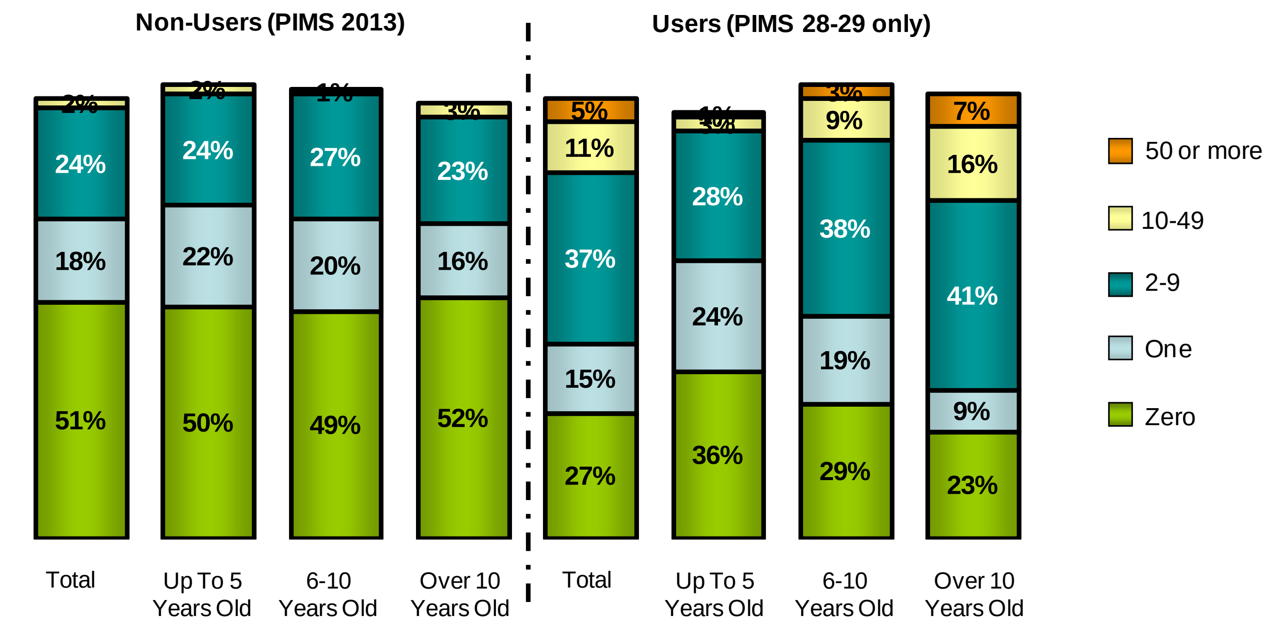
In the PIMS non-user survey and the PIMS user surveys, firms are classified as being ‘innovative’ under this alternative definition if…

- They have more than one employee engaged either wholly or partly in R&D activity and have more than one employee engaged either wholly or partly in new product or service development and at least some employees are engaged in the development of scientific or technical knowledge not commonly available
- Or, they have employed someone external to the business to conduct new product or service development in the last year
- Or, have introduced new products or services in the last 3 years *except firms established in the last 2 years* and these are ‘new to the world’ or ‘new to the sector’

4.6.3 Employees Engaged in R&D Activity

Non-user businesses were asked to indicate the number of their employees involved either wholly or partly in Research and Development activity. Comparative data has also been provided for users of UKTI support.

Chart 4.6.3.1 Number of Employees Engaged in R&D



Base: All respondents (Base, Don't know/Refused, Not yet trading)
Non-Users – Total (829, 5%, 0%), Up to 5 years old (153, 3%, 0%), 6-10 years old (225, 2%, 0%), Over 10 years old (451, 6%, 0%),
Users – Total (2010, 3%, 2%), Up to 5 years old (481, 1%, 7%), 6-10 years old (329, 2%, 0%), Over 10 years old (1199, 4%, 0%)

UKTI users are significantly more likely to have staff engaged in R&D, with 68% having at least one employee involved in these activities compared to only 44% of non-users.

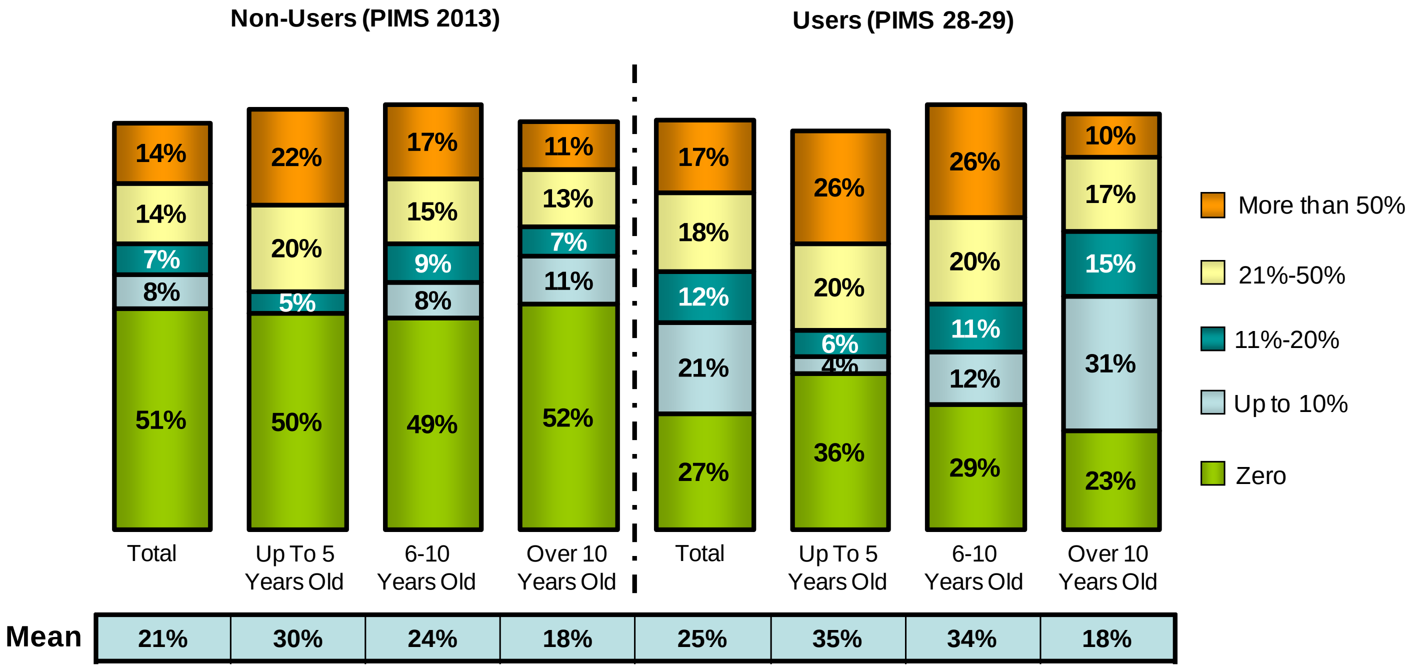
The table below suggests that supported non-users tend to have slightly greater numbers of staff involved in R&D than unsupported ones, although due to the low base sizes for supported non-users these differences are not significant.

Table 4.6.3.1 Number of Employees Engaged in R&D
- Non-Users by Whether Supported

	Total		Up to 5 years		6-10 years		Over 10 years	
	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted
Base	*102*	*727*	*14*	*139*	*20*	*205*	*68*	*383*
Zero	50%	51%	66%	48%	50%	49%	47%	53%
1	16%	18%	18%	22%	0%	22%	19%	15%
2-9	27%	24%	16%	24%	47%	25%	24%	23%
10-49	3%	2%	0%	2%	0%	1%	5%	3%
50+	1%	0%	0%	0%	0%	0%	1%	0%
Don't know	3%	5%	0%	3%	5%	2%	3%	7%
Not yet trading	0%	0%	0%	1%	0%	0%	0%	0%

The chart below gives the same results, but displaying the number of R&D employees as a *proportion* of the firm's total employees.

Chart 4.6.3.2 <u>Proportion</u> of Employees Engaged in R&D



Base: All respondents (Base, Don't know/Refused, Not Yet Trading)
Non-Users – Total (829, 5%, 0%), Up to 5 years old (153, 3%, 0%), 6-10 years old (225, 2%, 0%), Over 10 years old (451, 6%, 0%)
Users – Total (2010, 3%, 2%), Up to 5 years old (481, 1%, 7%), 6-10 years old (329, 2%, 0%), Over 10 years old (1199, 4%, 0%)

In addition to being more likely to have *any* staff engaged in R&D, UKTI users also have a higher mean proportion of their employees involved in these activities than non-users (25% and 21% respectively).

For UKTI users, although younger firms are generally less likely to have any staff engaged in R&D, when they do this tends to account for a greater proportion of their total workforce. For non-users, it is also true that for younger firms engaged in R&D activity this tends to account for a greater proportion of their workforce.

As seen below, there is little variation between unsupported and supported non-users in terms of the proportion of staff employed in R&D, and where any variation does exist the base sizes of the supported users are too low to make statistically sound comparisons.

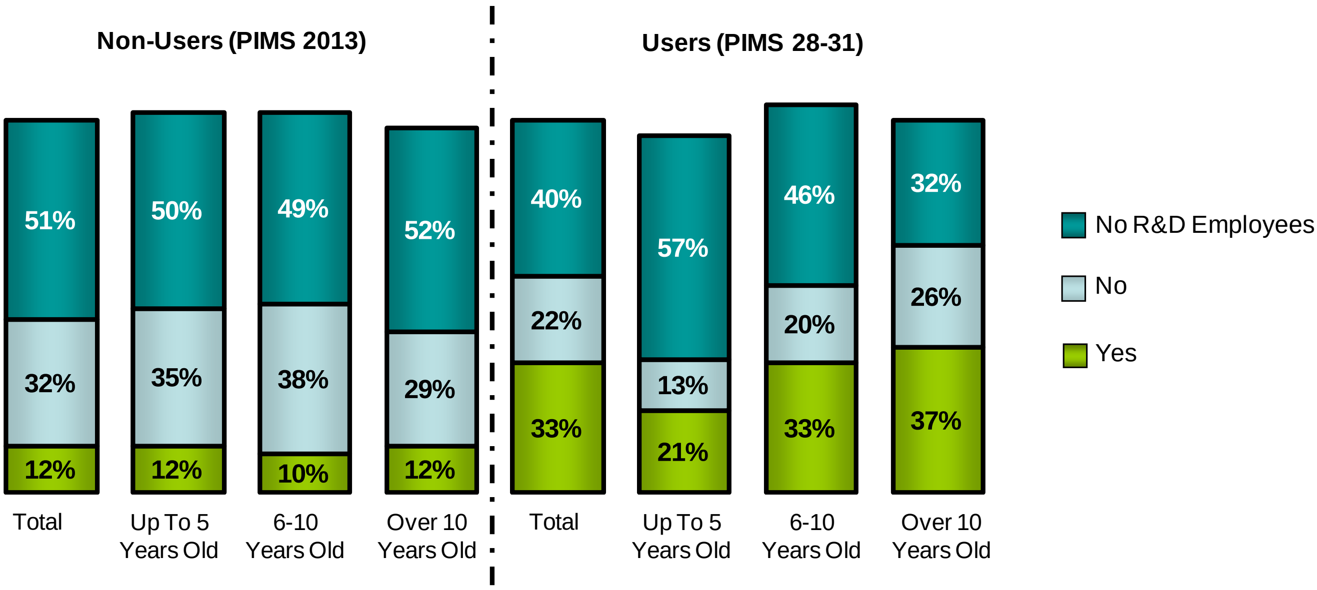
Table 4.6.3.2 Proportion of Employees Engaged in R&D - Non-Users by Whether Supported

	Total		Up to 5 years		6-10 years		Over 10 years	
	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted
Base	*102*	*727*	*14*	*139*	*20*	*205*	*68*	*383*
Zero	50%	51%	66%	48%	50%	49%	47%	53%
Up to 10%	14%	7%	0%	1%	15%	7%	16%	10%
11-20%	6%	8%	0%	5%	5%	10%	8%	7%
21-50%	13%	15%	24%	20%	5%	16%	13%	13%
More than 50%	14%	14%	10%	23%	20%	17%	14%	11%
Don't know/refused	3%	5%	0%	3%	5%	2%	3%	7%
Not yet trading	0%	0%	0%	1%	0%	0%	0%	0%
Mean	*20%*	*22%*	*16%*	*32%*	*21%*	*24%*	*20%*	*18%*

4.6.4 Development of Scientific/Technical Knowledge Not Commonly Available

Non-user businesses were asked to indicate whether any of their R&D employees were involved in activities that could be described as ‘the development of scientific or technical knowledge that isn’t commonly available’. Comparative data has also been provided for users of UKTI support.

Chart 4.6.4.1 Whether Any Employees Involved in Development of Scientific or Technical Knowledge Not Commonly Available



Base: All respondents (Base, Don’t know, Don't know/Refused if have R&D employees, Not yet trading)
Non-Users – Total (829, 0%, 5%, 0%), Up to 5 years (153, 0%, 3%, 1%), 6-10 years (225, 0%, 2%, 0%),Over 10 years (451, 0%, 6%, 0%), Users – Total (3823, 1%, 3%, 2%), Up to 5 years (888, 0%, 1%, 8%), 6-10 years (593, 1%, 1%, 0%), Over 10 years (2340, 1%, 4%, 0%)

Only 12% of non-user businesses indicated that they have staff involved in ‘the development of scientific or technical knowledge that isn’t commonly available’, compared to a third of UKTI users.

There is little difference between supported and unsupported non-users in this respect.

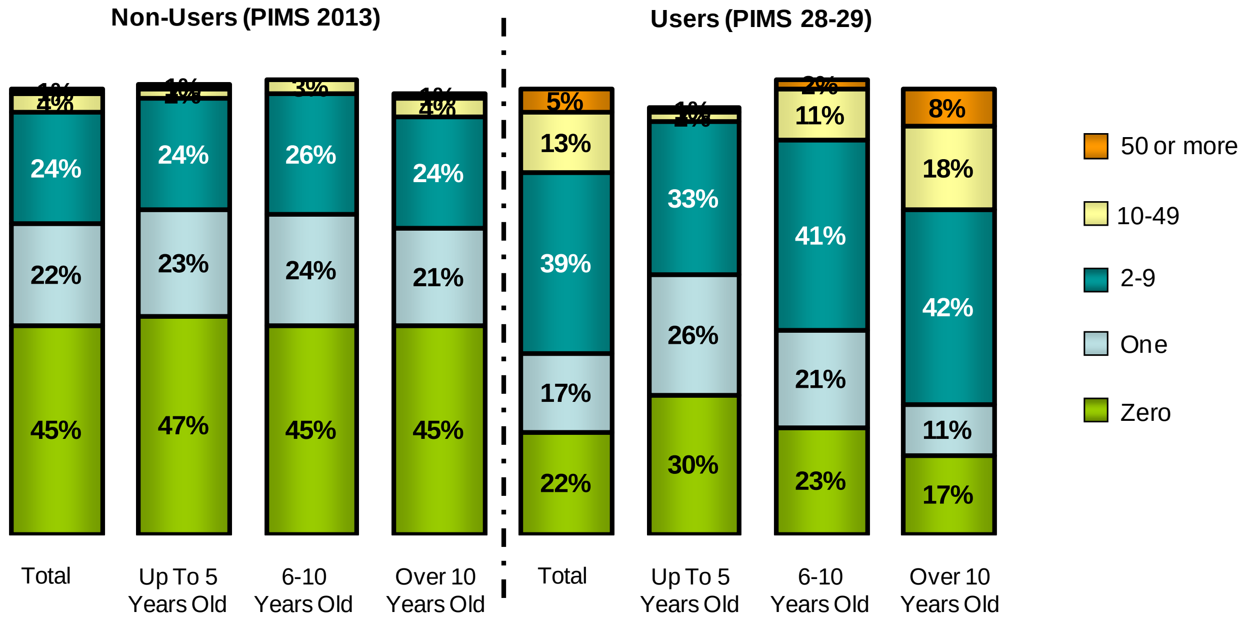
Table 4.6.4.1 Whether Any Employees Involved in Development of Scientific or Technical Knowledge Not Commonly Available - Non-Users by Whether Supported

	Total		Up to 5 years		6-10 years		Over 10 years	
	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted
Base	*102*	*727*	*14*	*139*	*20*	*205*	*68*	*383*
Yes	12%	12%	16%	12%	24%	8%	9%	13%
No	34%	32%	18%	36%	20%	40%	40%	27%
No R&D employees	50%	51%	66%	48%	50%	49%	47%	53%
Don't know	3%	5%	0%	3%	5%	2%	3%	7%
Not yet trading	0%	0%	0%	1%	0%	0%	0%	0%

4.6.5 Employees Engaged In New Product or Service Development

Non-user businesses were asked to indicate the number of their employees involved either wholly or partly in new product or service development. Comparative data has also been provided for users of UKTI support.

Chart 4.6.5.1 Number of Employees Engaged in New Product/Service Development



Base: All respondents (Base, Don't know/Refused, Not yet trading)
Non-Users – Total (829, 4%, 0%), Up to 5 years old (153, 3%, 0%), 6-10 years old (225, 2%, 0%), Over 10 years old (451, 5%, 0%)
Users – Total (2010, 3%, 2%), Up to 5 years old (481, 1%, 7%), 6-10 years old (329, 1%, 0%), Over 10 years old (1199, 4%, 0%)

Half of non-user firms have at least one employee engaged in new product or service development, compared to three quarters of UKTI clients.

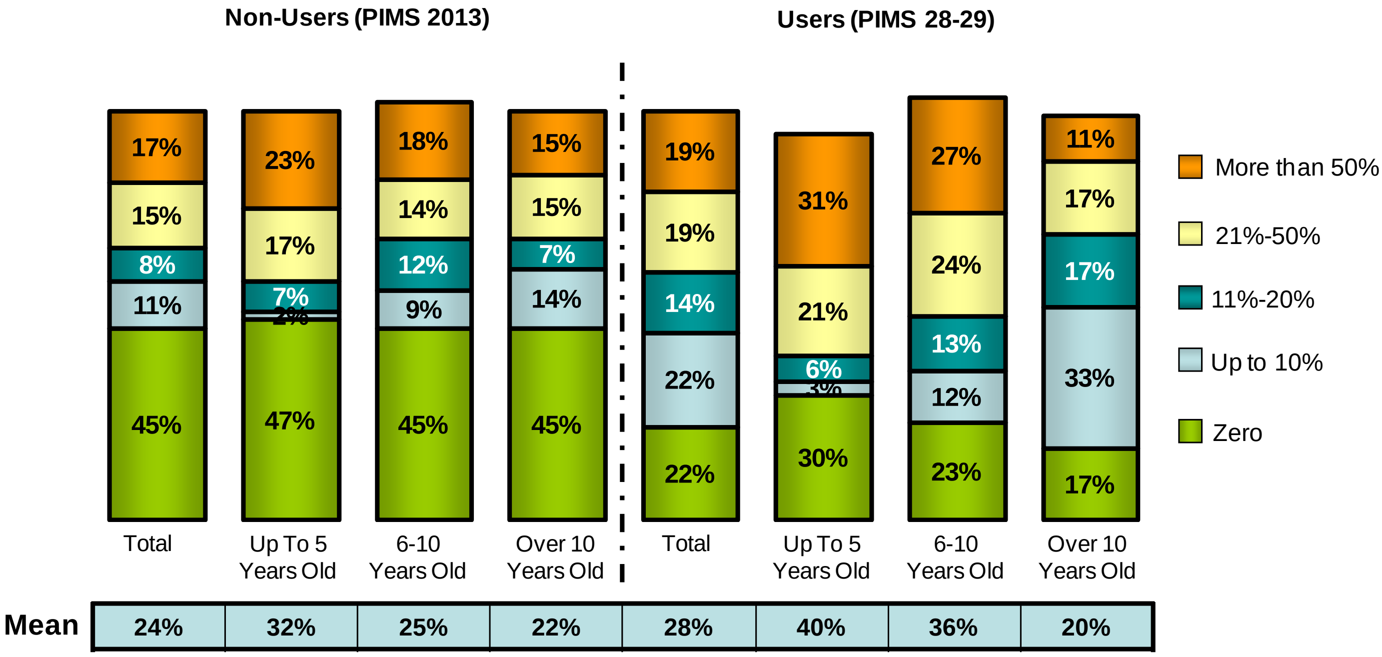
The table below demonstrates that there is little difference in the number of employees engaged in new product or service development in supported and unsupported firms.

Table 4.6.5.1 Number of Employees Engaged in New Product/Service Development - Non-Users by Whether Supported

	Total		Up to 5 years		6-10 years		Over 10 years	
	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted
Base	*102*	*727*	*14*	*139*	*20*	*205*	*68*	*383*
Zero	44%	45%	66%	46%	75%	43%	34%	46%
1	22%	22%	28%	22%	5%	26%	25%	20%
2-9	24%	25%	6%	25%	24%	27%	26%	24%
10-49	5%	3%	0%	2%	0%	3%	7%	4%
50+	2%	0%	0%	1%	0%	0%	3%	0%
Don't know	3%	4%	0%	3%	0%	2%	4%	6%
Not yet trading	0%	0%	0%	1%	0%	0%	0%	0%

The chart below gives the same results, but displaying the number of employees engaged in product/service development as a *proportion* of all employees at the firm.

Chart 4.6.5.2 Proportion of Employees Engaged in New Product/Service Development



Base: All respondents (Base, Don't know/Refused, Not Yet Trading)
Non-Users – Total (829, 4%, 0%), Up to 5 years old (153, 3%, 0%), 6-10 years old (225, 2%, 0%), Over 10 years old (451, 5%, 0%)
Users – Total (2010, 3%, 2%), Up to 5 years old (481, 1%, 7%), 6-10 years old (329, 1%, 0%), Over 10 years old (1199, 4%, 0%)

As was seen for R&D employees, as well as being more likely than non-users to have any staff engaged in new product or service development, UKTI users also have a slightly higher proportion of their employees involved in these activities. On average, UKTI users have 28% of their staff engaged wholly or partly in product/service development compared to 24% for non-users.

Although UKTI clients established for over 10 years are more likely to have any staff involved in new product development, this tends to involve a lower proportion of their total workforce. For non-user firms, age has little bearing on whether they have *any* staff engaged in NPD but younger firms tend to have a higher proportion of their total workforce engaged in these activities.

There is no overall difference between supported and unsupported firms when it comes to the proportion of employees engaged in NPD.

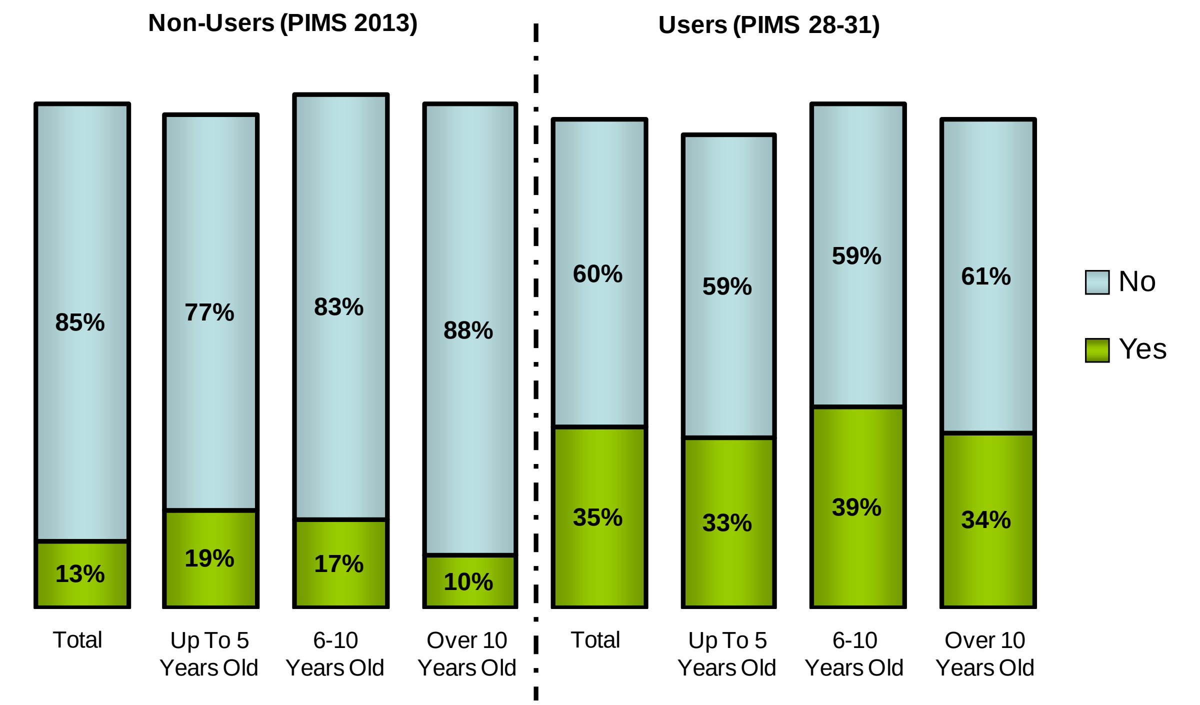
Table 4.6.5.2 Proportion of Employees Engaged in New Product/Service Development - Non-Users by Whether Supported

	Total		Up to 5 years		6-10 years		Over 10 years	
	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted
Base	*102*	*727*	*14*	*139*	*20*	*205*	*68*	*383*
Zero	44%	45%	66%	46%	75%	43%	34%	46%
Up to 10%	15%	10%	0%	2%	15%	9%	18%	13%
11-20%	7%	8%	6%	7%	10%	12%	6%	7%
21-50%	16%	15%	18%	16%	0%	15%	19%	14%
More than 50%	15%	17%	10%	25%	0%	20%	19%	14%
Don't know	3%	4%	0%	3%	0%	2%	4%	6%
Not yet trading	0%	0%	0%	1%	0%	0%	0%	0%
Mean	*22%*	*24%*	*18%*	*33%*	*2%*	*27%*	*28%*	*21%*

4.6.6 External R&D or Product/Service Development

Non-user businesses were also asked whether they had commissioned anyone external to their business to conduct any R&D or new product/service development for them in the last year. Comparative data has also been provided for users of UKTI support.

Chart 4.6.6.1 Whether Commissioned External R&D or Product/Service Development in Last Year



Base: All respondents (Base, Don't know/Refused, Not Yet Trading)
Non-Users – Total (829, 2%, 0%), Up to 5 years old (153, 3%, 0%), 6-10 years old (225, 0%, 0%), Over 10 years old (451, 2%, 0%)
Users – Total (3823, 3%, 2%), Up to 5 years old (888, 1%, 8%), 6-10 years old (593, 1%, 0%), Over 10 years old (2340, 4%, 0%)

In comparison to non-users, UKTI clients are considerably more likely to have outsourced R&D or new product/service development in the past year.

As seen below, there is no difference between supported and unsupported non-users in their use of external R&D or NPD.

Table 4.6.6.1 Whether Commissioned External R&D or Product/Service Dev't in Last Year - Non-Users by Whether Supported

	Total		Up to 5 years		6-10 years		Over 10 years	
	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted
Base	*102*	*727*	*14*	*139*	*20*	*205*	*68*	*383*
Yes	14%	13%	6%	20%	30%	16%	12%	10%
No	85%	85%	94%	76%	70%	84%	87%	88%
Don't know	1%	2%	0%	3%	0%	0%	1%	2%
Not yet trading	0%	0%	0%	1%	0%	0%	0%	0%

4.6.7 New Products & Services

Non-user firms were asked whether they had introduced any new products or services over the last 3 years and, if so, whether these were just new to their business, new to their industry/sector or completely new to the world. The table summarises these results, along with comparative data for users of UKTI support.

Table 4.6.7.1 Whether Introduced Any New Products/Services in Last 3 Years

	Non-Users (PIMS 2013)				Users (PIMS 28-31)			
	Total	0-5 years	6-10 years	>10 years	Total	0-5 years	6-10 years	>10 years
Base: All est. 2 yrs or more	*773*	*97*	*225*	*451*	*3484*	*549*	*593*	*2340*
Yes	56%	59%	62%	54%	80%	78%	78%	80%
- New to the business	*32%*	*37%*	*38%*	*28%*	*34%*	*33%*	*29%*	*35%*
- New to the sector	*11%*	*9%*	*11%*	*11%*	*18%*	*17%*	*19%*	*18%*
- New to the world	*6%*	*6%*	*7%*	*5%*	*16%*	*20%*	*19%*	*14%*
- Some new to world, some just new to business	*7%*	*7%*	*6%*	*8%*	*11%*	*7%*	*10%*	*12%*
No	43%	40%	38%	45%	20%	21%	22%	19%
Don't know	1%	1%	0%	1%	1%	1%	0%	1%

UKTI users are more likely to have introduced new products or services over the last 3 years (80% vs. 56% of non-users). Furthermore, 27% of users indicated that at least some of these products were completely 'new to the world', compared to just 13% of non-users. For both users and non-users there is relatively little difference in the proportion of firms introducing new products/services by age of firms.

As detailed below, those non-user firms that have accessed some form of export-related support appear more likely to be dealing with new products/services than unsupported non-users. However, it should be noted that this apparent difference is not statistically significant.

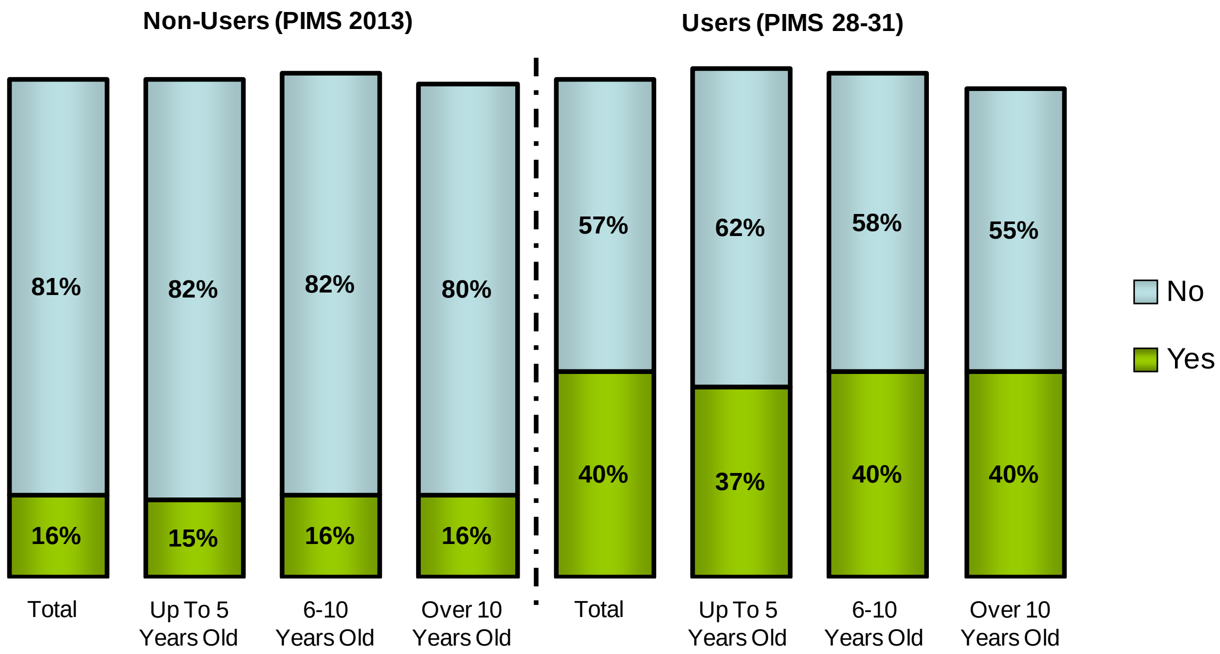
Table 4.6.7.2 Whether Introduced Any New Products/Services in Last 3 Years - Non-Users by Whether Supported

	Total		Up to 5 years		6-10 years		Over 10 years	
	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted
Base: All est. 2 yrs or more	*99*	*674*	*11*	*86*	*20*	*205*	*68*	*383*
Yes	63%	55%	77%	57%	60%	62%	62%	52%
- New to the business	*34%*	*31%*	*33%*	*37%*	*35%*	*38%*	*34%*	*27%*
- New to the sector	*13%*	*11%*	*16%*	*8%*	*16%*	*10%*	*12%*	*11%*
- New to the world	*7%*	*6%*	*16%*	*5%*	*0%*	*8%*	*7%*	*5%*
- Some new to world, some just new to business	*9%*	*7%*	*13%*	*7%*	*10%*	*5%*	*9%*	*7%*
No	36%	44%	23%	42%	40%	38%	37%	47%
Don't know	1%	1%	0%	1%	0%	0%	1%	1%

4.6.8 IP Protection

Non-user firms were asked whether they had applied for or obtained any patents, trademarks or other legal protection (either in the UK or overseas) for any of their products/services. If so, they have been classified as 'IP active'. Equivalent data has also been provided for UKTI users.

Chart 4.6.8.1 IP Active Firms



Base: All respondents (Base, Don't know)
Non-Users – Total (829, 3%), Up to 5 years old (153, 3%), 6-10 years old (225, 2%), Over 10 years old (451, 4%),
Users – Total (3823, 4%), Up to 5 years old (888, 1%), 6-10 years old (593, 2%), Over 10 years old (2340, 5%)

Reflecting their generally lower involvement in innovation activities (as seen throughout this section of the report), non-users are much less likely than users to hold any IP protection.

There are no differences between supported and unsupported non-user firms when it comes to the likelihood of holding IP protection.

Table 4.6.8.1 IP Active Firms
- Non-Users by Whether Supported

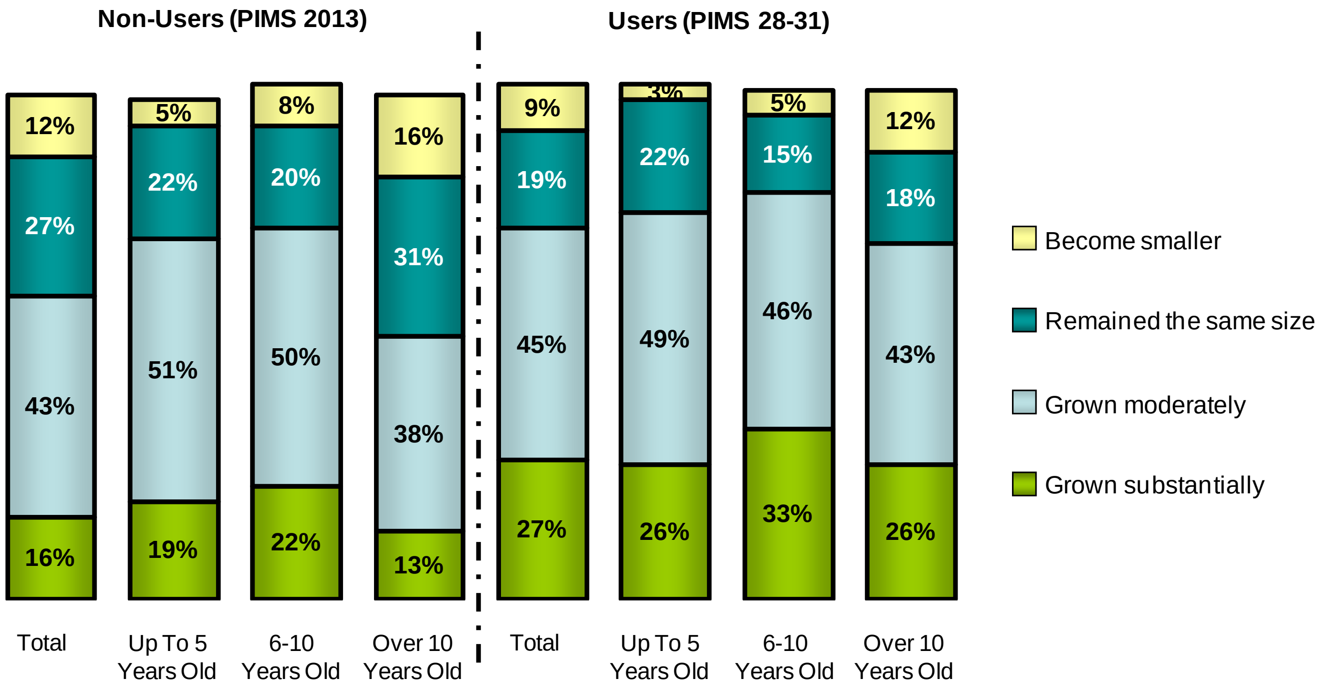
	Total		Up to 5 years		6-10 years		Over 10 years	
	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted
Base	*102*	*727*	*14*	*139*	*20*	*205*	*68*	*383*
Yes	17%	15%	18%	14%	16%	16%	18%	16%
No	76%	82%	82%	82%	80%	82%	75%	81%
Don't know	6%	3%	0%	3%	5%	2%	7%	3%

4.7 Growth

4.7.1 Recent Growth

The following chart shows the growth of non-user firms over the last 5 years, along with comparative data for users of UKTI support. Please note that firms established for 1 year or less were not asked this question and have been excluded from the analysis.

Chart 4.7.1.1 Past Growth (Last 5 Years)



Base: All respondents established > 1 year (Base, Don't know/Refused)
Non-Users – Total (813, 2%), Up to 5 years old (137, 4%), 6-10 years old (225, 0%), Over 10 years old (451, 2%),
Users – Total (3687, 1%), Up to 5 years old (752, 0%), 6-10 years old (593, 1%), Over 10 years old (2340, 1%)

UKTI users have experienced more dynamic growth than non-users, with 72% of the former indicating that they have grown over the past 5 years compared to 59% of non-users. In particular, users are more likely to have experienced 'substantial growth', suggesting that UKTI support can have a positive impact on the growth performance of UK exporters.

This difference between UKTI users and non-users is evident across all age bands, but particularly evident in firms established over 10 years ago.

As detailed below, it does appear that supported non-user firms are slightly more likely to report past growth, although this difference is not statistically significant.

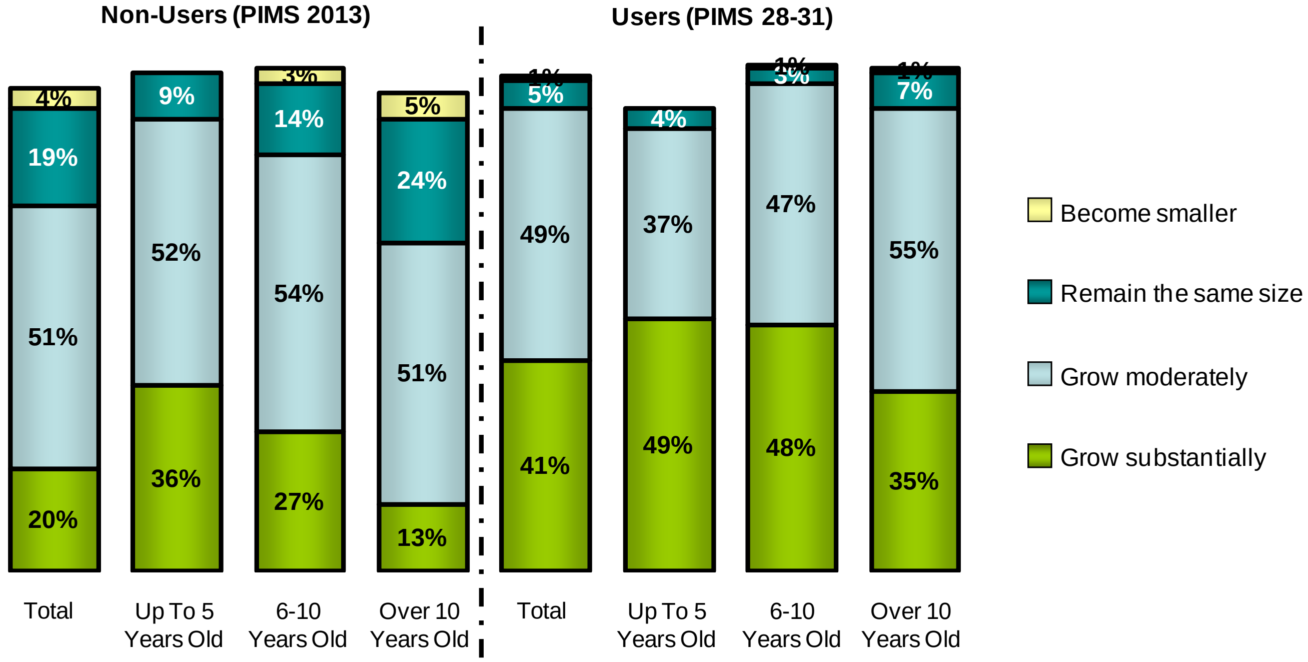
Table 4.7.1.1 Past Growth (Last 5 Years)
- Non-Users by Whether Supported

	Total		Up to 5 years		6-10 years		Over 10 years	
	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted
Base: All est. >1 year	*101*	*712*	*13*	*124*	*20*	*205*	*68*	*383*
Grown substantially	18%	15%	7%	20%	15%	22%	21%	11%
Grown moderately	47%	42%	55%	50%	66%	49%	41%	38%
Remained same	23%	27%	27%	21%	10%	21%	25%	32%
Become smaller	10%	13%	11%	5%	10%	7%	10%	17%
Don’t know/refused	2%	2%	0%	4%	0%	0%	3%	2%

4.7.2 Future Growth

Non-user businesses were also asked to indicate the growth objectives for their business over the next five years. Comparative data has also been provided for users of UKTI support.

