Impact Assessment of the Trade Missions and Business Seminars to Central European Markets and Israel

for
Business Gateway International Lothian

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1 Executive Summary

This is a report of a study undertaken by Robb-Fordyce on behalf of Business Gateway Edinburgh and Lothian to assess the impact of the trade missions to Central European Markets and Israel during the financial years 2004/5 and 2005/6.

The study objective was to provide both a quantitative and qualitative evaluation of the outputs from the programme. This included establishing the value of the programme to the participants and their assessment of the impact of the activities at the business unit level.

The study obtained feedback from a population of 87 delegates to 16 missions. 18 of the companies involved had been on more than one mission during the period with some 97% indicating an intention to participate in future missions.

Most of the organisations indicated that without the assistance from BGI Lothian they would not have otherwise investigated the prospects of the targeted markets in the timeframe, nor done so with such effectiveness. It was also a feature of the feedback that the activities encouraged a strategic approach to the assessment of overseas markets and that, for example, the exclusion of certain markets was as positive a decision as pursuing others.

In terms of the net impact on the organisations the majority indicated that they had benefited from the programme with a significant majority of the respondents indicating that they have either achieved an increast in export sales or anticipate an increase in export sales as a direct consequence of taking part in the mission(s).

There is a high level of satisfaction regarding the organisational aspects of the BGI Lothian missions both prior to and during the mission(s).

The overall indication is that BGI Lothian is having a positive impact on the exporting activities of the companies that have taken part in the missions, and that the intervention is justified in terms of both additionality, and the short and long term impact on exporting activity for the organisations concerned.

2 Introduction

This is the report of an impact assessment undertaken by Robb-Fordyce Consulting Ltd on behalf of Business Gateway International Lothian. The objective of the study was to assess the impact of the Trade Missions and Business Seminars to Central European Markets and Israel.

The Study was carried out during December 2006 and January 2007.

The purpose of the study was to assess the overall impact of the Trade Missions and Business Seminars through a qualitative and quantitative evaluation of the outputs of the BGI Lothian programme. This included establishing the experiences of the BGI Lothian products and services to the businesses participating in the Missions and Seminars

From a population of 87 clients, the study obtained feedback from 38 businesses (43% of the population) through an e-survey. Feedback was also received through a number of one-to-one consultations with missioners and stakeholders. Additionally, a review of contextual documents was carried out both prior to and during the project.

Although organised by BGI Lothian the missioners were drawn from a wide area encompassing Edinburgh and Lothian, Clydebank, Dunfermline Fife, Glasgow, Inverness, Kelso, Paisley, and Ross-shire.

From this study, we draw the conclusions shown below. We are confident that the number and quality of responses is such to justify these conclusions for the BGI Lothian programme.

2.1 Purpose and Rationale for the Assessment

Business Gateway International (BGI) Lothian commissioned this study with a view to assessing the effectiveness of the Trade Missions detailed in section 4.2 of this report in order to advise with the development and delivery of future activity in this area.

A strong customer focus is regarded as essential to BGI Lothian maximising the overall impact of their activities in the local economy in pursuit of the Smart Successful Scotland objectives set by the Scottish Executive.

An essential component of the BGI Lothian strategy is a clear customer focused perspective, as having an understanding of the customer needs and wants helps to prioritise activities and target scarce resources towards the delivery of improved economic performance.

2.2 Methodology

2.2.1 Step 1 - Preparation and design of questionnaire

This stage commenced with a review of the reports made available by BGI Lothian.

Criteria used for the assessment came from BGI Lothian's stated operating plan objectives, specifically relating to views on what missions should achieve.

The questionnaire was designed with the project's objectives in mind, and reflected the following output requirements:

- ➔ Any sales already achieved as a result of the visit/s
- ➔ Details of any repeat visits to market
- ➔ Any other projected outcomes as a result of the visit(s)
- ➔ Any partnerships/joint ventures entered into
- ➔ Any market ruled out as a result of the trip(s)
- ➔ Were the networking opportunities found to be of value
- ➔ Comments on the value of these type of trips
- ➔ Would the respondents consider joining one of Business Gateway International trade missions in the future
- ➔ The extent to which grant assistance was provided by Business Gateway International and value of that support
- ➔ Any lessons that might be drawn from the evaluation that could be used to improve the quality of these in the future.

