

Results of British Chambers of Commerce survey on International Trade

Thank you to all members who took the time to contribute to the BCC survey. They have produced an overview of the survey, which is outlined below.

Companies of all sizes remain positive about international opportunities with more than 75% currently considering exporting to a new overseas market. The spread of markets they are contemplating as first choice is broad, ranging from newly emerging areas such as China (6.3%), India (4.7%), Russia (4.3%) and UAE (2.7%) to those who consider their next step will be into more traditional markets such as USA (4.7%), Australia (3.3%) and Germany (2.3%).

When asked which new markets they had visited recently the same companies reported some different first choices – examples are USA (8.3%), Turkey and Czech Republic (both 3.3%) and Poland (2.7%). China, Russia and India still featured strongly.

Problems encountered in international trade were another issue on which companies were asked to comment. Almost 66% stated that exchange rate fluctuations affected greatly or somewhat their ability to secure export sales. 42.4% cited the level of UK interest rates as greatly, or somewhat, affecting sales. A similar proportion felt that foreign interest rates also posed problems. 33.4% believed trade restrictions such as quotas or tariff/non tariff barriers affected their business overseas.

Exporters were asked to rate a range of global factors for their impact on export business. The results were as follows:

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| Expansion of China | 22.7% |
| Expansion of India | 17.3% |
| Terrorism | 11% |
| Further Expansion of EU | 9.3% |
| Industrial Action | 6.7% |
| Civil War in Iraq | 6.6% |
| Iran developing nuclear capabilities | 5.5% |
| Change of UK government | 5.3% |
| Bird flu | 4.3% |
| Global warming | 3.6% |
| Israel/Palestine conflict | 2.8% |
| Other/No view | 4.9% |

UK Trade & Investment Services came under the spotlight. 58.3% of companies had used a UKTI service during the past two years, 39% had not and 2.7% gave no reply. The most frequently used services were those offered by local international trade advisers (22.2%), taking part in a trade show or market visit (21.4%), UKTI website (19%) and Passport to Export (16.9%). The export marketing research scheme and export communications review, both of which are operated by BCC, were used by a total of 12.1%, while 8.5% had used UKTI's OMIS scheme.