Chart 4.7.2.1 Growth Objectives (Next 5 Years)



Base: All respondents (Base, Don't know/Refused)
Non-Users – Total (829, 6%), Up to 5 years old (153, 4%), 6-10 years old (225, 2%), Over 10 years old (451, 7%)
Users – Total (3823, 2%), Up to 5 years old (888, 1%), 6-10 years old (593, 1%), Over 10 years old (2340, 2%)

In addition to being less likely to have experienced growth over the last 5 years, non-user businesses are also less optimistic about their growth prospects for the next five years. Although the majority expect some level of growth, they are much less likely than UKTI users to be anticipating 'substantial' growth and this is true irrespective of the length of time firms have been established.

There appears to be little difference in the future growth objectives of supported and unsupported non-users, as seen in the table below.

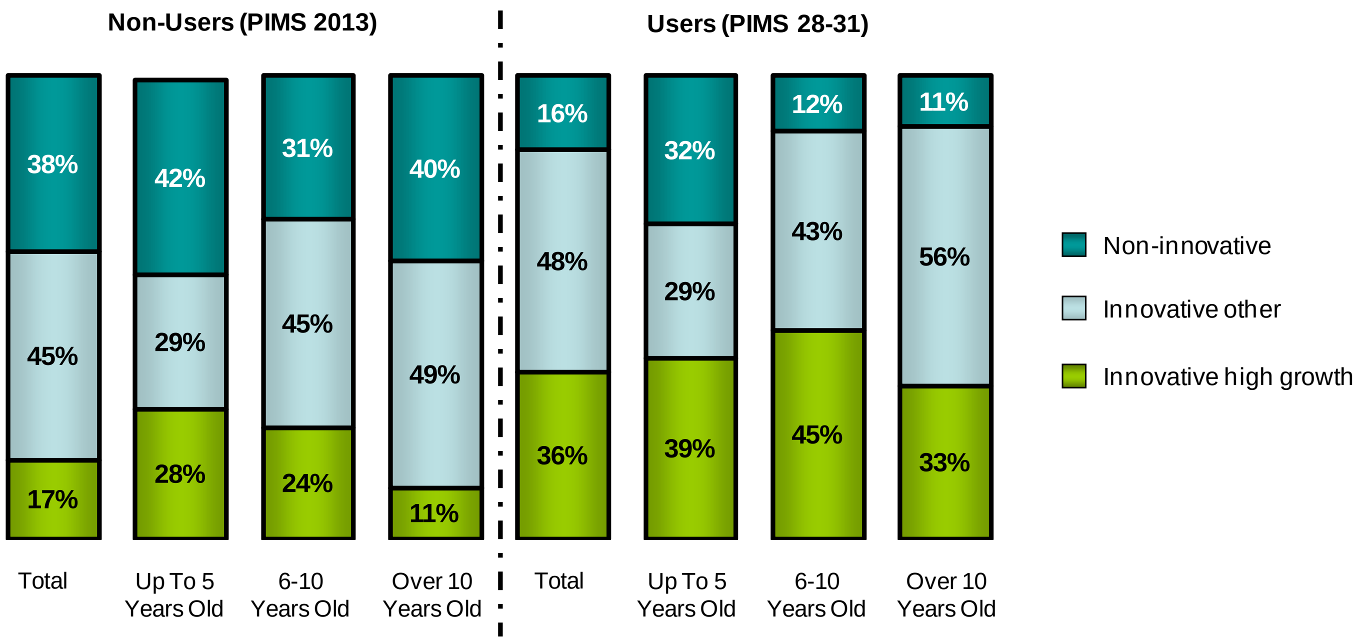
Table 4.7.2.1 Growth Objectives (Next 5 Years) - Non-Users by Whether Supported

	Total		Up to 5 years		6-10 years		Over 10 years	
	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted
Base	*102*	*727*	*14*	*139*	*20*	*205*	*68*	*383*
Grow substantially	18%	21%	34%	36%	5%	29%	19%	12%
Grow moderately	58%	51%	60%	51%	80%	51%	53%	50%
Remain same	17%	19%	6%	9%	15%	14%	19%	25%
Become smaller	3%	4%	0%	0%	0%	3%	5%	5%
Don't know	3%	6%	0%	4%	0%	2%	4%	8%

4.7.3 Innovative High Growth Firms

The chart below shows the proportions of non-user businesses that are classified as being 'innovative high growth' (as per the definition in the panel overleaf). Comparative data has also been provided for users of UKTI support from the main PIMS surveys.

Chart 7.3.1.1 Innovative High Growth Firms



Base: All respondents (Base)
Non-Users – Total (829), Up to 5 years old (153), 6-10 years old (225), Over 10 years old (451)
Users – Total (3823), Up to 5 years old (888), 6-10 years old (593), Over 10 years old (2340)

UKTI appears to support a disproportionally high number of innovative high growth firms, with users twice as likely as non-users to be classified in this way. However, there are clearly still significant numbers of innovative high growth firms that UKTI do not reach, with 17% of non-users meeting this definition.

Although non-user firms that have not accessed any external support appear more likely to be classed as innovative high growth than supported non-users, this difference is not statistically significant.

Table 7.3.1.1 Innovative High Growth Firms
- Non-Users by Whether Supported

	Total		Up to 5 years		6-10 years		Over 10 years	
	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted
Base	*102*	*727*	*14*	*139*	*20*	*205*	*68*	*383*
Innovative high growth	12%	18%	22%	29%	5%	26%	12%	11%
Innovative other	56%	43%	38%	29%	66%	43%	56%	48%
Non-innovative	33%	39%	40%	42%	29%	32%	32%	41%

The panel below provides details of how ‘innovative high growth’ firms have been defined for the purposes of this analysis.

Innovative High Growth Firms

‘Innovative high growth’ firms are those that…

- Are defined as being ‘innovative’ (using the standard definition)
- And, expect to grow substantially over the next 5 years

4.8 Business Planning

Non-user businesses were asked whether they had a current, written business plan and, if so, whether this plan contained any targets that specifically related to overseas sales. These results are shown in the following table, along with comparable results for users of UKTI support.

Table 4.8.1 Business Planning

	Non-Users (PIMS 2013)				Users (PIMS 28-31)			
	Total	Up to 5 years	6-10 years	>10 years	Total	Up to 5 years	6-10 years	>10 years
Base	*829*	*153*	*225*	*451*	*3823*	*888*	*593*	*2340*
Do you have a current business plan?								
Yes	40%	45%	48%	36%	70%	70%	66%	71%
In progress/being written	3%	5%	3%	2%	2%	3%	2%	1%
No	49%	45%	42%	52%	25%	26%	29%	23%
Don’t know	8%	4%	7%	9%	4%	1%	2%	5%
Does this plan contain any targets relating to overseas sales?								
Yes	22%	24%	24%	20%	55%	52%	54%	56%
No	19%	25%	26%	15%	15%	19%	13%	13%
Don’t know	3%	1%	0%	4%	2%	1%	1%	3%
No business plan	49%	45%	42%	52%	25%	26%	29%	23%
Don’t know if have business plan	8%	4%	7%	9%	4%	1%	2%	5%

Business planning appears to be much more prevalent amongst users of UKTI trade development services than non-users, with 70% of users having a business plan compared to just 40% of non-users.

Furthermore, less than a quarter of non-users have a plan that contains targets relating to overseas sales, whereas over half of UKTI clients indicated that this was the case.

With respect to differences between supported and unsupported non-user firms, the former are more likely to have a current written business plan and to detail targets for overseas sales within this plan (although still less likely than UKTI users).

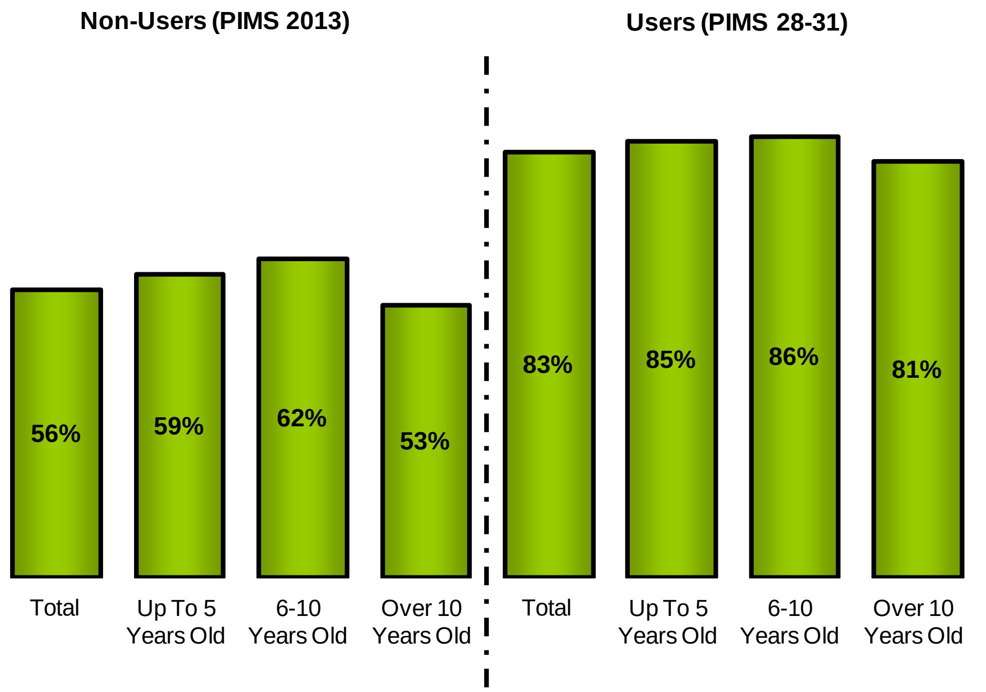
Table 4.8.2 Business Planning
- Non-Users by Whether Supported

	Total		Up to 5 years		6-10 years		Over 10 years	
	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted
Base	*102*	*727*	*14*	*139*	*20*	*205*	*68*	*383*
Do you have a current business plan?								
Yes	50%	39%	50%	45%	65%	46%	47%	34%
In progress/being written	4%	3%	10%	4%	0%	3%	4%	2%
No	35%	51%	40%	46%	30%	44%	35%	55%
Don't know	10%	7%	0%	5%	5%	7%	13%	8%
Does this plan contain any targets relating to overseas sales?								
Yes	30%	21%	24%	24%	36%	23%	29%	19%
No	23%	19%	35%	24%	30%	26%	19%	14%
Don't know	2%	3%	0%	1%	0%	0%	3%	4%
No business plan	35%	51%	40%	46%	30%	44%	35%	55%
Don't know if have business plan	10%	7%	0%	5%	5%	7%	13%	8%

4.9 Degree-Level Senior Management

The chart below shows the proportions of non-user businesses interviewed that have at least one owner, partner or director with degree level (or equivalent) qualifications. Comparative data has also been provided for users of UKTI support.

Chart 4.9.1 Any Owners, Partners or Directors with Degree-Level or Equivalent Qualifications



Base: All respondents (Base)
Non-Users – Total (829), Up to 5 years old (153), 6-10 years ago (225), Over 10 years old (451)
Users – Total (3421), Up to 5 years old (806), 6-10 years old (564), Over 10 years old (2050)

The majority of non-user firms have at least one owner, partner or director with degree level qualifications. However, UKTI users are considerably more likely to have at least one highly-qualified member of the senior management team.

As seen below, there is little difference in this respect between supported and unsupported non-users.

Table 4.9.1 Any Owners, Partners or Directors with Degree-Level or Equivalent Qualifications - Non-Users by Whether Supported

	Total		Up to 5 years		6-10 years		Over 10 years	
	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted
Base	*102*	*727*	*14*	*139*	*20*	*205*	*68*	*383*
Yes	54%	57%	44%	60%	71%	62%	51%	54%
No	43%	40%	56%	38%	24%	35%	46%	43%
Don't know	3%	3%	0%	1%	5%	3%	3%	3%
Not yet trading	0%	0%	0%	1%	0%	0%	0%	0%

4.10 Membership of Business Bodies

All firms were asked if they belonged to the Chamber of Commerce, any Trade Associations or sector bodies, or any other organisations representing business (e.g. the CBI, FSB, etc). Comparative data has also been provided for users of UKTI support.

Table 4.10.1 Membership of Business Bodies

	Non-Users (PIMS 2013)				Users (PIMS 29-31 only)			
	Total	Up to 5 years	6-10 years	>10 years	Total	Up to 5 years	6-10 years	>10 years
Base	*829*	*153*	*225*	*451*	*2740*	*633*	*400*	*1705*
Chamber of Commerce	16%	8%	15%	19%	31%	17%	24%	38%
Trade associations or sector bodies	24%	15%	19%	29%	55%	35%	46%	65%
Other organisations representing business	20%	16%	24%	19%	22%	11%	20%	26%
None of these	53%	67%	56%	47%	30%	52%	39%	20%
Don't know	3%	4%	1%	3%	3%	1%	2%	5%
Member of at least one	*45%*	*29%*	*43%*	*50%*	*66%*	*47%*	*59%*	*76%*

UKTI users are significantly more likely than non-users to belong to the Chamber of Commerce and trade associations/sector bodies.

Those non-user firms that had obtained some form of export-related support (from a non-UKTI source) are more likely to be members of each of these organisations than unsupported non-users.

Table 4.10.2 Membership of Business Bodies
- Non-Users by Whether Supported

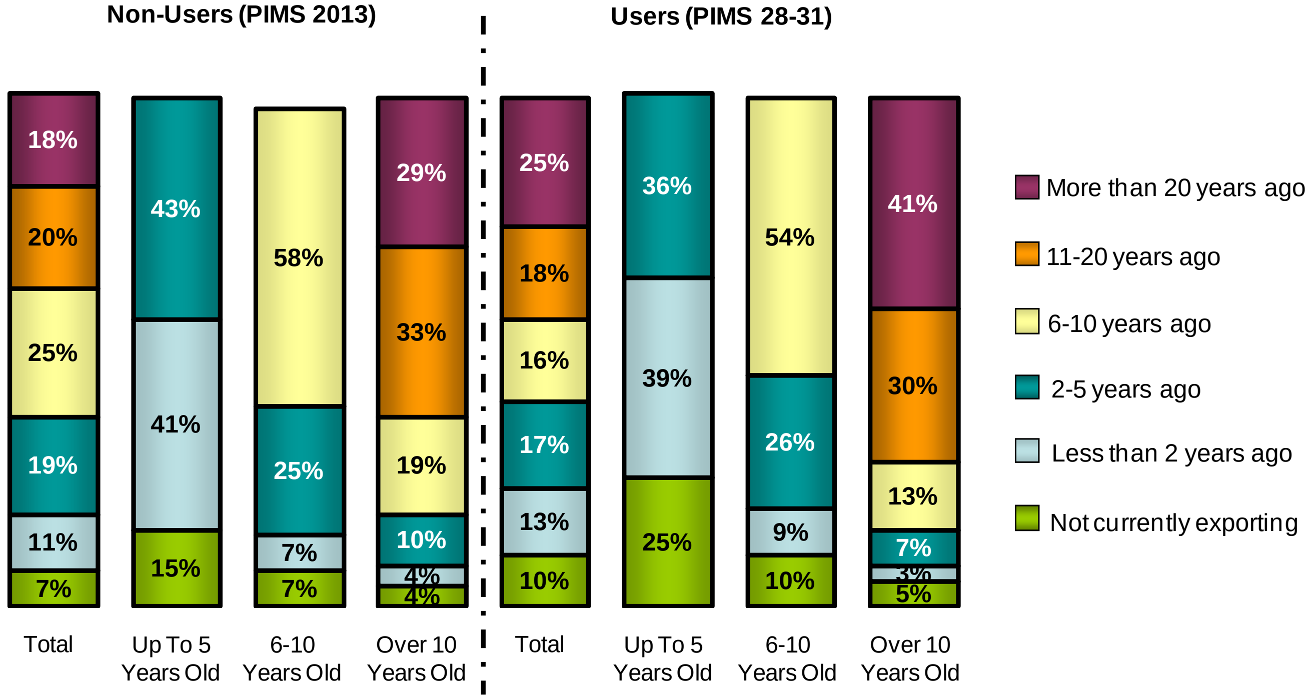
	Total		Up to 5 years		6-10 years		Over 10 years	
	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted
Base	*102*	*727*	*14*	*139*	*20*	*205*	*68*	*383*
Chamber of Commerce	33%	14%	10%	7%	35%	13%	37%	16%
Trade associations or sector bodies	34%	23%	18%	15%	40%	17%	35%	28%
Other organisations representing business	28%	19%	16%	16%	35%	23%	28%	18%
None of these	41%	54%	72%	67%	30%	58%	39%	49%
Don't know	1%	3%	0%	5%	0%	2%	1%	3%
Member of at least one	*58%*	*43%*	*28%*	*29%*	*70%*	*40%*	*59%*	*48%*

5. Export Experience & Strategy

5.1 Length of Time Exporting

The chart below provides details of the length of time that non-user businesses have been doing business overseas. Comparative data has also been provided for users of UKTI support.

Chart 5.1.1 When Started Doing Business Overseas



Base: All respondents (Base, Don't know)
Non-Users – Total (829, 1%), Up to 5 years old (153, 1%), 6-10 years old (225, 2%), Over 10 years old (451, 1%)
Users – Total (3823, 1%), Up to 5 years old (888, 0%), 6-10 years old (593, 0%), Over 10 years old (2340, 1%)

There is generally little difference between users and non-users of UKTI, although the former are slightly more likely to be either very recent exporters (less than 2 years experience) or very long-term exporters (over 20 years experience).

Supported non-users are slightly more experienced overseas than unsupported non-users, being more likely to have been exporting for more than 10 years and less likely to have not yet started doing business overseas.

Table 5.1.1 When Started Doing Business Overseas
- Non-Users by Whether Supported

	Total		Up to 5 years		6-10 years		Over 10 years	
	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted
Base	*102*	727	14	139	20	205	68	383
Not exporting	2%	7%	6%	15%	0%	8%	1%	5%
Less than 2 years	5%	12%	22%	43%	5%	8%	3%	4%
2-5 years	15%	20%	72%	41%	10%	27%	7%	11%
6-10 years	24%	25%	0%	0%	85%	55%	13%	20%
11-20 years	32%	18%	0%	0%	0%	0%	45%	31%
Over 20 years	22%	17%	0%	0%	0%	0%	30%	29%
Don't know	0%	1%	0%	1%	0%	2%	0%	1%

Firms that were not yet exporting were eligible for the Non-User survey as long as they has attempted or seriously considered doing business overseas in the previous 2 years. Overall, this group accounted for 7% of the non-user sample. These firms were also asked whether they expected to start doing business overseas in the next 3 years. Comparative results have also been shown for UKTI users.

Table 5.1.2 Whether Expect to Do Business Overseas in Next 3 Years
(Not Yet Exporting Firms)

	Firms Not Yet Exporting	
	Non-Users (2013)	Users (PIMS 28-31)
Base: All not yet exporting	*58*	*359*
Yes	86%	87%
- In next year	*22%*	*45%*
- In next 1-2 years	*9%*	*29%*
- In next 2-3 years	*55%*	*13%*
- Don't know when	*0%*	*0%*
No	8%	9%
Don't know	6%	4%

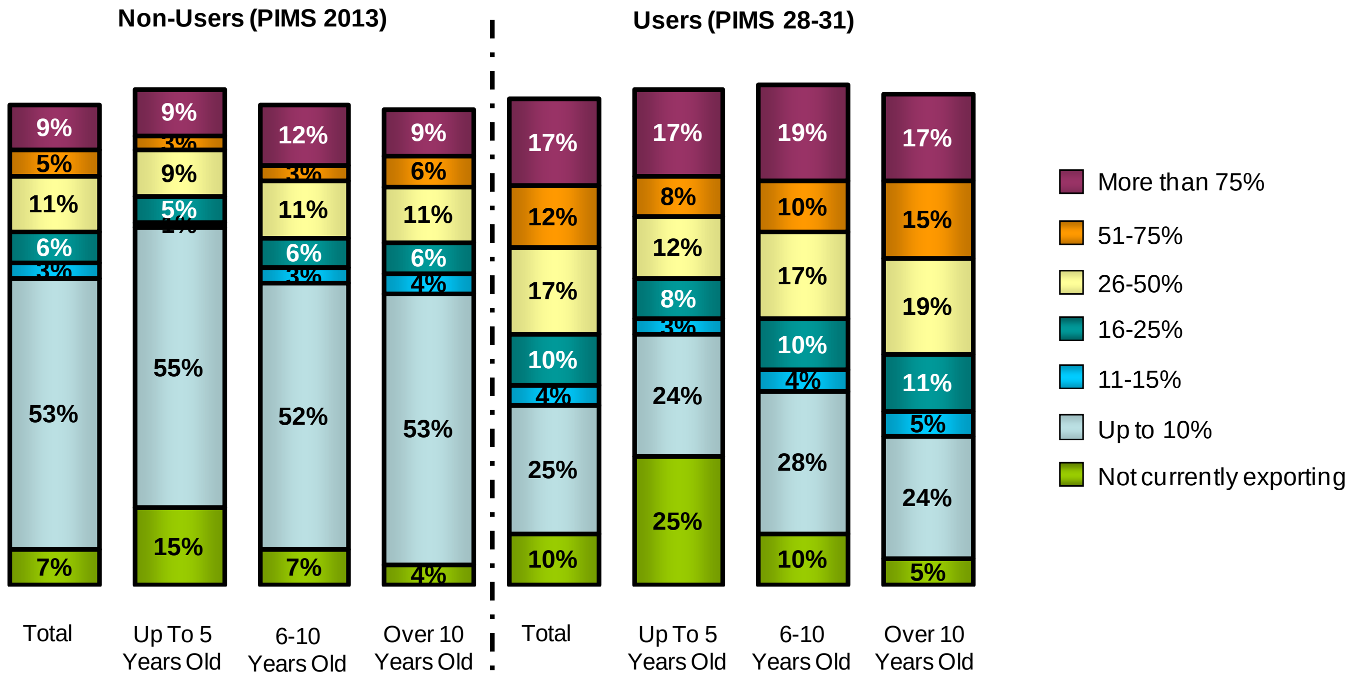
The majority of non-user firms that were not currently exporting expected to start in the next 3 years, although over half thought it would take at least 2 years to reach this point. Within the equivalent group of UKTI clients, a similar proportion of firms were expecting to start doing business overseas in the next 3 years, but typically expected this to happen sooner.

5.2 Export Turnover

5.2.1 Current Export Turnover

The chart below shows the profile of the non-user businesses interviewed in terms of the proportion of their turnover that is accounted for by overseas sales. Comparative data has also been provided for users of UKTI support.

Chart 5.2.1.1 Percentage of Turnover Accounted for by Overseas Sales



Base: All respondents (Base, Don't know/Refused)
Non-Users – Total (829, 6%), Up to 5 years old (153, 4%), 6-10 years old (225, 7%), Over 10 years old (451, 7%)
Users – Total (3823, 4%), Up to 5 years old (888, 3%), 6-10 years old (593, 3%), Over 10 years old (2340, 5%)

Overseas sales appear to be more important to UKTI users than non-users, in the sense that the former indicate that exports account for a greater proportion of their overall sales. Overall, 59% of non-users report that exports contribute no more than 10% of their total turnover, compared to just 35% of users.

It is also interesting to note that amongst non-users there is relatively little difference in export turnover by age of firm, particularly when comparing firms established for 6-10 years and those that have been trading for more than 10 years. However, among UKTI clients there is a more linear relationship between the importance of overseas sales (in terms of their contribution to total turnover) and age of business.

As seen below, supported non-users tend to be more engaged exporters, with overseas sales generally accounting for a greater proportion of their turnover than is the case for unsupported firms. However, exports are still less important to these businesses than is the case for UKTI users.

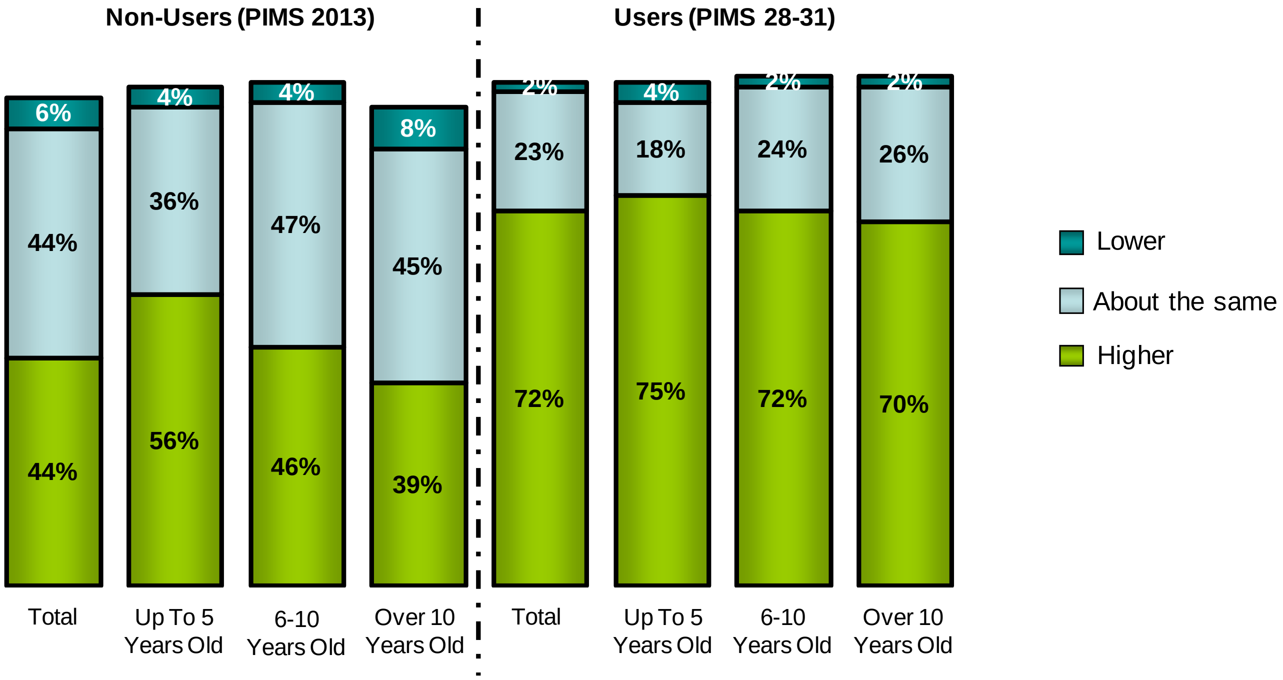
Table 5.2.1.1 Percentage of Turnover Accounted for by Overseas Sales - Non-Users by Whether Supported

	Total		Up to 5 years		6-10 years		Over 10 years	
	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted
Base	*102*	*727*	*14*	*139*	*20*	*205*	*68*	*383*
Not exporting	2%	7%	6%	15%	0%	8%	1%	5%
Up to 10%	42%	54%	45%	55%	44%	52%	39%	55%
11-15%	6%	3%	6%	1%	5%	3%	6%	4%
16-25%	8%	6%	0%	5%	0%	6%	11%	5%
26-50%	16%	10%	26%	7%	20%	10%	13%	10%
51-75%	7%	5%	0%	4%	5%	3%	9%	6%
Over 75%	12%	9%	12%	8%	15%	11%	12%	8%
Don't know	7%	6%	0%	5%	10%	6%	7%	7%

5.2.2 Anticipated Change in Export Turnover

In addition to providing their current export turnover, non-user firms were also asked whether they expected that the percentage of their turnover accounted for by overseas sales would be higher, lower or the about the same in 3 years time.

Chart 5.2.2.1 Anticipated Change in Percentage of Turnover Accounted for by Overseas Sales Over Next 3 Years



Base: All respondents (Base, Don't know/Refused)
Non-Users – Total (829, 6%), Up to 5 years old (153, 4%), 6-10 years old (225, 3%), Over 10 years old (451, 7%)
Users – Total (3823, 3%), Up to 5 years old (888, 3%), 6-10 years old (593, 2%), Over 10 years old (2340, 2%)

Non-users of UKTI appear to be considerably less optimistic and/or ambitious when it comes to overseas growth, with only 44% expecting overseas sales to account for a greater proportion of their turnover in 3 years time compared to 72% of users.

This difference is apparent irrespective of age of firm, although it is interesting to note that younger non-users are more likely to be expecting overseas growth than older firms. In contrast, the proportion of UKTI users expecting to see an increase in their export sales is similar irrespective of the age of the firm.

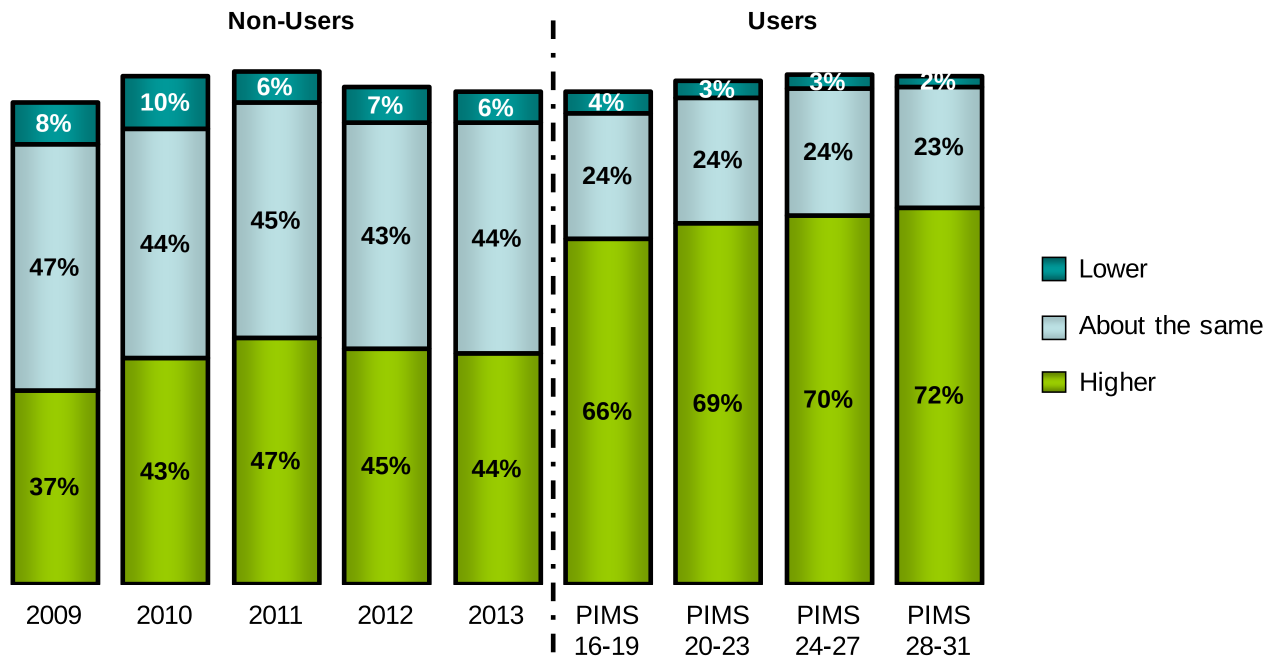
Although it is not statistically significant, there is some indication that supported non-users are more likely to anticipate an increase in the proportion of their turnover accounted for by overseas sales.

Table 5.2.2.1 Anticipated Change in Percentage of Turnover Accounted for by Overseas Sales - Non-Users by Whether Supported

	Total		Up to 5 years		6-10 years		Over 10 years	
	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted
Base	*102*	*727*	*14*	*139*	*20*	*205*	*68*	*383*
Higher	50%	43%	76%	54%	36%	47%	50%	37%
About the same	37%	45%	24%	37%	60%	46%	34%	47%
Lower	8%	6%	0%	4%	5%	3%	10%	8%
Don't know	4%	6%	0%	5%	0%	3%	6%	7%

The chart below tracks how responses to this question have changed over time. Please note that comparable data is available for the last 5 years of the non-user survey, but only the last 4 years of the main PIMS user survey.

Chart 5.2.2.2 Anticipated Change in Percentage of Turnover Accounted for by Overseas Sales over Next 3 Years – Over Time



Base: All respondents (Base, Don't know/Refused)
Non-Users – 2009 (300, 7%), 2010 (302, 4%), 2011 (300, 2%), 2012 (300, 6%), 2013 (829, 6%)
Users – PIMS 16-19 (3984, 6%), PIMS 20-23 (3945, 4%), PIMS 24-27 (3817, 3%), PIMS 28-31 (3823, 3%)

Non-users' predictions for their overseas turnover are more positive than they were at the height of the economic downturn in 2009, but there has been little change over the last 4 years. For users of UKTI, there has been a gradual upward trend in the proportion of firms expecting an increase in the contribution of overseas sales to their total turnover.

Those firms that were expecting their export turnover to increase over the next 3 years were asked whether they would achieve this through entering new markets or by expanding in markets in which they were already operating.

Table 5.2.2.2 How Increase in Export Turnover Will Be Achieved

	Non-Users (PIMS 2013)			
	Total	Up to 5 years	6-10 years	>10 years
Base	*829*	*153*	*225*	*451*
Entering new markets	11%	19%	16%	8%
Expanding in existing markets	11%	11%	8%	12%
Both	20%	24%	21%	18%
Don’t know	1%	2%	1%	1%
Not expecting growth in export turnover	56%	44%	54%	61%

Among firms expecting an increase in export turnover, an equal proportion believe that this will come about through entering new overseas markets as expect it to occur through expanding in existing markets. In almost half of cases firms believe it will be a combination of these two factors.

It is clear from the analysis below that supported non-users are considerably more likely to increase their overseas turnover by expanding in existing markets than is the case for unsupported firms (41% vs. 29%).

Table 5.2.2.3 How Increase in Export Turnover Will Be Achieved - Non-Users by Whether Supported

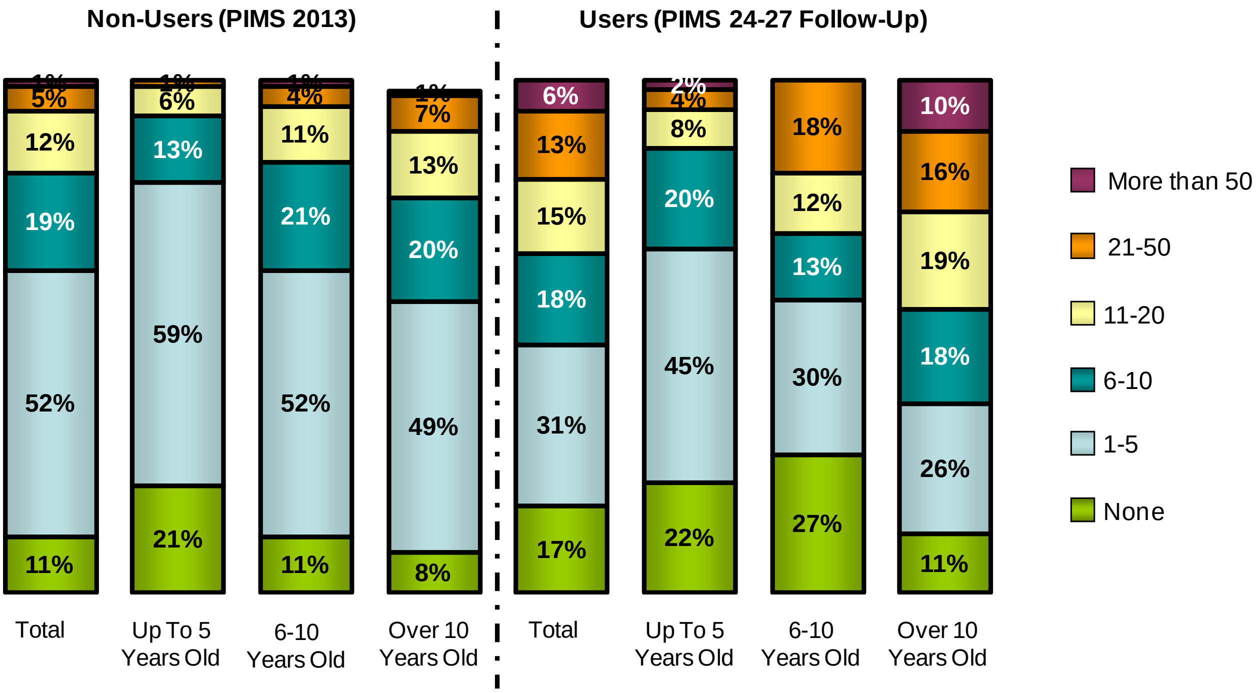
	Total		Up to 5 years		6-10 years		Over 10 years	
	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted
Base	*102*	*727*	*14*	*139*	*20*	*205*	*68*	*383*
Entering new markets	7%	12%	6%	20%	5%	17%	8%	8%
Expanding in existing markets	19%	10%	26%	10%	16%	7%	19%	11%
Both	22%	19%	44%	22%	15%	22%	21%	17%
Don’t know	2%	1%	0%	2%	0%	1%	3%	1%
Not expecting growth in export turnover	50%	57%	24%	46%	64%	53%	50%	63%

5.3 Number of Markets

5.3.1 Current Number of Markets

The chart below shows the number of overseas markets that non-user firms have done business in over the last year. Comparative data has also been provided for users of UKTI support (from the PIMS Follow-Up surveys).

Chart 5.3.1.1 Number of Overseas Markets Done Business in Over Last Year



Base: All respondents (Base, Don't know/Refused)
Non-Users – Total (829, 1%), Up to 5 years old (153, 1%), 6-10 years old (225, 1%), Over 10 years old (451, 1%),
Users – Total (401, 0%), Up to 5 years old (111, 0%), 6-10 years old (78, 0%), Over 10 years old (212, 0%)

Overall, non-user businesses are generally doing business in fewer overseas markets than UKTI clients. This difference is particularly evident amongst firms established for more than 10 years.

As seen below, supported non-users are generally active in a greater number of markets than unsupported firms, and therefore have more similarities with UKTI users in this respect.

