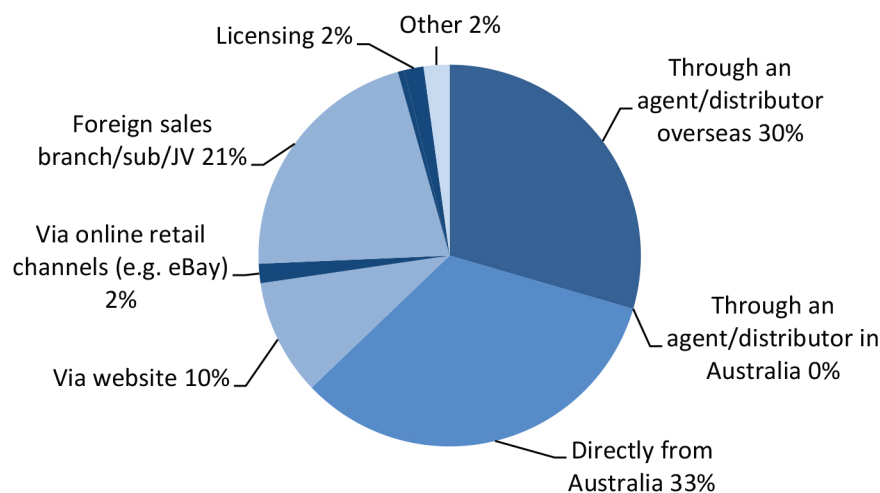


UNITED KINGDOM

Figure 52: United Kingdom - Mode of servicing

Survey question: *Mode of servicing (top two countries)*

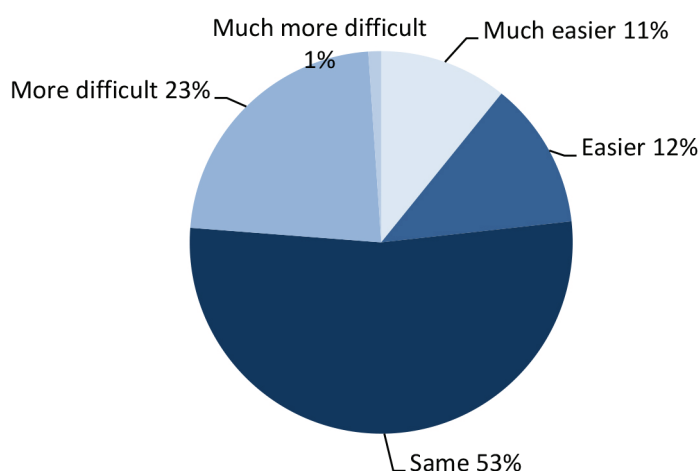


Sample size by number of respondents: n=192

The types and popularity of modes chosen for the United Kingdom market are broadly in line with those used to service other advanced economies, such as the United States. E-commerce has become the preferred channel for servicing customers for a modest percentage of respondents (12 per cent) for whom this is an important market (Figure 52).

