

SME growth outlook 2019-20

Top 5 insights

The Enterprise Europe Network's 2019 survey data shows that small and medium-sized enterprises (SMEs) with international ambitions remain cautiously optimistic about their near-term growth. While optimism levels for turnover, market share and job creation over the coming year slightly fell compared to 2018, they remained broadly consistent with figures for the past two years. This year's star performer was Estonia where SMEs were the most optimistic for the coming 12 months across all three categories of growth. Greece, Sweden and Romania also scored well above average.



1. Turnover prospects remain positive

59% of SMEs who internationalise expect to increase their turnover in the next 12 months. While Estonian SMEs (87%) were most confident about increasing their turnover, small businesses in Croatia and Luxembourg (41%) had the lowest expectations.



2. Job creation stays stable

30% of SMEs seeking to develop their business beyond their national borders expect to create jobs in the next year. Estonian SMEs (57%) had the highest expectations for job creation while SMEs in Slovakia (6%) were the least optimistic.



3. Cautious optimism for market share

49% of SMEs looking to expand abroad expect to increase their market share in the next 12 months. We found the most optimistic SMEs in Estonia (74%). SMEs in Belgium and France (35%) were the most cautious about their near-term growth prospects.



4. Cutting the cost of international expansion

81% of small businesses found that the Network helped them to make cost savings when entering new markets. This illustrates the value that of the Network's services to SMEs who often perceive international expansion as a costly due to *lack of specialised staff to deal with exports, specificity of products to the domestic market and not knowing the rules that have to be followed*¹.



5. Satisfied clients

88% of clients expressed satisfaction with the Network's services, demonstrating a high level of quality advice and support across the board. 92% of clients also confirmed they would recommend the Network's services to other businesses.

Source: European Commission SME Performance Review 2018