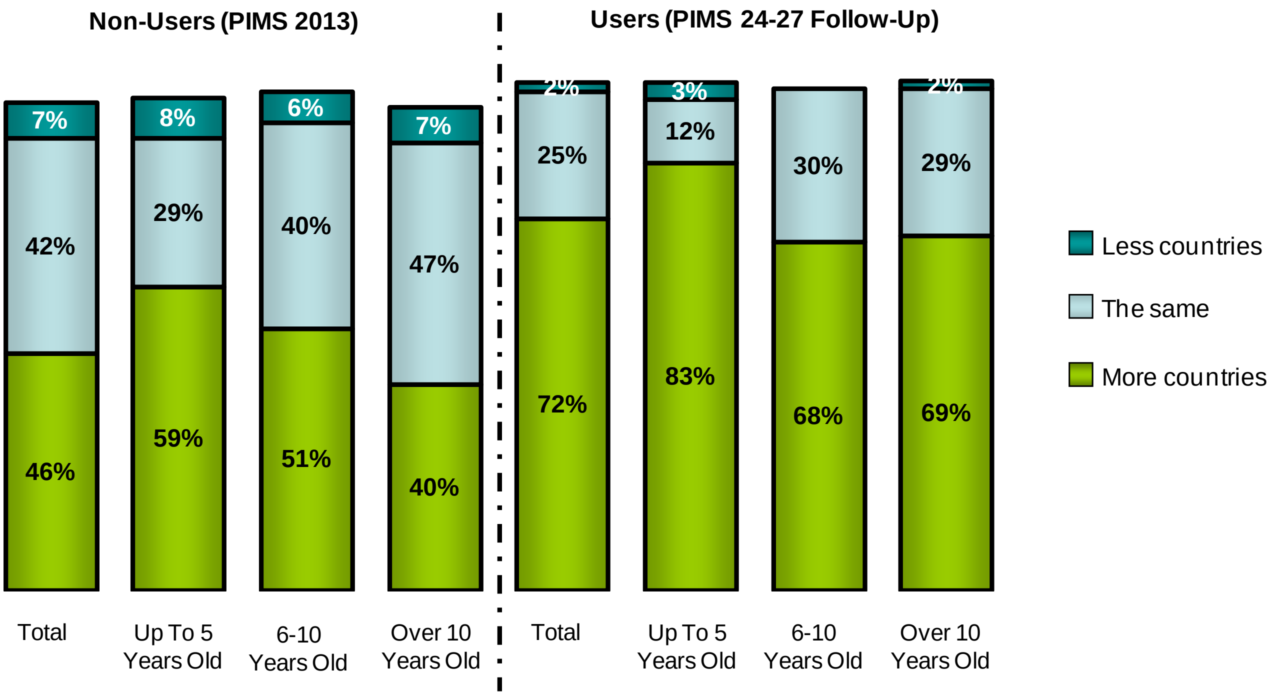
Table 5.3.1.1 Number of Overseas Markets Done Business in Over Last Year - Non-Users by Whether Supported

	Total		Up to 5 years		6-10 years		Over 10 years	
	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted
Base	*102*	*727*	*14*	*139*	*20*	*205*	*68*	*383*
None	4%	12%	6%	22%	5%	12%	3%	9%
1-5	46%	52%	68%	58%	50%	52%	42%	51%
6-10	22%	19%	16%	13%	25%	21%	23%	20%
11-20	13%	11%	10%	5%	15%	11%	13%	13%
21-50	14%	4%	0%	1%	5%	3%	18%	5%
More than 50	1%	1%	0%	0%	0%	1%	1%	1%
Don't know	0%	1%	0%	1%	0%	1%	0%	1%

5.3.2 Anticipated Change in Number of Markets

In addition to providing data on their current number of markets, non-user firms were also asked to estimate whether this number would increase, decrease or remain the same over the next 3 years.

Chart 5.3.2.1 Anticipated Change in Number of Markets over Next 3 Years



Base: All respondents (Base, Don't know/Refused)
Non-Users – Total (829, 5%), Up to 5 years old (153, 3%), 6-10 years old (225, 4%), Over 10 years old (451, 7%),
Users – Total (401, 1%), Up to 5 years old (111, 1%), 6-10 years old (78, 2%), Over 10 years old (212, 1%)

Nearly half of non-users expect to increase the number of overseas markets in which they do business over the next 3 years. In comparison, almost three quarters of UKTI users expect to expand into more markets over this period, which is consistent with the fact that users have more ambitious growth aspirations for their business as a whole (see Section 4.7.2). There is some evidence that older firms are less likely to anticipate expanding into new overseas markets, particularly amongst non-users.

There are no statistically significant differences between supported and unsupported non-users when it comes to the proportion anticipating an increase in their overseas operations.

Table 5.3.2.1 Anticipated Change in Number of Markets over Next 3 Years - Non-Users by Whether Supported

	Total		Up to 5 years		6-10 years		Over 10 years	
	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted
Base	*102*	*727*	*14*	*139*	*20*	*205*	*68*	*383*
More markets	51%	45%	82%	57%	55%	50%	46%	39%
The same	42%	42%	18%	30%	35%	40%	47%	47%
Less markets	5%	7%	0%	9%	5%	6%	6%	7%
Don't know	2%	6%	0%	4%	5%	4%	1%	8%

5.3.3 New Markets Entered in Last 2 Years

Non-user businesses were also asked whether they had successfully entered or begun trading in any new countries in the previous 2 years and, if so, which ones. The chart below summarises these results and also provides comparative data for users of UKTI support (from the PIMS Follow-Up surveys).

Table 5.3.3.1 Whether Successfully Entered Any New Markets in Last 2 Years

	Non-Users (PIMS 2013)				Users (PIMS 24-27 Follow-Up)			
	Total	Up to 5 years	6-10 years	>10 years	Total	Up to 5 years	6-10 years	>10 years
Base	*829*	*153*	*225*	*451*	*401*	*111*	*78*	*212*
Yes	41%	40%	43%	40%	57%	53%	56%	58%
- Europe	*20%*	*22%*	*23%*	*19%*	*27%*	*25%*	*27%*	*28%*
- Middle East & Africa	*7%*	*9%*	*6%*	*8%*	*15%*	*12%*	*14%*	*16%*
- North America	*6%*	*10%*	*7%*	*5%*	*11%*	*19%*	*8%*	*8%*
- South & Latin America	*4%*	*3%*	*1%*	*6%*	*7%*	*6%*	*4%*	*9%*
- Asia Pacific	*12%*	*12%*	*13%*	*11%*	*29%*	*32%*	*31%*	*26%*
No	52%	45%	48%	55%	29%	27%	24%	33%
Don’t know	1%	0%	2%	1%	0%	0%	0%	0%
Not yet exporting	7%	15%	7%	4%	14%	21%	20%	9%

Once again, non-users seem to be less dynamic in their overseas development than UKTI users, with 41% and 57% respectively having entered new markets in the last 2 years. This suggests that those firms actively pursuing export growth (and perhaps encountering problems along the way) are more inclined to seek out UKTI’s assistance.

As seen for many of the areas relating to firm characteristics and export behaviour, supported non-users are closer in profile to UKTI users, with 54% having entered new markets in the last 2 years (compared to 39% of unsupported non-users).

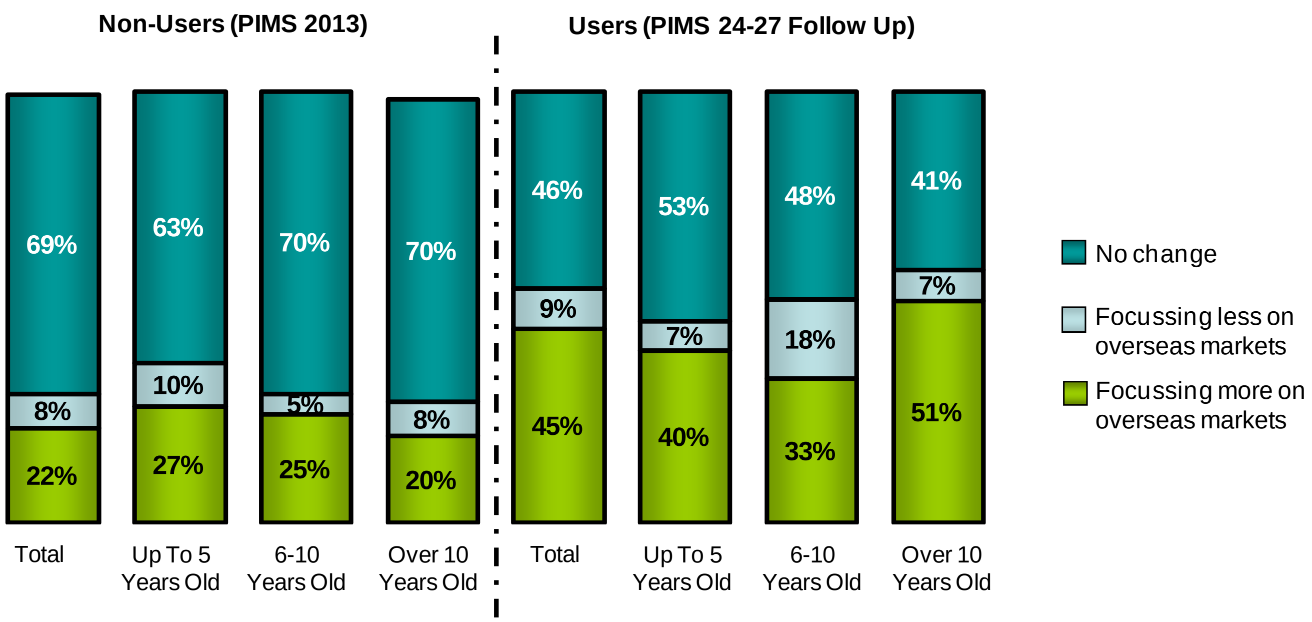
Table 5.3.3.2 Whether Successfully Entered Any New Markets in Last 2 Years - Non-Users by Whether Supported

	Total		Up to 5 years		6-10 years		Over 10 years	
	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted
Base	*102*	*727*	*14*	*139*	*20*	*205*	*68*	*383*
Yes	54%	39%	63%	38%	45%	43%	55%	37%
- Europe	*19%*	*20%*	*32%*	*21%*	*20%*	*23%*	*16%*	*19%*
- Middle East/Africa	*19%*	*6%*	*16%*	*8%*	*10%*	*5%*	*21%*	*5%*
- North America	*7%*	*6%*	*6%*	*10%*	*5%*	*7%*	*7%*	*5%*
- South/Latin America	*5%*	*4%*	*0%*	*3%*	*0%*	*1%*	*8%*	*5%*
- Asia Pacific	*18%*	*11%*	*22%*	*11%*	*15%*	*12%*	*18%*	*10%*
No	44%	53%	30%	46%	55%	47%	44%	57%
Don’t know	0%	1%	0%	0%	0%	2%	0%	1%
Not yet exporting	2%	7%	6%	15%	0%	8%	1%	5%

5.4 Changes in Overseas Strategy

Non-user firms were asked whether, compared with a year ago, they were now focussing more or less on overseas markets. Results are shown below, along with comparative data for users of UKTI support (from the PIMS Follow-Up surveys).

Chart 5.4.1 Changes in Overseas Strategy in Last Year



Base: All respondents (Base, Don't know/Refused)
Non-Users – Total (829, 1%), Up to 5 years old (153, 0%), 6-10 years old (225, 0%), Over 10 years old (451, 2%)
Users – Total (401, 0%), Up to 5 years old (111, 0%), 6-10 years old (78, 0%), Over 10 years old (212, 0%)

The majority of non-user businesses have not changed their overseas focus in the last year, although nearly a quarter are now focussing more on overseas markets. In contrast, UKTI users are twice as likely to have increased their focus on overseas markets in the past year. This suggests that UKTI support may be encouraging firms to concentrate more on export opportunities, although of course it may be that firms that are targeting overseas growth are more likely to then seek out UKTI assistance to help them do so.

As seen below, supported non-users are significantly more likely than unsupported firms to have increased their focus on overseas markets in the past year

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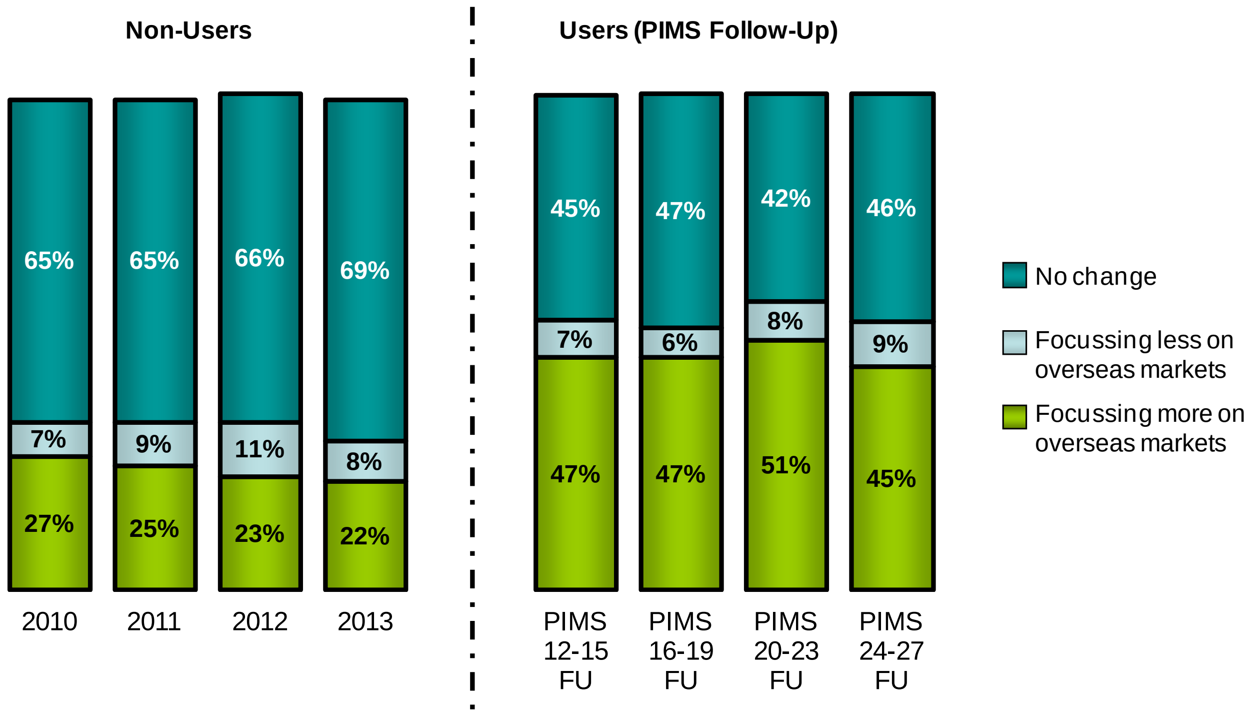
Table 5.4.1 Changes in Overseas Strategy in Last Year - Non-Users by Whether Supported

	Total		Up to 5 years		6-10 years		Over 10 years	
	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted
Base	*102*	*727*	*14*	*139*	*20*	*205*	*68*	*383*
Focussing more on overseas markets	32%	21%	28%	27%	25%	25%	34%	18%
Focussing less on overseas markets	6%	8%	0%	11%	5%	5%	7%	9%
No change	62%	70%	72%	62%	70%	70%	58%	72%
Don't know	0%	1%	0%	1%	0%	0%	0%	2%

The chart below tracks how responses to this question have changed over time.

Chart 5.4.2 Changes in Overseas Strategy in Last Year – Over Time



Base: All respondents (Base, Don't know/Refused)
Non-Users – 2010 (302, 0%), 2011 (300, 2%), 2012 (300, 0%)
Users – PIMS 12-15 FU (392, 0%), PIMS 16-19 FU (391, 0%), PIMS 20-23 FU (395, 0%)

The proportion of non-user firms changing their strategy to focus more on export opportunities has gradually fallen over the last 3 years. Whilst there was a slight increase in this respect for UKTI users a year ago, in the most recent year the proportion fell back to the levels seen in prior to this.

6. Benefits of Exporting

6.1 Summary

Non-user businesses were read out a list of possible benefits of doing business overseas and asked to indicate the extent that they agreed with each one, using a 5-point scale where 5 meant ‘agree strongly’ and 1 meant ‘disagree strongly’.

The following table summarises the proportion of firms agreeing (i.e. scoring 4-5 on the 5-point scale) that each is a benefit by age of firm.

Table 6.1.1 Benefits of Exporting - By Age of Business

Proportion agreeing (4-5 out of 5) that reasons are benefits of exporting...	Non-Users (PIMS 2013)				Users (PIMS 30-31 only)			
	Total	Up to 5 years old	6-10 years old	>10 years old	Total	Up to 5 years old	6-10 years old	>10 years old
Base	*829*	*153*	*225*	*451*	*1813*	*407*	*264*	*1141*
Enables you to achieve a level of growth otherwise not possible	57%	56%	61%	56%	86%	87%	83%	86%
Allows you to more fully utilise existing capacity	56%	53%	62%	54%	79%	75%	80%	80%
Exposes you to new ideas	50%	59%	55%	45%	78%	77%	79%	78%
Increases the commercial life span of your products or services	46%	50%	49%	43%	74%	78%	74%	72%
Improves your firm’s profile or credibility	65%	66%	66%	65%	87%	88%	90%	86%

Exporting clearly benefits internationalising firms in a number of different ways, and not just through enabling firms are able to achieve a level of growth otherwise not possible. Among both non-users and users, the most widely experienced benefit of exporting is that it improves firms’ profile or credibility.

Over half of all non-users firms also agree that exporting benefits their firm because it enables them to achieve a level of growth that would otherwise not be possible and because it allows them to more fully utilise their existing capacity.

Users are significantly more likely to report each of the benefits tested, suggesting that accessing support from UKTI puts firms in a better position to take advantage of the potential positive impacts of exporting.

For both users and non-users of UKTI, there are few clear or consistent differences in benefits of exporting by age of firm. However, younger non-user firms are more likely to cite exposure to new ideas as a benefit of exporting.

The following table summarises the proportion of firms agreeing (i.e. scoring 4-5 on the 5-point scale) that each is a benefit by number of years exporting.

Table 6.1.2 Benefits of Exporting - By Number of Years Exporting

Proportion agreeing (4-5 out of 5) that reasons are benefits of exporting...	Non-Users (PIMS 2013)				Users (PIMS 30-31 only)			
	Total	Years exporting...			Total	Years exporting...		
		Less than 2 years	2-10 years	>10 years		Less than 2 years	2-10 years	>10 years
Base	*829*	*157*	*382*	*281*	*1813*	*409*	*614*	*781*
Enables you to achieve a level of growth otherwise not possible	57%	57%	55%	61%	86%	81%	85%	88%
Allows you to more fully utilise existing capacity	56%	56%	55%	57%	79%	71%	80%	82%
Exposes you to new ideas	50%	59%	48%	47%	78%	76%	79%	78%
Increases the commercial life span of your products or services	46%	49%	45%	46%	74%	75%	73%	74%
Improves your firm's profile or credibility	65%	64%	66%	66%	87%	85%	90%	86%

Generally there are few consistent differences by export experience when it comes to the benefits of exporting.

However, amongst non-users, those that are fairly new to exporting are more likely to agree that exposure to new ideas is a benefit of exporting. Among users of UKTI services, more experienced exporters are more likely to feel that exporting enables them to achieve a level of growth otherwise not possible and to more fully utilise their existing capacity.

The following table provides a more detailed analysis of the benefits of exporting of supported and unsupported non-users.

Table 6.1.3 Export Motivations
- Non-Users by Whether Supported

Proportion agreeing (4-5 out of 5) that reasons are benefits of exporting...	Total		Up to 5 years		6-10 years		Over 10 years	
	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted
Base	*102*	*727*	*14*	*139*	*20*	*205*	*68*	*383*
Enables you to achieve a level of growth otherwise not possible	75%	55%	88%	53%	70%	60%	74%	53%
Allows you to more fully utilise existing capacity	72%	54%	66%	52%	70%	62%	73%	51%
Exposes you to new ideas	62%	48%	72%	58%	70%	53%	59%	42%
Increases the commercial life span of your products or services	56%	44%	70%	48%	46%	50%	57%	41%
Improves your firm's profile or credibility	69%	65%	84%	64%	71%	65%	67%	65%

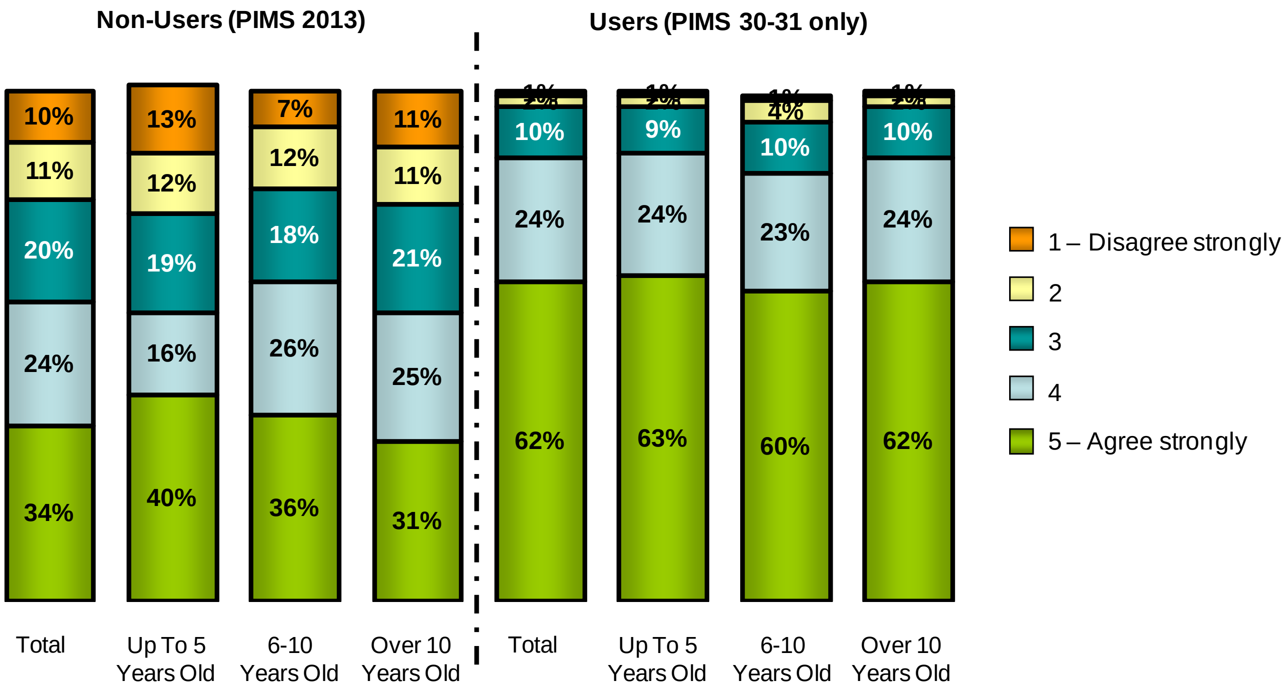
Non-user firms that have received some type of export-related support tend to highlight a wider range of export benefits and are more likely to agree to each of the individual factors than unsupported non-users, making their responses more in line with UKTI users.

6.2 Individual Benefits

6.2.1 Growth

The chart below shows the extent to which the non-user firms interviewed agree that selling overseas enables them to achieve a level of growth otherwise not possible. Comparative data has been provided for users of UKTI support.

Chart 6.2.1 Enables You to Achieve a Level of Growth Otherwise Not Possible



Base: All respondents (Base, Don't know/Refused)
Non-Users – Total (829, 1%), Up to 5 years old (153, 1%), 6-10 years old (225, 2%), Over 10 years old (451, 1%)
Users – Total (1813, 1%), Up to 5 years old (407, 1%), 6-10 years old (264, 2%), Over 10 years old (1141, 1%)

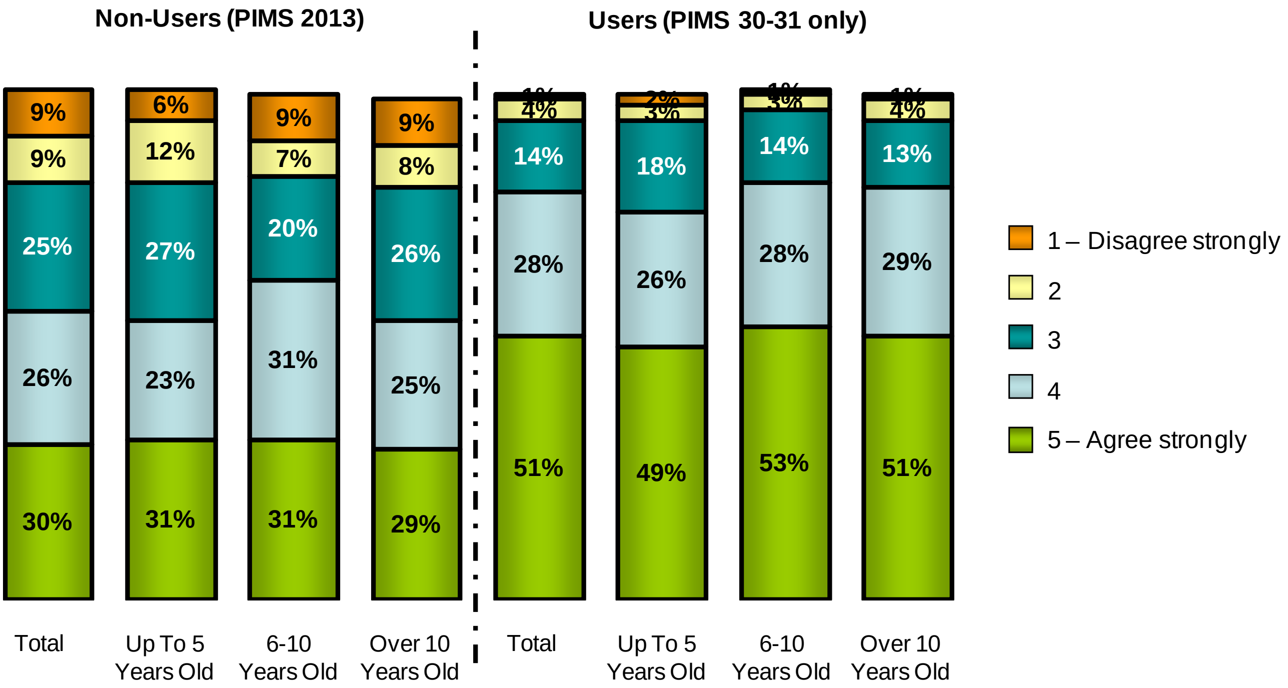
Over four-fifths (86%) of UKTI users agree (i.e. score 4-5 out of 5) that doing business overseas benefits them in terms of the potential for growth that it offers, compared to only around three-fifths (57%) of non-user firms.

There are no clear or consistent differences by age of firm, although younger non-users are more likely to 'agree strongly' that this is a benefit.

6.2.2 Utilisation of Capacity

The chart below shows the extent to which the non-user firms interviewed agree that doing business overseas allows them to more fully utilise their existing capacity. Comparative data has been provided for users of UKTI support.

Chart 6.2.2 Allows You to More Fully Utilise Existing Capacity



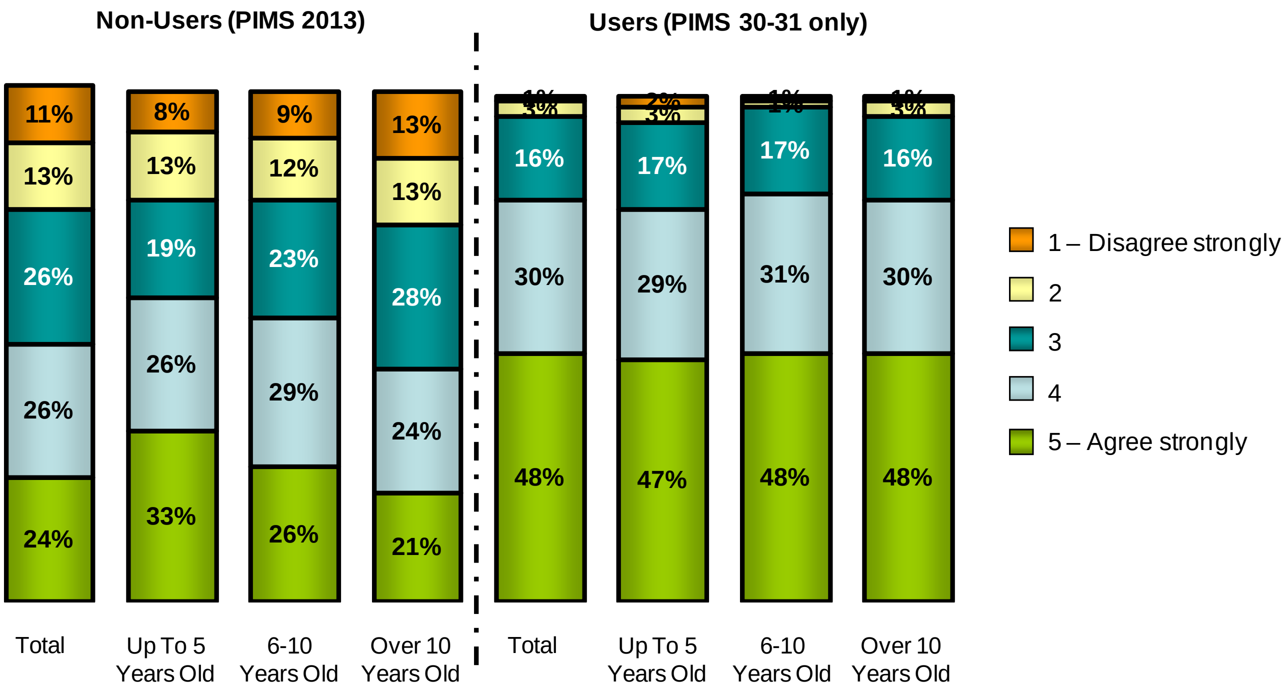
Base: All respondents (Base, Don't know/Refused)
Non-Users – Total (829, 2%), Up to 5 years old (153, 2%), 6-10 years old (225, 2%), Over 10 years old (451, 2%)
Users – Total (1813, 2%), Up to 5 years old (407, 2%), 6-10 years old (264, 2%), Over 10 years old (1141, 1%)

UKTI users are more likely to agree that exporting enables them to more fully utilise their existing capacity, with 79% agreeing that this is a benefit of doing business overseas compared to 56% of non-users. There is little difference by age of firm in this respect.

6.2.3 Exposure to New Ideas

The chart below shows the extent to which the non-user firms interviewed agree that doing business overseas exposes them to new ideas. Comparative data has been provided for users of UKTI support.

Chart 6.2.3 Exposes You to New Ideas



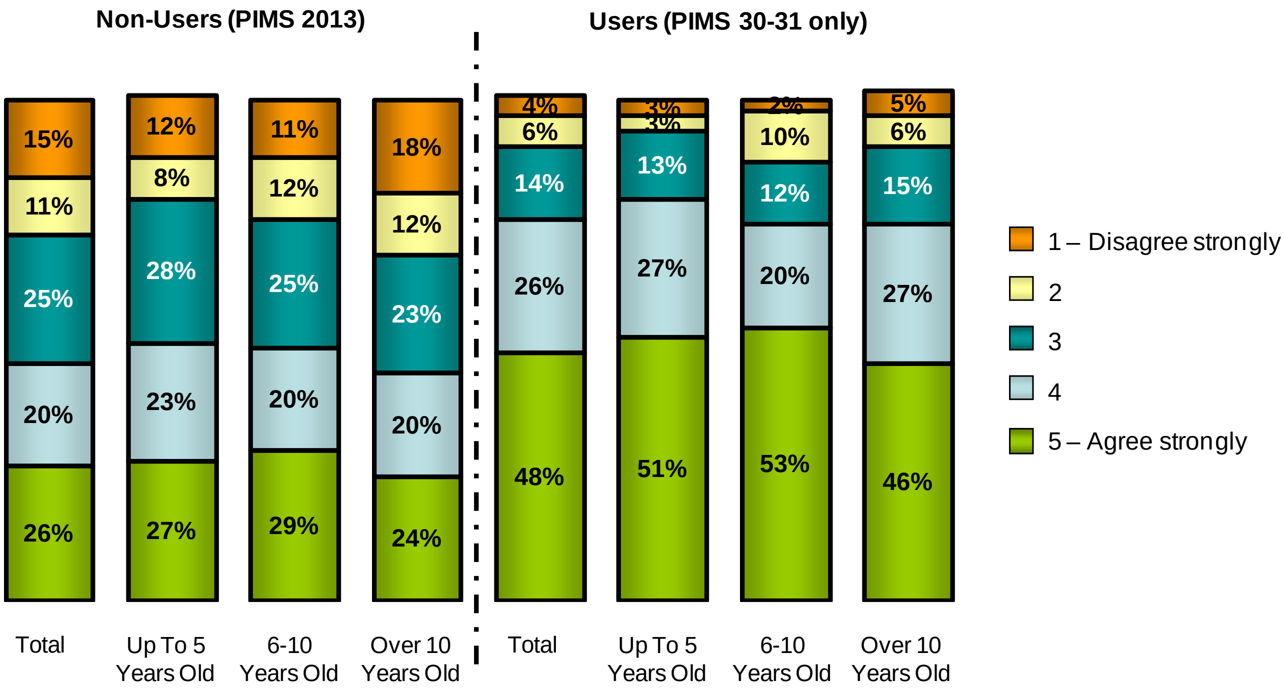
Base: All respondents (Base, Don't know/Refused)
Non-Users – Total (829, 1%), Up to 5 years old (153, 1%), 6-10 years old (225, 0%), Over 10 years old (451, 1%)
Users – Total (1813, 2%), Up to 5 years old (407, 1%), 6-10 years old (264, 2%), Over 10 years old (1141, 2%)

Half of the non-users firms interviewed agree that exposure to new ideas is a benefit of doing business overseas. In contrast, over three-quarters (78%) of UKTI clients cite this as benefit. Amongst non-users, younger firms are more likely to feel that this is a benefit, but there is no evidence of a similar pattern among users of UKTI support.

6.2.4 Product Lifespan

The chart below shows the extent to which the non-user firms interviewed agree that doing business overseas allows them to increase the commercial lifespan of their products or services. Comparative data has been provided for users of UKTI support.

Chart 6.2.4 Increases the Commercial Life Span of Your Products or Services



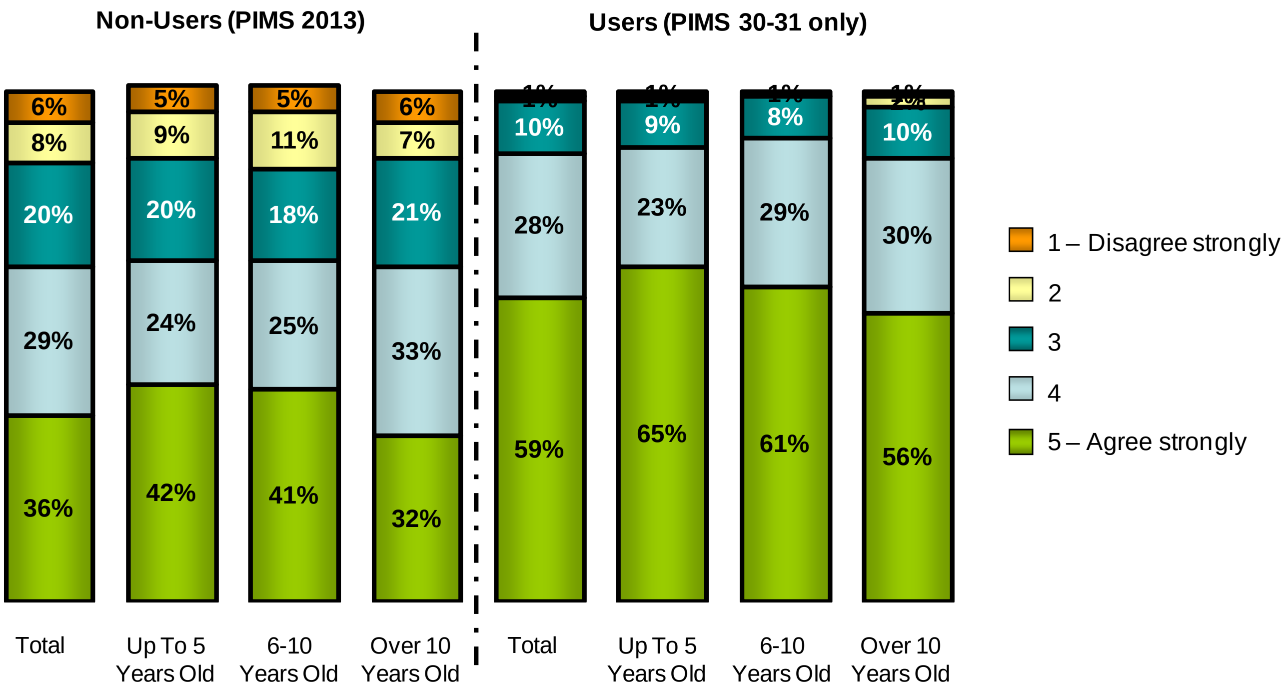
Base: All respondents (Base, Don't know/Refused)
Non-Users – Total (829, 3%), Up to 5 years old (153, 1%), 6-10 years old (225, 3%), Over 10 years old (451, 4%)
Users – Total (1813, 2%), Up to 5 years old (407, 2%), 6-10 years old (264, 2%), Over 10 years old (1141, 2%)

Almost three-quarters (74%) of UKTI users agree that exporting increases the commercial life span of their products or services. However, less than half (46%) of non-user firms view this as a benefit of exporting.

6.2.5 Profile & Credibility

The chart below shows the extent to which the non-user firms interviewed agree that doing business overseas improves their firm's profile or credibility. Comparative data has been provided for users of UKTI support.

Chart 6.2.5 Improves Your Firm's Profile or Credibility



Base: All respondents (Base, Don't know/Refused)
Non-Users – Total (829, 1%), Up to 5 years old (153, 0%), 6-10 years old (225, 1%), Over 10 years old (451, 1%)
Users – Total (1813, 1%), Up to 5 years old (407, 1%), 6-10 years old (264, 2%), Over 10 years old (1141, 1%)

The vast majority of UKTI clients (87%) agree that exporting improves their firm's profile or credibility. Non-users are much less likely to experience this benefit, although it still applies to two-thirds of these firms (65%).

Amongst both users and non-users, more established firms that have been trading for over 10 years are least likely to 'agree strongly' that exporting improves their firm's profile or credibility.

7. Barriers to Overseas Trade

7.1 Summary

One of the key purposes of the PIMS Non-User Survey is to help understand what non-user businesses need in terms of export support services. In response to this, non-user firms were read out a list of issues that they may have had to tackle when trying to develop the overseas side of their business and asked whether or not they had ever experienced any difficulties with them. For each one that had been a difficulty they were then asked the extent, using a 5-point scale where 5 meant it had been 'extremely difficult' and 1 meant it had 'not been at all difficult'.

These results are summarised in the following table, with the proportion of firms encountering each of these difficulties to a 'significant' extent shown (i.e. the proportion giving a score of either 4 or 5 on the 5-point scale).

Table 7.1.1 Individual Barriers

Proportion experiencing significant difficulties (4-5 out of 5)	Non-Users (PIMS 2013)			
	Total	Up to 5 years	6-10 years	>10 years
Base	*829*	*153*	*225*	*451*
Finding the necessary management time to devote to doing business in an overseas country	16%	17%	17%	15%
Dealing with legal or tax regulations and standards overseas	15%	21%	18%	12%
Obtaining information about the potential business opportunities in an overseas market	14%	15%	19%	12%
Dealing with customs procedures or paperwork	13%	11%	17%	12%
Identifying who to make contact with in the first instance	13%	17%	14%	11%
Ensuring you get paid and enforcing contracts	12%	14%	13%	10%
Establishing an initial dialogue with prospective customers or business partners	11%	14%	13%	10%
Overseas customers preferring to do business with firms from their own country	11%	13%	11%	11%
Building relationships with influencers or decision makers	9%	14%	13%	7%
Language barriers	8%	4%	12%	8%
Protecting your intellectual property	6%	8%	9%	5%
Cultural differences	4%	5%	5%	3%

The most widespread barrier reported by non-user firms relates to difficulty finding sufficient management time to devote to doing business overseas. Problems in dealing with legal or tax regulations and obtaining information about overseas business opportunities were the next most commonly mentioned individual barriers.

Interestingly, relatively few firms reported language or cultural barriers. However, it could be that although firms do not believe they have been affected by a lack of language skills, this could be a factor behind some of the other barriers experienced (e.g. difficulty complying with legal and regulatory standards, problems building relationships, etc).

It is clear that barriers affect firms of all ages. However, there is some evidence that older firms that have been established for 10 years or more are less likely to encounter difficulties with legal or tax regulations, identifying who to make contact with in the first instance and building relationships with potential customers or partners.

These barriers have been summarised through a grouping of the individual issues and difficulties tested into seven themes, as detailed below.