2.2.2 Step 2 – The Survey

The survey itself took the form of two distinct parts. The first part was to make contact with the companies that have taken part in the BGI programme with a request that they take part in the on-line element of the survey. The electronic survey form was sent to the nominated company representative.

The survey form addressed the following data requirements:

- ➔ The reason for taking part in the mission(s)
  - Strategic
  - Tactical
- ➔ Impact of taking part in the mission(s)
- ➔ Any other projected outcomes as a result of the mission(s).
- ➔ Details of any repeat visits to the appropriate market
- ➔ Was an overseas market ruled out as a result of the mission(s)
- ➔ Were the networking opportunities found to be of value
- ➔ Would the company consider joining one of Business Gateway International trade missions in the future
- ➔ Was grant assistance provided by your local Business Gateway International and, if so, did you find this of value
- ➔ Would the company have taken part in the mission had the grant assistance not been available?

Additionally, in order to contextualise the results, the following data would be requested for each of the respondent companies:

- Turnover of Business
- % of turnover from overseas trade
- Number of employees
- Number of export/ overseas related support staff employed

A copy of the questionnaire form is detailed in Appendix 'B' to this report.

The second stage was to follow up a selected number of the companies with telephone interviews in order to elaborate on their responses to the questions. This provided additional contextualised information. All of the companies had previously completed the electronic survey form.

Where individuals had left their previous employer or where a company had entered receivership we were unable to include the attendees in the sample. We were also unable to contact a number of the attendees as the relevant individuals were either too busy or did not respond to repeated telephone messages.

2.2.3 Step 3 - Analysis and Report

Following the survey the results were analysed and are presented in the remainder of this report.

3 Background

Within Scottish Enterprise Edinburgh and Lothian (SEEL), the Business Gateway International Lothian (BGI Lothian)team is committed to supporting SME's to develop their international trade. BGI Lothian is a partnership comprising:

- SE Edinburgh and Lothian
- Scottish Development International
- East Lothian Council
- Mid Lothian Council
- West Lothian Council
- Edinburgh City Council
- Edinburgh Chamber of Commerce

Whilst BGI Lothian manages a wide range of services to support their strategic objectives in support of Smart Successful Scotland, this report covers the missions to Central European Markets and Israel only.

4 Profile of BGI Lothian Clients

4.1 Form and Layout of report

The report takes the form of a sequential account of the feedback received from the respondents contacted during the project. In order to give a comprehensive cover of the findings we have consolidated some of the categories of the questionnaire (Appendix ‘B’) into logical groups. Each section offers a summary conclusion of the findings followed by some of the qualitative feedback in the form or relevant quotes by the missioners.

We have referred to the quantitative outcome briefly in each section of the main report with a ‘quick view’ composite of graphics in the Appendix ‘B’.

4.2 Profile of Study Respondents

The companies contacted as part of this study were nominated by BGI Lothian and represented the delegates from the following missions.

- Croatia – February 2003 (7 mission participants)
- Poland 2-6 November 2003 (4 mission participants)
- Poland 17-20 November 2003 (2 mission participants)
- Czech Republic December 2003 (7 mission participants)
- Bulgaria February 2004 (6 mission participants)
- The Baltic states June 2004 (5 mission participants)
- Czech Republic June 2004 (6 mission participants)
- Hungary October 2004 (6 mission participants)
- Czech Republic November 2004 (4 mission participants)
- Bulgaria November 2004 (5 mission participants)
- Croatia December 2004 (6 mission participants)
- Bulgaria October 2005 (15 mission participants)
- Croatia November 2005 (7 mission participants)
- Israel February 2006 (12 mission participants)
- Romania March 2006 (10 mission participants)
- Latvia and Lithuania June 2006 (8 mission participants)

The contact details of 87 companies were provided by BGI Lothian and of the total population 38 companies either completed the electronic survey or took part in a one-to-one telephone interview. There were a number of the companies (5) who declined to take part in the project, and the remainder of non-returns could not be contacted, did not return messages and/or voicemails, or simply did not return the survey form. Two companies submitted returns following closure of the survey, but were in line with overall feedback.

