

# Export Customer Test: Findings

August 2020

# Who we tested with?

We asked for:

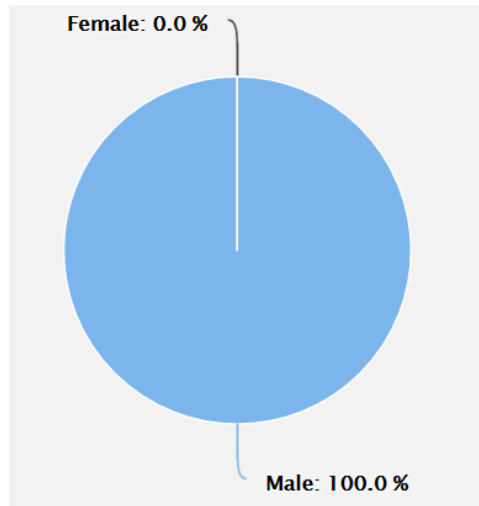
Subject:	Exporting Business Owners
No of Depths:	12 in total (4 each day)
Depth length:	45 minutes
Age & Social Class:	n/a
Gender:	Mixed
Quota:	<ul style="list-style-type: none"><li>- 4 x NON EXPORTERS</li><li>- 4 X Early stage Exporters</li><li>- 4 x SME Existing Exporters</li></ul>

We ended up testing with 11 companies

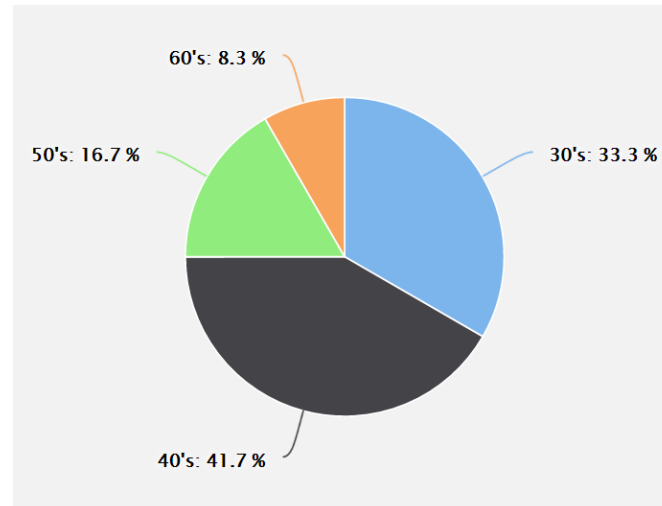
# Who we tested with?

The demographics were:

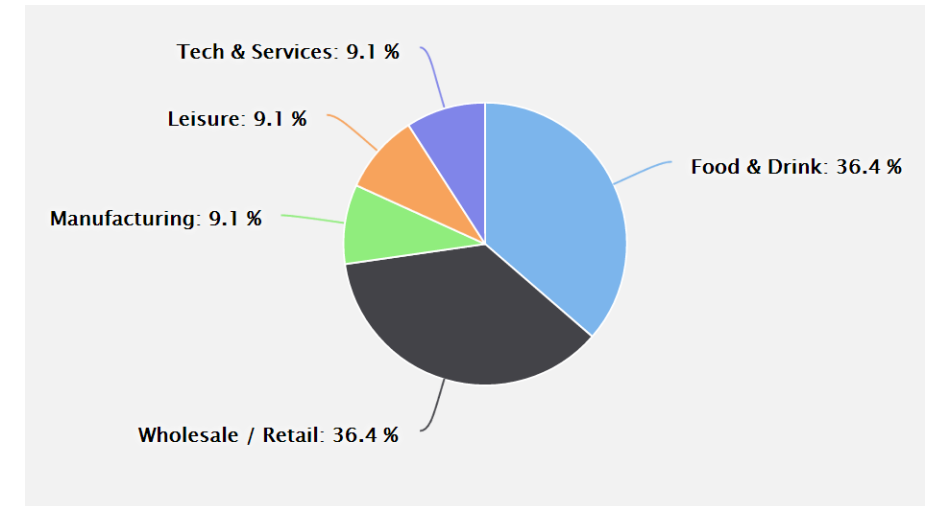
## Gender



## Age



## Type



# Sentiment & Themes

# Customer Sentiment

Negative :-)