Firms have been classified as encountering significant difficulties with **'legal & regulatory barriers'** if they scored '4' or '5' on a 5-point scale for…

- Dealing with legal or tax regulations and standards overseas
- Or, Protecting your intellectual property
- Or, Ensuring you get paid and enforcing contracts

Firms have been classified as encountering significant difficulties with **'customs barriers'** if they scored '4' or '5' on a 5-point scale for…

- Dealing with customs procedures or paperwork

Firms have been classified as encountering significant difficulties with **'contact barriers'** if they scored '4' or '5' on a 5-point scale for…

- Identifying who to make contact with in the first instance
- Or, Establishing an initial dialogue with prospective customers or business partners
- Or, Building relationships with key influencers or decision-makers

Firms have been classified as encountering significant difficulties with **'information barriers'** if they scored '4' or '5' on a 5-point scale for…

- Obtaining information about the potential business opportunities in an overseas market

Firms have been classified as encountering significant difficulties with **'resource barriers'** if they scored '4' or '5' on a 5-point scale for…

- Finding the necessary management time to devote to doing business in an overseas country

Firms have been classified as encountering significant difficulties with **'language and cultural barriers'** if they scored '4' or '5' on a 5-point scale for…

- Language barriers
- Or, Cultural differences

Firms have been classified as encountering significant difficulties with **'bias barriers'** if they scored '4' or '5' on a 5-point scale for…

- Overseas customers preferring to do business with firms from their own country

The table below summarises the barriers to overseas trade experienced by non-user firms.

Table 7.1.2 Summary Barriers

Proportion experiencing significant difficulties (4-5 out of 5)	Non-Users (PIMS 2013)			
	Total	Up to 5 years	6-10 years	>10 years
Base	*829*	*153*	*225*	*451*
At least 1 sig. barrier	47%	47%	52%	46%
- Legal & regulatory	25%	30%	28%	22%
- Customs	13%	11%	17%	12%
- Contacts	19%	23%	20%	17%
- Information	14%	15%	19%	12%
- Resource	16%	17%	17%	15%
- Language & cultural	10%	8%	15%	9%
- Bias	11%	13%	11%	11%
No sig. barriers	53%	53%	48%	54%

Almost half of all non-user firms (47%) have experienced one or more significant barriers to the development of their overseas business, suggesting that many would benefit from the type of support that UKTI can provide. The most widespread barriers relate to legal and regulatory issues and establishing/developing contacts.

It is also important to note that all of the barriers tested can, to at least some extent, be addressed by the existing range of UKTI export support services. The table below matches each barrier to relevant impacts reported by UKTI clients in the main PIMS surveys (with the figures in brackets giving the proportion of UKTI users benefiting to a significant extent from each outcome).

Table 7.1.3 How UKTI Support Can Address Barriers

Barrier	**Corresponding Benefit of UKTI Support (PIMS 28-31)**
Legal & regulatory	• Overcome problem or difficulty with a legal or regulatory issue or quality standards (14%)[3] • Introduced new products/services or improved existing ones (21%) • Made improvements to new product development strategy (22%)
Customs	• Improved way do business in an overseas market (32%)
Contacts	• Gained access to prospective customers or business partners (40%) • Improved overseas marketing strategy (30%)
Information	• Gained access to information otherwise unable to come by (39%)
Resource	• Gained confidence to enter new market/expand in existing one (36%)
Language & cultural	• Gained access to information otherwise unable to come by (39%) • Improved way do business in an overseas market (32%) • Improved overseas marketing strategy (30%)
Bias	• Improved profile or credibility (36%) • Improved knowledge of competitive environment in overseas market (35%)

[3] OMIS, Posts Significant Assists and Posts Events only

The table below provides further analysis by supported and unsupported non-users.

Table 7.1.4 Summary Barriers
- Non-Users by Whether Supported

Proportion experiencing significant difficulties	Total		Up to 5 years		6-10 years		Over 10 years	
	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted	Supp-orted	Unsupp-orted
Base	*102*	*727*	*14*	*139*	*20*	*205*	*68*	*383*
At least 1 sig. barrier	56%	46%	60%	46%	66%	51%	53%	44%
- Legal & regulatory	27%	24%	48%	29%	40%	27%	21%	22%
- Customs	12%	13%	6%	11%	31%	16%	9%	13%
- Contacts	28%	17%	34%	22%	30%	19%	26%	15%
- Information	19%	13%	22%	14%	31%	18%	16%	11%
- Resource	21%	15%	22%	16%	20%	17%	21%	14%
- Language & cultural	16%	10%	16%	7%	20%	14%	15%	8%
- Bias	12%	11%	12%	13%	5%	11%	13%	11%
No sig. barriers	44%	54%	40%	54%	34%	49%	47%	56%

Those non-user firms that have accessed some form of (non-UKTI) export support are more likely to have encountered barriers to overseas trade than unsupported non-users. This suggests that coming up against difficulties can act as a catalyst for seeking out external support.

Barriers to overseas trade are also explored in UKTI's Internationalisation Survey, which covers both users and non-users of UKTI. It is not possible to make direct comparisons with the PIMS Non-User Survey data due to a different questioning approach. However, one key finding of the Internationalisation Survey is that UKTI clients are much more likely to encounter significant barriers than non-users (73% vs. 59%[4]). This is consistent with the above finding that supported non-users are more likely to report barriers, and again suggests that firms are prompted to access support as a result of encountering difficulties overseas.

The lower incidence of barriers amongst non-user firms (and particularly unsupported non-users) is also likely to be linked to the fact that they are typically less 'involved' exporters than UKTI users. As seen in Section 5 of this report, non-users tend to operate in fewer markets than UKTI clients and overseas sales account for a lower proportion of their total turnover. As a result of these factors, it is likely that non-user firms have been exposed to fewer barriers due to their more limited engagement in overseas business.

[4] International Business Strategies, Barriers & Awareness Survey 2013 (OMB Research, July 2013)

7.2 Individual Barriers

The table below shows a more detailed analysis of the individual barriers tested, showing the full distribution of responses on the 1-5 scale.

Table 7.2.1 Individual Barriers – Detailed Results

Extent of difficulty	Dealing with legal or tax regulations & standards	Protecting your intellectual property	Ensuring you get paid and enforcing contracts	Dealing with customs procedures or paperwork
Base	*829*	*829*	*829*	*829*
5 – Extremely difficult	8%	4%	6%	7%
4	7%	2%	6%	6%
3	10%	5%	7%	10%
2	4%	2%	3%	4%
1 – Not at all difficult	70%	86%	78%	72%
Don't know/refused	1%	1%	1%	1%
Net: 4-5 out of 5	*15%*	*6%*	*12%*	*13%*
Extent of difficulty	Identifying who to make contact with in the first instance	Establishing an initial dialogue with prospective customers or partners	Building relationships with influencers/ decision makers	Obtaining information about potential opportunities in an overseas market
Base	*829*	*829*	*829*	*829*
5 – Extremely difficult	5%	5%	5%	4%
4	7%	6%	5%	10%
3	7%	9%	8%	7%
2	2%	3%	3%	2%
1 – Not at all difficult	78%	76%	79%	75%
Don't know/refused	1%	1%	1%	1%
Net: 4-5 out of 5	*13%*	*11%*	*9%*	*14%*
Extent of difficulty	Finding the necessary management time to devote to doing business overseas	Language barriers	Cultural differences	Overseas customers preferring to do business with firms from their own country
Base	*829*	*829*	*829*	*829*
5 – Extremely difficult	6%	4%	1%	4%
4	9%	4%	3%	7%
3	11%	9%	6%	10%
2	3%	5%	4%	3%
1 – Not at all difficult	69%	78%	85%	74%
Don't know/refused	1%	0%	0%	2%
Net: 4-5 out of 5	*16%*	*8%*	*4%*	*11%*

Those non-user firms that reported no or very minimal difficulties (i.e. 1-2 out of 5) with establishing an initial dialogue with prospective customers or partners were asked why this had not been a problem for them. As detailed below, in most cases this is because these customers/partners initiated the contact.

Table 7.2.2 Reasons for Not Having Difficulties with Establishing an Initial Dialogue

	Non-Users (PIMS 2013)			
	Total	Up to 5 years old	6-10 years old	>10 years old
Base	*829*	*153*	*225*	*451*
Already had contacts	34%	35%	33%	34%
Customers/partners initiated the contact	52%	50%	52%	52%
Don’t know	3%	4%	2%	3%
Initial dialogue was a barrier (3-5 out of 5)	*20%*	*20%*	*24%*	*19%*

Firms that reported no or very minimal difficulties with language barriers were also asked why this had not been a problem. As seen below, in most cases this was because firms had been able to use English when dealing with overseas contacts.

Table 7.2.3 Reasons for Not Having Difficulties with Language Barriers

	Non-Users (PIMS 2013)			
	Total	Up to 5 years old	6-10 years old	>10 years old
Base	*829*	*153*	*225*	*451*
Always been able to use English	71%	73%	69%	72%
Have staff with necessary language skills	16%	17%	14%	15%
Other reason	3%	4%	4%	3%
Don’t know	1%	3%	0%	1%
Language was a barrier (3-5 out of 5)	*17%*	*12%*	*20%*	*17%*

Similarly, those firms that had experienced no or very minimal difficulties with cultural differences were asked why this had not been a problem. In most cases this is because firms have not come across any (major) cultural differences, although a quarter have avoided them through employing staff that are familiar with the culture in the overseas markets in which they do business.

Table 7.2.4 Reasons for Not Having Difficulties with Cultural Differences

	Non-Users (PIMS 2013)			
	Total	Up to 5 years old	6-10 years old	>10 years old
Base	*829*	*153*	*225*	*451*
Not come across cultural differences	65%	64%	68%	65%
Have staff familiar with the culture	25%	23%	23%	26%
Other reason	4%	4%	4%	4%
Don’t know	1%	3%	0%	1%
Cultural differences were a barrier (3-5 out of 5)	*10%*	*13%*	*15%*	*8%*

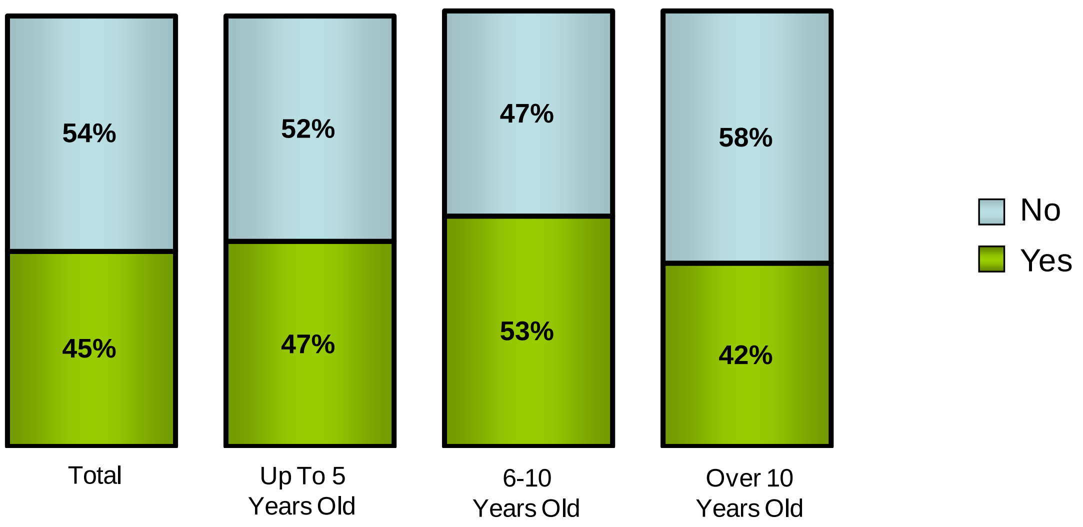
8. Awareness of UKTI

As detailed earlier in this report (Section 3), the 2013 Non-User survey over-sampled firms in the north of England in order to measure recall of a UKTI marketing campaign taking place in that region. Although the analysis contained in the rest of this report includes these additional interviews, this section on awareness of UKTI is based just on the national sample of non-users firms to ensure that results are directly comparable with previous waves of this survey.

8.1 Awareness of UKTI Name

All non-user firms were asked whether, prior to the interview, they had heard of UK Trade & Investment or UKTI.

Chart 8.1.1 Awareness of UK Trade & Investment / UKTI
- Non-Users Only



Base: All Non-Users (Base, Don't know/Refused)
Total (301, 1%), Up to 5 years old (73, 1%), 6-10 years old (77, 0%), Over 10 years old (151, 1%)

45% of non-users firms are aware of UKTI, and there are no statistically significant differences in awareness levels across the different age groups.

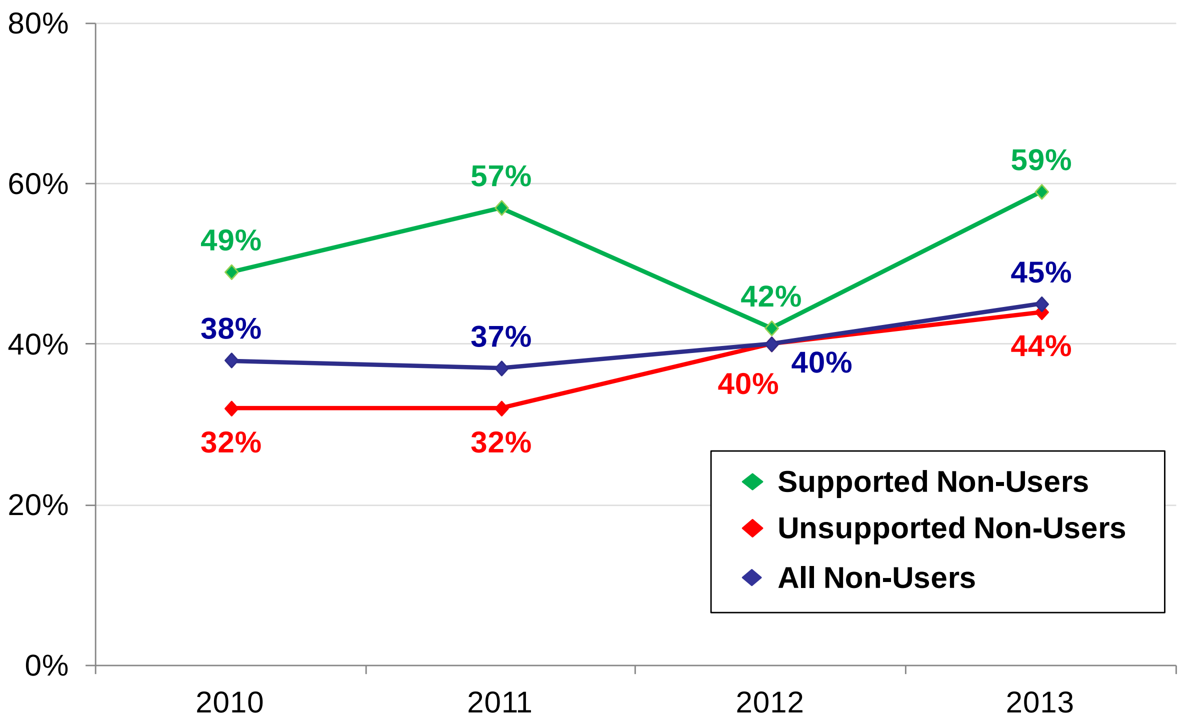
The table below compares awareness between supported and unsupported non-users. Although it appears that supported non-users are more likely to be aware of UKTI than those that have not accessed any form of export-related support, it should be noted that this difference is not statistically significant (due to the low base of supported non-users). Please note that analysis has only been provided at the total level as base sizes are too low to provide robust sub analysis by age band within the supported/unsupported non-user categories.

Table 8.1.1 Awareness of UK Trade & Investment / UKTI - Non-Users by Whether Supported

	Total	
	Supported	Unsupported
Base	*30*	*271*
Yes	59%	44%
No	41%	56%
Don't know	0%	1%

The chart below tracks how awareness of the UKTI name has changed over time among non-user firms.

Chart 8.1.2 Awareness of UK Trade & Investment / UKTI - Non-Users Over Time



Base: All respondents (Base, Don't know/Refused)
Supported – 2010 (81), 2011 (61), 2012 (56), 2013 (30) / Unsupported – 2010 (221), 2011 (239), 2012 (243), 2013 (271) / All – 2010 (302), 2011 (300), 2012 (300), 2013 (301)

At the total level, there has been a statistically significant increase in the proportion of non-users aware of UKTI over the last 3 years.

There has also been an uplift in awareness among unsupported non-users. However, results for supported non-users are erratic due to the low base sizes, and there are no statistically significant changes over tie for this group.

The table below provides further analysis of awareness levels by firm size and export experience. Please be aware of the very low base size from 100+ employee firms when interpreting these results.

Table 8.1.2 Awareness of UK Trade & Investment / UKTI
- Non-Users by Size & Export Experience

	Size (Employees)			Years Exporting		
	0-9	10-99	100+	< 2 years	2-10 years	> 10 years
Base	*197*	*92*	*11*	*64*	*134*	*100*
Yes	47%	42%	43%	37%	50%	44%
No	53%	56%	57%	61%	50%	55%
Don't know	0%	1%	0%	1%	0%	1%

There are no statistically significant differences in firms' awareness of UKTI by size or export experience.

The following analysis provides details of awareness levels by the extent of firms' growth ambitions for the next 5 years and whether or not they are classified as being innovative.

Table 8.1.3 Awareness of UK Trade & Investment / UKTI
- Non-Users by Growth Objectives & Innovation

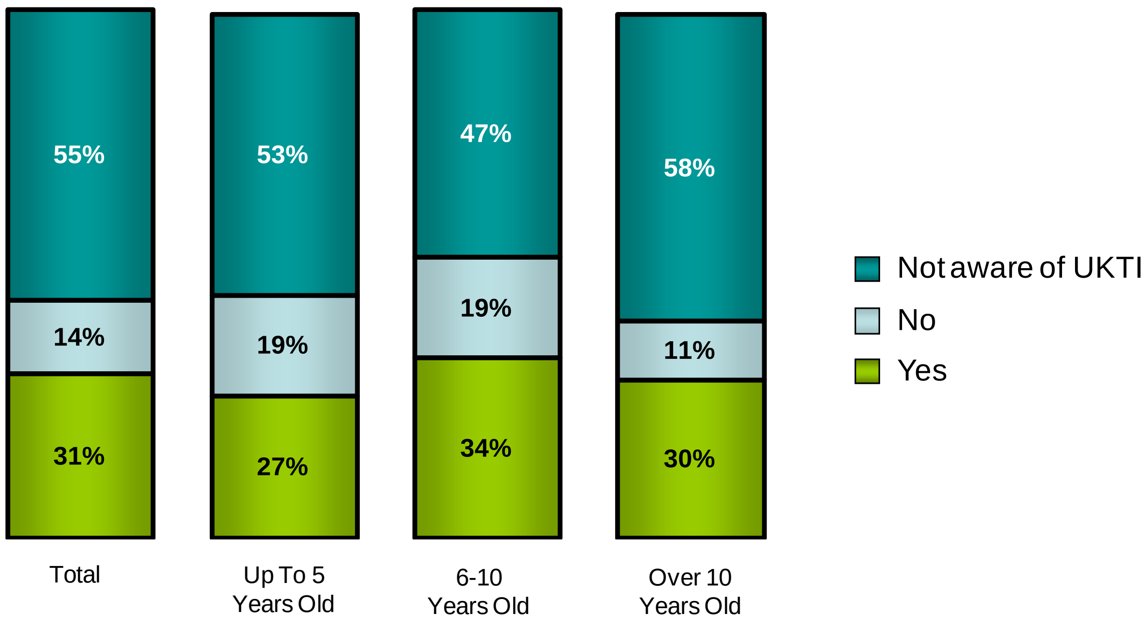
	Growth Objectives			Innovation			
	Substantial growth	Moderate growth	No growth	Innovative (alternative)	Innovative	Non-innovative	Innovative high growth
Base	*76*	*149*	*62*	*102*	*191*	*110*	*58*
Yes	52%	46%	38%	49%	49%	39%	54%
No	48%	54%	60%	51%	51%	60%	46%
Don't know	0%	0%	2%	0%	0%	1%	0%

Although it appears that firms with more ambitious growth objectives are more likely to recognise the UKTI name, this apparent difference is not statistically significant. There are also no significant differences in awareness levels between innovative and non-innovative firms.

8.2 Awareness of UKTI Role

Those firms that had heard of UKTI were also asked whether they were aware that the organisation provides assistance to help UK firms do business overseas.

Chart 8.2.1 Awareness That UKTI Provides Assistance to Help UK Firms Do Business Overseas - Non-Users



Base: All Non-Users (Base, Don't know)
Total (301, 0%), Up to 5 years old (73, 0%), 6-10 years old (77, 0%), Over 10 years old (151, 1%)

The majority of those non-user firms that had heard of UKTI also knew that the organisation provides assistance to help UK firms do business overseas. However, this still only equates to 31% of all non-user firms being aware of UKTI's role. There appears to have been a small increase in awareness of UKTI's role over the past year (from 25% to 31%) but this is not statistically significant. Please note a longer time series analysis is not available as this question was first asked in 2012.

Although supported non-users appear more likely to be aware of UKTI's role than unsupported non-users, this difference is not statistically significant.

Table 8.2.1 Awareness That UKTI Provides Assistance to Help UK Firms Do Business Overseas - Non-Users by Whether Supported

	Total	
	Supported	Unsupported
Base	*30*	*271*
Yes	41%	30%
No	18%	14%
Not aware of UKTI	41%	56%

8.3 Awareness & Interest in UKTI Services

8.3.1 OMIS

Businesses were read out the following description of OMIS and asked if they had heard of this service and whether they would be interested in using it.

"The Overseas Market Introduction Service, or OMIS, is a charged service delivered by UK embassies and consulates overseas. It can include a report about an overseas market, or help identifying and contacting possible customers or business partners".

Table 8.3.1.1 Awareness & Interest in OMIS - Non-Users

	Non-Users			
	Total	Up to 5 years old	6-10 years old	Over 10 years old
Base	*301*	*73*	*77*	*151*
Have you heard of this service before?				
Yes	18%	11%	19%	20%
No	82%	89%	81%	80%
Don't know	0%	0%	0%	0%
Would you be interested in using this service?				
Yes	20%	32%	23%	16%
Maybe	7%	8%	8%	6%
No	72%	60%	66%	78%
Don't know	1%	0%	3%	0%

Only 18% of non-user firms had heard of the OMIS service. However, based on the brief description that respondents were given about OMIS, a fifth felt that they would be interested in using it (with a further 7% indicating they may be interested).

Although there are no significant differences in awareness of the OMIS service by age of firm, younger firms expressed greater interest in using it.

The table below provides further analysis by firm size and export experience, and shows that there are no significant differences by size of firm (and the very low base for larger firms should be taken into account when interpreting this data). However, it is evident that very recent exporters show significantly more interest in using the OMIS service (when read a description of what it involves), yet are least likely to be aware of it.

Table 8.3.1.2 Awareness & Interest in OMIS
- Non-Users by Size & Export Experience

	Size (Employees)			Years Exporting		
	0-9	10-99	100+	< 2 years	2-10 years	> 10 years
Base	*197*	*92*	*11*	*64*	*134*	*100*
Have you heard of this service before?						
Yes	20%	17%	7%	13%	17%	22%
No	80%	83%	93%	87%	83%	78%
Would you be interested in using this service?						
Yes	21%	18%	19%	36%	21%	12%
Maybe	7%	7%	0%	11%	6%	6%
No	70%	75%	81%	53%	71%	82%
Don't know	1%	0%	0%	0%	1%	0%

As seen below, awareness of the OMIS service is fairly similar irrespective of firms' growth ambitions. However, those firms that are aiming for growth (and particularly substantial growth) are considerably more interested in the service. This demonstrates that there are a significant number of dynamic firms that would potentially benefit from OMIS but have not considered using it simply because they are unaware of its existence.

Table 8.3.1.3 Awareness & Interest in OMIS
- Non-Users by Growth Objectives & Innovation

	Growth Objectives			Innovation			
	Substantial growth	Moderate growth	No growth	Innovative (alternative)	Innovative	Non-innovative	Innovative high growth
Base	*76*	*149*	*62*	*102*	*191*	*110*	*58*
Have you heard of this service before?							
Yes	17%	20%	20%	22%	23%	10%	18%
No	83%	80%	80%	78%	77%	90%	82%
Don't know	0%	0%	0%	0%	0%	0%	0%
Would you be interested in using this service?							
Yes	28%	19%	13%	26%	22%	17%	32%
Maybe	11%	6%	3%	6%	7%	6%	6%
No	61%	74%	85%	68%	70%	77%	63%
Don't know	0%	1%	0%	0%	0%	1%	0%

8.3.2 International Trade Advisors

Businesses were read out the following description of UKTI's International Trade Advisors and asked if they had heard of this service before and whether they would be interested in using it.

"UK Trade & Investment employ a number of International Trade Advisors who are based in the UK and provide one-to-one advice to help firms develop their overseas business. They can also provide referrals to other support or specialist advice".

Table 8.3.2.1 Awareness & Interest in ITAs - Non-Users

	Non-Users			
	Total	Up to 5 years old	6-10 years old	Over 10 years old
Base	*301*	*73*	*77*	*151*
Have you heard of this service before?				
Yes	19%	16%	13%	22%
No	81%	84%	87%	78%
Don't know	0%	0%	0%	0%
Would you be interested in using this service?				
Yes	38%	55%	42%	32%
Maybe	5%	8%	6%	4%
No	56%	37%	49%	64%
Don't know	1%	0%	3%	0%

Awareness of the ITAs is very similar than that seen for OMIS (19% vs. 18%). However, based on the brief descriptions firms were given, this service seems to have more appeal than OMIS, with over a third of firms expressing an interest in using the ITAs (compared to 20% for OMIS).

There is some indication that older firms that have been trading for more than 10 years are more likely to be aware of the ITA service, but this apparent difference is not statistically significant. However, younger firms are most interested in accessing this type of support.

There are no statistically significant differences in awareness of the services provided by UKTI's international trade advisors by firms' size or export overseas experience. However, smaller firms and particularly those with very little overseas experience are most interested in accessing this type of support.

Table 8.3.2.2 Awareness & Interest in ITAs
- Non-Users by Size & Export Experience

	Size (Employees)			Years Exporting		
	0-9	10-99	100+	< 2 years	2-10 years	> 10 years
Base	*197*	*92*	*11*	*64*	*134*	*100*
Have you heard of this service before?						
Yes	19%	18%	24%	15%	16%	24%
No	81%	82%	76%	85%	84%	76%
Don't know	0%	0%	0%	0%	0%	0%
Would you be interested in using this service?						
Yes	43%	33%	0%	60%	41%	27%
Maybe	5%	5%	9%	11%	5%	3%
No	50%	62%	91%	30%	53%	70%
Don't know	1%	0%	0%	0%	1%	0%

There are no significant differences in awareness levels by firms' growth objectives, but those firms planning to grow over the next 5 years are considerably more interested in accessing this type of support. Innovative firms are more likely to have heard of the ITAs than their non-innovative counterparts, although there is no difference when it comes to interest in using the service.

Table 8.3.2.3 Awareness & Interest in ITAs
- Non-Users by Growth Objectives & Innovation

	Growth Objectives			Innovation			
	Substantial growth	Moderate growth	No growth	Innovative (alternative)	Innovative	Non-innovative	Innovative high growth
Base	*76*	*149*	*62*	*102*	*191*	*110*	*58*
Have you heard of this service before?							
Yes	16%	23%	18%	26%	24%	9%	18%
No	84%	77%	82%	74%	76%	91%	82%
Don't know	0%	0%	0%	0%	0%	0%	0%
Would you be interested in using this service?							
Yes	46%	44%	21%	48%	39%	36%	46%
Maybe	4%	5%	7%	5%	5%	6%	1%
No	49%	50%	72%	47%	55%	58%	52%
Don't know	1%	1%	0%	0%	1%	0%	2%

8.3.3 Meet the Buyer Events

Businesses were read out the following description of UKTI 'Meet the Buyer' events and were asked whether they had heard of these events before and whether they would be interested in attending.

"UK Trade & Investment put on events in the UK that enable attendees to have one-to-one meetings with relevant high-profile overseas businesses, and also offer wider networking opportunities. These events are facilitated by experts with knowledge of both the overseas market and the industry."

Table 8.3.3.1 Awareness & Interest in UKTI Meet the Buyer Events - Non-Users

	Non-Users			
	Total	Up to 5 years old	6-10 years old	Over 10 years old
Base	*301*	*73*	*77*	*151*
Have you heard of this type of event before?				
Yes	29%	22%	30%	30%
No	71%	78%	70%	69%
Don't know	0%	0%	0%	1%
Would you be interested in attending this type of event?				
Yes	37%	55%	49%	28%
Maybe	5%	5%	4%	6%
No	57%	40%	47%	66%
Don't know	0%	0%	0%	0%

Awareness of UKTI 'Meet the Buyer' events is higher than was seen for either OMIS or the ITAs, at 29%.

There is also considerable interest in this type of event, with over a third of non-users indicating that they would be interested in attending and a further 5% stating that they may be interested.

There are no statistically significant differences in awareness levels by age of firm, although firms established for more than 10 years appear least interested in attending 'Meet the Buyer' events.

There are no differences by size of firm when it comes to awareness of UKTI 'Meet the Buyer' events, but micro SMEs were most likely to express an interest in attending this type of event. Interest is also significantly higher amongst inexperienced exporters, yet this group is least likely to have heard of these events.

Table 8.3.3.2 Awareness & Interest in UKTI Meet the Buyer Events - Non-Users by Size & Export Experience

	Size (Employees)			Years Exporting		
	0-9	10-99	100+	< 2 years	2-10 years	> 10 years
Base	*197*	*92*	*11*	*64*	*134*	*100*
Have you heard of this service before?						
Yes	27%	32%	34%	19%	27%	36%
No	72%	68%	66%	81%	73%	63%
Don't know	1%	0%	0%	0%	0%	1%
Would you be interested in using this service?						
Yes	42%	33%	9%	64%	40%	23%
Maybe	6%	4%	0%	7%	5%	5%
No	52%	63%	91%	29%	54%	72%
Don't know	0%	0%	0%	0%	0%	0%

Although there is no difference in awareness levels by firms' growth objectives, firms that were planning to grow over the next 5 years were considerably more interested in attending this type of event (with this particularly true of those aiming for substantial growth). A similar picture was seen for OMIS and ITAs, and together this suggests that firms seeking growth are often looking to access external export support to help them realise these ambitions. In addition, innovative firms display higher awareness of these events, and are more interested in attending them.

Table 8.3.3.3 Awareness & Interest in UKTI Meet the Buyer Events - Non-Users by Growth Objectives & Innovation

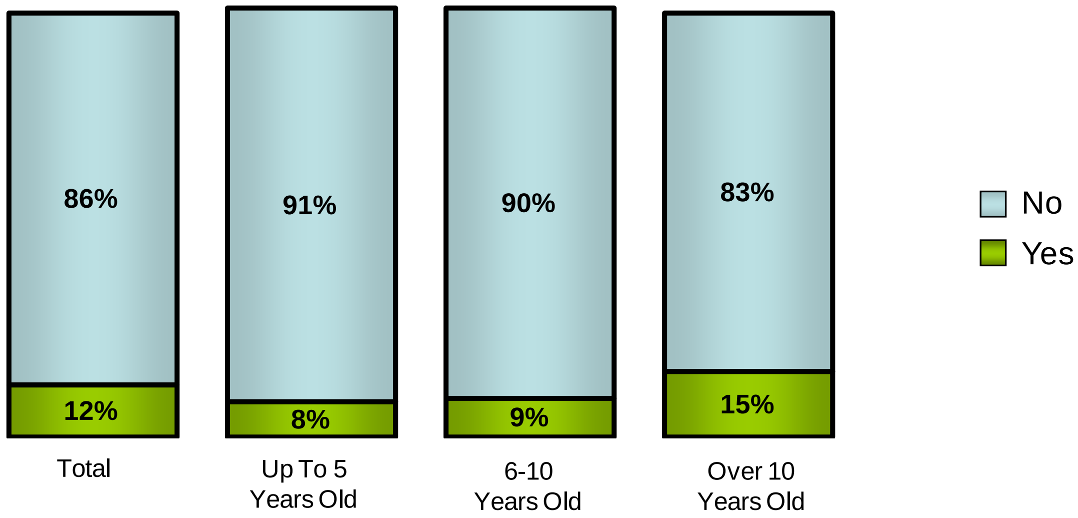
	Growth Objectives			Innovation			
	Substantial growth	Moderate growth	No growth	Innovative (alternative)	Innovative	Non-innovative	Innovative high growth
Base	*76*	*149*	*62*	*102*	*191*	*110*	*58*
Have you heard of this service before?							
Yes	25%	35%	23%	35%	35%	18%	27%
No	73%	65%	77%	65%	64%	82%	71%
Don't know	2%	0%	0%	0%	1%	0%	2%
Would you be interested in using this service?							
Yes	52%	38%	23%	53%	43%	28%	55%
Maybe	2%	8%	3%	4%	5%	6%	43%
No	46%	54%	74%	43%	52%	66%	2%
Don't know	0%	0%	0%	0%	0%	0%	0%

9. Awareness & Use of Non-UKTI Support

9.1 Use of Non-UKTI Support

The chart below shows the proportion of non-user firms that have received any external (non-UKTI) information, advice or support in relation to doing business overseas in the last two years.

Chart 9.1.1 Whether Received Export Support in Last 2 Years - Non-Users



Base: All respondents (Base, Don't know/Refused)
Non-Users – Total (829, 2%), Up to 5 years old (153, 1%), 6-10 years old (225, 1%), Over 10 years old (451, 2%)

Just 12% of non-users had received export support from a non-UKTI source in the previous two years, and are therefore classed as 'supported' non-users. This is a significant drop from the 20% seen in 2012. The proportion of firms accessing export support increases significantly among older firms.

Firms were asked to identify all external sources from which they had obtained export-related support. Those firms that had obtained support from more than one provider were also asked to identify which of these sources had been *most important* to them in relation to doing business overseas (please note that if firms had only obtained support from a single provider this has been included as the 'most important' source in the analysis below).

Table 9.1.1 Sources of External (Non-UKTI) Export Support Used - Non-Users

	Non-Users			
	Total	Up to 5 years old	6-10 years old	Over 10 years old
Base: All non-users	*829*	*153*	*225*	*451*
All providers used				
Chamber of Commerce	6%	0%	4%	9%
HM Revenue and Customs	4%	3%	3%	5%
Bank	3%	4%	3%	3%
Consultant	2%	1%	2%	2%
Trade Association	2%	1%	2%	2%
Online information service (paid for)	1%	0%	1%	1%
Market research agency	1%	0%	1%	1%
British Council	0%	0%	0%	0%
Other	1%	0%	0%	1%
No support received	*86%*	*91%*	*90%*	*83%*
Don't know if received support	*2%*	*1%*	*1%*	*2%*
Most important provider used				
Chamber of Commerce	5%	0%	3%	7%
HM Revenue and Customs	2%	3%	1%	3%
Bank	2%	2%	1%	2%
Consultant	1%	0%	2%	1%
Trade Association	1%	1%	0%	1%
Online information service (paid for)	1%	0%	1%	0%
Market research agency	0%	0%	0%	0%
British Council	0%	0%	0%	0%
Other	1%	0%	1%	1%
No support received	*86%*	*91%*	*90%*	*83%*
Don't know if received support	*2%*	*1%*	*1%*	*2%*

A variety of different providers were used by non-user firms, but the most common source was the Chamber of Commerce, followed by HMRC.

Please note that for all the subsequent questions about the type, quality and impact of the export support received, respondents were asked to focus just on the *most important provider* they had used.

Those firms that received assistance from the Chamber of Commerce were asked whether the Chamber in question was based in the UK or overseas.

Table 9.1.2 Chamber of Commerce Support
- Non-Users

	Total
Base: All using Chamber of Commerce	*50*
Based in the UK	96%
Located overseas	2%
- British Chamber of Commerce overseas	*0%*
- Local Chamber of Commerce overseas	*2%*
Don't know	0%

The vast majority of firms accessing support through the Chamber of Commerce indicated that this was from a Chamber of Commerce in the UK. Just 2% received assistance from an overseas Chamber of Commerce, and all of these indicated that this was a local rather than British Chamber of Commerce.

9.2 Type of Non-UKTI Support Received (Supported Non-Users)

9.2.1 Focus of Support

The table below provides details of the specific type of assistance received by supported non-users. Please note that the results by age of firm, and particularly those for firms established in the last 5 years, should be treated with caution due to the low base sizes.

Table 9.2.1.1 Types of External Support Received - Supported Non-Users

	Supported Non-Users			
	Total	Up to 5 years old	6-10 years old	Over 10 years old
Base: Supported non-users	*102*	*14*	*20*	*68*
Info or advice about how to do business in an overseas market	46%	54%	65%	40%
Info or advice about entering a new market	24%	6%	46%	22%
Info or advice about business opportunities in an overseas market	23%	12%	31%	22%
Certificates of Origin	23%	0%	15%	29%
Help with developing overseas business strategy	21%	24%	25%	19%
Help identifying or accessing business contacts overseas	19%	12%	30%	18%
Help accessing finance or funding opportunities	19%	22%	35%	14%
Help with doing marketing research overseas	18%	24%	31%	13%
Other	36%	24%	36%	38%
Don’t know	4%	0%	5%	4%

The most widespread type of support accessed by non-users related to information on how to do business in an overseas market, with almost half of all supported non-users obtaining this in the previous 2 years.

Approaching a quarter had received information or advice about entering a specific market and help identifying business opportunities overseas, and a similar proportion had obtained Certificates of Origin (from the Chamber of Commerce).

9.2.2 Paid-For Support

Supported non-users were also asked whether they had paid for any of the support they had received, and as detailed below, two-fifths had done so. It appears that young firms are least inclined to pay for support, perhaps due to the greater financial constraints on many of these firms, although it should be noted that this difference is not statistically significant due to the low base sizes.

Table 9.2.2.1 Whether Had to Pay for Any External Support - Supported Non-Users

	Supported Non-Users			
	Total	Up to 5 years old	6-10 years old	Over 10 years old
Base: Supported non-users	*102*	*14*	*20*	*68*
Yes	40%	18%	50%	42%
No	58%	82%	45%	57%
Don’t know	2%	0%	5%	1%

9.2.3 Time Spent

Supported non-users were also asked to estimate how much time the support provider had spent assisting them.

Table 9.2.3.1 Estimated Time Spent by Support Provider - Supported Non-Users

	Supported Non-Users			
	Total	Up to 5 years old	6-10 years old	Over 10 Years old
Base: Supported non-users	*102*	*14*	*20*	*68*
More than a week	17%	6%	30%	16%
3-5 day’s work	9%	0%	5%	12%
1-2 day’s work	12%	12%	16%	11%
Less than a day	29%	50%	15%	29%
Less than an hour	27%	32%	29%	26%
Don’t know	2%	0%	5%	1%

Most firms receiving external export support indicated that this had been relatively light in terms of time, with just 17% feeling that they had received more than a week’s worth of assistance and over a quarter (27%) believing it was less than an hour. However, it should be noted that this relates to firms’ <u>perceptions</u> of the time spent by the support provider.

9.3 Awareness & Interest in Export Support (Unsupported Non-Users)

9.3.1 Perceived Benefit of Export Support

All non-user businesses that had not received any support were asked whether they thought they would have benefited from such support to help overcome any difficulties they had encountered when developing the export side of their business. As seen below, 43% believed that they *would* have benefited from this type of assistance (with a further 6% indicating that they might have done so). Older firms are least inclined to feel that they could have benefited from external assistance.

Table 9.3.1.1 Need for Support
- Unsupported Non-Users

	Unsupported Non-Users			
	Total	Up to 5 years old	6-10 years old	Over 10 years old
Base: Unsupported non-users	*727*	*139*	*205*	*383*
Yes	43%	56%	50%	36%
Maybe	6%	5%	5%	7%
No	50%	39%	44%	55%
Don't know	1%	1%	0%	2%

Those firms that felt they would have benefited from some type of export-related assistance were asked to specify what particular types of advice or support would have helped. As seen below, the most widely required types of assistance relate to general advice on how to export or enter new markets (28%) and help with export regulations, rules and taxes (24%).

