

Doing business with UK entrepreneurs

UK entrepreneurs have global pulling power but need to innovate to boost overseas trade

We are pleased to share this research with you that shows that UK entrepreneurs are held in high regard by business leaders globally, particularly in Brazil, China and the US. However it's critical that, against the backdrop of Brexit, the UK does everything it can to maintain and crucially build on this. That includes capitalising on the trade relationships and investment opportunities that the research highlights, in order for all entrepreneurs to thrive.



Policy makers and the wider industry have an important role in boosting the reputation of UK enterprise. Our findings show that improved digital, innovation and communication skills could increase overseas trade by almost a third. As a recognised global hub for high growth businesses, the UK must do all it can to promote worldwide that it is open for business for these economic dynamos.

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International confidence in UK's entrepreneurs is high, but a lack of innovation could dampen long-term trade prospects, according to research published by Barclays.

The study interviewed 1,350 business leaders around the world on their perceptions of British entrepreneurs and their experiences trading with UK scale-ups.

78% of overseas business leaders thought that the UK was a good place to start a business, with Brazil (88%), the US (85%) and China (84%) most optimistic about Britain's potential to create the next Apple or Google on UK shores. Yet this fell dramatically in the views of Germany (64%) and France (68%).

Working with UK entrepreneurs

79% think that the UK start up scene is a key business growth hub

The majority of trade with the UK is done through London (62%), although 25% is done through Wales and 24% through Scotland. The least amount of trade is done in the West Midlands (8%).

When asked how they felt about starting a business in the UK, 78% think that the UK is a good place to start a business; 79% that the UK start-up scene is a key global business growth hub.

Top traits that UK entrepreneurs are known for overseas include reliable, smart and polite

Overall, overseas business people have a fairly positive impression of UK entrepreneurs / fast growing businesses. The top three traits that UK entrepreneurs are described as overall are reliable (53%), smart (50%) and polite (50%). In addition, overseas business people also commonly describe UK businesses as honest (48%) and cooperative (48%).

In particular, those from the UAE (88%) describe UK entrepreneurs as being polite and those from the China say they are co-operative (66%)

The top factors used to describe UK entrepreneurs / fast growing businesses are professionalism (90%), quality of service (90%) and punctuality (87%).

Overseas business people think that the UK's biggest attributes are its well educated business people (51%), the efficiency of

its workforce (44%) and the UK's commitment to delivering high quality (44%).

Additionally, 73% think that the products and services coming from entrepreneurs and fast growing UK businesses are of a better quality than other countries, and 73% think that they are entrepreneurial and risk takers, and 69% as more digitally savvy.

Just under half (47%) of overseas business people would do more trade with UK entrepreneurs if there were greater differentiation and innovation in the products and services

Nearly half (47%) of overseas business people say that if there was greater differentiation and innovation in the products and services they were selling to them, they would be more likely to do business with them. Nearly half (47%) would do more if there was more face-to-face communication, and 45% if there were better digital skills and innovation.

Overseas business people state that the following factors will increase their business with the UK by the following percent:

| Factors that would increase business with the UK | % it would likely increase business by |
|---|--|
| Greater differentiation and innovation in the products and services they are selling me | 29% |
| More face-to-face communication | 29% |
| Being more direct /less polite in their communication | 27% |
| Better digital skills and innovation | 27% |
| Greater knowledge of my culture and business style | 25% |
| Their ability to speak my native language | 17% |

Concerns over the UK's political and economic situation has led to less trading

Of overseas business people that no longer work with UK entrepreneurs / fast growing businesses, a third (35%) said

that they stopped their trade because they were concerned about the political situation in the country. Another quarter (29%) stopped because they were concerned about the economic situation.

For 10% of overseas business people, trading ceased due to a culture clash.

Improving relations and encouraging further volumes of trade

UK businesses could learn from the US and Germany

When asked which countries UK entrepreneurs could learn from, 28% think they could learn from the US, and 18% from Germany. Other countries that overseas business people think the UK can learn from are China (12%) and France (7%).

Additionally, 59% think that US start-ups are more likely to succeed than UK start-ups.

It seems the 'British reserve' could also be holding businesses back: just over half (62%) of overseas business people think that UK entrepreneurs are far too polite, 65% think they could be better at negotiating deals, with an additional 65% who think that they could be better at communicating with them

Communication and pro-activity were an issue, as 50% believe UK entrepreneurs do not do enough to sell their products and services and 58% believe UK entrepreneurs & leaders of fast growing businesses are less likely than people in other countries to speak the same language.

Leaving the EU

Overseas business people have a mixed view

Following the UK's EU Referendum vote, 61% of international business leaders say it won't have any impact on the way they do business with UK entrepreneurs: 84% believe UK products and services will continue to offer good value, three quarters (76%) say they are confident that Britain will have a solid plan in place, while the 'Made In Britain' brand is a highly attractive for 74%. A further 60% say Brexit will actually improve their trade dealings with British companies

76% say they feel confident that British businesses have a plan for leaving the EU, and 62% say they will actually pay more for

British products/services. Even more positively, 74% of overseas business people think that the 'Made in Britain' cache is a strong enough selling point to make British exports appealing, in or out of the EU, and 61% don't think that Brexit will have an impact on their dealings with British businesses.

As banking partner to some of the most disruptive and innovative businesses in the UK and beyond, we understand entrepreneurs and what it takes to help make a venture successful.

Silicon Roundabout and UK start-ups

Silicon Roundabout

Over half (56%) of overseas business people have heard of the UK's Silicon Roundabout, although significantly more (89%) have heard about Silicon Valley. Additionally, 65% have heard of Tech City.

Despite this, a quarter (26%) thought that Silicon Roundabout is based in the USA, and 55% thought it to be a UK start-up business and 28% a UK TV show, showing more must be done to build the UK's profile overseas as a centre for entrepreneurs.

UK start-ups

63% of overseas business people are aware of UK start-up hubs in places other than London. Of those that are aware of other UK start-ups, the best known are in Liverpool (54%) and Manchester (53%).

The majority (82%) would consider investing in a UK start-up. Of these, half (52%) think the UK is well-placed to gain access to other lucrative markets and half (50%) think the UK has a strong entrepreneurial culture and they want to be a part of that.

1,350 decision makers (middle managers and above) in companies of 250+ employees who trade with British businesses or have recent experience of trading with UK businesses (SMEs and companies with a turnover of £2.5 million-£100 million) in Brazil, China, France, Germany, the UAE and the USA.

This report is based on the results of an online survey

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