There were a number of the survey participants that had taken part in more than one trade mission.

The first part of the questionnaire addressed the size of the company's in that we asked them for details regarding their turnover, the percentage of turnover attributable to exports, the number of employees employed on export related activity, and the extent of participation on the Trade Mission(s) was an explicit part of the company's strategy.

The results showed that the companies from all size bands had taken part in the mission(s) but predominantly SME's. A total of 35 respondents gave the company turnover figure, distributed as follows:

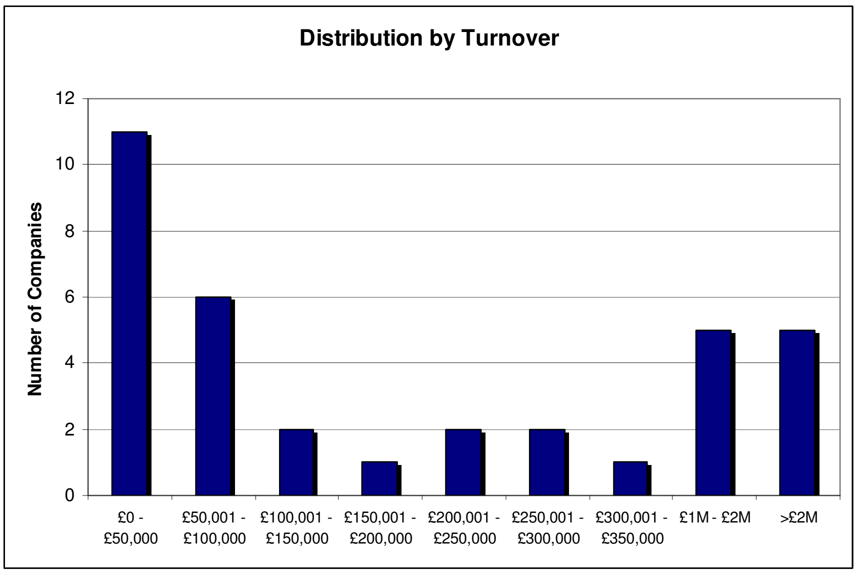


Figure 1

Likewise for number of employees, the numbers were heavily skewed to the smaller end of the spectrum. A total of 38 companies gave figures on employment resulting in the following curve:

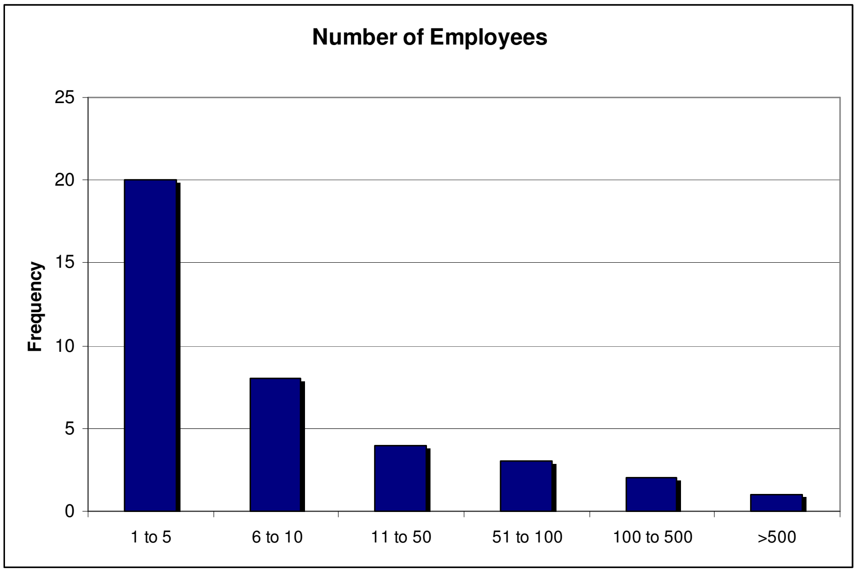


Figure 2

The company's represented on the missions were drawn from both public and private sectors and ranged from sole trader to a few international companies with turnovers in excess of £1Million. Based on turnover, 71% of the respondents represented companies with a turnover of less than £1M, and I terms of the number of employees, the majority of the companies (98%) fell in to the SME category.

Only one company had a turnover in excess of £50M, therefore 98% fell in to the SME category.

The profile of turnover attributable to overseas trade is as follows:

Banding	O%	>=10%	11-50%	51-100%
Companies	10	7	9	8

Note: One of the companies reported 100% of sales coming from exports.

26 of the companies had less than 10 staff and 34 companies of the total 38 employed fewer than 100 employees. There were 13 who had no identifiable export related jobs and only two had in excess of 4.

4.3 Business Impact

The purpose of this section is to determine the direct business benefits derived from participation in the Trade Mission(s) organised by BGI Lothian, including impact on business capability and on performance vis-à-vis sales and other parameters.

4.3.1 Sales attributable to the Mission(s)

In terms of short term outcomes accruing from the investment, 44% of the respondents attributed sales as a consequence of taking the opportunity to participate in the Trade Mission(s). Figure 3 below indicates the returns:

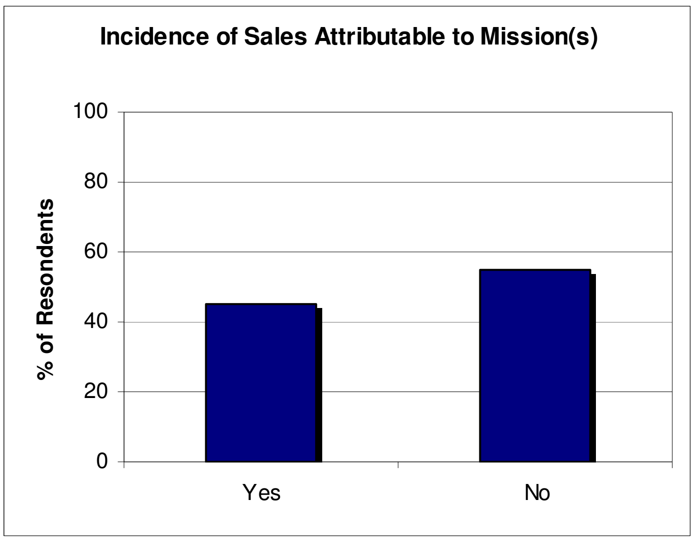


Figure 3

Of the companies that were willing to confirm that sales had been obtained, only 10 of the companies were willing to divulge the figures, these amounted to £4,130,500 in total.

Amongst the quantitative feedback we found that there was an overall appreciation that, whilst a relatively large number of the participants did attribute sales to the missions, there was a good understanding that much of the benefit would accrue over a period of time and sales in the immediate aftermath of the mission(s) was not an effective measure of success. For the purposes of establishing a comprehensive picture of the situation the one-to-one feedback results could be been split into three groups comprising those who did report attributable sales(the 44%) , those who cannot claim sales but did anticipate something in the future (28%), and those who did not realistically expect anything in the way of financial returns. Some of the comments made by the missioners:

- “Our objective was to establish distributors in region. The first order was a market tester whereby we assess the compatibility of or product and pricing policy for the region”.
- “We are at Heads of Terms on signing an agreement to establish a UK-Italian bioscience company.
- “Trade Missions are key to our success and growth in the international market”.
- “It's a long game!”
- “For us the trade mission was a reconnaissance exercises and we didn't expect immediate sales”.
- “We are an early stage company dealing in innovation and are keen to work in the EU and affiliated states. The purpose of our involvement was to investigate the innovation system in Israel as a potential key market and to understand how our offering fits/could fit in this environment”.
- “The visit was for fact finding only”
- “Our Mission was to try and establish a presence in the area visited which we seem to have done. Several individuals are now using our software in these areas and we fully expect this to start generating a small income in about a years time”.
- “We are still in contact with several companies 14 months on”.
- “There is a high probability we will see sales this year attributable to the mission”.
- “From the BGI Lothian trade mission to Romania but decided that it is not currently a potential market for our services”.
- “The Trade Missions and Business Seminars are used to provide a snapshot feel for an area and are used along with a combination of other factors to guide our progress / interest. Subsequently we will then continue trying to infiltrate the market from here and provide the information to our overseas divisions who may better service the needs and actively ensure a presence within that operational field”.
- “Whilst there were I think a number of opportunities arising both from the trade mission itself and the contacts with the other delegates, I lacked sufficient resources to make the most of them”.
- “We used the trip as a research exercise to see if this approach would work for us. We concluded that the market was not mature enough for our service and that we should select another market and another strategy. We targeted Portugal and worked to develop a partner in that country. This has worked and we have completed a number of projects in this country”.

4.3.2 Further increase in export related sales

Additionally, 68% of the respondents anticipate a further increase in export sales. 11 companies were willing and able to estimate the value of further increases in export sales and the quoted figure was £4.8M.

Comments included:

- “Once established route to market in place the business will naturally grow through promotional support to distributors”.
- “This is very difficult to quantify as until the new ventures become fully operational, full market potential cannot be realised”.
- “Small businesses like us need follow up help after visits. A lack of manpower and deciding on priorities is the problem”.

4.3.3 First time exporters

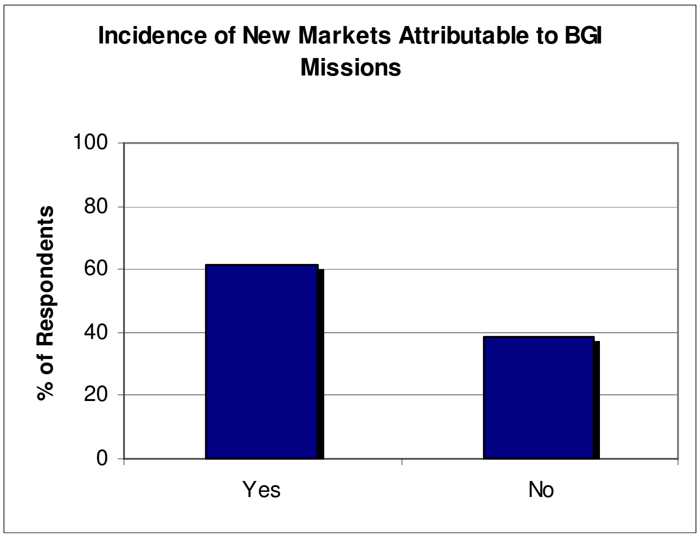
Only a small number of the companies (14%) are now exporting for the first time. Whilst the number appears to be low it should be acknowledged that most of the companies were existing exporters, or were already active in overseas markets. The results were similar to the above section vis-à-vis sales accruing from the mission(s) in that a number of the respondents qualified the fact that they were not new to exporting.

Comments included:

- “Made some useful contacts. Expect any work to arise in the longer term, so would not wish this to be seen as a negative response”.
- “We are searching for ‘new’ markets”.
- “We already have companies and individuals using our software in several other countries especially Scandinavia, France, Spain and many others. However we may export to a particular marketplace for the first time through BGI Lothian support”.
- “We were already active in other European countries”.

4.3.4 Incidence of new markets

Most of the companies surveyed (64%) have reported new markets as a result of support from the BGI Lothian support. Additionally there were a number of the companies that expressed an expectation that the potential would be realised in that future market penetration was a likely outcome.