Table 9.3.1.2 Types of Support That Would Have Been Beneficial
- Unsupported Non-Users

Top Mentions (1%+)	Unsupported Non-Users			
	Total	Up to 5 years old	6-10 years old	Over 10 years old
Base: Unsupported non-users	*727*	*139*	*205*	*383*
General info & advice on how to export/enter new markets	28%	39%	29%	24%
Info & advice on export regulations/rules/taxes	24%	34%	28%	20%
Info about specific countries/market intelligence	16%	22%	19%	12%
Help with overseas marketing strategy	8%	15%	9%	6%
Help with accessing business contacts	8%	12%	12%	6%
Info & advice about securing payment/enforcing contracts	7%	10%	10%	4%
Finance/grants/subsidies	6%	11%	6%	5%
Don't know	2%	1%	1%	2%
Would not have benefited from support	*50%*	*39%*	*44%*	*55%*
Don't know if would have benefited	*1%*	*1%*	*0%*	*2%*

It should be noted that UKTI currently provides all of the types of assistance/support listed in the above table. This does include financial support, as although the organisation now provides very limited direct financial support/grants, most UKTI services are still heavily subsidised. This clearly indicates that the main issue is a lack of awareness of UKTI and what it offers, rather than a lack of availability of the desired types of export support.

9.3.2 Awareness of Potential Support Providers

Those unsupported non-user firms indicating that export support would have been beneficial to them were asked whether they were aware of anyone who could provide this type of support, with the results detailed below.

Table 9.3.2.1 Awareness of Export Support Providers
- Unsupported Non-Users

	Unsupported Non-Users			
	Total	Up to 5 years old	6-10 years old	Over 10 years old
Base: All unsupported non-users indicating would benefit from support	*362*	*83*	*113*	*166*
Yes	28%	18%	34%	30%
- *UKTI*	*8%*	*6%*	*5%*	*11%*
- *Chamber of Commerce*	*7%*	*4%*	*9%*	*7%*
- *Consultant*	*4%*	*4%*	*4%*	*4%*
- *Trade Association*	*4%*	*1%*	*5%*	*4%*
- *Friend, colleagues, business associates*	*3%*	*1%*	*2%*	*4%*
- *HM Revenue and Customs*	*2%*	*0%*	*5%*	*1%*
- *Bank*	*1%*	*1%*	*1%*	*1%*
- *Internet search*	*1%*	*1%*	*1%*	*1%*
- *Business Link*	*1%*	*0%*	*2%*	*2%*
- *BIS*	*1%*	*0%*	*1%*	*1%*
- *Embassies*	*1%*	*0%*	*1%*	*1%*
- *Other*	*2%*	*0%*	*3%*	*2%*
No, not aware of any support providers	70%	81%	64%	69%
Don't know	1%	1%	2%	1%

In most cases the reason why firms have not accessed any export support (even though they feel it would have been beneficial) is because they are unaware of any providers of this type of assistance, with 70% of firms indicating that this is the case. This clearly suggests that, if awareness of UKTI is increased, there is potential for the organisation to reach and help a significantly greater number of firms.

Amongst those firms that were aware of potential support providers, a wide range of sources were mentioned covering government bodies, business membership organisations, private sector suppliers and less formal assistance from friends or business associates. However, only 8% of firms suggested UKTI as a potential source of export support.

9.3.3 Reasons for Not Needing Export Support

Unsupported non-users who felt that they would not have benefitted from any external export-related advice or support were asked why this was.

Table 9.3.3.1 Reasons for Not Needing Support
- Unsupported Non-Users

Top Mentions (1%+)	Unsupported Non-Users			
	Total	Up to 5 years old	6-10 years old	Over 10 years old
Base: All unsupported non-users indicating would not benefit from support	*356*	*55*	*91*	*210*
Already have experience/expertise within the company	40%	33%	45%	40%
Easy/straightforward/don't need help/no problems	30%	31%	37%	27%
Manage fine as we are/do it ourselves	22%	22%	22%	22%
Have our own/existing contacts	16%	16%	14%	16%
Have a niche market/product	11%	8%	11%	11%
No one could provide relevant help/information	8%	0%	10%	9%
Customers contact us/we respond to orders/enquiries	7%	11%	7%	7%
Limited application e.g. one off requirement	2%	5%	2%	1%

As detailed above, the main reason for not requiring support was that firms already had sufficient expertise in-house. Significant proportions also simply felt that doing business overseas was easy or straightforward and/or that they were managing fine without any external assistance.

However, it is interesting to note that 8% of firms believed that no one would be able to help them in this way, and a further 11% highlighted the niche nature of their business (with the implication that it is too specialised for any external support to be beneficial). While this may be true, it is certainly possible that an organisation such as UKTI would be able to provide meaningful support even in fairly niche areas (e.g. through its team of sector specialists).

9.3.4 Key Markets for Export Support

All non-user firms were asked the country or countries that it would be most useful to get some form of external supported about. As seen below, the most widely mentioned market was the USA, followed by China, Germany and France.

Table 9.3.4.1 Key Markets for External Support – Individual Markets

Individual Markets (2%+ mentions)	All Non-Users
Base	829
USA	12%
China	8%
Germany	6%
France	6%
United Arab Emirates	4%
Spain	3%
Australia	3%
India	3%
Russia	2%
Netherlands	2%
South Africa	2%
Ireland	2%
Sweden	2%
Italy	2%
None/not interested in external support	*44%*
Don’t know	*3%*

The table below provides further analysis, with individual markets grouped into broad geographic areas. Demand is greatest for support about European markets (reflecting the fact that it is the most common export destination), but significant proportions of firms also identified markets in Asia Pacific, North America and the Middle East/Africa.

Table 9.3.4.2 Key Markets for External Support – Geographic Area

Individual Markets (2%+ mentions)	All Non-Users
Base	829
Europe	21%
Asia Pacific	16%
North America	13%
Middle East & Africa	11%
Latin America	2%
None/not interested in external support	*44%*
Don’t know	*3%*

The table below provides similar analysis but this time by whether markets are high growth, established or neither. It is clear from this analysis that there is similar demand for support relating to all three of these types of market.

Table 9.3.4.3 Key Markets for External Support – Market Type

Individual Markets (2%+ mentions)	All Non-Users
Base	829
High Growth	19%
Established	19%
Other	23%
None/not interested in external support	*44%*
Don't know	*3%*

10. Support Quality & Satisfaction

10.1 Quality Rating – Measure A09

Supported non-user businesses were asked to rate a number of aspects of the (non-UKTI) export support they received, as follows:

- The quality & relevance of the information provided
- The quality and relevance of any contacts it allowed the firm to make
- The attitude & professionalism of the support provider
- The provider's objectivity and acting in the firm's best interests

These ratings have been used to create a mean quality rating, calculated as the average proportion of firms providing a rating of 4 or 5 out of 5 across these service aspects. This analysis replicates as closely as possible one of the PIMS key survey measures, namely 'Measure A09 Quality Rating'.

It should be noted that these questions were of course only asked to non user firms that had received export related support (non-UKTI) in the last two years. As such the subsequent results and analysis are based only on the 12% of non-users that had received external support therefore for some sub-analysis caution needs to be taken with lower base sizes.

Table 10.1.1 Measure A09 – Quality Rating
- Supported Non-Users

	Supported Non-Users			
	Total	1-5 years old	6-10 years old	Over 10 years old
Base: Supported non-users	*102*	*14*	*20*	*68*
Average proportion providing a rating of '4' or '5'	67%	73%	69%	66%
95% confidence interval	± 9%	± 23%	± 20%	± 11%

As the table above illustrates, the mean quality rating for non-UKTI support is 67%, and there are no statistically significant differences by age of firm in this respect.

The panel below provides further details of how Measure A09 has been calculated for this survey, and demonstrates that the key strength of non-UKTI support is the attitude and professionalism of those delivering it, but the primary weakness is the contacts provided (with only 50% giving a score of 4-5 out of 5 for this element).

A09 – Quality Rating

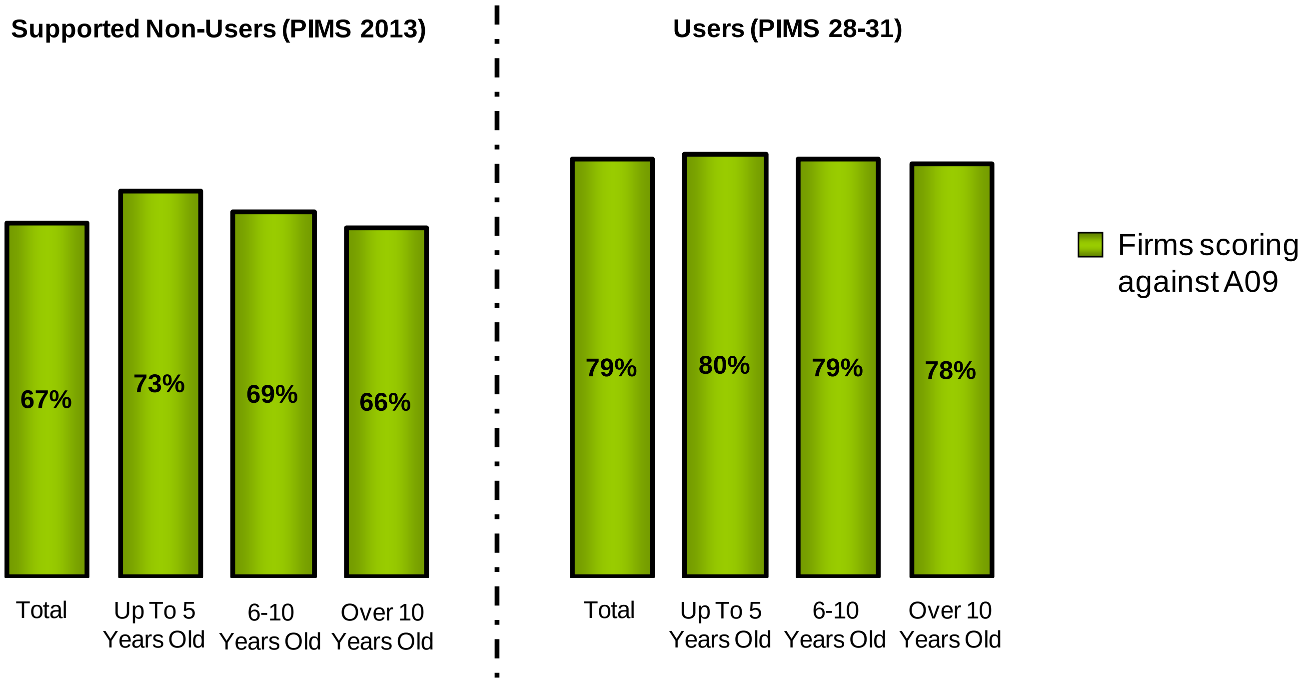
The average proportion of firms scoring '4' or '5' on a 5-point scale for…

- The quality & relevance of the information provided (70%)
- The quality and relevance of any contacts it allowed you to make (50%)
- Their attitude & professionalism (80%)
- Their objectivity and acting in your best interests (72%)

Throughout this section, comparative quality data has also been provided for users of UKTI support (from the main PIMS survey). Please note that for UKTI users, the individual elements of the quality rating differ depending on the specific type of support received. However, unless otherwise stated, the results relate to the mean quality rating across all UKTI services.

The following chart provides a comparison with the quality ratings for UKTI support.

Chart 10.1.1 Measure A09 – Quality Rating



Base: All supported firms (Base)
Non-Users – Total (102), Up to 5 years old (14), 6-10 years old (20), Over 10 years old (68),
Users – Total (3823), Up to 5 years old (888), 6-10 years old (593), Over 10 years old (2340)

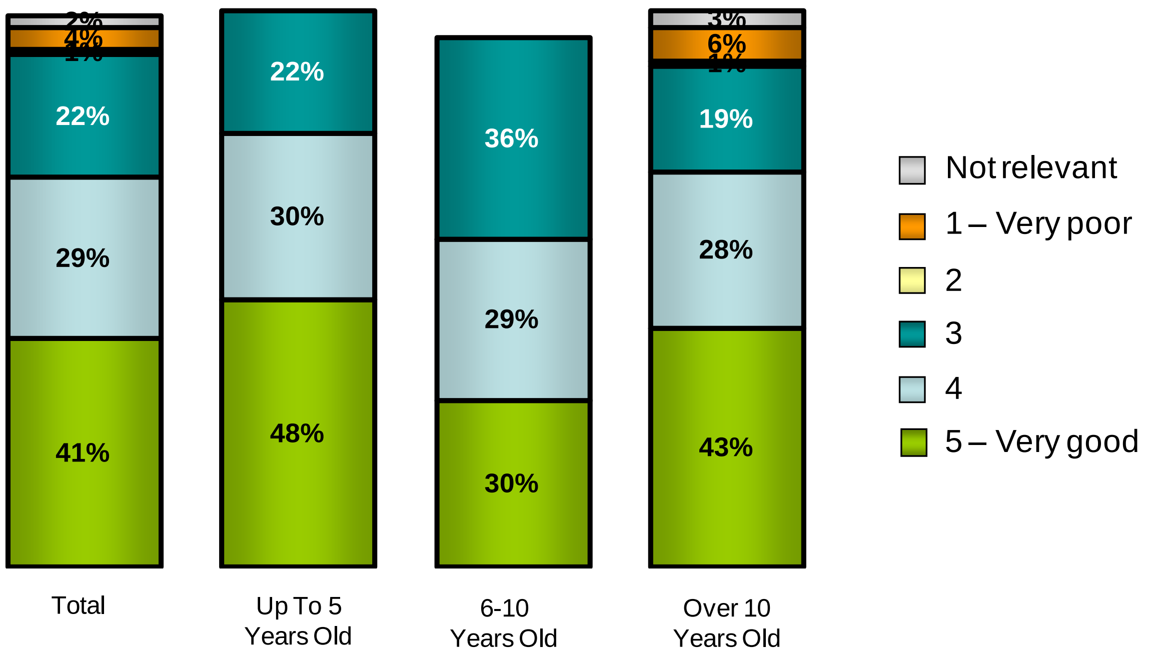
Overall, UKTI support is perceived to be of significantly higher quality than that provided by alternative providers, with mean quality ratings of 79% and 67% respectively. This difference is evident across all business age groups, but is only statistically significant for those established over 10 years ago.

10.2 Individual Quality Ratings

10.2.1 Quality & Relevance of Information

The chart below shows the ratings given by supported non-user firms for the quality and relevance of the information provided (by non-UKTI sources).

Chart 10.2.1.1 Quality & Relevance of the Information & Advice Provided - Supported Non-Users



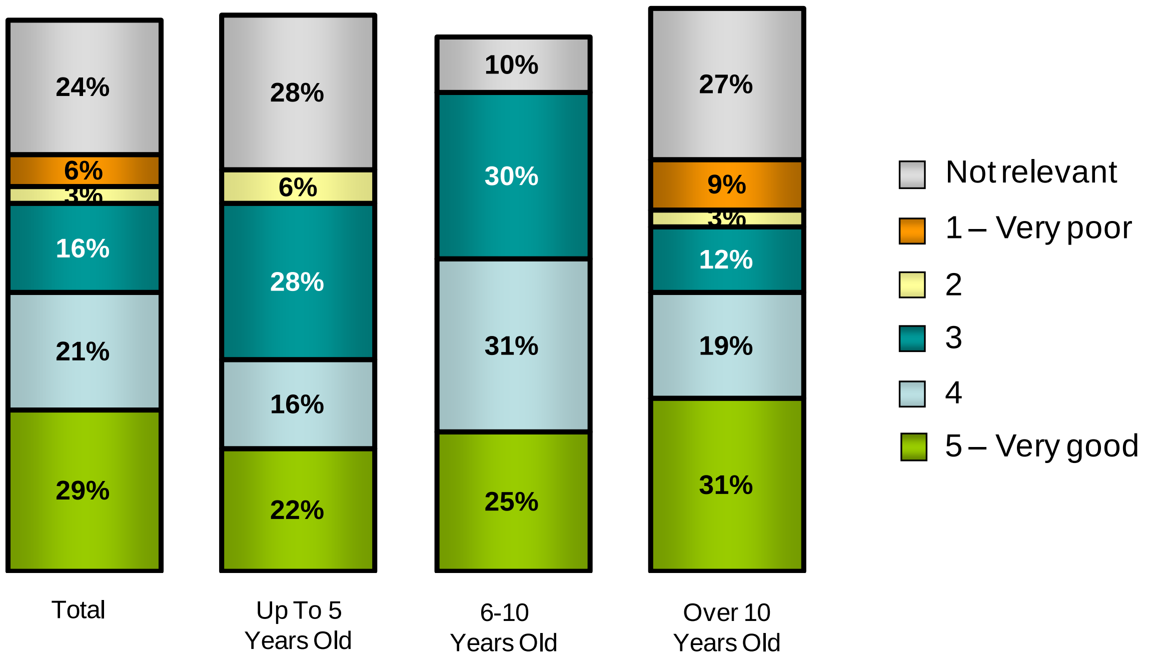
Base: All supported non-users (Base, Don't know/Refused)
Non-Users – Total (102, 1%), Up to 5 years old (14, 0%), 6-10 years old (20, 5%), Over 10 years old (68, 0%)

The quality and relevance of the information obtained from external (non-UKTI) providers is generally well regarded, with over two-thirds of supported non-users giving high ratings (i.e. 4-5 out of 5) and only 5% giving a poor score of 1-2 out of 5.

10.2.2 Quality & Relevance of Contacts

The chart below shows the ratings given by supported non-user firms for the quality and relevance of any contacts the (non-UKTI) support allowed them to make.

Chart 10.2.2.1 Quality & Relevance of Any Contacts It Allowed You to Make - Supported Non-Users



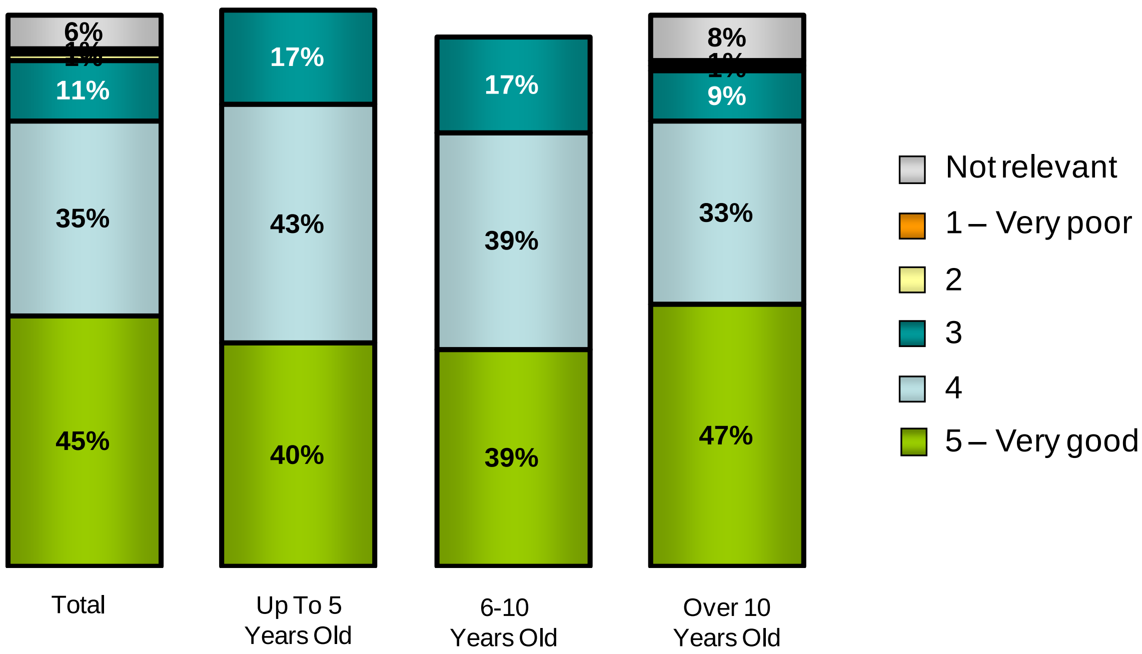
Base: All supported non-users (Base, Don't know/Refused)
Non-Users – Total (102, 1%), Up to 5 years old (14, 0%), 6-10 years old (20, 5%), Over 10 years old (68, 0%)

Half of supported non-users gave a high rating for the quality and relevance of the contacts they were provided with by the support provider. Whilst this is partly because a fifth indicated that this was not relevant, presumably because the export support had not involved the provision of contacts, it is still the case that 9% gave a poor score of just 1-2 out of 5.

10.2.3 Attitude & Professionalism

The chart below shows the ratings given by supported non-user firms for the attitude and professionalism of the (non-UKTI) support providers used.

Chart 10.2.3.1 Attitude & Professionalism of Support Provider
- Supported Non-Users



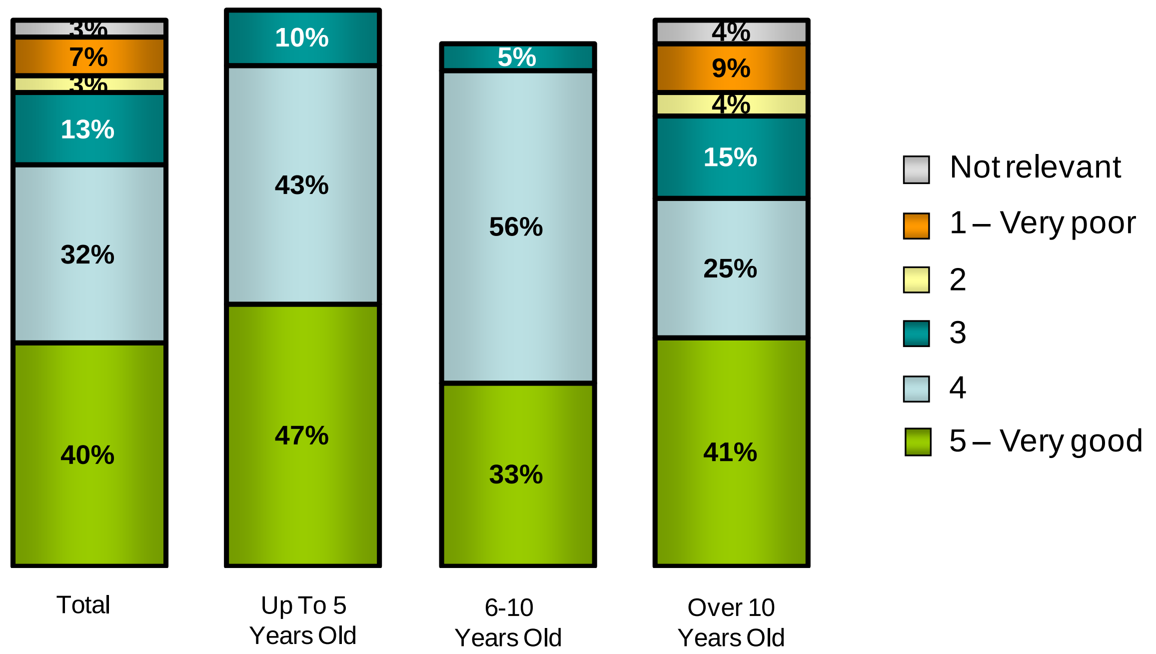
Base: All supported non-users except those using online information services (Base, Don't know/Refused)
Non-Users – Total (97, 1%), Up to 5 years old (13, 0%), 6-10 years old (18, 5%), Over 10 years old (66, 0%)

The attitude and professionalism of the personnel delivering the assistance is a major strength of these external support providers, with more than three-quarters of supported non-users (80%) scoring 4-5 out of 5 for this element and only 2% giving ‘poor’ ratings (i.e. 1-2 out of 5).

10.2.4 Objectivity & Acting in Best Interests

The chart below shows the ratings given by supported non-user firms for the (non-UKTI) support providers used being objective and acting in the firm's best interests.

Chart 10.2.4.1 Their Objectivity & Acting in Your Best Interests - Supported Non-Users



Base: All supported non-users except those using online information services (Base, Don't know/Refused)
Non-Users – Total (97, 2%), Up to 5 years old (13, 0%), 6-10 years old (18, 5%), Over 10 years old (66, 1%)

The majority of non-users were also positive about the impartiality of the support provider they used, with almost three-quarters (72%) scoring 4-5 out of 5 for this element. That said, a significant minority (9%) gave a poor rating of only 1-2 out of 5 for this.

10.2.5 Comparison with UKTI Users

For UKTI users the individual elements of the quality rating differ depending on the specific service. For comparative purposes, the table below provides user data for relevant UKTI services, as follows:

- **Passport to Export, Gateway to Global Growth (GGG) & English Regions Trade Advisors' Significant Assists (ERTA)** – These are the advisory services delivered by International Trade Advisors in the English regions.
- **Overseas Market Introduction Service (OMIS)** – This is the charged service delivered by the overseas posts.

Table 10.2.5.1 Individual Quality Ratings – Comparison with UKTI Services

Proportion scoring 4-5 out of 5	Supported Non-Users (PIMS 2013)				UKTI Users (PIMS 28-31)							
					Passport, GGG & ERTA				OMIS			
	Total	> 5 yrs	6-10 yrs	>10 yrs	Total	> 5 yrs	6-10 yrs	>10 yrs	Total	> 5 yrs	6-10 yrs	>10 yrs
Base	*102*	*14*	*20*	*68*	*841*	*221*	*163*	*457*	*527*	*84*	*64*	*379*
Quality Rating (A09)	67%	73%	69%	66%	88%	87%	87%	89%	76%	79%	77%	75%
- Quality & relevance of info and advice	70%	78%	60%	71%	79%	80%	72%	80%	72%	80%	73%	70%
- Quality & relevance of contacts	50%	38%	56%	50%	-	-	-	-	66%	73%	66%	65%
- Attitude & professionalism	80%	83%	78%	80%	94%	94%	93%	94%	90%	90%	95%	90%
- Objectivity & acting in best interests	72%	90%	89%	66%	-	-	-	-	81%	80%	87%	80%

As seen above, the various UKTI services consistently outperform the alternative support sources for each of the elements tested.

The difference in the quality of contact facilitation is the most apparent, with OMIS users significantly more likely to give a good rating for the contacts they were provided with. That said, it should be recognised that OMIS is specifically designed to provide access to contacts, whereas some non-user firms may not have been seeking this from their support provider (as demonstrated by the fact that 24% indicated that this was not relevant when asked to rate this service element).

10.3 Overall Satisfaction – Measure B10

Supported non-user businesses were also asked to rate their overall satisfaction with the (non-UKTI) export support they received.

A key survey measure, namely ‘Measure B10 – Overall Satisfaction’, is calculated from this question by taking the proportion of firms providing a rating of 4 or 5 out of 5 i.e. ‘fairly’ or ‘very satisfied’ overall with the support they have received.

Table 10.3.1 Measure B10 – Overall Satisfaction
- Supported Non-Users

	Supported Non-Users			
	Total	1-5 years old	6-10 years old	Over 10 years old
Base: Supported non-users	*102*	*14*	*20*	*68*
Proportion of firms providing a rating of ‘4’ or ‘5’	74%	90%	75%	71%
95% confidence interval	± 9%	± 16%	± 19%	± 11%

As the table above illustrates, the overall satisfaction rating for non-UKTI support is 74%, and there are no statistically significant differences by age of firm in this respect.

The panel below shows the detail of how Measure B10 has been calculated for this survey.

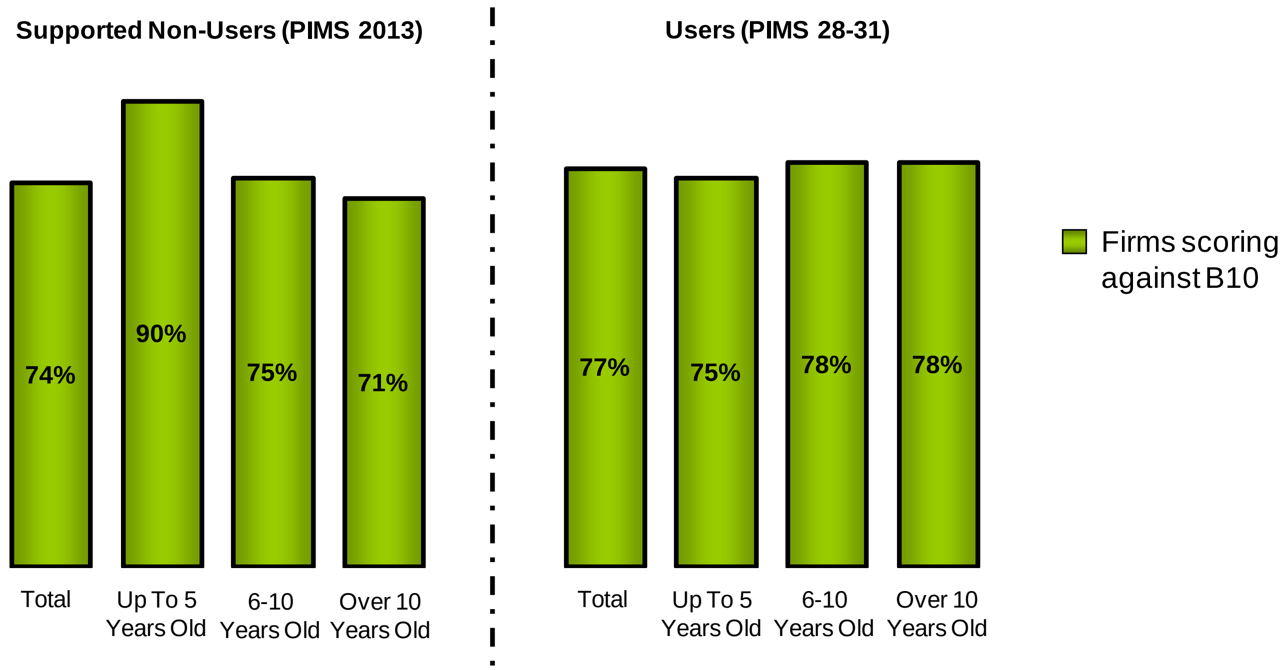
B10 – Overall Satisfaction

Firms scoring ‘4’ or ‘5’ on a 5-point scale for…

- Thinking about your total experience of the support, how would you rate your satisfaction overall? (74%)

The following chart provides comparison with the overall satisfaction measure for UKTI support (from PIMS).

Chart 10.3.1 Measure B10 - Overall Satisfaction

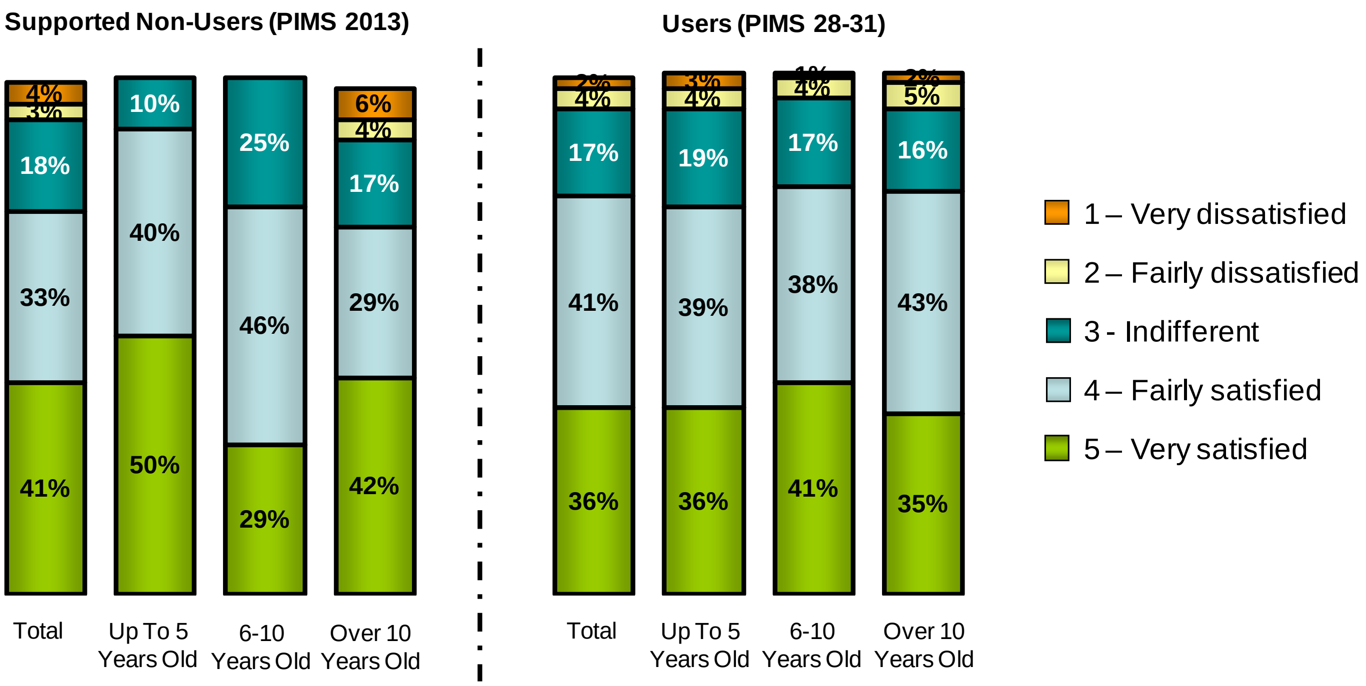


Base: All supported firms (Base)
Non-Users – Total (102), Up to 5 years old (14), 6-10 years old (20), Over 10 years old (68),
Users – Total (3823), Up to 5 years old (888), 6-10 years old (593), Over 10 years old (2340)

The overall satisfaction ratings given by supported non-users and UKTI users are similar, with the small difference in ratings not statistically significant.

The chart below shows a more detailed distribution of responses for overall satisfaction. Comparative data has also been provided for users of UKTI support (from PIMS).

Chart 10.3.2 Overall Satisfaction



Base: All supported non-users (Base, Don't know/Can't remember)
Non-Users – Total (102, 1%), Up to 5 years old (14, 0%), 6-10 years old (20, 0%), Over 10 years old (68, 1%)
Users – Total (3823, 0%), Up to 5 years old (888, 0%), 6-10 years old (593, 0%), Over 10 years old (2340, 0%)

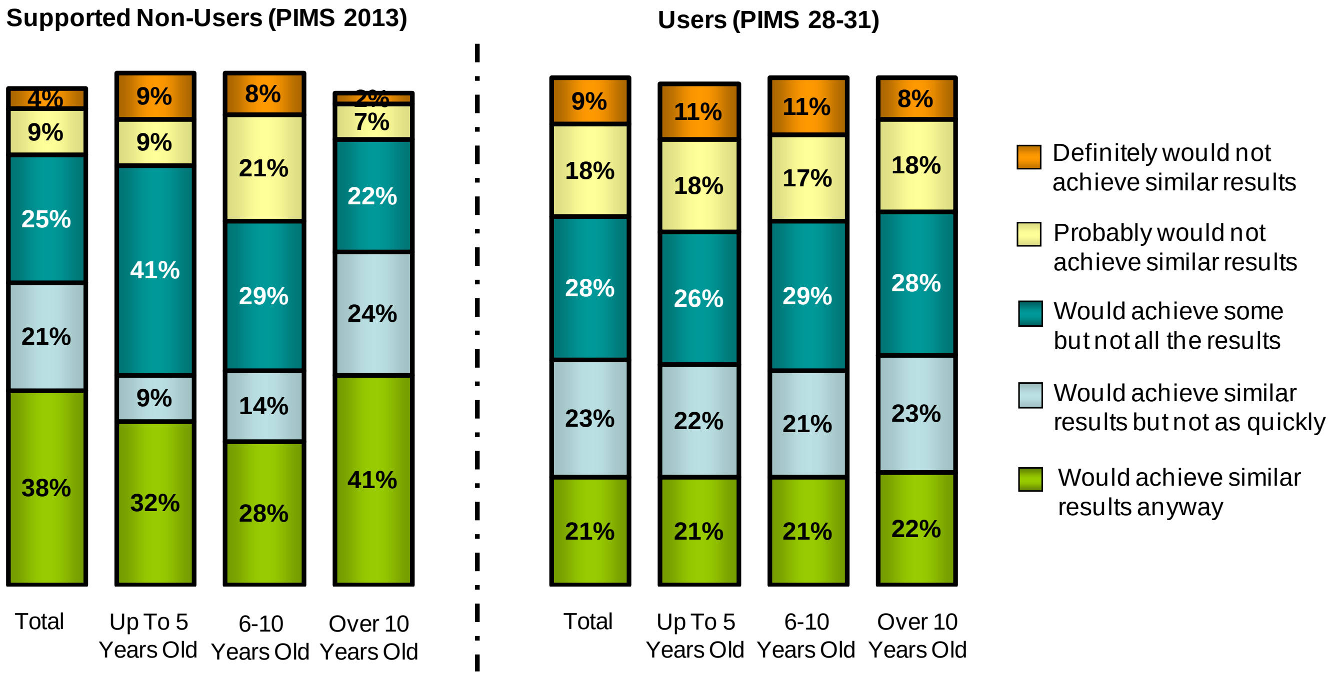
As the chart shows, supported non-users are generally satisfied with the support they have received, with 74% satisfied or very satisfied, and only a minority dissatisfied. The overall satisfaction ratings given by non-users and UKTI users are similar. Base sizes are too low to draw any robust conclusions by age of firm, although it does appear that younger non-users tend to be more satisfied with the support they have received (but this is not statistically significant).

11. Additionality

Supported non-users were asked the extent to which they would have achieved similar results anyway had they not received the (non-UKTI) support. Comparative data has also been provided for users of UKTI support.

Please note that supported non-users receiving very 'light touch' support (i.e. only received Certificates of Origin or support lasting for less than one hour) were not asked the full range of impact questions and are excluded from this analysis. The rationale for this was partly to reduce respondent burden by not asking a series of detailed questions about very minimal support, but also to provide a more valid comparison with the generally more substantial support provided by UKTI.

Chart 11.1 Whether Firms Would Have Achieved Similar Results Anyway



Base: All supported firms excluding non-users just receiving Certificates of Origin or <1 hour of support (Base, None of these)
Non-Users – Total (70, 3%), Up to 5 years old (10, 0%), 6-10 years old (14, 0%), Over 10 years old (46, 4%),
Users – Total (3823, 1%), Up to 5 years old (888, 1%), 6-10 years old (593, 1%), Over 10 years old (2340, 1%)

There is clear evidence to suggest that support provided by UK Trade & Investment has a higher level of additionality than that provided by alternative sources.

Almost two-fifths (38%) of all supported non-users judged the assistance they received to be non-additional (i.e. they feel that they would have achieved similar results anyway), compared to just 21% of UKTI users. Furthermore, non-UKTI export support is only classified as fully additional in 13% of cases (i.e. they probably or definitely would <u>not</u> have achieved similar results without the support), compared to 27% for UKTI services.

Amongst non-users it appears that firms established 6-10 years display higher levels of additionality, with similar results to the equivalent group of UKTI users. However, it should be noted base sizes are very low for supported non-users when breaking down results by age band, so it is difficult to draw any definite conclusions in this respect.

12. Impacts & Outcomes

The following section reports on the impacts and outcomes of the (non-UKTI) export support received by non-user firms. Please note that only impacts and outcomes judged to be additional are referred to (i.e. non-additional interventions do not score against the key measures). Non-additional interventions are defined as those where the firm indicated that they 'would have achieved similar results anyway' without the support.

It should also be noted that those supported non-users that received very 'light touch' support (i.e. only received Certificates of Origin or support lasting for less than one hour) were not asked the full range of impact questions and are therefore excluded from this analysis. The base sizes for supported non-users are low, particularly when looking at individual sub-groups (e.g. age band) so caution should be taken when interpreting these results.

12.1 Increased Skills – Measure A81

12.1.1 Summary

The table below shows the proportion of supported non-user businesses classified as benefiting from the (non-UKTI) support received in terms of increasing their skills. This analysis forms one of the key survey measures, namely 'Measure A81 Increased skills'.

Table 12.1.1 Measure A81 – Increased Skills
- Supported Non-Users

	Supported Non-Users			
	Total	1-5 years old	6-10 years old	Over 10 years old
Base	*70*	*10*	*14*	*46*
Proportion displaying at least one 'increased skill', net of non-additionality	25%	9%	37%	24%
95% confidence interval	± 10%	± 18%	± 25%	± 12%

Overall, just 25% of supported non-users are judged to have significantly increased their skills as a result of the assistance they received. Younger firms that have been trading for less than five years are least likely to experience this benefit from the non-UKTI support (although this difference is not statistically significant due to the low base sizes).

The panel below provides further details of how Measure A81 has been calculated.

