

Growing through Exports: the Evidence



- Exporters are **11%** more likely to **survive**
- Become **34%** more **productive** in the first year alone
- Are **80%** more likely to report **employment growth**
- **78%** of exporters gain exposure to **new ideas**
- **42%** invest more new **product development**

Productivity

The sophistication of export markets results not only in hiring better skilled workers, but also leads to higher labour productivity.

Companies that start exporting experience a 34% increase in productivity in their first year alone¹.

This rise in productivity for exporting companies can be attributed to greater access to new technology, increased exposure to superior organisational skills and a greater awareness of what international competitors are doing.

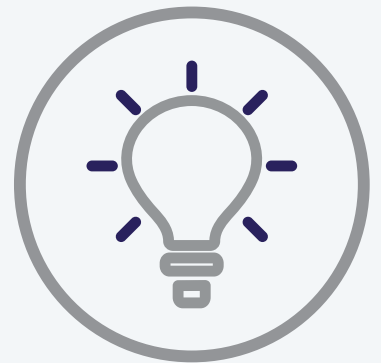


Innovation

UK exporters are more innovative, have innovation-based links with universities and cooperate internationally with other companies to develop innovation outputs².

They are also more likely to both carry out continuous R&D and have higher R&D spending per employee³.

In a recent survey of UKTI trade clients, 70% of respondents said that exporting had allowed them to foster ideas for new products and services, with 78% adding that the experience had given them exposure to new ideas⁴.



Revenue & Employment

Research has found that **48% of firms reported that exporting increased their return on investment for new products and services.**

41% of companies said selling overseas had increased the money available for investment in new product development⁵.

Further ongoing Government research has also found that employment growth is stronger amongst exporting firms, finding that **exporters are 80% more likely to report employment growth⁶.**



¹ Harris, R. and Li, Q. C. (2007) **Firm Level Empirical Study of the Contribution of Exporting to UK Productivity Growth**. UKTI Analytical Papers.

² Harris, R. and Moffat, J. (2013) **Investigation into Trends in Export Participation among UK Firms**. UKTI Analytical Papers.

³ Department for Business, Innovation and Skills (2010) **Internationalisation of Innovative and High Growth SMEs**. BIS Economics Paper No. 5, March 2010.

⁴ UKTI (2013) **Bringing Home the Benefits: How to Grow Through Exporting**. <https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/294348/Bringing_home_the_benefits_-_how_to_grow_through_exporting.pdf>

⁵ UKTI (2013) **Bringing Home the Benefits: How to Grow Through Exporting**. <https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/294348/Bringing_home_the_benefits_-_how_to_grow_through_exporting.pdf>

⁶ Department for Business Innovation and Skills (2013) **Small Business Survey 2012: SME Employers**. A report by BMG Research. Cited in UKTI (2013) **Bringing Home the Benefits: How to Grow Through Exporting**. <https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/294348/Bringing_home_the_benefits_-_how_to_grow_through_exporting.pdf>