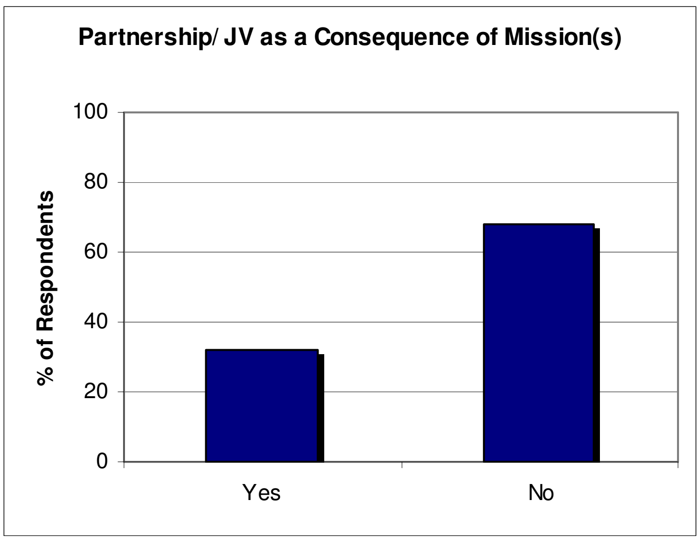


Comments included:

- “We opened up Romania in March 2006 and now Bulgaria 2006, expect to open markets in Estonia & Lithuania 2007 through the Lothian Mission”.
- “Contacts in Italy were made through previously supported missions”.
- “Yes, in the sense that we have a much greater and deeper understanding of this as a potential market”.
- “We are very hopeful that the region will begin to be more and more useful to us”.
- “Mostly light sales and enquiry volumes within Croatia. Establishment of a sales/warehouse operations in Far east and Middle east through BGI Lothian and Scottish Enterprise support”.
- “I joined the BGI Lothian Trade mission to Romania as a market exploration exercise. Several useful contacts and knowledge were obtained for future use”.
- “Possibly, especially with imminent EU entry for Bulgaria. However insufficient use of English is a major problem for our products”.
- “We are in continued discussions with partner in Lithuania”
- “Yes, from the BGI Lothian trade mission to Romania, but subsequently decided that it is not currently a potential market for our services”.
- “Yes, we have a working relationship now with an Israeli company in the defence modelling sector”.

4.3.5 Intermediaries - Partnerships and/or joint venture arrangements

A relatively large number of the companies have entered into some form of partnership or joint venture following the mission(s). We were keen to establish the extent of intermediary engagement as an approach to networking. There was little sign of companies passively exporting in terms of not engaging with any form of support or intermediary. Most of the companies that are at the stage of exporting, or planning to export, will use an existing distribution channel, set up their own operations or engage with an intermediary. 39%of the companies have entered into joint ventures or some form of intermediary arrangements.



Comments included:

- "These missions are always extremely useful for establishing new networks".
- "Yes, we have an agreement with one distributor and discussions ongoing with 2 others".
- "We are now working in 2007 as a partner with Lithuanian company".
- "I do still occasionally discuss possibilities with contacts that i made although nothing has come of them. However we do have expanded our network and built a better customer base".
- "No, we prefer to set up our own operations".

4.3.6 Less tangible outcomes from mission(s)

I addition to the immediate or potential revenue outcome, or intermediary agreements, we asked the respondents for an indication of other less tangible outcomes from the mission(s). The responses were quite wide ranging, and 64% of those surveyed identified anticipated additional outcomes as a consequence of the activities. The main areas that were considered to be important were meeting other exporters and opening up dialogue with overseas traders/ potential partners, and even investors.