A81 – Increased Skills

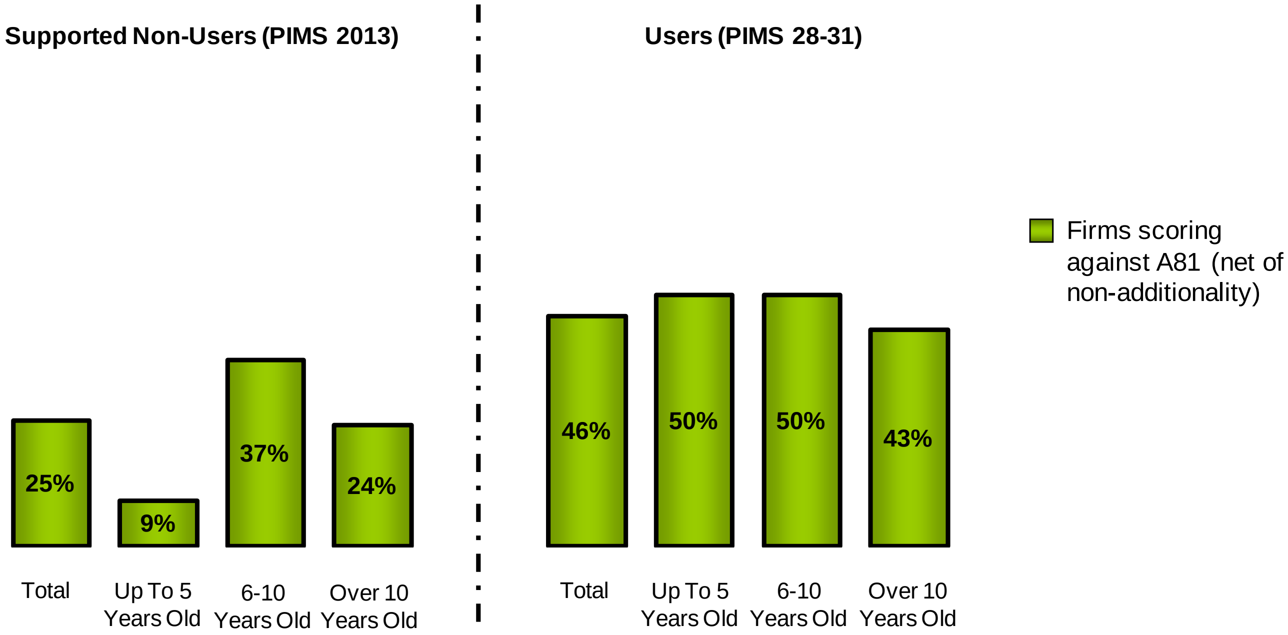
Firms are classified as indicating increased skills if they feel that they have or will benefit 'to a significant extent' (i.e. score '4' or '5') from…

- Improving their knowledge of the competitive environment in an overseas market (C7i) - 18%
- Or, improving their overseas marketing strategy (C7o) - 21%

In each case, net of non-additionality, with non-additionality in this context taken to be firms indicating that they feel that they 'could have got similar support elsewhere' (C9).

The chart below includes comparative data for users of UKTI support (from PIMS) scoring against Measure A81[5].

Chart 12.1.1 Measure A81 – Increased Skills



Base: All supported firms excluding non-users just receiving Certificates of Origin or <1 hour of support (Base)
Non-Users – Total (70), Up to 5 years old (10), 6-10 years old (14), Over 10 years old (46),
Users – Total (3823), Up to 5 years old (888), 6-10 years old (593), Over 10 years old (2340)

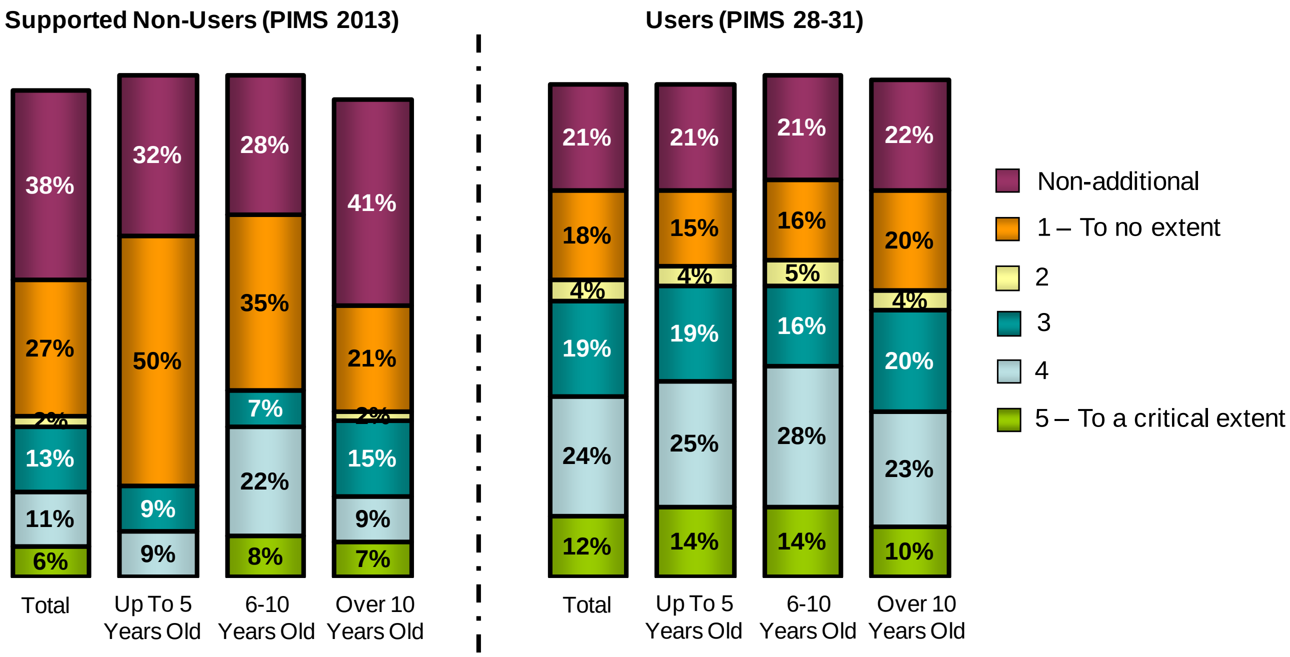
In comparison to firms accessing non-UKTI export support, UKTI clients are almost twice as likely to increase their skills as a result of the support.

[5] Please note that the user data has been recalculated to match the non-user definition of A81.

12.1.2 Knowledge of Competitive Environment

The chart below shows the extent to which, as a direct result of the (non-UKTI) support they received, businesses have either benefited or anticipate benefiting through improving their knowledge of the competitive environment in an overseas market. Comparative data has also been provided for users of UKTI support.

Chart 12.1.2 Improved Your Knowledge of the Competitive Environment in an Overseas Market



Base: All supported firms excluding non-users just receiving Certificates of Origin or <1 hour of support (Base, Don't know)
Non-Users – Total (70, 3%), Up to 5 years old (10, 0%), 6-10 years old (14, 0%), Over 10 years old (46, 4%),
Users – Total (3823, 1%), Up to 5 years old (888, 1%), 6-10 years old (593, 1%), Over 10 years old (2340, 0%)

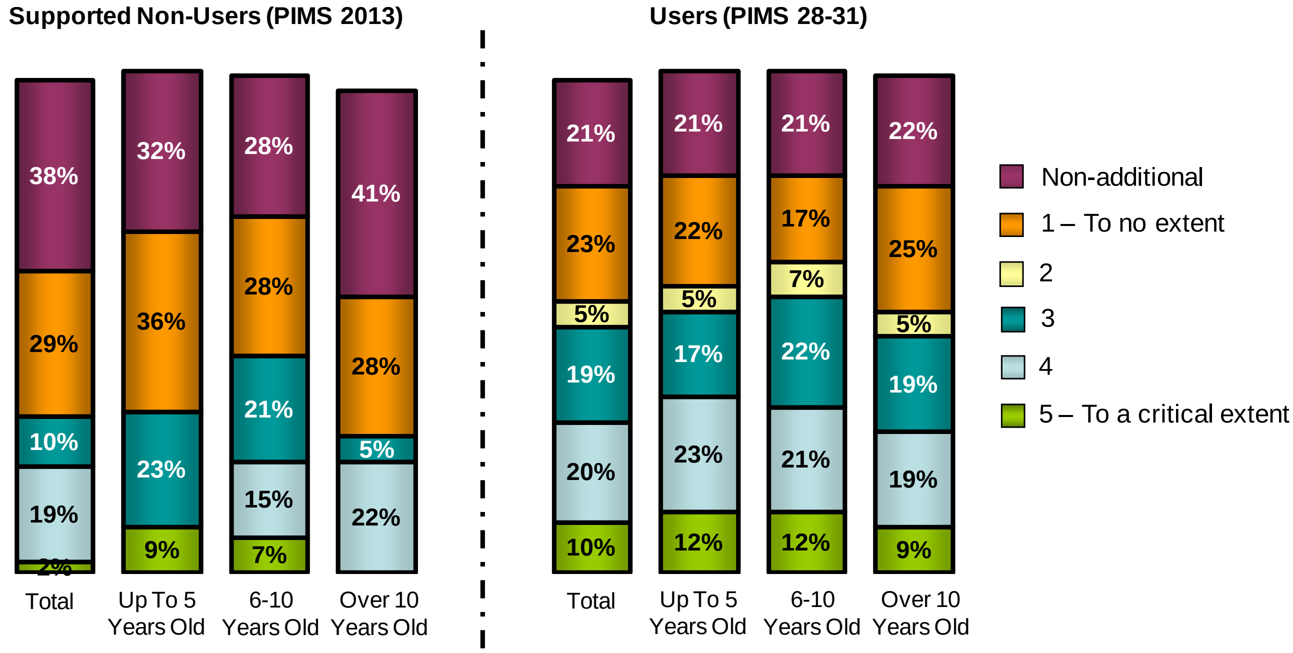
There is clear evidence that UKTI support is more effective at increasing firms' knowledge of the competitive environment in overseas markets than is the case for export support delivered by non-UKTI providers.

Overall, 36% of users indicate that this has been a significant benefit of the support (i.e. scored 4-5 out of 5), compared to just 18% of supported non-users.

12.1.3 Improved Overseas Marketing Strategy

The chart below shows the extent to which, as a direct result of the (non-UKTI) support they received, businesses have either benefited or anticipate benefiting from making improvements to their overseas marketing strategy. Comparative data has also been provided for users of UKTI support.

Chart 12.1.2 Improved Your Overseas Marketing Strategy



Base: All supported firms excluding non-users just receiving Certificates of Origin or <1 hour of support (Base, Don't know)
Non-Users – Total (70, 3%), Up to 5 years old (10, 0%), 6-10 years old (14, 0%), Over 10 years old (46, 4%)
Users – Total (3823, 0%), Up to 5 years old (888, 0%), 6-10 years old (593, 0%), Over 10 years old (2340, 1%)

Support delivered by UKTI also appears more likely to result in improved overseas marketing strategies among assisted firms, with 30% of UKTI clients reporting a significant impact in this respect compared to 21% of firms accessing non-UKTI support. However, this difference is not statistically significant (although the difference in the proportion scoring 3-5 is significant).

12.2 Changed Behaviour – Measure A83

12.2.1 Summary

The table below shows the proportion of supported non-user businesses classified as benefiting from the (non-UKTI) support received in terms of changing their behaviour. This analysis forms one of the key survey measures, namely ‘Measure A83 – Changed behaviour’.

Table 12.2.1 Measure A83 – Changed Behaviour - Supported Non-Users

	Supported Non-Users			
	Total	1-5 years old	6-10 years old	Over 10 years old
Base	*70*	*10*	*14*	*46*
Proportion displaying at least one ‘change in behaviour’, net of non-additionality	39%	50%	65%	31%
95% confidence interval	± 11%	± 31%	± 25%	± 13%

Almost two-fifths of supported non-user firms score against this measure, although this drops to around a third of older firms that have been trading for over 10 years.

The panel below provides further details of how A83 has been calculated for this survey.

A83 – Changed Behaviour

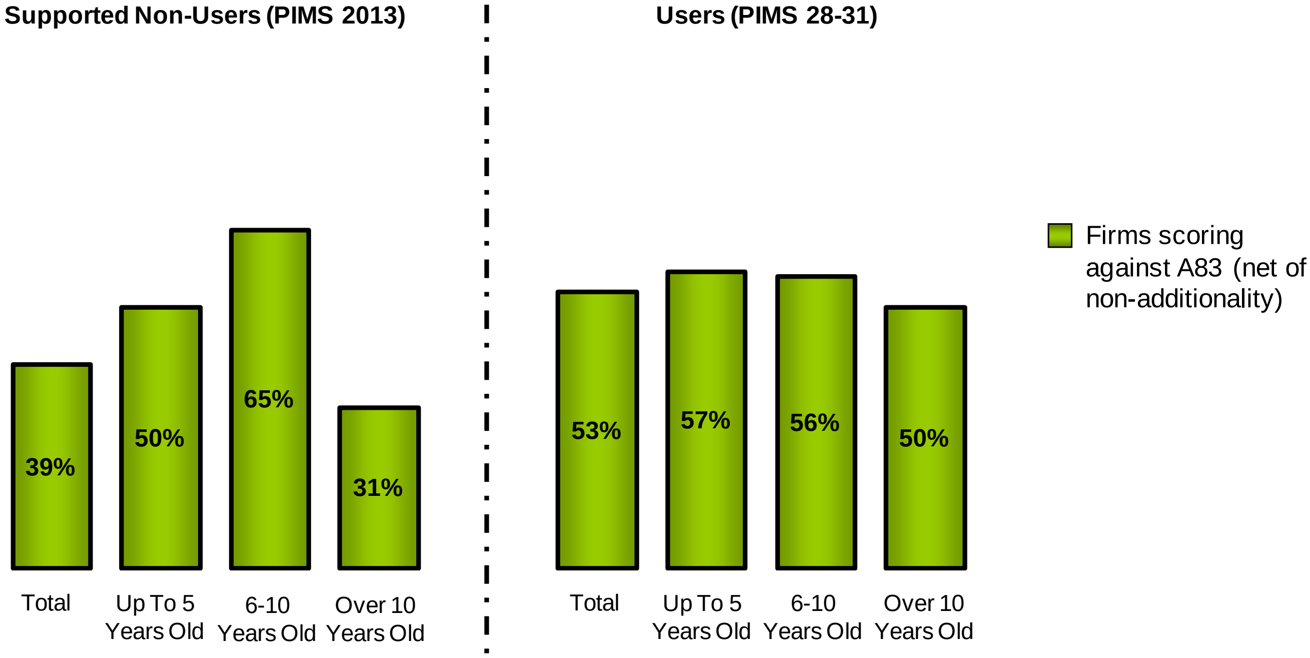
Firms are classified as having changed their behaviour if they feel that they have or will benefit ‘to a significant extent’ (i.e. score ‘4’ or ‘5’) from…

- Introducing any new products or services, or improving any existing ones (C7l) – 9%
- Or, making improvements to their new product or service development strategy (C7t) – 15%
- Or, improving the way they do business in overseas markets (C7n) – 22%
- Or, gaining the confidence to either explore a new market or expand in an existing one (C7h) – 27%
- Or, improving their overseas marketing strategy (C7o) – 21%

In each case, net of non-additionality, with non-additionality in this context taken to be firms indicating that they feel that they ‘could have got similar support elsewhere’ (C9).

The chart below includes comparative data for users of UKTI support (from PIMS) scoring against Measure A83.

Chart 12.2.1 Measure A83 – Changed Behaviour



Base: All supported firms excluding non-users just receiving Certificates of Origin or <1 hour of support (Base)
Non-Users – Total (70), Up to 5 years old (10), 6-10 years old (14), Over 10 years old (46),
Users – Total (3823), Up to 5 years old (888), 6-10 years old (593), Over 10 years old (2340)

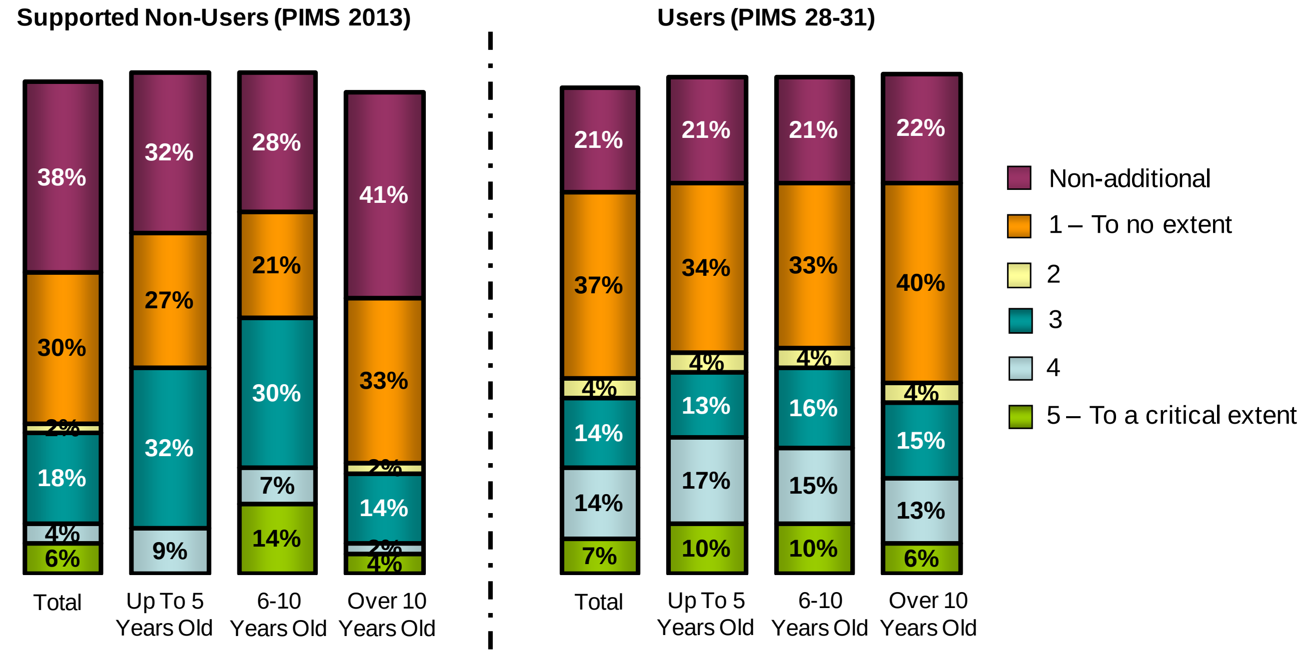
Over half of UKTI users score against this measure, compared to around two-fifths of firms accessing non-UKTI export support. For both supported non-users and UKTI clients, older firms (over 10 years old) are significantly less likely to score against this measure.

12.2.2 Introduced or Improved Products or Services

The chart below shows the extent to which, as a direct result of the (non-UKTI) support they received, businesses have either benefited or anticipate benefiting from introducing any new products/services or improving existing ones. Comparative data has also been provided for users of UKTI support.

Chart 12.2.2 Introduced New Products/Services or Improved Existing Ones

Base: All supported firms excluding non-users just receiving Certificates of Origin or <1 hour of support (Base, Don't know)



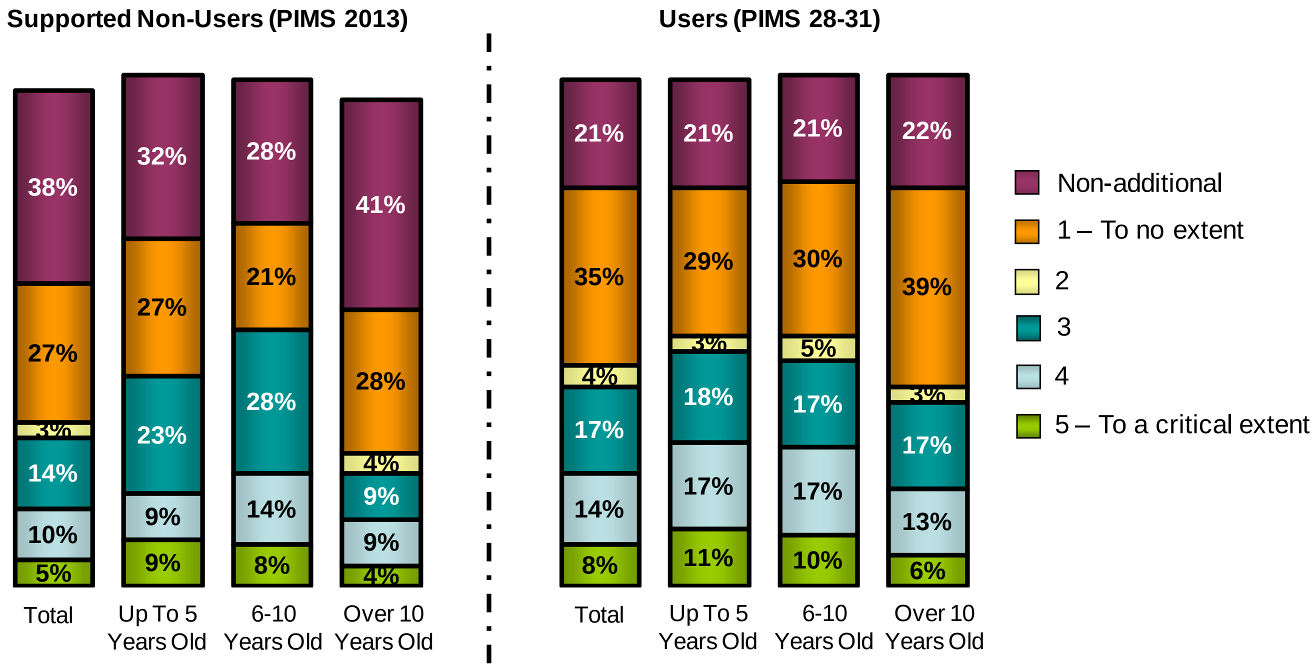
Non-Users – Total (70, 3%), Up to 5 years old (10, 0%), 6-10 years old (14, 0%), Over 10 years old (46, 4%),
Users – Total (3823, 1%), Up to 5 years old (888, 1%), 6-10 years old (593, 1%), Over 10 years old (2340, 0%)

UKTI clients are significantly more likely than users of alternative export support to have introduced new products/services or improved existing products/services as a result of the assistance received (21% vs. 10%).

12.2.3 Improved New Product Development Strategy

The chart below shows the extent to which, as a direct result of the (non-UKTI) support they received, businesses have either benefited or anticipate benefiting from improving their new product/service development strategy. Comparative data has also been provided for users of UKTI support.

Chart 12.2.3 Made Improvements to Your New Product/Service Development Strategy



Base: All supported firms excluding non-users just receiving Certificates of Origin or <1 hour of support (Base, Don't know)
Non-Users – Total (70, 3%), Up to 5 years old (10, 0%), 6-10 years old (14, 0%), Over 10 years old (46, 4%),
Users – Total (3823, 1%), Up to 5 years old (888, 0%), 6-10 years old (593, 1%), Over 10 years old (2340, 1%)

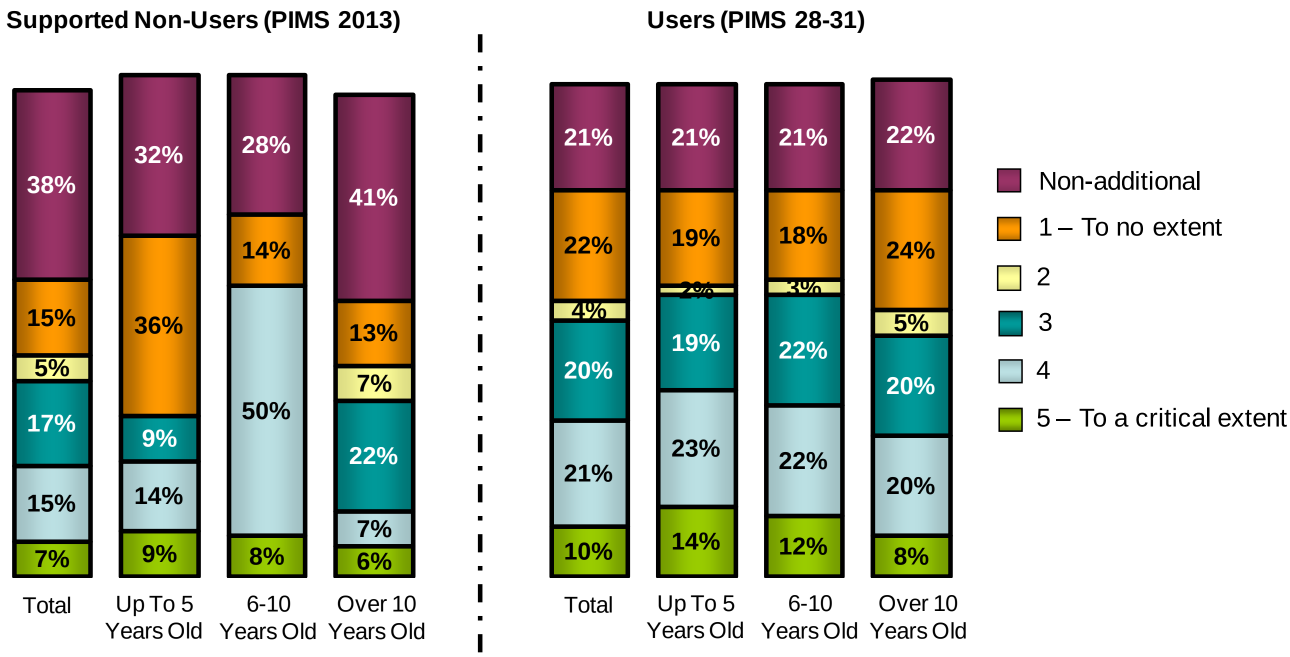
There are no statistically significant differences between UKTI users and supported non-users in regards to whether they have improved their new product/service development strategy as a result of this support.

There are also no significant differences in this respect by age of firm for non-users. However, among UKTI users firms aged over 10 years are less likely than younger firms to have benefitted in this way.

12.2.4 Improved Way of Doing Business Overseas

The chart below shows the extent to which, as a direct result of the (non-UKTI) support they received, businesses have either benefited or anticipate benefiting from improving the way they do business in overseas markets. Comparative data has also been provided for users of UKTI support.

Chart 12.2.4 Improved the Way You Do Business in Overseas Markets



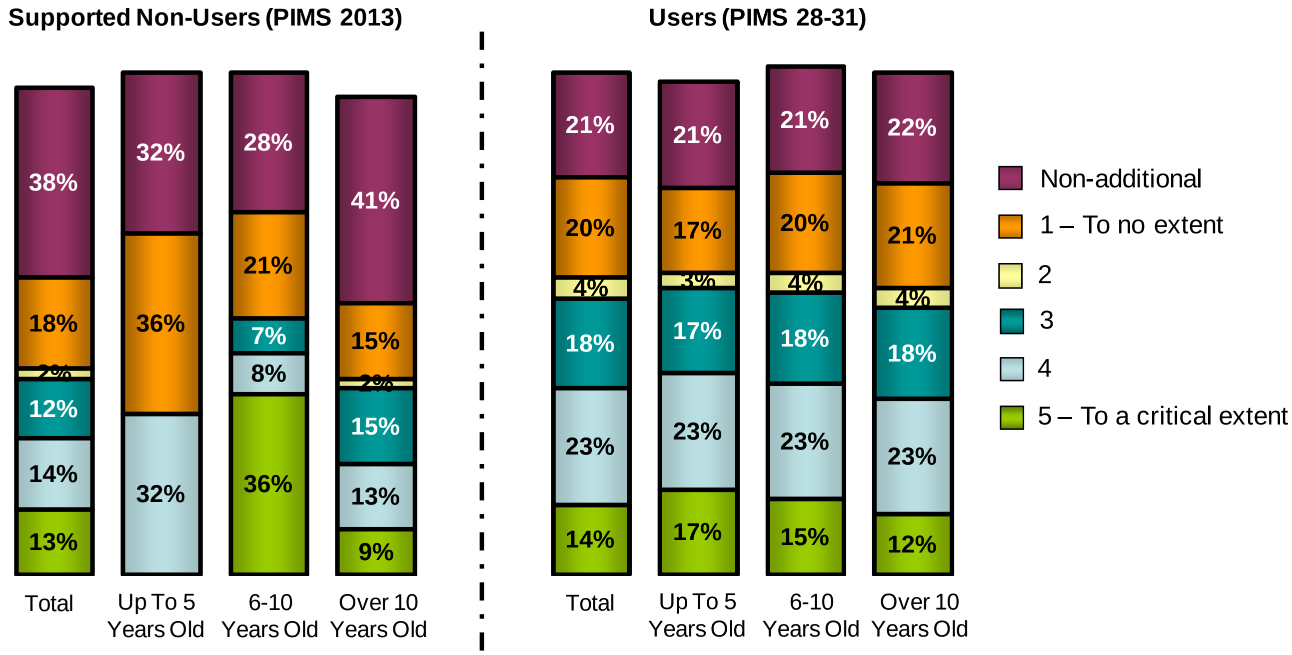
Base: All supported firms excluding non-users just receiving Certificates of Origin or <1 hour of support (Base, Don't know)
Non-Users – Total (70, 3%), Up to 5 years old (10, 0%), 6-10 years old (14, 0%), Over 10 years old (46, 4%),
Users – Total (3823, 1%), Up to 5 years old (888, 0%), 6-10 years old (593, 1%), Over 10 years old (2340, 1%)

There is also no statistically significant difference between UKTI clients and firms accessing non-UKTI export assistance in terms of the percentage of firms significantly improving the way they do business in overseas markets (i.e. scoring 4-5 out of 5). However, when looking at the proportion scoring 3-5 out of 5 then the difference between users and non-users is significant.

12.2.5 Gained Confidence

The chart below shows the extent to which, as a direct result of the (non-UKTI) support they received, businesses have either benefited or anticipate benefiting from gaining the confidence to either explore a new market or expand in an existing one. Comparative data has also been provided for users of UKTI support.

Chart 12.2.5 Gained the Confidence to Either Explore a New Market or Expand in an Existing Market



Base: All supported firms excluding non-users just receiving Certificates of Origin or <1 hour of support (Base, Don't know)
Non-Users – Total (70, 3%), Up to 5 years old (10, 0%), 6-10 years old (14, 0%), Over 10 years old (46, 4%),
Users – Total (3823, 0%), Up to 5 years old (888, 0%), 6-10 years old (593, 0%), Over 10 years old (2340, 0%)

There are no statistically significant differences between UKTI users and supported non-users in the likelihood of benefitting from gaining the confidence to expand their overseas operations.

12.3 Increased Innovation – Measure A04

The table below shows the proportion of supported non-user businesses classified as benefiting from the (non-UKTI) support received in terms of increased innovation. This analysis forms one of the key survey measures, namely 'Measure A04 – Increased Innovation'.

Table 12.3.1 Measure A04 – Increased Innovation - Supported Non-Users

	Supported Non-Users			
	Total	1-5 years old	6-10 years old	Over 10 years old
Base	*70*	*10*	*14*	*46*
Proportion displaying at least one 'increase in innovation', net of non-additionality	18%	18%	29%	15%
95% confidence interval	± 9%	± 24%	± 24%	± 10%

Overall, just under a fifth of supported non-users score against this measure of increased innovation. There are no statistically significant differences in this respect by age of firm.

The panel below provides further details of how Measure A04 has been calculated for this survey.

A04 – Increased Innovation

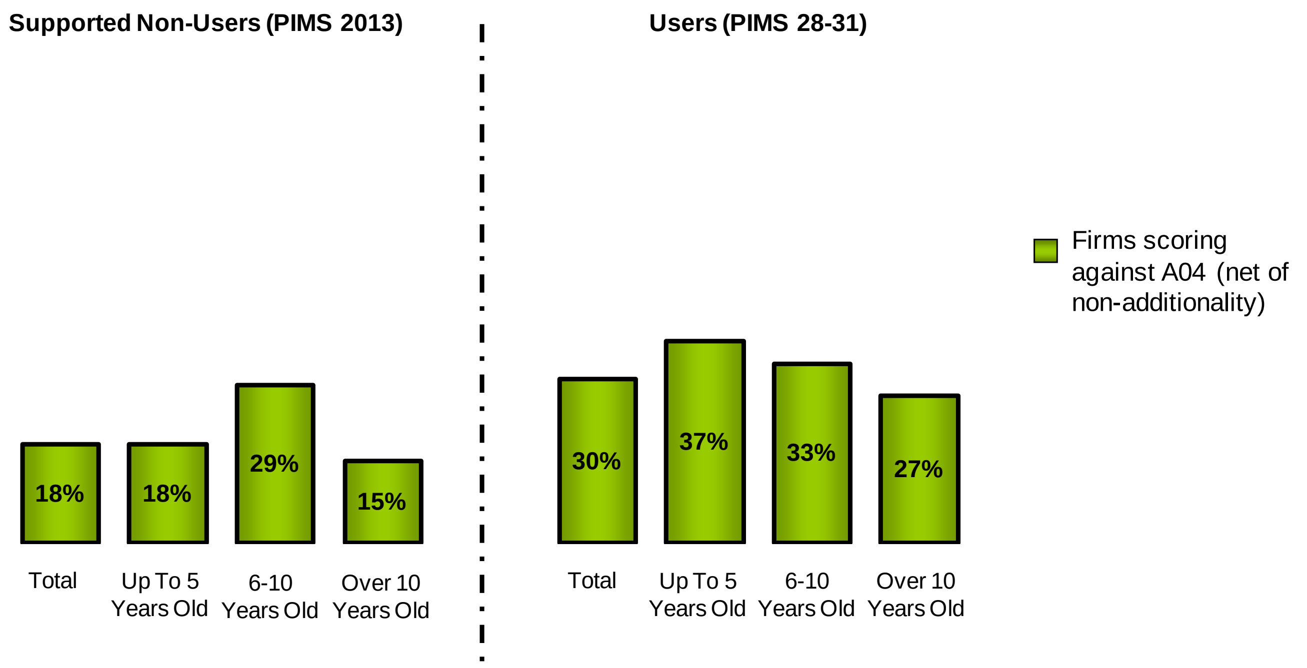
Firms are classified as having increased innovation if they feel that they have or will benefit 'to a significant extent' (i.e. score '4' or '5') from…

- Introducing any new products or services, or improved any existing ones (C7l) – 9%
- Or, making improvements to their new product or service development strategy (C7t) – 15%

In each case, net of non-additionality, with non-additionality in this context taken to be firms indicating that they feel that they 'could have got similar support elsewhere' (C9).

The chart below includes comparative data for users of UKTI support (from PIMS) scoring against Measure A04.

Chart 12.3.1 Measure A04 – Increased Innovation



Base: All supported firms excluding non-users just receiving Certificates of Origin or <1 hour of support & users receiving Special Reports (Base)
Non-Users – Total (70), Up to 5 years old (10), 6-10 years old (14), Over 10 years old (46),
Users – Total (3814), Up to 5 years old (887), 6-10 years old (593), Over 10 years old (2332)

UKTI support leads to increased innovation activity in just under a third of all cases, whereas only 18% of supported non-user firms score against this measure. For non-users, there are no statistically significant differences by age of firm due to the low base sizes involved. However, among UKTI users there is a clear association between increased innovation and age, with this impact more likely to be reported by younger firms.

Please note that this measure is a subset of the Changed Behaviour measure, and results for the individual elements of this measure have already been reported in Section 12.2 of this report.

12.4 Increased R&D – Measure AR&D

The table below shows the proportion of supported non-user businesses classified as benefiting from the (non-UKTI) support received in terms of increased R&D. This analysis forms one of the key survey measures, namely 'Measure AR&D – Increased R&D'.

Table 12.4.1 Measure AR&D – Increased R&D
- Supported Non-Users

	Supported Non-Users			
	Total	1-5 years old	6-10 years old	Over 10 years old
Base	*70*	*10*	*14*	*46*
Proportion increase their R&D activity, net of non-additionality	8%	9%	14%	7%
95% confidence interval	± 6%	± 18%	± 18%	± 7%

Overall, a relatively small minority (8%) of supported non-users score against this measure of increased R&D.

The panel below provides further details of how AR&D has been calculated for this survey.

AR&D – Increased R&D

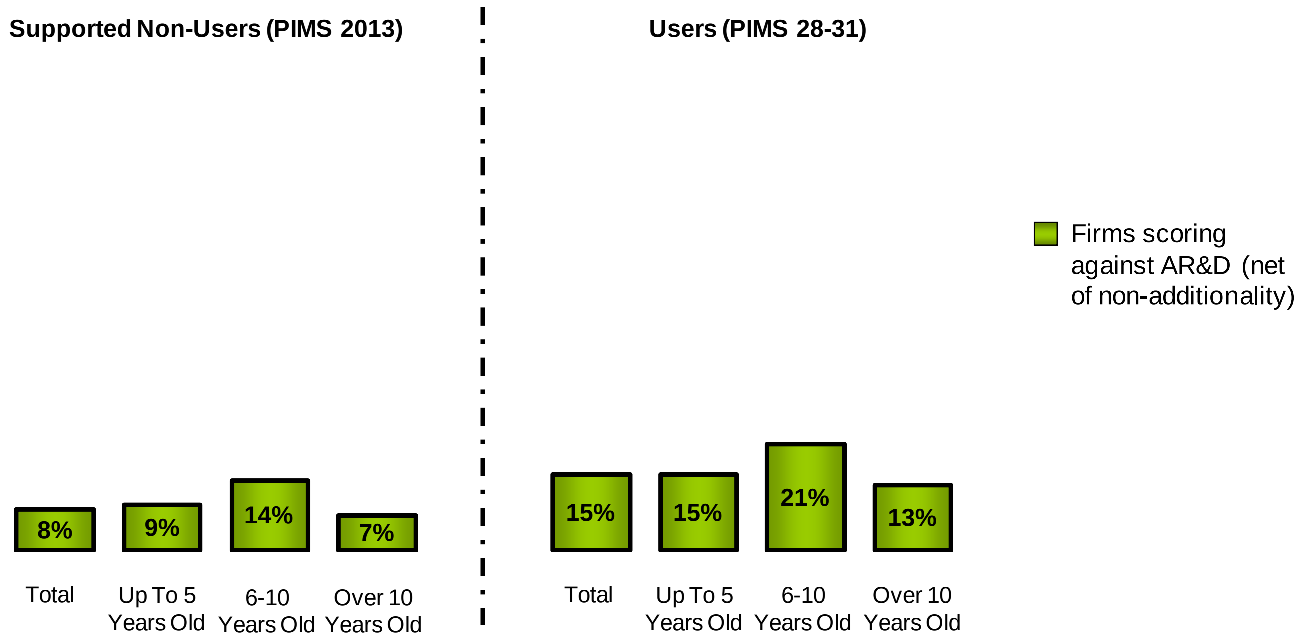
Firms are classified as having increased R&D if they have or expect to…

- Increase the number of people engaged in, or the amount of time spent on R&D or NPD (F24a)
- And, increase the amount they spend on R&D or NPD (F24b)

Net of non-additionality, with non-additionality in this context taken to be firms indicating that they feel that they 'could have got similar support elsewhere' (C9).

The chart below includes comparative data for users of UKTI support (from PIMS) scoring against Measure AR&D.

Chart 12.4.1 Measure AR&D – Increased R&D



Base: All supported firms excluding non-users just receiving Certificates of Origin or <1 hour of support (Base)
Non-Users – Total (70), Up to 5 years old (10), 6-10 years old (14), Over 10 years old (46),
Users – Total (3823), Up to 5 years old (888), 6-10 years old (593), Over 10 years old (2340)

UKTI users appear more likely to report additional R&D activity as a result of the support, but due to the low base of supported non-uses this difference is not statistically significant.

Interestingly, for both users and non-users there is some suggestion that firms established for between 6-10 years are most likely to experience R&D impacts from export support (although the difference is not statistically significant for non-users).

12.5 Barriers to Market Access Overcome – Measure A92

12.5.1 Summary

The table below shows the proportion of supported non-user businesses classified as benefiting from the (non-UKTI) support received in terms of overcoming barriers to market access. This analysis forms one of the key survey measures, namely 'Measure A92 - Barriers Overcome'.