Figure 53: United Kingdom - Ease of doing business compared to Australia

Survey question: *Ease of doing business (top two countries)*

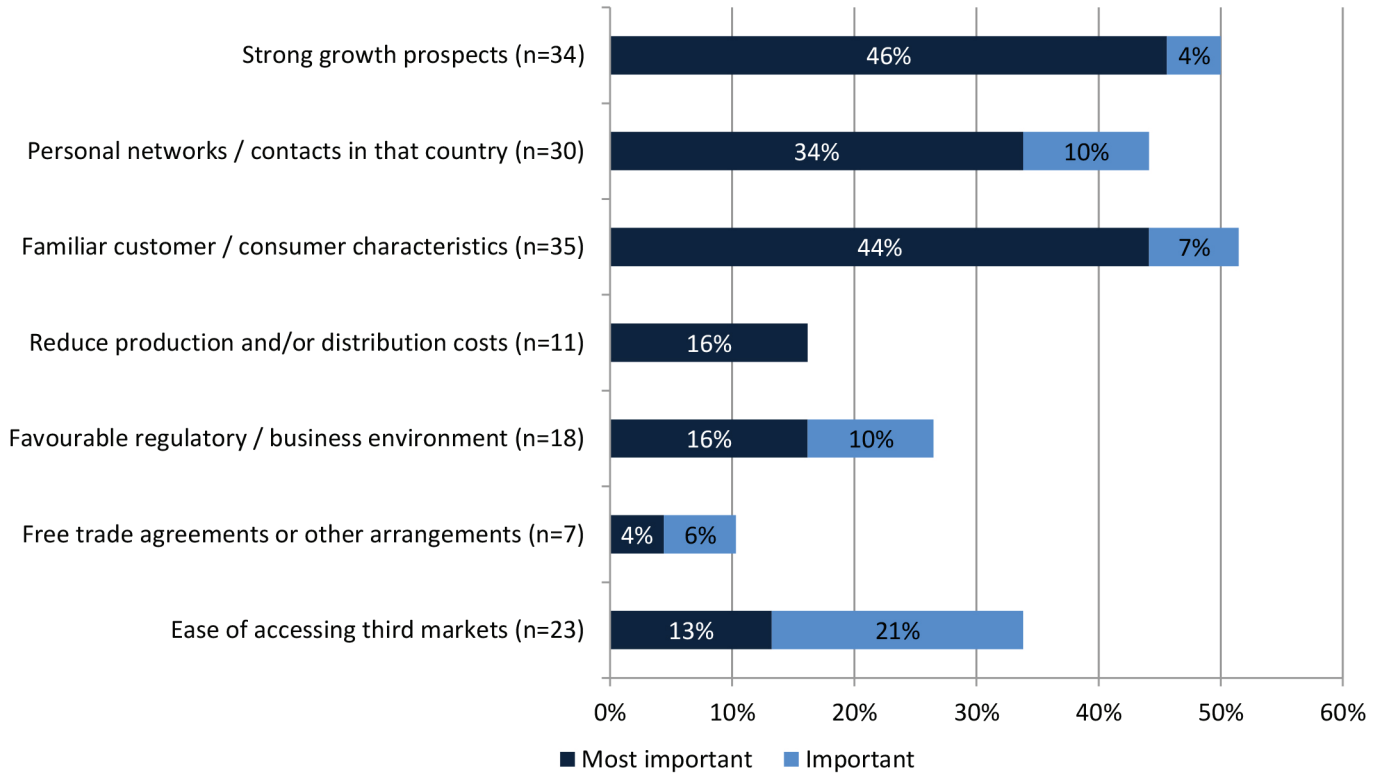


Sample size by number of respondents: n=192

As Figure 53 shows, about as many businesses reported that the United Kingdom is easier to do business in than Australia (23 per cent) than reported that it is more difficult (24 per cent). Of those, 11 per cent regard the United Kingdom as being much easier while only one per cent regard the United Kingdom as being much more difficult. A majority (53 per cent) regard business conditions in the two countries as being the same. Only 26 respondents nominated the United Kingdom as the most difficult country in which they do business. For this group, foreign exchange risks, tariffs and non-tariff barriers and lack of available market information are the most prominent factors mentioned. Eight businesses even nominated lack of information about culture and business practices as being among the barriers they face. This finding is a reminder that cultural differences should not be discounted even in countries with strong historical and linguistic ties to Australia.

Figure 54: Why was the United Kingdom selected for future business?

Survey question: *Why has your company chosen to target this country for future business? (select all that apply)*



Sample size by number of respondents: n=68

Sample size by number of responses: n=158; multiple responses were possible

Note: 'Other' category accounted for n=0 responses

Like New Zealand, the United Kingdom scores highly on factors related to the familiarity of the business environment. While growth prospects are the single most important motivation for businesses planning to expand to the United Kingdom, familiar consumer or customer characteristics and existing personal connections to the country are also strong 'pull' factors (Figure 54). The United Kingdom also scores the highest among the top destinations for Australian businesses with regard to access to third markets, reflecting its membership of the European Union.