



**OCO Global's
SME Brexit Survey 2018**

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OCO Global's SME Brexit Survey launches this month providing coherent insights on the views of over 1,000 SMEs on the impact, expectations, and level of preparedness ahead of Brexit.

OCO Global is a leading specialist provider of Trade and Investment services including Market Entry Support, business intelligence for Trade and Investment, trade mission support, business development, advisory, trends analysis and software solutions. SMEs are the backbone of the UK, and to help them grow internationally they require tangible support and practical solutions in those areas they have identified: introductions to potential customers, market information and in-market support, to really make the change which will drive growth.

OCO Global is committed to help SMEs increase exports, building the case for more businesses to think about how they can seek growth by accessing international markets.

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METHODOLOGY

This survey and its findings are based on quantitative research from over 1,000 SMEs. The respondents are taken from a representative sample across UK regions with the majority of the SMEs currently exporting or already with overseas operations. The field research was undertaken by leading research agency, Opinium, between 25th May to 4th June 2018.

KEY FINDINGS

Third of SMEs believe Brexit will be positive for them

UK SMEs are optimistic about the future impact of the UK leaving the EU on their business, with a third (33%) believing that Brexit will have a positive impact on their business. The results also show that a similar number of SMEs (32%), have already felt a positive impact on their business since the EU referendum.

Over two fifths of SMEs that currently export feeling positive about the future

The results show this positivity is greatest amongst those SMEs that are already exporting or have overseas operations. Within this group, over two-fifths (43%), of SMEs that currently export have felt a positive impact, with the same amount expecting this to continue post-Brexit. This contrasts with those businesses not currently operating internationally - the majority of whom are neutral on Brexit, with little more than one-in-ten (11%) having felt a positive impact so far, growing to 15% looking at the future.

This positivity is grounded in a noted up-turn in business post the Brexit vote - with 37 per cent of SMEs attracting new customers and contracts since the Brexit vote, while 36 per cent have managed to increase sales with existing customers. With differing trade arrangements potentially coming into play for goods and services, this may address the disparity in positive outlook between these areas. Over half (53%) of companies operating within Business Services and two-fifths (43%) in the IT sectors are positive about the future. This falls to one in three (34%) for Manufacturing, and only one in five (18%) firms involved in Retail or Wholesale of goods.

The survey also highlights some of the challenges to be addressed across the UK SME population as new trading arrangements are established. Positivity varies significantly based on size of company, with around half (46%) the number of the smallest SMEs showing positive sentiment, compared to that of the largest (30%) companies. Optimism is at its highest in London, with one in two (50%) companies positive about the future, which is more than double that of many other UK regions.

Meanwhile, 27% of SMEs believe that Brexit will be negative for their business, with the same amount for businesses that are exporting and non-exporters.

KEY FINDINGS

Europe set to remain top destination for UK exporters

Despite the fact that the UK is set to leave the EU, the single market will continue to be of utmost importance for UK SMEs. Indeed, there has been limited change in SMEs future consideration of the EU as an export market versus other regions around the world.

Market	Number of SMEs that actively considered expanding into over the past five years	Number of SMEs that will prioritise expanding into the following regions over the next five years
Europe	44%	35%
North America	19%	16%
Asia	15%	12%
Middle East	13%	8%
Latin America	5%	4%
Australia-Pacific	8%	5%
Africa	4%	2%

FURTHER INFORMATION

For further information contact:

Matthew Whitbread

H&K Strategies

E: Matthew.Whitbread@hkstrategies.com

D: +44 207 413 3515

Therese McCrory / Laura Hill

OCO Global

E: therese.mccrory@ocoglobal.com /
laura.hill@ocoglobal.com

T: 028 9024 1849

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