Table 12.5.1 Measure A92 – Barriers to Market Access Overcome - Supported Non-Users

	Supported Non-Users			
	Total	1-5 years old	6-10 years old	Over 10 years old
Base	*70*	*10*	*14*	*46*
Proportion displaying at least one 'barrier overcome', net of non-additionality	41%	50%	50%	37%
95% confidence interval	± 12%	± 31%	± 26%	± 14%

Two-fifths of all supported non-users have experienced significant benefits in terms of overcoming barriers to market access.

The panel below provides further details of how this measure has been calculated.

A92 – Barriers to Market Access Overcome

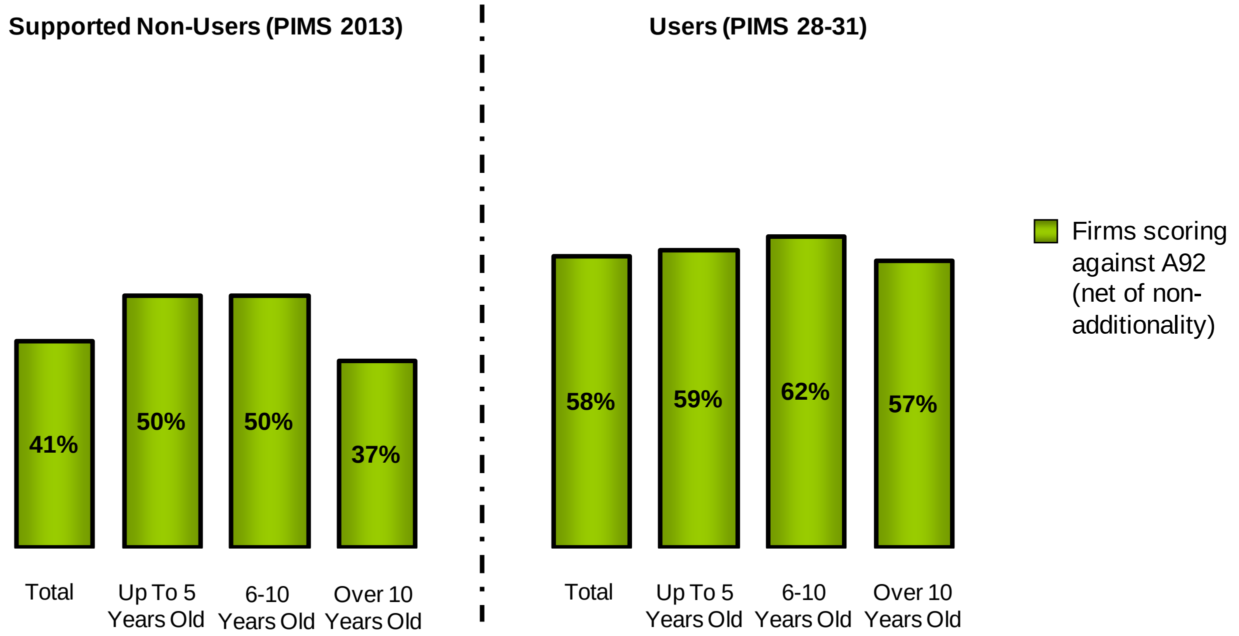
Firms are classified as indicating barriers to market access overcome if they feel that they have or will benefited 'to a significant extent' (i.e. score '4' or '5') from…

- Gaining access to prospective customers, business partners or other people they would otherwise have been unable to meet (C7a) – 21%
- Or, gaining access to information that they would otherwise have been unable to come by (C7e) – 33%
- Or, improving their company's profile or credibility (C7c) – 24%

In each case, net of non-additionality, with non-additionality in this context taken to be firms indicating that they feel that they 'could have got similar support elsewhere' (C9).

The chart below includes comparative data for users of UKTI support (from PIMS) scoring against Measure A92[6].

Chart 12.5.1 Measure A92 – Barriers to Market Access Overcome



Base: All supported firms excluding non-users just receiving Certificates of Origin or <1 hour of support (Base)
Non-Users – Total (70), Up to 5 years old (10), 6-10 years old (14), Over 10 years old (46),
Users – Total (3823), Up to 5 years old (888), 6-10 years old (593), Over 10 years old (2340)

Users of UKTI services are significantly more likely to have overcome barriers to market access than is the case for firms accessing non-UKTI export support.

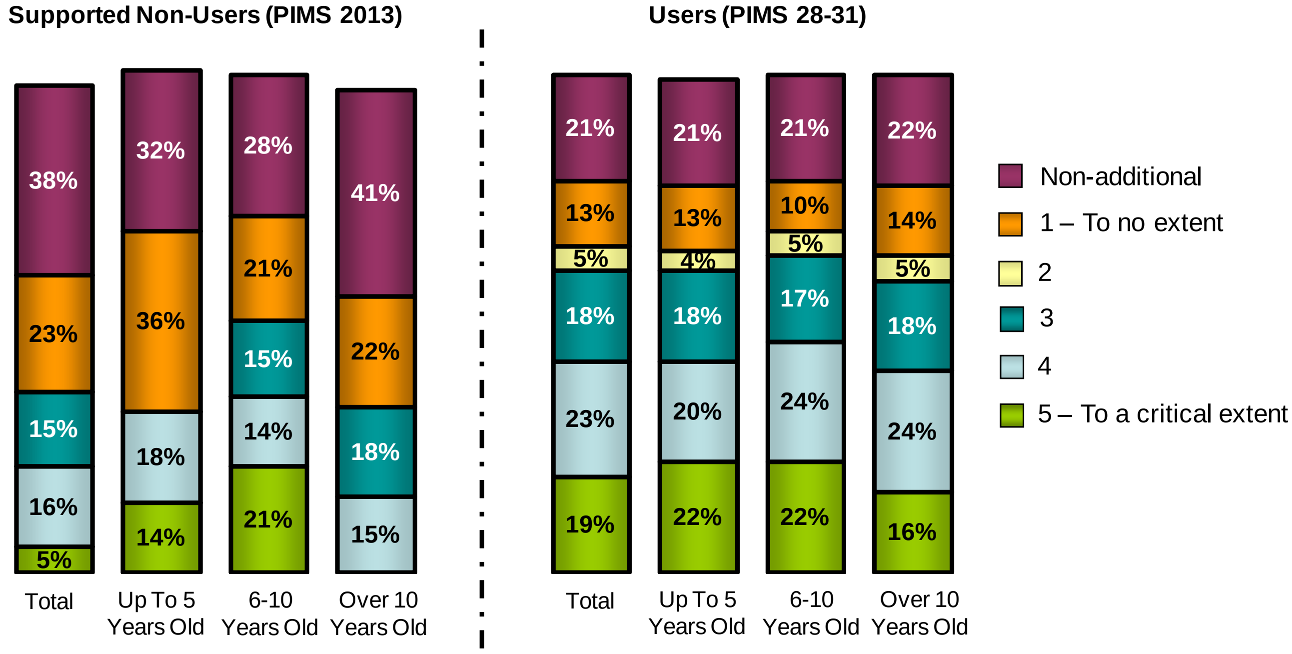
Base sizes amongst supported non-users are too low to draw firm conclusions of differing impacts by age of firm, but it does appear firms established for more than 10 years are least likely to score against this measure.

[6] Please note that he user data has been recalculated to match the non-user definition of A92.

12.5.2 Access to Contacts

The chart below shows the extent to which, as a direct result of the (non-UKTI) support they received, businesses have either benefited or anticipate benefiting from gaining access to prospective customers, business partners or other people they would otherwise have been unable to meet. Comparative data has also been provided for users of UKTI support.

Chart 12.5.2 Gained Access to Prospective Customers, Business Partners or Other People You Would Otherwise Have Been Unable to Meet



Base: All supported firms excluding non-users just receiving Certificates of Origin or <1 hour of support (Base, Don't know)
Non-Users – Total (70, 3%), Up to 5 years old (10, 0%), 6-10 years old (14, 0%), Over 10 years old (46, 4%)
Users – Total (3823, 1%), Up to 5 years old (888, 1%), 6-10 years old (593, 1%), Over 10 years old (2340, 1%)

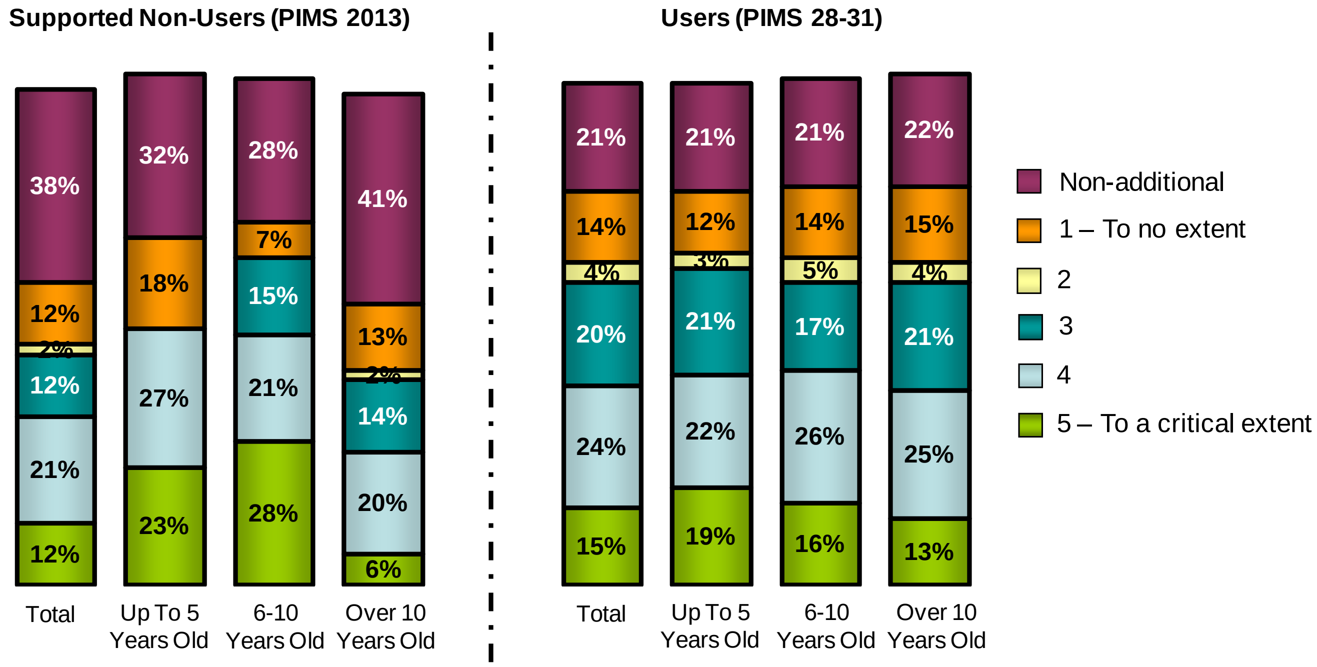
Contact provision appears to be a major strength of the UKTI support, and differentiates it from the alternative sources of export assistance that are available to firms. Overall, 42% of UKTI users have benefited significantly from gaining access to contacts, compared to just 21% of supported non-users.

This aspect of export support is particularly critical given that 'contacts barriers' emerged as one of the major problems faced by internationalising firms, with 19% of non-users reporting significant difficulties with this issue when looking to develop their overseas business (as detailed in Section 7 of this report).

12.5.3 Access to Information

The chart below shows the extent to which, as a direct result of the (non-UKTI) support they received, businesses have either benefited or anticipate benefiting from gaining access to information they would otherwise have been unable to come by. Comparative data has also been provided for users of UKTI support.

Chart 12.5.3 Gained Access to Information That You Would Otherwise Have Been Unable to Come By



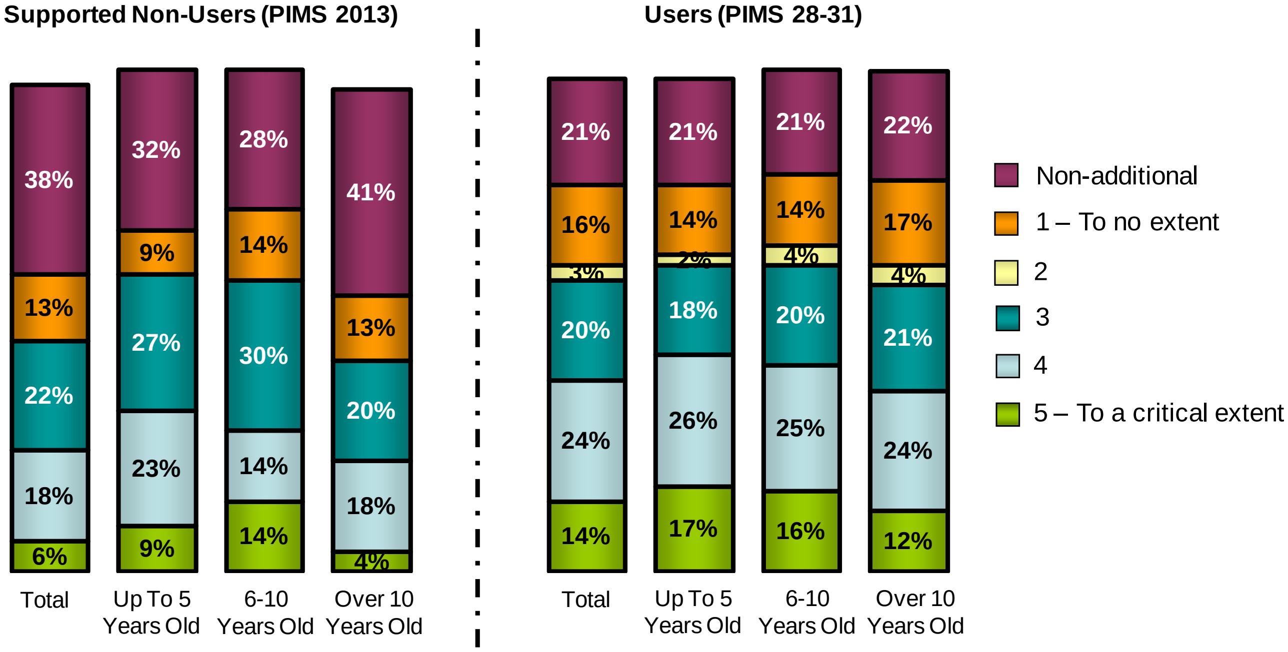
Base: All supported firms excluding non-users just receiving Certificates of Origin or <1 hour of support (Base, Don't know)
Non-Users – Total (70, 3%), Up to 5 years old (10, 0%), 6-10 years old (14, 0%), Over 10 years old (66, 4%)
Users – Total (3823, 1%), Up to 5 years old (888, 1%), 6-10 years old (593, 1%), Over 10 years old (2340, 1%)

Similar proportions of UKTI users and supported non-users have benefitted through the support filling knowledge gaps, with 39% of the former and 33% of the latter benefiting significantly from access to information they would otherwise have been unable to come by.

12.5.4 Improved Profile or Credibility

The chart below shows the extent to which, as a direct result of the (non-UKTI) support they received, businesses have either benefited or anticipate benefiting from improving their company's profile or credibility. Comparative data has also been provided for users of UKTI support.

Chart 12.5.4 Improved Your Company's Profile or Credibility



Base: All supported firms excluding non-users just receiving Certificates of Origin or <1 hour of support (Base, Don't know)
Non-Users – Total (70, 3%), Up to 5 years old (10, 0%), 6-10 years old (14, 0%), Over 10 years old (46, 4%)
Users – Total (3823, 1%), Up to 5 years old (888, 1%), 6-10 years old (593, 1%), Over 10 years old (2340, 1%)

Overall 38% of UKTI users have significantly improved their profile or credibility as a result of the support they received, which is encouraging given that this is perceived to be a key benefit of doing business overseas (with 87% of users and 65% of non-users highlighting this as one of the significant impacts of exporting).

In contrast, just 24% of firms accessing export support from non-UKTI providers experienced this benefit to a significant extent.

12.6 Increased Sales/Orders

The table below shows the proportion of supported non-user businesses classified as benefiting from the (non-UKTI) support received in terms of increasing sales or winning new orders. This analysis forms one of the key survey measures, namely 'Increased Sales/Orders'.

Table 12.6.1 Increased Sales/Orders
- Supported Non-Users

	Supported Non-Users			
	Total	1-5 years old	6-10 years old	Over 10 years old
Base	*70*	*10*	*14*	*46*
Proportion increasing sales or winning new orders, net of non-additionality	40%	41%	65%	33%
95% confidence interval	± 11%	± 30%	± 25%	± 14%

Two-fifths of supported non-users scored against this measure, although the confidence interval is relatively large (+/-11%) due to the low base size.

The panel below provides further details of how this measure has been calculated.

Increased Sales/Orders

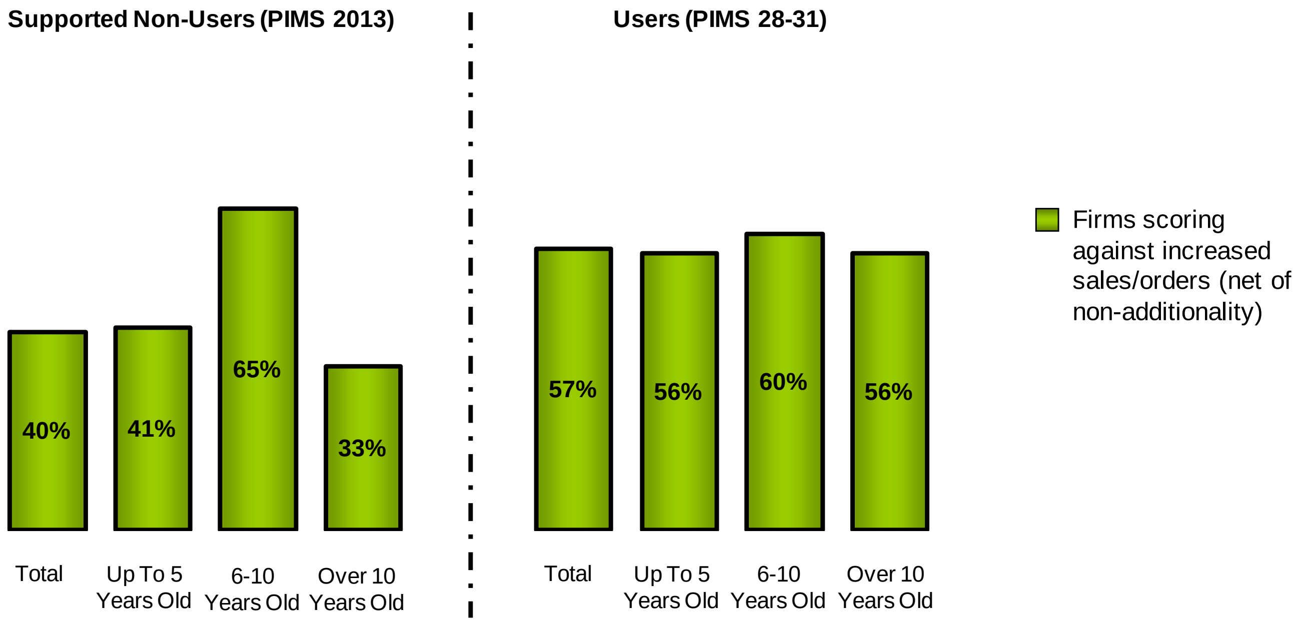
Firms are classified as benefiting from increased sales/orders if they have or expect to…

- Increase their sales or win new orders (C12) - 40%

Net of non-additionality, with non-additionality in this context taken to be firms indicating that they feel that they 'could have got similar support elsewhere' (C9).

The chart below includes comparative data for users of UKTI support (from PIMS) scoring against the Increased Sales/Orders measure.

Chart 12.6.1 Increased Sales/Orders



Base: All supported firms excluding non-users just receiving Certificates of Origin or <1 hour of support (Base)
Non-Users – Total (70), Up to 5 years old (10), 6-10 years old (14), Over 10 years old (46),
Users – Total (3823), Up to 5 years old (888), 6-10 years old (593), Over 10 years old (2340)

UKTI support is significantly more likely to result in increased sales for participating businesses than is the case for support provided by alternative providers. Although the base size is low, non-user firms aged 6-10 years were significantly more likely to score against this measure than older firms.

12.7 Significant Business Benefit – Measure A06

The table below shows the summarised proportions of supported non-user businesses that are classified as experiencing one or more significant business benefits as a result of the support. This analysis forms one of the key survey measures, namely 'Measure A06 – Significant Business Benefit'.

Table 12.7.1 Measure A06 – Significant Business Benefit
- Supported Non-Users

	Supported Non-Users			
	Total	1-5 years old	6-10 years old	Over 10 years old
Base	*70*	*10*	*14*	*46*
Proportion displaying at least one improvement in 'productivity and competitiveness', net of non-additionality	49%	59%	72%	42%
95% confidence interval	± 12%	± 30%	± 24%	± 14%

Around half of supported non-user firms report one or more significant business benefits and therefore score against this measure.

The panel below provides further details of how Measure A06 has been calculated for this survey.

A06 – Significant Business Benefit

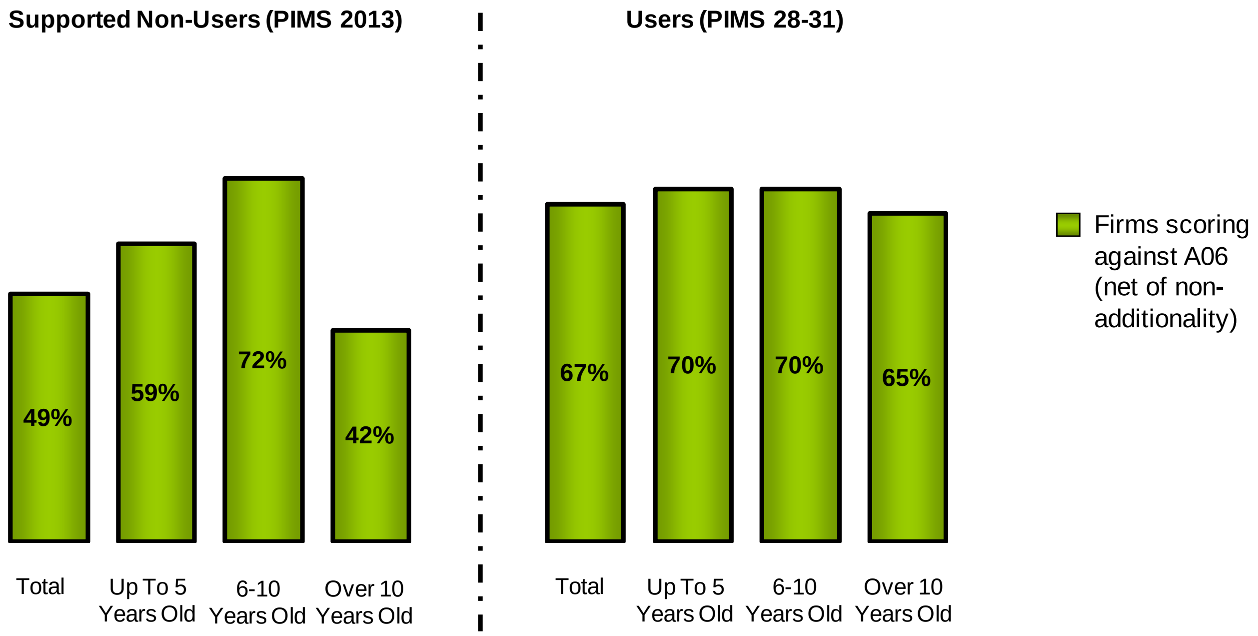
Firms are classified as experiencing significant business benefit if they score against…

- Measure A81 Increased Skills – 25%
- Or, Measure A83 Changed Behaviour – 39%
- Or, Measure A92 Barriers to Market Access Overcome – 41%

In each case, net of non-additionality, with non-additionality in this context taken to be firms indicating that they feel that they 'could have got similar support elsewhere' (C9).

The chart below includes comparative data for users of UKTI support (from PIMS) scoring against Measure A06[7].

Chart 12.7.1 Measure A06 – Significant Business Benefit



Base: All supported firms excluding non-users just receiving Certificates of Origin or <1 hour of support (Base)
Non-Users – Total (70), Up to 5 years old (10), 6-10 years old (14), Over 10 years old (46),
Users – Total (3823), Up to 5 years old (888), 6-10 years old (593), Over 10 years old (2340)

Over two-thirds of UKTI users are classified as experiencing significant business benefits as a result of the assistance received, compared to just under half of supported non-users.

In both cases, older firms that have been trading for over 10 years are least likely to report significant benefits from the support.

[7] Please note that he user data has been recalculated to match the non-user definition of A06.

12.8 ‘Light Touch’ Support

A small number of non-user firms (32) had received export-related assistance but indicated that this only consisted of Certificates of Origin (from the Chamber of Commerce) or support that lasted for less than 1 hour.

Due to the minimal nature of this assistance, these firms were not asked the full range of impact questions but instead were simply asked whether it had any positive impact on the performance of their firm. The table below shows these results (net of non-additionality).

Table 12.8.1 Light Touch Support – Positive Impact on Performance of Firm - Light Touch Supported Non-Users

	All receiving ‘light touch’ support
Base: ‘Light touch’ supported firms	*32*
Yes	32%
No	19%
Don’t know	4%
Non-additional	45%

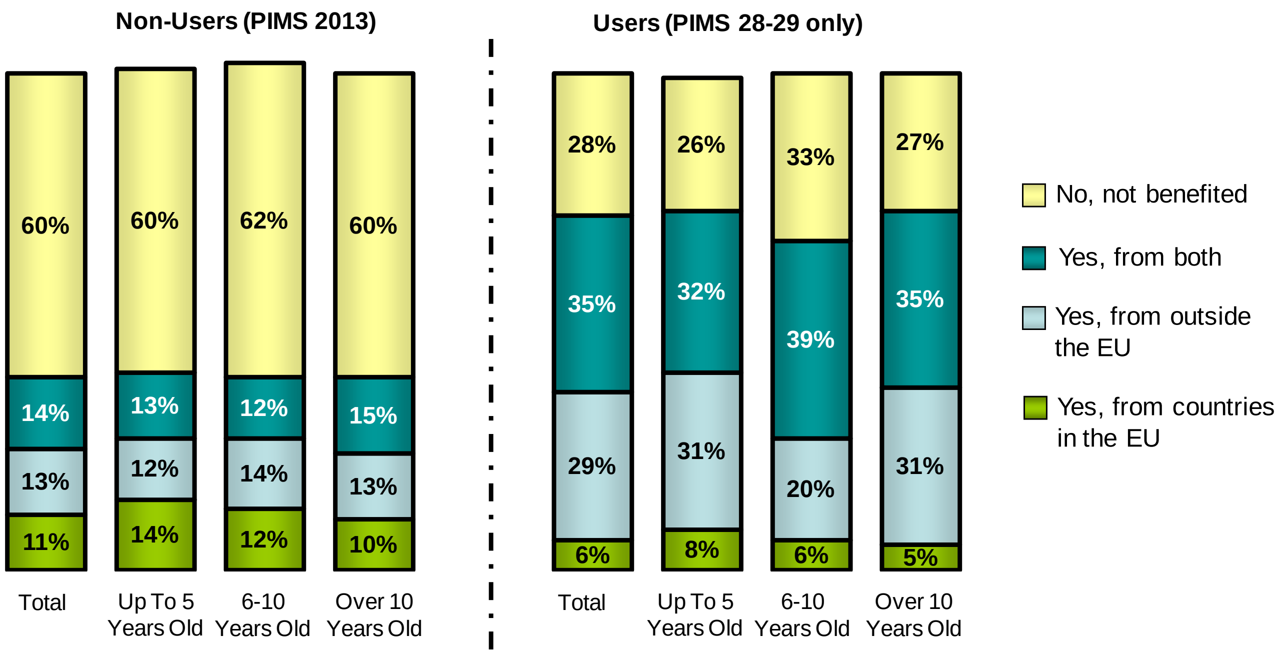
Reflecting the less intensive nature of the support received, just a third of these firms felt that it had a positive impact on their business performance and almost half judged it to be non-additional (i.e. they would have achieved similar results anyway).

13. Economic Climate

13.1 Sustained Economic Growth or Increasing Demand Overseas

Those non-user firms that were currently exporting were asked whether their business had benefited from sustained economic growth or increasing demand in any overseas countries in the previous year. Comparative data has also been provided for users of UKTI support.

Chart 13.1.1 Whether Benefited from Sustained Economic Growth or Increasing Demand in Any Overseas Countries in Last Year



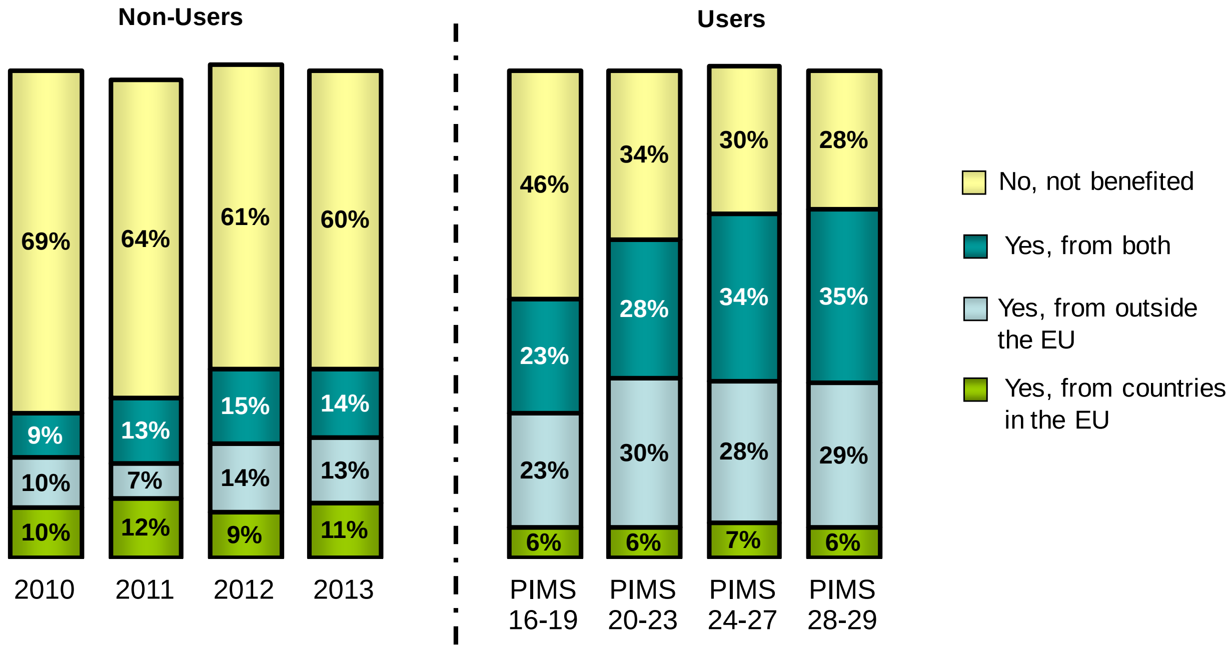
Base: All exporters (Base, Don't know/Refused)
Non-Users – Total (771 1%), Up to 5 years old (131, 2%), 6-10 years old (208, 1%), Over 10 years old (432, 1%)
Users – Total (1834, 2%), Up to 5 years old (372, 3%), 6-10 years old (303, 2%), Over 10 years old (1158, 2%)

There is some evidence that UKTI clients are better placed than non-users to benefit from economic growth or increasing demand overseas. Over two-thirds (70%) of the former have benefited in this way over the past year, compared to just 38% of non-users. In particular, UKTI users were more likely to have benefited from growth/demand arising from outside of the EU.

The difference between users and non-users in this respect is likely to be partly due to the former being more 'involved' exporters (i.e. active in more markets, overseas sales account for a greater proportion of turnover, etc). However, it may also be that the support provided by UKTI puts firms in a better position to benefit from any positive changes in overseas economies.

The chart below tracks how responses to this question have changed over the last four years.

Chart 13.1.2 Whether Benefited from Sustained Economic Growth or Increasing Demand in Any Overseas Countries in Last Year – Over Time



Base: All exporters (Base, Don't know/Refused)
Non-Users – 2010 (271, 2%), 2011 (253, 4%), 2012 (267, 1%), 2013 (771, 1%)
Users – PIMS 16-19 (3499, 2%), PIMS 20-23 (3552, 2%), PIMS 24-27 (3419, 1%), PIMS 28-29 (1834, 2%)

For both users and non-users, there had been a steady rise in the proportion of firms benefiting from economic growth or increased demand overseas but this has levelled off in this most recent year.

13.2 Export Credit Insurance

Those firms that were currently exporting were asked whether they used export credit insurance and, if so, whether they had had any difficulties in accessing it over the previous 6 months.

Table 13.2.1 Difficulties Accessing Export Credit Insurance in Last 6 Months

	Non-Users (PIMS 2013)				Users (PIMS 28-31)			
	Total	Up to 5 years	6-10 years	>10 years	Total	Up to 5 years	6-10 years	>10 years
Base: All exporters	*771*	*131*	*208*	*432*	*3464*	*679*	*544*	*2239*
Yes	1%	1%	1%	1%	3%	1%	3%	3%
No	6%	3%	5%	7%	9%	5%	3%	12%
Don’t know	0%	0%	0%	0%	1%	0%	0%	1%
Do not use export credit insurance	85%	92%	87%	82%	76%	88%	84%	70%
Don’t know if use export credit insurance	8%	4%	7%	9%	11%	5%	9%	14%

Only a small proportion of internationalising firms use export credit insurance, although usage is higher among UKTI users than among non-users (13% and 8% respectively).

Only 1% of the non-user firms and 3% of UKTI users reported any difficulty in accessing this type of insurance. Whilst these are only small proportions, this does equate to a significant number of those actually using export credit insurance (particularly for UKTI clients).

Results are similar in this respect to those seen in 2012.

Annex A - Questionnaire

UKTI PIMS Non-User Survey 2013
OMB Research Ltd

TARGET QUOTAS:
- 75 interviews businesses 0-5 years old (codes 1-5 or 9 at S1c)
- 75 interviews with businesses 6-10 years old (code 6 at S1c)
- 150 interviews with businesses more than 10 years old (codes 7-8 at S1c)

INTRO & SCREENERS

ASK ALL
Could I please speak to either the owner or someone responsible for your firm's strategy in relation to exporting or overseas sales?

INTERVIEWER NOTE
- IF THERE IS A NAMED CONTACT ON SAMPLE YOU CAN ASK FOR THIS PERSON, BUT THEY MAY NOT BE THE BEST PERSON TO SPEAK TO.
- YOU MAY TAKE REFERRALS TO ANOTHER SITE WITHIN THE UK.

Good morning/afternoon, my name is … and I am calling on behalf of OMB Research, an independent market research agency. We have been commissioned by UK Trade & Investment and the Department for Business, Innovation and Skills (BIS) to conduct a survey of businesses on the topic of exporting and trading overseas.

We're conducting an evaluation to measure the impact of overseas business and identify any issues or difficulties that businesses face when trying to do business overseas, particularly in the current economic climate. UK Trade & Investment will use this to improve the services they offer to help businesses export. The research will take around 15-20 minutes, depending on your answers. Is it convenient to speak to you now or would you prefer to make an appointment for another time?

AS NECESSARY: **It doesn't matter if you only sell overseas on a small scale, we're interested in speaking to ALL exporters. Even if you just make the occasional sale to overseas customers, we are still keen to talk to you.**

AS NECESSARY: **A summary of the key findings from this evaluation will be made available on the UK Trade & Investment website, at www.ukti.gov.uk**

ADD IF NECESSARY

- **The research is being conducted under the Code of Practice of the Market Research Society, which means that all of the answers you give are strictly confidential and anonymous. Participation in this survey is voluntary.**
- **The responses of all organisations taking part will be combined into a statistical report**
- **Your organisation was selected at random from a list of UK businesses held by a commercial list broker**
- **If you wish to check that OMB Research is a bona fide market research agency, you can contact the Market Research Society on 0500 396999, or call James Murray at OMB Research on 01732 220582 or Heather Booth di Giovanni at UK Trade & Investment on 020 7215 4989.**

<u>ASK ALL</u>

S1a – Can I confirm that you are one of the people best qualified to talk about your company's overseas activities?

INTERVIEWER NOTE: IF KNOW ALREADY THAT YOU ARE SPEAKING TO THE CORRECT PERSON THEN CODE YES AUTOMATICALLY

REFERRALS CAN BE TAKEN TO ANY SITE WHEN THE CONTACT FEELS THAT THERE IS SOMEONE WITHIN THE COMPANY BETTER PLACED TO ANSWER QUESTIONS ON THE TOPIC AREAS OUTLINED

Yes 1
No – take referral and being transferred 2
No – take referral and arrange call back 3
No – refused referral 4

<u>ASK ALL</u>

S2 – Over the last 2 years have you sold goods or services to any customers based overseas, either directly or via agents or distributors?

AS NECESSARY:

- **This includes licensing agreements where you licence your products, services or intellectual property for use overseas.**
- **This includes selling to either business or individuals overseas**

INTERVIEWER NOTE: SOUTHERN IRELAND COUNTS AS OVERSEAS

Yes 1
No...2
(Don't know) 3

<u>IF NOT EXPORTED (CODES 2-3 AT S2)</u>

S3a – Have you seriously considered selling goods or services overseas within the last two years?

Yes 1
No...2
(Don't know) 3

<u>IF NOT CONSIDERED EXPORTING (CODES 2-3 AT S3a)</u>

S3b – Have you actually attempted to win any overseas business within the last two years?

Yes 1
No...2 - CLOSE
(Don't know) ....3 - CLOSE

<u>IF CONSIDERED/ATTEMPTED EXPORTING (CODE 1 AT S3a OR CODE 1 AT S3b)</u>

S3c – Can I just check, do you anticipate doing business overseas at all over the next 3 years? IF YES, PROBE FOR WHEN LIKELY TO START DOING BUSINESS OVERSEAS

Yes – within the next year 1
Yes – in 1-2 years time...2
Yes – in 2-3 years time...3
No...4
(Don't know) 5

<u>ASK ALL</u>
S7a – In the last 5 years has your firm received any form of information, advice or support about doing business overseas from either UK Trade & Investment, a UK embassy or consulate based overseas, or a Regional Development Agency? READ OUT QUESTION <u>IN FULL</u>

AS NECESSARY: **This would include attending events put on by any of these organisations.**

Yes 1
No...2
(Don't know) 3

<u>IF RECEIVED UKTI SUPPORT (CODE 1 AT S7a)</u>
S7b – And can I just check, did this information or advice definitely relate to <u>doing business overseas</u>?

Yes ....1 - CLOSE
No...2
(Don't know) 3

<u>ASK ALL</u>
S10 – And can I confirm that your organisation is a <u>business</u> rather than a trade association or public sector body? READ OUT. SINGLE CODE

A business...1
A trade association..2 – CLOSE
A public sector organisation such as a Government
department, local council, etc..................................3 – CLOSE
Other (SPECIFY)..4
(Don't know) 5

<u>ASK ALL</u>
S1c – How long ago was your business established? READ OUT AS NECESSARY.

AS NECESSARY:

- **This means when the business started trading in its current form**
- **If the business is a subsidiary this refers to the subsidiary in which you work**

Within the last year 1
Over 1, up to 2 years ago..................................2
Over 2, up to 3 years ago..................................3
Over 3, up to 4 years ago..................................4
Over 4, up to 5 years ago..................................5
Over 5, up to 10 years ago................................6
Over 10, up to 20 years ago..............................7
Over 20 years ago...8
(Not yet trading)..9 – CLOSE IF S2=1
(Don't know) ....10 - CLOSE
(Refused)...11 - CLOSE

CHECK QUOTAS

ASK ALL

S4 – Is your firm part of a multinational company or an international joint venture that has operations overseas?

Yes 1
No...2
(Don't know) 3

IF PART OF MULTINATIONAL (CODE 1 AT S4)

S5 – And <IF CODE 1 AT S2 **do you export to /** IF CODE 1 AT S3a OR S3b **have you considered exporting to > any affiliated companies overseas?**

Yes 1
No...2
(Don't know) 3

IF EXPORT TO AFFILIATED COMPANIES (CODE 1 AT S5)

S6 – And <IF CODE 1 AT S2 **do you export to /** IF CODE 1 AT S3a OR S3b **have you considered exporting to > any overseas customers other than affiliated companies?**

Yes 1
No...2 - CLOSE
(Don't know) ....3 - CLOSE

Questions deleted from Section S

- ***S1b, S1d, S9b1, S9b2***

SECTION X: USAGE OF TRADE DEVELOPMENT SERVICES

<u>ASK ALL</u>
X1 – Over the <u>last 2 years</u>, has your firm received any information, advice or support in relation to <u>DOING BUSINESS OVERSEAS</u> from any of the following?
READ OUT – CODE ALL THAT APPLY – RANDOMISE

AS NECESSARY: **We are only asking about support relating to overseas business.**

AS NECESSARY: **This could include attending events organised by any of these organisations, if they focussed on overseas business.**

INTERVIEWER NOTE: If recording an ‘Other specify’ response please record this accurately and in good English as will be used in later text substitutions.