SENTIMENT

:-) Positive

I have lost my SDI export advisor

I don't know where to find Post Brexit Customs info

I need help on finding opportunities

I need help with customs and tarrifs

I don't know where to find stuff. Can't it all be in the one place

Your information is nice but NOT SECTOR SPECIFIC enough

I wouldn't have gone looking for this support

I am having to pre-cache stock in the EU, just in case Brexit is bad.

I may have to open an office in the EU to Brexit Proof my activities.

The Government has been quite generous with grants throughout Covid

I would love you to fund a safety net of some kind

I have a lot of Brexit costs such as re-labelling, which are not supported by grants etc...

My exporting was not planned. I just had to start in response to enquiries from abroad.

I just don't know who to talk to

I am really TIME POOR

I am B2B. If my customers are suffering, then so am I

Online sales are going quite better than Bricks and Mortar

Too much information (noise)

UNCERTAINTY

# Themes?

1. UNCERTAINTY
2. NOISE
3. Not sure who to talk to
4. Time Poor
5. The information is not sector specific enough

# Customer Types Observed





# Type A

## **Who they are:**

- They are the classic “I only started exporting because someone from France asked me to send them ...

## **What they need:**

- They are looking for help to start exporting Really Quickly.
- They need the basic skills to get that first export safely shipped.

## **What next:**

- They quickly move to being Type B with a large appetite for information on things like tarrifs, customs, insurance, paperwork requirements etc...

# Type B

## **Who they are:**

- They have got their first exports out the way and now need information to grow and export to other markets.

## **What they need:**

- Information on things like tarrifs, customs, insurance, paperwork requirements etc...

## **What next:**

- If they are successful, they will eventually move onto Type C but this may be slower than the A to B transition.

# Type C

## **Who they are:**

- They are established exporters and may be either moving to scale or focusing on efficiency.

## **What they need:**

- Information on distributors, intermediaries and market advice to stop them from getting stung.

## **What next:**

- If they are successful, they will may eventually move onto Type D or potentially Type Z

# Type D

## **Who they are:**

- They are established exporters and are looking to move things to the next level. They are making strategic partnerships to enable them to grow exports.

## **What they need:**

- Information on distributors, intermediaries and market advice to stop them from getting stung.
- In Market information
- Research

## **What next:**

- If they are successful, they will may eventually move onto Type D or potentially Type Z

# Type Z

## **Who they are:**

- They are established exporters and are happily getting on with it.

## **What they need:**

- They are largely "Self Financing" and are not actively seeking out public sector support.
- Their growth is "Organic" but this does not mean that they lack potential. Probably the opposite.
- They could probably benefit from Research and In-Market support but are not looking for that actively

## **What next:**

- They are potentially un-tapped growth resources for the country...

# Quotes

# Quotes: Potential Exporters(A)

- “we are going to have to ride out the virus as it is”
- “we just have to handle it and deal with it and move on”
- “Brexit for my particular business is going to be better” it makes us more unique rather than being part of Europe
- “I’m quite a last minute sort of guy” sometimes things get announced and then put back we tend to not move till we feel the final version has been announced
- “its just the unknowns post Brexit that’s going to be the biggest challenge”
- “just clarity on how easy its going to be to trade in Europe in the next couple of years”
- At the moment you’d be unlikely to invest lots of time and effort and money in the export business”
- ”it’s the perfect storm of incidences to put you off investing or expanding your business really”

