

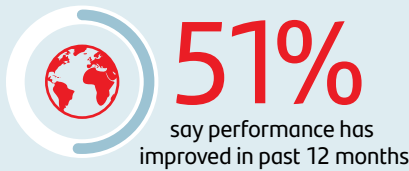
International growth is more important than ever

Santander Trade Barometer Autumn 2023

Monitoring UK business sentiment towards international trade, growth and risk

Internationally trading businesses are more confident and outperform domestic-only businesses

International businesses



v

Domestic-only businesses



International businesses



International markets remain the single biggest driver to build resilience



62%

say overseas activity reduces reliance on the UK economy



63%

say overseas activity has greater potential than UK



38%

say international growth (new and existing markets) is main driver of recovery

v



33%

that say domestic growth

As a whole, the European Union continues to offer the most attractive growth prospects



On a country-by-country basis, respondents expect to see growth opportunities in the following markets



US
37%



Germany
28%



Australia
22%



France
19%



Canada
16%



China
13%



Spain
13%



India
12%



UAE
12%



Brazil
8%

However, some barriers to trade remain

Where respondents are experiencing trade barriers with specific countries, a number of different challenges exist

USA



	Shipping costs	24%
	Challenging competitive market	23%
	Protectionism	17%
	Understanding the local business environment and market entry strategy	16%
	Finding trustworthy partners	16%

UAE



	Challenging business culture	23%
	Language and cultural barriers	20%
	Finding partners	20%
	Bureaucracy	19%
	Adapting products to local demographics	18%

India



	Bureaucracy, inconsistent tax and industry regulation	38%
	Price sensitivity	22%
	Finding partners	22%
	Corruption	18%
	Navigating the legal system	17%

Germany



	Shipping costs	22%
	Bureaucracy	17%
	Rising wages and input costs	15%
	Challenging competitive environment	14%
	Recruitment and access to skilled workers	13%

Brazil



	Corruption	24%
	Finding trustworthy partners	17%
	Bureaucracy	17%
	Navigating the tax environment	16%
	Shipping costs	12%

Australia



	Shipping costs	31%
	Recruitment	18%
	Assessing new markets	14%
	Finding logistics partners	13%
	Finding partners	11%

China



	Shipping costs	30%
	Finding partners	27%
	Bureaucracy	26%
	Rising wages and input costs	25%
	Regulation	24%
	Supply chain visibility	20%

Poland



	Shipping costs	11%
	Finding partners	11%
	Language and cultural barriers	10%
	Finding the right logistics partners	9%
	Impact of Ukraine war	9%
	Recruitment	9%

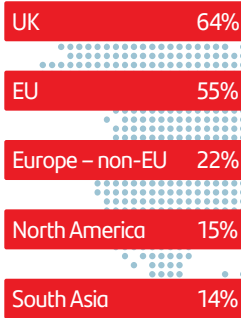
Businesses are moving supply chains closer to home



43%

have moved/are moving supply chains closer to the UK

Most attractive supply chain locations



Logistics costs have improved. In Autumn 2022 40% of all respondents said logistics costs were a problem. In Autumn 2023 that's fallen to 31%



Of the 40% of businesses whose supply chains operate in China, 62% plan to reduce dependence (of which only 14% plan to move completely away from China)

Businesses are still struggling with skills gaps



36%

dealing with red tape



34%

sales and marketing



33%

sustainability



27%

cross-border trade



26%

raising export finance

But help is here with Santander Navigator

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- 🔥 Navigate bureaucratic challenges.
- 🔥 Optimise logistics.
- 🔥 Grow your team's skillset.

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