A bank (other than just setting up accounts, payments, etc.).... 1
A consultant.. 2
A market research company 3
A Trade Association 4
The Chamber of Commerce (UK or overseas).......................... 5
HM Revenue & Customs.. 9
The British Council 10
A paid-for online information service 12
Anyone else? (SPECIFY).. 95
None of these 96
(Don’t know) 97

<u>IF CHAMBER OF COMMERCE (X1=5)</u>
X5b – And was the Chamber of Commerce based in the UK or located overseas?

Based in the UK.. 1
Located overseas 2
(Don’t know) 3

<u>IF OVERSEAS CHAMBER OF COMMERCE (X5b=2)</u>
X5c – And was this overseas Chamber of Commerce a British Chamber of Commerce or a local Chamber of Commerce?

British Chamber of Commerce 1
Local Chamber of Commerce.. 2
(Don’t know) 3

IF MORE THAN ONE PROVIDER SELECTED AT X1 (I.E. MORE THAN ONE OF CODES 1, 2, 3, 4, 5, 9, 10, 12 OR 95 AT X1)

X6 – Of all the sources of assistance you just mentioned, which did you find most important in relation to doing business overseas? READ OUT AS NECESSARY. SINGLE CODE

INTERVIEWER NOTE: NEED TO PUSH RESPONDENT INTO ONE CODE AS FOLLOWING QUESTIONS ASK FOR COMPARISONS WITH THIS TYPE OF SUPPORT

CATI TO ONLY SHOW CODES SELECTED AT X1 EXCEPT NONE OF THESE (CODE 96) AND DON'T KNOW (CODE 97).

The bank (other than just setting up accounts, payments, etc.) 1
The consultant 2
The market research company 3
The Trade Association 4
The Chamber of Commerce 5
HM Revenue & Customs 9
The British Council 10
The paid-for online information service 12
<INSERT OTHER SPECIFY TEXT FROM CODE 95 AT X1> .. 11

SUPPORT PROVIDER ALLOCATION & TEXT FOR SUBSEQUENT QUESTIONS

- the bank ((IF X1=1 & X1=NOT 2, 3, 4, 5, 9, 10, 12 OR 95) OR IF X6=1)
- the consultant ((IF X1=2 & X1=NOT 1, 3, 4, 5, 9, 10, 12 OR 95) OR IF X6=2)
- the market research company ((IF X1=3 & X1=NOT 1, 2, 4, 5, 9, 10, 12 OR 95) OR IF X6=3)
- the trade association ((IF X1=4 & X1=NOT 1, 2, 3, 5, 9, 10, 12 OR 95) OR IF X6=4)
- the Chamber of Commerce ((IF X1=5 & X1=NOT 1, 2, 3, 4, 9, 10, 12 OR 95) OR IF X6=5)
- HM Revenue & Customs ((IF X1=9 & X1=NOT 1, 2, 3, 4, 5, 10, 12 OR 95) OR IF X6=9)
- the British Council ((IF X1=10 & X1=NOT 1, 2, 3, 4, 5, 9, 12 OR 95) OR IF X6=10)
- the online information service ((IF X1=12 & X1=NOT 1, 2, 3, 4, 5, 9, 10 OR 95) OR IF X6=12)
- <TEXT FROM CODE 95 AT X1> ((IF X1=95 & X1=NOT 1, 2, 3, 4, 5, 9 OR 10) OR IF X6=11)

<u>IF RECEIVED ANY SUPPORT (CODES 1-95 AT X1)</u>
X2a - Which of the following forms did the support you received from <SUPPORT PROVIDER> **take?** READ OUT – CODE ALL THAT APPLY – ROTATE

ALWAYS ASK CODES 5, 6 & 8 IN ORDER & ALWAYS ASK CODES 3 & 4 IN ORDER

Help accessing finance or funding opportunities....................................... 1

Help identifying or accessing business contacts overseas (such as customers or business partners) 2

Help with doing marketing research overseas 3

Help with developing your overseas business strategy................................ 4

Information or advice about how to do business in an overseas market (such as help dealing with either the regulatory or cultural environment) 5

Information or advice about entering a new market 6

Information or advice about business opportunities in an overseas market.. 8

ONLY SHOW IF SUPPORT PROVIDER IS CHAMBER OF COMMERCE: Certificates of Origin.. 11

Anything else? (SPECIFY) 95

(Don't know) 97

<u>IF RECEIVED ANY SUPPORT (CODES 1-95 AT X1) EXCEPT IF SUPPORT PROVIDER IS ONLINE INFO SERVICE</u>
X2b – And did you have to pay for any of the support provided by <SUPPORT PROVIDER>**?** SINGLE CODE

Yes 1
No.. 2
(Don't know) 3

<u>IF RECEIVED ANY SUPPORT (CODES 1-95 AT X1)</u>
X2c – Overall, how much time would you estimate that <IF SUPPORT PROVIDER NOT ONLINE INFO SERVICE: <SUPPORT PROVIDER> **spent providing /** IF SUPPORT PROVIDER IS ONLINE INFO SERVICE: **you spent accessing**> **this information, advice or support? Would you say it was…?** READ OUT

More than a week's work.. 1
3-5 day's work 2
1-2 day's work 3
Or, less than a day's work 4
(Don't know) 5
(Not applicable) 6

<u>IF LESS THAN A DAY AT X2c (CODE 4)</u>
X2d – Would you say that it was more or less than an hour's work? READ OUT

More than an hour's work... 1
Less than an hour's work 2
(Don't know) 3

IF RECEIVED ANY SUPPORT (CODES 1-95 AT X1)
X4 – I'm now going to read through a list of service aspects and I'd like you to rate your experience of each one on a scale of 1 to 5, where 1 is 'very poor' and 5 is 'very good'.

Overall, how would you rate the quality of the support you have received from <SUPPORT PROVIDER> **in terms of…** READ OUT – RANDOMISE

ASK A & C IF ANY SUPPORT
(a) The quality & relevance of the information provided
(c) The quality & relevance of any contacts it allowed you to make

ASK D & E UNLESS SUPPORT PROVIDER IS ONLINE INFO SERVICE
(d) Their attitude and professionalism
(e) Their objectivity and acting in your best interests

ASK F & G IF SUPPORT PROVIDER IS ONLINE INFO SERVICE
(f) The clarity and ease of understanding of the information provided
(g) The level of detail provided

1 – Very poor 1
2 2
3 3
4 4
5 – Very good..5
Not relevant...6
(Don't know) 7

IF RECEIVED ANY SUPPORT (CODES 1-95 AT X1)
X7 – And thinking now about your TOTAL experience of the support you received from <SUPPORT PROVIDER**>, how would you rate your satisfaction overall? Please give me a score between 1 and 5, where 5 means 'very satisfied' and 1 means 'very dissatisfied'.**

1 – Very dissatisfied 1
2 – Fairly dissatisfied...2
3 – Indifferent 3
4 – Fairly satisfied 4
5 – Very satisfied...5
(Don't know/Can't remember) 6

Questions deleted from Section X

- ***X3, X4b, X5a***

SECTION B: EXPORT STRATEGY

ASK ALL
I'd now like to move on to talking a bit more about your current overseas business activity and your plans for the future.

IF ALREADY EXPORTING (CODE 1 AT S2)
B1 – How long ago did your firm start doing business overseas, and by that I mean selling goods or services to either businesses or individuals based abroad? READ OUT AS NECESSARY – CATI TO ONLY SHOW FEASIBLE CODES BASED ON ANSWER TO S1c

AS NECESSARY: **This means the business in its current form**

IF S4=1: AS NECESSARY: **Please answer just for the UK part of your business**

AS NECESSARY: **Please include any licensing deals with overseas companies**

Within the last year..........1
Over 1, up to 2 years ago..........2
Over 2, up to 3 years ago..........3
Over 3, up to 4 years ago..........4
Over 4, up to 5 years ago..........5
Over 5, up to 10 years ago..........6
Over 10, up to 20 years ago..........7
Over 20 years ago..........8
(Don't know)..........10
(Refused)..........11

IF ALREADY EXPORTING (CODE 1 AT S2)
B2a – In the last financial year, approximately what percentage of your turnover was accounted for by overseas sales? RECORD PERCENTAGE

AS NECESSARY **Please include any fees received from overseas companies or overseas licensing deals**

IF S4=1: AS NECESSARY **Please answer just for the UK part of your business**

Write in (%)
(Don't know)
(Refused)

IF DON'T KNOW AT B2a
B2b – If you had to estimate this percentage, into which of the following bands would you put your business? READ OUT

Up to 5%..........1
6-10%..........2
11-15%..........3
16 – 25%..........4
26 – 50%..........5
51 – 75%..........6
More than 75%..........7
(Don't know)..........8
(Refused)..........9

IF ALREADY EXPORTING (CODE 1 AT S2)
B3b – In three years time do you think the percentage of your turnover that is accounted for by overseas sales will be higher than it is now, lower, or about the same? READ OUT

Higher 1
Lower...2
About the same 3
(Don't know) 4
(Refused)..5

ASK IF WILL INCREASE OVERSEAS TURNOVER (CODE 1 AT B3b)
B26c – And will you achieve this by...? SINGLE CODE. READ OUT

Entering new overseas countries 1
Or, by increasing sales to countries in which you are already doing business....2
(Both)...3
(Don't know) 4
(Refused)...5

ASK ALL
B29 – Compared with a year ago, would you say that your business is now…? READ OUT – SINGLE CODE

Focussing more on overseas markets than it was a year ago 1
Focussing less on overseas markets 2
Or has there been no change in this respect 3
(Don't know) 4

IF ALREADY EXPORTING (CODE 1 AT S2)
B6a – How many overseas countries have you done business in over the last year? RECORD NUMBER

AS NECESSARY **By this I mean how many different countries have you sold to in the last year**

AS NECESSARY **I just need the number of countries I don't need to know which ones**

Write in (NUMBER)
(Don't know)
(Refused)

IF DON'T KNOW AT B6a
B6b – If you had to estimate this number, into which of the following bands would you put it? READ OUT

None 1
1-5 2
6-10 3
11-20 4
21-50 5
More than 50 6
(Don't know) 7
(Refused)..8

IF ALREADY EXPORTING (CODE 1 AT S2)
B6c – And in 3 years time, do you think that you will be doing business in more, less or the same number of countries as you are now?

More countries than now 1
The same 2
Less countries than now..3
(Don't know) 4
(Refused)..5

ASK ALL
B31 - I'm going to read out some possible benefits of selling into overseas markets, and I'd like you to tell me the extent to which you agree with each one. Please give me a score of 1 to 5 where 5 means that you 'agree strongly' and 1 means that you 'disagree strongly'.

<IF S2=2-3 OR S1c=9 OR B2a=0-5 OR B2b=1: **If you have not yet made any overseas sales, or done very little overseas business, then please answer based on whether you would expect to benefit in these ways.>**

So firstly…? ORDER OF STATEMENTS TO BE RANDOMISED.

(a) Selling overseas enables you to achieve a level of growth otherwise not possible

(b) Selling overseas allows you to more fully utilise your existing capacity

(d) Selling overseas exposes you to new ideas

(e) Selling overseas increases the commercial life span of your products or services

(f) Selling overseas improves your firm's profile or credibility

ON EACH OF THE B31 SCREENS SHOW (AT BOTTOM):
To what extent do you agree with that? Please answer on a 1-5 scale where 1 means you disagree strongly and 5 means you agree strongly.

1 – Disagree strongly 1
2 2
3 3
4 4
5 – Agree strongly 5
(Don't know) 6

IF ALREADY EXPORTING (CODE 1 AT S2)
B25b – In the last year, has your business benefited from sustained economic growth or increasing demand in any overseas countries? SINGLE CODE. IF YES, PROBE: **Does this relate to countries within the EU, outside the EU or both?**

Yes, in countries within the EU...1
Yes, in countries outside of the EU 2
Yes, both 3
No 4
(Don't know) 5

<u>IF ALREADY EXPORTING (CODE 1 AT S2)</u>
B5a – In the last 2 years have you successfully started doing business in any <u>NEW</u> countries?

CLARIFY AS NECESSARY: **By that I mean have you started selling goods or services in a country that your business had <u>not</u> dealt with before?**

Yes 1
No...2
(Don't know) 3

<u>IF ENTERED NEW COUNTRIES (CODE 1 AT B5a)</u>
B5b – Which new countries have you started doing business in over the last 2 years? PROBE AS NECESSARY **Any others?**

CATI TO SHOW LIST OF MOST COMMON MARKETS, PLUS:
Other (SPECIFY)..
(Don't know)

<u>ASK ALL</u>
B13 – I'm now going to read out a list of issues that you may have had to tackle when trying to develop the overseas side of your business. Thinking about all the overseas countries that you've < IF S2 = 1 **dealt with/** IF S2 = 2 or 3 **considered doing business with>…?** ROTATE LIST BUT ALWAYS ASK B, K & C IN THAT ORDER & ALWAYS ASK G THEN H.

ON EACH OF THE B13 SCREENS ADD ABOVE EACH STATEMENT
AS NECESSARY **Have you ever had any difficulties with...?**

ON EACH OF THE B13 SCREENS ADD AFTER EACH STATEMENT
AS NECESSARY **Please only answer about difficulties you have <**IF S2=1 **experienced when doing business <u>overseas</u>** / IF S2=2-3 **a<u>lready</u> experienced when trying to do business <u>overseas</u>>.'**

(a) Obtaining information about the potential business opportunities in an overseas market
(b) Identifying who to make contact with in the first instance
(k) Establishing an initial dialogue with prospective customers or business partners
(c) Building relationships with key influencers or decision-makers
(d) Dealing with legal or tax regulations or standards overseas
(g) Language barriers
(h) Cultural differences
(j) Overseas customers preferring to do business with firms from their own country (rather than with UK firms)
(p) Finding the necessary management time to devote to doing business in an overseas country
(q) Protecting your intellectual property
(r) Ensuring you get paid and enforcing contracts
(s) Dealing with customs procedures or paperwork

Yes 1
No...2
(Don't know) 3

<u>ASK FOR EACH OF A-S THAT RESPONDENT AGREES IS A DIFFICULTY THEY HAVE ENCOUNTERED. ASK B14 DIRECTLY AFTER B13 FOR EACH ONE</u>
B14 - And to what extent do you feel that this has been a difficulty, on a scale of 1 to 5 where 1 means it has 'not been at all difficult' and 5 means it has been 'extremely difficult'.

1 – Not at all difficult..1
2 2
3 3
4 4
5 – Extremely difficult 5
(Don't know) 6

<u>IF NO (CODE 2) AT B13g OR CODES 1-2 AT B14g – TO FOLLOW DIRECTLY AFTER B13/14g</u>
B20g – Is the reason that you haven't had <IF CODE 2 AT B13g OR CODE 1 AT B14g **any /** IF CODE 2 AT B14g **many> difficulties with language barriers because…?** READ OUT BOTH OPTIONS BEFORE TAKING AN ANSWER

You've always been able to use English as a common language.........1
Or, because you or other staff have the necessary language skills......2
(Other)..95
(Don't know) 97

<u>IF NO (CODE 2) AT B13h OR CODES 1-2 AT B14h – TO FOLLOW DIRECTLY AFTER B13/14h</u>
B20h – Is the reason that you haven't had <IF CODE 2 AT B13h OR CODE 1 AT B14h **any /** IF CODE 2 AT B14h **many> difficulties with cultural differences because…?** READ OUT BOTH OPTIONS BEFORE TAKING AN ANSWER

You haven't come across any cultural differences 2
Or, because you or other staff are familiar with the culture..................3
(Other)..95
(Don't know) 97

<u>IF NO (CODE 2) AT B13k OR CODES 1-2 AT B14k – TO FOLLOW DIRECTLY AFTER B13/14k</u>
B20k – Is the reason that you haven't had <IF CODE 2 AT B13k OR CODE 1 AT B14k **any /** IF CODE 2 AT B14k **many> difficulties establishing an initial dialogue because…?** READ OUT ALL 3 OPTIONS CODES BEFORE TAKING AN ANSWER

You already had contacts...1
Or, they initiated the contact with you 2
(Other (SPECIFY)) 95
(Don't know) 97

Questions deleted from Section B

- ***B3a, B4, B7a, B7b, B7c, B7d, B7e, B7f, B9a, B9b, B10, B11, B11f, B12a, B12b, B12c, B12d, B13f, B13i, B13m, B13n, B13o, B15a, B15b, B16, B17a, B17b, B17c, B18a, B18b, B18c, B19a, B19b, B19c, B19d, B19e, B21, B22a, B22b, B23a, B23b, B24a, B24b, B24c, B24d, B25a, B26a, B26b, B26d, B27a, B27b, B27c, B28, B29, B30, B30a, C11***

SECTION Y: REASONS FOR NOT SEEKING SUPPORT & AWARENESS

IF HAVE NOT RECEIVED ANY SUPPORT (CODES 96 OR 97 AT X1)
Y1 – Thinking about < IF AT LEAST ONE 'YES' AT B13 **these** IF ALL 'NO' AT B13 **any > difficulties that you <** IF ALL 'NO' AT B13 **may > have had to tackle when <** IF S2 = 1 **developing/** IF S2 = 2 or 3 **trying to develop>the overseas side of your business, do you think you would have benefited from some kind of external advice or support to help you overcome any of these difficulties?**

Yes 1
No..2
(Maybe) 3
(Don't know) 4

IF YES OR MAYBE AT Y1 (CODES 1 OR 3)
Y2 – What types of advice or support would have helped? DO NOT READ OUT BUT PROMPT TO CLARIFY. CODE ALL THAT APPLY

General info/advice on how to export / enter new markets 1
Info/advice on export regulations/rules/taxes 2
Info about specific countries / market intelligence....................... 3
Help with overseas marketing strategy 4
Help with accessing business contacts....................................... 5
Info/advice about securing payment/enforcing contracts 6
Finance/grants/subsidies.. 7
Other (Specify) 95
(Don't know) 97

IF YES OR MAYBE AT Y1 (CODES 1 OR 3)
Y3 – Are you aware of anywhere or anyone who could provide this type of advice or support?

ADD AS NECESSARY: **Please include all sources of export support that you are aware of even if you wouldn't personally use them.**

Yes 1
No..2
(Don't know) 3

<u>IF YES AT Y3</u>
Y4 – Who could provide this? CODE ALL THAT APPLY – DO NOT PROMPT
ADD AS NECESSARY: **Anyone else?**

A bank 1
A consultant...2
Friends, colleagues or other business associates...........3
A Trade Association 4
The Chamber of Commerce..5
UK Trade & Investment (UKTI) 7
Department for Business, Innovation and Skills (BIS)......8
Business Link 9
HM Revenue and Customs 11
A Market Research Company 12
Anyone else? (SPECIFY)..95
(No-one that I am aware of) 96
(Don't know) 97

<u>IF NO AT Y1</u>
Y7 – Could you tell me why you think you would not have benefitted from any external advice or support? DO NOT READ OUT BUT PROMPT TO CLARIFY. CODE ALL THAT APPLY

Already have experience / expertise within the company 1
Have our own/existing contacts.......................................2
Customers contact us / we respond to orders/enquiries ..3
Have a niche market/product 4
No one could provide relevant help/information 5
Manage fine as we are / do it ourselves..........................6
Easy /straightforward / don't need help / no problems 7
Other (Specify) 95
(Don't know) 97

<u>ASK ALL</u>
S8a – <IF X1=1-95 **And moving on, > Before today had you heard of UK Trade & Investment or UKTI?**

Yes 1
No...2
(Don't know) 3

<u>ASK IF HEARD OF UKTI (CODE 1 AT S8a)</u>
S8b – And were you aware that they provide assistance to help UK firms do business overseas?

Yes 1
No...2
(Don't know) 3

<u>ASK ALL</u>

S8c – Have you recently seen an advertisement with the message "Can you export? Make it a yes"?

AS NECESSARY: **This could have been in a national newspaper, trade press or online.**

AS NECESSARY: **By recently I mean in the last month or two.**

Yes 1
No...2
(Don't know) 3

<u>ASK ALL</u>

S9 – I'm now going to read out details of some services that are designed to help UK firms do business overseas. For each one, I'd like you to tell me whether you're aware of it, and whether you would be interested in using this type of service.

Please note that this is just to measure interest in these services and your details will <u>not</u> be passed on to UKTI. If you would like to find out more about any of these services we can arrange to send you details at the end of the interview.

So firstly… READ OUT DESCRIPTION FOLLOWED BY QUESTIONS FOR EACH OF S9a, S9c & S9d. RANDOMISE ORDER OF S9a, S9c & S9d

<u>OMIS</u>

The Overseas Market Introduction Service, or OMIS, is a charged service delivered by UK embassies and consulates overseas. It can include a report about an overseas market, or help identifying and contacting possible customers or business partners.

S9a1 – Have you heard of this service before?

Yes 1
No...2
(Don't know) 3

S9a2 – And would you be interested in using this service?

Yes 1
No...2
(Maybe) 3
(Don't know) 6

ITAs

UK Trade & Investment employ a number of International Trade Advisors, who are based in the UK and provide one-to-one advice to help firms develop their overseas business. They can also provide referrals to other support or specialist advice.

S9c1 – Have you heard of this service before?

Yes 1
No...2
(Don't know) 3

S9c2 – And would you be interested in using this service?

Yes 1
No...2
(Maybe) 3
(Don't know) 6

Meet The Buyer Event

UK Trade & Investment put on events in the UK that enable attendees to have one-to-one meetings with relevant high-profile overseas businesses, and also offer wider networking opportunities. These events are facilitated by experts with knowledge of both the overseas market and the industry.

S9d1 – Have you heard of this type of event before?

Yes 1
No...2
(Don't know) 3

S9d2 – And would you be interested in attending this type of event?

Yes 1
No...2
(Maybe) 3
(Don't know) 6

ASK ALL
Y8 – Thinking about your overseas business and plans, which country would it be most useful to get some form of external support about? AIM FOR SINGLE CODE BUT MULTICODE ALLOWED

INTERVIEWER NOTE: IF RESPONDENT ISN'T SURE OR ISN'T INTERESTED IN SUPPORT THEN DO NOT PUSH – IT'S FINE TO USE THE 'DON'T KNOW' OR 'NONE' OPTIONS

CATI TO SHOW LIST OF MOST COMMON MARKETS, PLUS:
Other (SPECIFY)...
(None/not interested in external support)
(Don't know)

Questions deleted from Section Y

- ***Y5, Y6***

SECTION C: IMPACT & OUTCOMES

IF RECEIVED ANY SUPPORT (CODES 1-95 AT X1) EXCEPT DO NOT ASK IF ONLY MENTIONED 'CERTIFICATE OF ORIGIN' (CODE 11 AT X2a) OR IF RECIEVED LESS THAN 1 HOUR OF SUPPORT (CODE 2 AT X2d)

C7 – I'd now like to focus again on the assistance or support you have received from <SUPPORT PROVIDER**> in the last 2 years in relation to doing business overseas. I'm going to read out a list of ways in which your business may benefit from this support and I would like you to tell me whether this is a benefit that you have experienced or expect to experience as a direct result.**

So, firstly… STATEMENTS TO BE RANDOMISED WITHIN GROUPS. ALWAYS ASK GROUP 1 FIRST, RANDOMISE ORDER OF GROUPS 2-3.

GROUP 1 - BARRIERS TO MARKET ACCESS OVERCOME

(a) Have you, or will you, gain access to prospective customers, business partners or other people that you would otherwise have been unable to meet *(as a result of the assistance from <*SUPPORT PROVIDER*>)*

(c) Have you, or will you, improve your company's profile or credibility *(as a result of the assistance from <*SUPPORT PROVIDER*>)*

(e) Have you, or will you, gain access to information that you would otherwise have been unable to come by *(as a result of the assistance from <*SUPPORT PROVIDER*>)*

GROUP 2 - INCREASED SKILLS

(h) Have you, or will you, gain the confidence to either explore a new market or expand in an existing market *(as a result of the assistance from <*SUPPORT PROVIDER*>)*

(i) Have you, or will you, improve your knowledge of the competitive environment in an overseas market *(as a result of the assistance from <*SUPPORT PROVIDER*>)*

GROUP 3 - CHANGED BEHAVIOUR (& MISCELLANEOUS)

(l) Have you, or will you, introduce new products or services or improve any of your existing ones *(as a result of the assistance from <*SUPPORT PROVIDER*>)*

AS NECESSARY **By 'products and services' I mean everything that your business offers**

(t) Have you, or will you, make improvements to your new product or service development strategy *(as a result of the assistance from <*SUPPORT PROVIDER*>)*

(n) Have you, or will you, improve the way you do business in overseas markets *(as a result of the assistance from <*SUPPORT PROVIDER*>)*

(o) Have you, or will you, improve your overseas marketing strategy *(as a result of the assistance from <*SUPPORT PROVIDER*>)*

Yes 1
No 2
(Don't know) 3

FOR EACH THAT RESPONDENT AGREES IS A BENEFIT (ASK C8 DIRECTLY AFTER C7)

C8 - And to what extent do you feel that this has been, or will be, a benefit of the assistance you received?

Please give me a score of 1 to 5, where 1 means 'to no extent' and 5 means 'to a critical extent'. READ OUT AS NECESSARY

1 – To no extent 1
2 2
3 3
4 4
5 -To a critical extent 5
(Don't know) 6

ASK IF RECEIVED ANY SUPPORT (CODES 1-95 AT X1) BUT DO NOT ASK IF ONLY MENTIONED 'CERTIFICATE OF ORIGIN' (CODE 11 AT X2a) OR IF RECIEVED LESS THAN 1 HOUR OF SUPPORT (CODE 2 AT X2d) OR IF NO (CODE 2) AT EVERY C7 STATEMENT

C12 – And as a result of the assistance you have received from <SUPPORT PROVIDER**>have you, or do you expect to, increase your sales or win any new orders?**

Yes 1
No 2
(Don't know) 3

ASK IF ONLY MENTIONED CERTIFICATE OF ORIGIN (CODE 11 AT X2a) OR LESS THAN 1 HOUR (CODE 2 AT X2d)

C10 – Thinking now specifically about the support you have received from <SUPPORT PROVIDER**> in relation to doing business overseas. Do you think that this support will have any positive impact on the performance of your firm?**

Yes 1
No..2
(Don't know) 3

IF RECEIVED ANY SUPPORT (CODES 1-95 AT X1) BUT DO NOT ASK IF NO (CODE 2) AT EVERY C7 STATEMENT

C9 – Thinking about all of the benefits you've just mentioned, which of the following best describes your view on the contribution the support you have received from <SUPPORT PROVIDER**> has made to your firm, or is expected to make to your firm?** READ OUT – SINGLE CODE

You would achieve similar results anyway 1
You would achieve similar results, but not as quickly 2
You would achieve some but not all of the results 3
You probably would not achieve similar results 4
You definitely would not achieve similar results 5
(None of these)..6

Questions deleted from Section C

- ***C1, C2, C3, C7f, C7k, C7m, C7q, C7r, C7s, C10a, C10b, C10c***

SECTION F: PROFILING

ASK ALL
Finally, I'd just like to ask you some questions about your business - these are just to classify your answers for analysis purposes.

ASK ALL EXCEPT 'NOT YET TRADING' (CODE 9 AT S1c)
F1a- Which of these best describes the current status of your business? READ OUT - MULTICODE

An independent business with no subsidiaries................1
A business with subsidiaries 2
A subsidiary of another business 3
(A not for profit organisation)...4
(Other (SPECIFY)) 95
(Don't know) 97
(Refused)..98

IF CODES 1-3 AT F1a
F1b – Can I just check, is the business UK or foreign-owned?

UK-owned..1
Foreign-owned 2
(Joint UK and foreign-owned)..3
(Don't know) 4

TEXT IF CODE 3 AT F1a
From now on when I ask about your business I'd like you to answer just for the subsidiary in which you work.

ASK ALL EXCEPT 'NOT YET TRADING' (CODE 9 AT S1c)
F2a – How many people are currently employed by your business within the UK?

AS NECESSARY: **Please include both full and part-time staff.**

AS NECESSARY: **Please only include UK-based staff**

INTERVIEWER NOTE – If the respondent owns the company and does not employ anyone else, please code as zero employees.

Write in number (0+):
(Refused)
(Don't know) – PROMPT WITH RANGES

SHOW IF ZERO ENTERED AT F2a
INTERVIEWER NOTE - Please confirm that the firm has NO employees in the UK. If they are unsure or don't know please code accordingly rather than putting zero

<u>ASK IF DON'T KNOW AT F2a</u>

F2b – If you had to estimate, approximately how many people are employed by your business in the UK? READ OUT AS NECESSARY

No employees 1
1-4 2
5-9 3
10-19 4
20-49 5
50-99 6
100-199 7
200-249 8
250-499 9
500 or more 10
(Don't know) 11
(Refused)..12

<u>IF F2a>250 OR IF F2b=9-10</u>

F2c – So can I just confirm that you have <INSERT RESPONSE FROM F2a/b> **employees <u>based in the UK</u>?**

Yes 1
No 2

IF NO, CATI TO ROUTE INTERVIEW BACK TO F2a & INTERVIEWER TO AMEND

<u>ASK ALL EXCEPT 'NOT YET TRADING' (CODE 9 AT S1c)</u>

F3a – <IF NOT ESTABLISHED IN LAST YEAR (S1c = NOT1 AND NOT9) **Can I ask, what is the current annual turnover of your business /** IF ESTABLISHED IN LAST YEAR (S1c =1 OR 9) **What do you anticipate will be the turnover of your business in the first year of trading>?**

AS NECESSARY **By this I mean your annual sales, income or receipts.**

<u>IF SUBSIDIARY (CODE 3 AT F1a):</u>
AS NECESSARY **Please just give me the turnover of the subsidiary in which you work**

<u>IF HAS SUBSIDIARIES (CODE 2 AT F1a):</u>
AS NECESSARY **Please give me the turnover for the UK part of your business, but including revenues from overseas sales made from the UK**

Write in amount in £ (£0+):
(Refused)
(Don't know) – PROMPT WITH RANGES

CATI TO VALIDATE AMOUNT ENTERED USING RANGES IN F3b

<u>IF DON'T KNOW AT F3a</u>

F3b - If you had to estimate your total turnover, into which of the following bands would you put yourself? READ OUT AS NECESSARY

£0 1
£100,000 or less 2
£100,001 - £500,000 3
£500,001 - £2million 4
£2million - £10million 5
£10million - £25million 6
£25million - £50million 7
£50million - £500million 8
More than £500million 9
(Don't know) 10
(Refused) 11

<u>ASK ALL</u>

F27a – < IF S1c=NOT 1 & NOT 9 **Is your company currently making an annual profit or loss** / IF S1c=1 OR 9 **Do you anticipate that your company will make a profit or loss in its first year of trading >?**

Profit 1
Loss 2
(Break even) 3
(Don't know) 4
(Refused) 5

<u>IF PROFIT (CODE 1) AT F27a</u>

F27b – Approximately what proportion of your < IF S1c=NOT 1 & NOT 9 **annual turnover is** / IF S1c=1 OR 9 **turnover in the first year of trading do you anticipate will be > accounted for by profits?**

AS NECESSARY **By this I mean what is your profit margin?**

AS NECESSARY **Please answer in relation to pre-tax profit**

Write in (% - ALLOW ZERO)
(Don't know)
(Refused)

CATI TO CHECK NUMBER IS BETWEEN 0 AND 100

<u>IF DON'T KNOW AT F27b</u>

F27c - If you had to estimate this proportion, into which of the following bands would you place it? READ OUT AS NECESSARY

Zero/nothing 1
Up to 10% 2
11% – 25% 3
26%-50% 4
51%-75% 5
More than 75% 6
(Don't know) 7
(Refused) 8

ASK ALL EXCEPT 'NOT YET TRADING' (CODE 9 AT S1c) OR NO EMPLOYEES (0 AT F2a OR CODE 1 AT F2b)
F3c – Approximately how many of your UK employees are engaged either wholly or partly in R&D activity? READ OUT

AS NECESSARY: **By R&D I mean 'research and development'**

Zero 1
One...2
2-4 3
5-9 4
10-49 5
50 or more 6
(Don't know) 12
(Refused)..13

ASK IF F3c IS CODES 3-6
F3e – Can I just check, are any of these employees involved in activities that could be described as 'the development of scientific or technical knowledge that isn't commonly available'?

Yes 1
No...2
Don't know...3

ASK ALL EXCEPT ['NOT YET TRADING' (CODE 9 AT S1c) OR NO EMPLOYEES (0 AT F2a OR CODE 1 AT F2b)]
F3d – And approximately how many of your UK employees are engaged either wholly or partly in new product or service development? READ OUT

Zero 1
One...2
2-4 3
5-9 4
10-49 5
50 or more 6
(Don't know) 12
(Refused)..13

ASK ALL EXCEPT 'NOT YET TRADING' (CODE 9 AT S1c)
F4 – In the last year have you commissioned anyone external to your business to conduct any R&D or new product or service development activity for you?

AS NECESSARY: **By R&D I mean 'research and development'**

Yes 1
No...2
(Don't know) 3

ASK ALL UNLESS ESTABLISHED IN LAST TWO YEARS (I.E. DO NOT ASK IF CODES 1 OR 2 OR 9 AT S1c)
F5a – Have you introduced any new products or services over the last three years?

Yes 1
No...2
(Don't know) 3

ASK IF YES AT F5a

F5d - And are these new products or services…? READ OUT - SINGLE CODE

ADD AS NECESSARY: **By completely new I mean that, to the best of your knowledge, they have not been introduced by anyone before you**

Just new to your business 7
New to your industry or sector 8
Or are they completely new to the world 9
(Some are just new to the business and some are completely new) 10
(Don't know) 97

ASK ALL

F5f –Have you either applied for or obtained any patents, trademarks or other legal protection, either in the UK or overseas, for any of your products or services?

Yes 1
No...2
(Don't know) 3

IF RECEIVED ANY SUPPORT & INVOLVED IN NPD/R&D ((CODES 1-95 AT X1) & (CODE 1 AT C7i, C7l, C7t OR C12) & (F3c=2-6 OR F3d=2-6 OR F4=1)) BUT DO NOT ASK IF ONLY MENTIONED 'CERTIFICATE OF ORIGIN' (JUST CODE 11 AT X2a) OR IF LESS THAN 1 HOUR (CODE 2 AT X2d) OR IF NON-ADDITIONAL (CODE 1 AT C9)

F24a –Thinking again about the assistance you have received from <SUPPORT PROVIDER**> in relation to doing business overseas. As a result of this assistance, have you or will you increase the number of people engaged in, or the total time devoted to, R&D or new product or service development?**

Yes 1
No...2
(Don't know) 3

IF INCREASED R&D STAFF/TIME (CODE 1 AT F24a)

F24b – And as a result of the assistance from <SUPPORT PROVIDER**>, have you or will you increase the amount you spend on R&D or new product or service development?**

AS NECESSARY **Please include expenditure on salaries, wages and staff time as well as equipment, and any expenditure on 'bought-in' product development services.**

Yes 1
No...2
(Don't know) 3

ASK IF BUSINESS OVER 1 YEAR OLD AT S1c (2-8 OR 10-11)
F8 - **<**IF BUSINESS MORE THAN 5 YEARS OLD (CODES 6-8 OR 10-11 AT S1c) **Thinking about your business as a whole, in the last FIVE years would you say that your business has…? /** IF BUSINESS 1-5 YEARS OLD (CODES 2-5 AT S1c) **Thinking about your business as a whole, since your business was established would you say that it has…?>**
READ OUT

INTERVIEWER TO ADD AS NECESSARY **This is just your overall impression of the growth of the business taking account of factors like size, number of employees, turnover and sales.**

Remained the same size....1
Become smaller....2
Grown moderately....3
Or, grown substantially....4
(Don't know)....5
(Refused)....6

ASK ALL
F9 – And, what growth objectives do you have for the business over the next FIVE years? Do you plan to…?
READ OUT

Remain the same size....1
Become smaller....2
Grow moderately....3
Or, grow substantially....4
(Don't know)....5
(Refused)....6

ASK ALL
F11 – Can I just check, do you have a current, written business plan?

Yes....1
No....2
(In progress/currently writing business plan)....5
(Don't know)....6
(Refused)....7

IF HAVE PLAN OR IN PROGRESS (CODES 1 OR 5 AT F11)
F12 - <IF F11=1 **Does** / IF F11=5 **Will> the plan contain any targets relating to revenues from overseas sales?**

Yes....1
No....2
(Don't know)....3
(Refused)....4

<u>ASK ALL CURRENTLY EXPORTING (CODE 1 AT S2)</u>
F21a – Can I just check, does your firm use export credit insurance? SINGLE CODE

INTERVIEWER NOTE: IF RESPONDENT DOES NOT KNOW WHAT EXPORT CREDIT INSURANCE IS THEN CODE AS 'NO'

Yes 1
No..2
(Don't know) 3

<u>IF USE EXPORT CREDIT INSURANCE (CODE 1) AT F21a</u>
F21b – And over the last 6 months, have you had any difficulties in accessing export credit insurance? SINGLE CODE

INTERVIEWER NOTE: IF THE RESPONDENT SAYS THEIR EXPORT CREDIT INSURANCE HAS BEEN REDUCED, THEN CODE AS 'YES'

Yes 1
No..2
(Don't know) 3
(Refused) 4

<u>ASK ALL EXCEPT 'NOT YET TRADING' (CODE 9 AT S1c)</u>
F14 - How many owners, partners or directors are there in day-to-day control of the business? (at this site) PROBE FOR BEST ESTIMATE

Enter number
(Don't know)
(Refused)

<u>IF ANY NUMBER GIVEN AT F14 (1+)</u>
F15 – < IF 2+ AT F14 **How many of these owners, partners, or directors /** IF 1 AT F14 **Does this person** > **have degree level or equivalent qualifications?** PROBE FOR BEST ESTIMATE

INTERVIEWER NOTE: IF THERE IS JUST 1 PERSON ENTER 1 IF YES

Enter number (ALLOW FOR ZERO)
(Don't know)
(Refused)

<u>ASK ALL</u>
F26 – Finally, does your firm belong to any of the following? READ OUT. CODE ALL THAT APPLY.

The Chamber of Commerce..1
Any trade associations or sector bodies..........................2
Any other organisations representing business such as the CBI or the Federation of Small Businesses...........3
None of these 4
(Don't know) 5

<u>ASK ALL</u>
F17 – That's the end of the interview, thank you very much for taking part. Would you be willing to take part in any future research on this topic conducted on behalf of UK Trade & Investment or the Department for Business, Innovation & Skills (BIS)?

Yes 1
No..2
(Don't know) 3

<u>IF CODE 1 AT S9A2 OR S9C2 OR S9D2</u>
F20 – You mentioned earlier that you may be interested in some of the services offered by UKTI. Would you like to be emailed some more information on these services? IF YES, RECORD EMAIL ACCURATELY & READ IT BACK LETTER BY LETTER TO CONFIRM.

Yes (RECORD EMAIL ADDRESS) 1
No..2

IF CODE 1 AT F20, THEN CATI TO AUTOMATICALLY SEND OUT EMAIL WITH INFO ON UKTI SERVICES AT THIS POINT

<u>ASK ALL</u>
F18 – Finally as proof of this interview please could I just confirm your business postcode?
CATI TO DISPLAY POSTCODE IF AVAILABLE – AMEND IF MISSING OR INCORRECT

<u>ASK ALL</u>
F19 – And may I take a note of your name?
WRITE IN……………………………………………

STANDARD THANK & CLOSE

Questions deleted from Section F

- ***F1c, F1d, F5b, F5c, F5e, F5g, F5h, F5i, F10a, F10b, F10c, F13, F16, F20a, F20b, F20c, F20d, F22a, F22b, F23a, F23b, F23c, F25a, F25b, F25c***