# Quotes: New and inexperienced Exporters (A & B)

- “its cheaper to ship to Germany than Orkney”
- “no idea what tariffs will be, whisky will be classified as a luxury item”
- Access to the markets will come as my business grows “it will grow organically as and when I give it a nudge”
- “I Want to ship to Europe without it being prohibitive “
- If someone was to give me an unlimited tap of funding I wouldn’t know what to do with “it more beneficial if the money was spent to make the information accurate up to date and idiot proof to understand “
- “you don’t know where to go where to start with”
- “Time is a big barrier to me”
- “not knowing where to start and not having too much time is very restriing”



## Quotes: Experienced Exporters (C, D & Z)

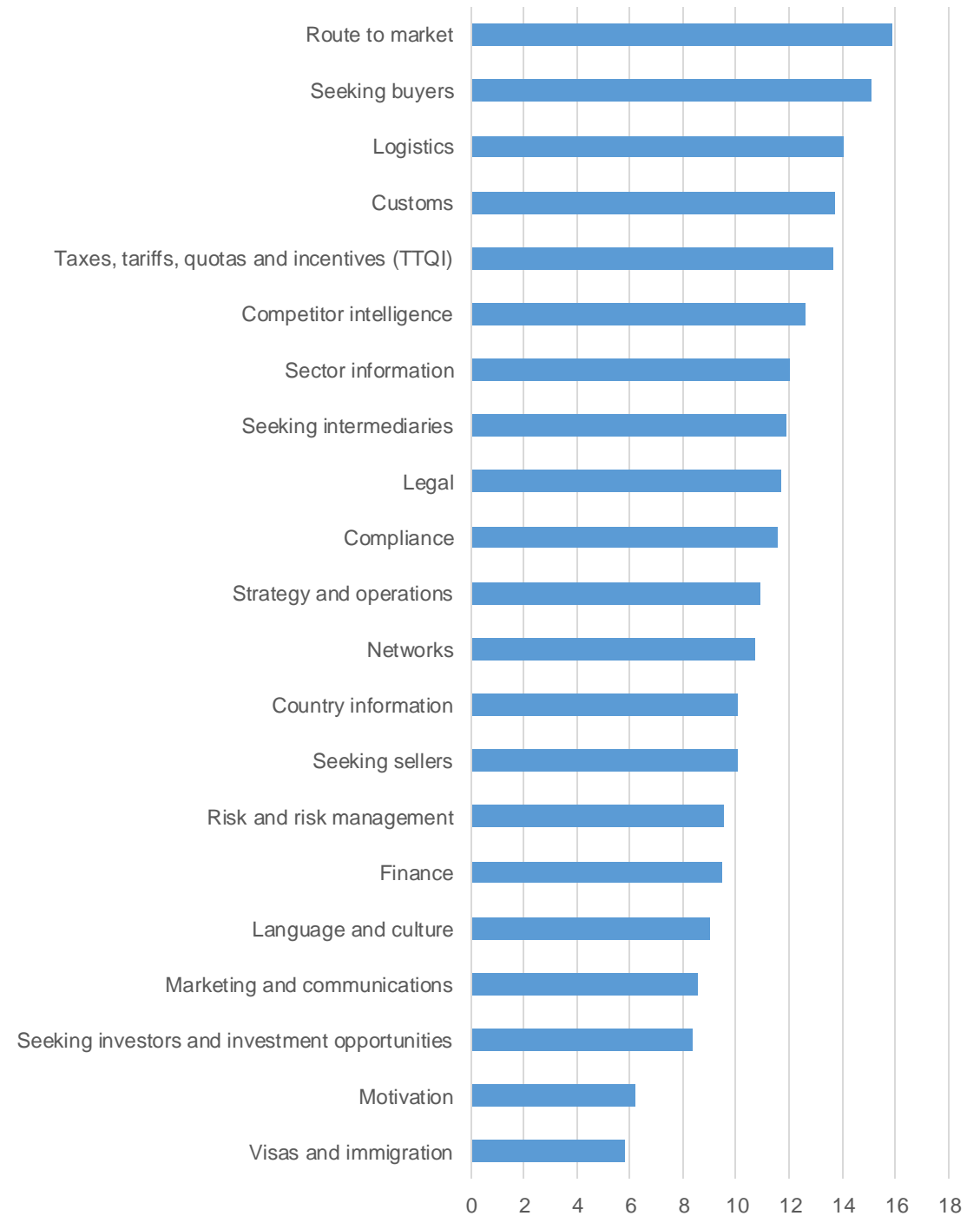
- “At the very start its going to be the administrative technicalities of getting stuff over there”
- “it was unbelievable at the time how difficult it was to do the us and how easy it was to do Europe”
- Would need help with getting “the admin of getting the process through and getting the admin done”
- “Making sure all the paper work is in place so you don’t get held up in customs”
- Admin side is key but because of brexit etc no one knows what that is going to be
- “Scottish edge fund but found out about it too late”
- “Its not clear where all the grants are especially during the corona thing”
- “There is quite a lot out there but finding it is not always easy “
- “SE might be able to pull together a bit more information than we would “
- “it was maybe a kick up the arse” to look at other options “its not all doom and gloom”
- “people want cheap and volume at the moment and that’s what we are doing while protecting our key brands”

# Survey Results

# Question 1: Top 3 things that would help you export

- More clarification on relative business policies and information specific to that business.  
Legalties and repercussions for businesses when certain things are not met.  
Process regarding the export journey."
- Clarity surrounding Brexit.  
Trade deal yes or no.  
Market stability"
- Help with SEO on our website to drive direct international customers a list of markets and their sizes for my industry any trends based on my industry that international markets may be looking for. "
- BUYERS  
FINANCE  
ROUTE TO MARKET
- Knowing about business treaties that exist between the UK /Scotland and other countries
- 1. Key distributor contacts  
2. Export consultant (from investor support)  
3. Helpful knowledge on who are the best distributors to speak to"
- market insights - advice on retail warm introductions to prospective importers space @ expos"
- Funding extra stock. Clarity of markets. Increase order/demand.
- Help with understanding administration of exporting.  
Help understand vat implications. Help with currencies."
- Keeping zero tariffs with eu,  
drop 25% tax on whisky exports to USA  
open flow of information.

# Question 2: Priorities



More analysis of how this matches against our expected prioritisations to follow

# Question 3: Themes



More analysis of how this matches against our expected prioritisations to follow

# Question 4: What is missing

- "Specific import info regarding each country as we are no longer in the EU. Tax/duties for exploring and importing"
- Buyers/inside country knowledge.
- General information about how easy or difficult it is going to be to trade in Europe post Brexit
- Case studies on similar businesses that have exported and how they did it, pitfalls etc.
- Internationalise the Scotlands Trade Show at the SECC to bring in more international buyers. Provide an incentive for international buyers to attend these shows?"
- Very specific market knowledge
- Contacts in key countries/continents to help us contacts the right distributors
- Qualified database of prospective importers
- Currency risk.
- Joined up thinking.  
Somewhere between Scotland as a brand and sector specific support"

# Diagnostic Prototype Test

## What we tested

We put a super early stage Diagnostic prototype in front of customers.

We did this to

- Test a question set
- Test the approach
- Learn



# What we tested

The diagnostic is at: <https://scotentsd.github.io/export/test/index.html>

And looks like this:

Scottish Enterprise   Support for Business   Learning Zone   Our Organisation

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## Export Diagnostic

Tell us about what your business needs. v9

Have you started exporting yet?

Yes    No

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Here is what you have told us so far

I have started exporting

## What we learned

- The approach is good. Some customers “actually suggested it” before they knew it existed.
  - The questions were well received BUT needed to start with more “Company Stage” questions to reduce the options
  - The “What we have told you so far” was forgotten by customers and when they hit the payload page they were:
    - Not sure why they were getting these results
    - Liked what they saw BUT thought it might not be sector specific enough
1. Retaining the Question to Content link will improve results.
  2. Early stage “Filtering” around company stage will improve results

*fin*