Comments included:

- "Fresh ideas".
- "Most importantly support made it possible to 'get a personal feel' for new markets / cultures".
- "More work generated for my clients in Scotland by opening new markets for my business".
- "Partnerships with other 'Scottish' Companies looking at the same markets".
- "Wider contact base for potential future collaboration".
- "We are in a stronger position to react to any enquiries due to our better understanding of the area".
- "New contacts and larger network".
- "Trade Missions and/or Business Seminars bring together the main players, clients and providers/suppliers as well as authorities in the respective country providing the eventual investor with reliable information both in terms of the potential of the respective business and its viability. Eastern European countries have a vast business potential but due to various reasons, including cultural differences, reliability is still something to be achieved and, in my opinion, such trade missions can play a significant role in this respect. Also, such missions can contribute to broaden one's horizon, to help deciding weather to expand your business or to look into a new one, or how to improve the existing one or to rule out other business or country altogether. All of the above are components of a win-win situation".
- "We have made good links and I have been an invited lecturer and have now been asked to present a whole module for an MSc degree at the University of Zagreb in Croatia".

4.3.7 Networking

The study was keen to establish the experience of the missioners in terms of networking. The feedback was very positive in this respect with 81% finding the experience of networking opportunities to be strong.

Comments included:

- "Very good, both in country and amongst fellow missioners with complementary skills".
- "In general I'd say yes. I have several people that I'm keeping in touch with".
- Excellent contacts made, both within the group and externally.
- "Excellent"
- "Yes, very good value. The visit was very well organised allowing participants to meet people in key positions from main companies as well as governmental organisations thus saving a lot of time and money to the mission members. Last but not least, this trade mission was a very pleasant one as it has combined very well the practical issues with some cultural events giving the members a good flavour of local habits".
- "The networking was extremely difficult, (Slovakia, Czech Republic. Slovenia, Bulgaria) apart from the language barrier the attendees were very reticent to engage and in most cases made no attempt to converse with delegates. They appeared to use the seminar and particularly the lunch for their own networking purposes and to catch up with same sector friends".
- "Yes - the mission leader, Wavell, was extremely effective at organising contacts, meetings etc".
- "The embassy reception is useful and Wavell works well at finding companies for the missioners".
- "It was largely left to us to arrange our own meetings. If we didn't already have good networks in the region, the Trade Mission would have been of very little value".

4.3.8 Jobs safeguarded

Fourteen percent of the companies stated that jobs had been safeguarded as a consequence of the trade missions. There was little elaboration on this point as the issue appeared to be the potential of additional jobs rather than saving existing ones. One comment stated that "Any expansion of the production in our factory offers security, and also the opportunity to expand the workforce as that new business grows".

4.3.9 Markets ruled out as a consequence of the trade mission(s)

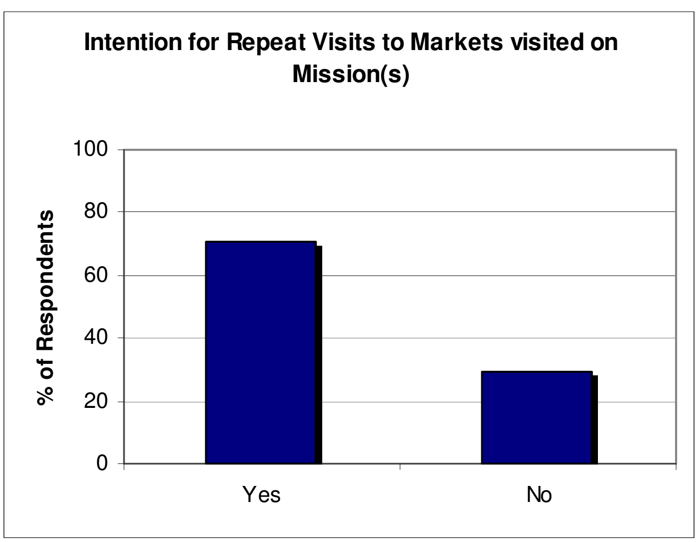
The missioners were asked whether participation on the mission(s) had actually helped them to rule the market out of their exporting plans. This resulted in a small return of 19% who ruled markets out as a consequence. The reasons were partly positive in nature such as a better understanding of the market and others who dismissed the respective country as being too difficult or incompatible with UK business ethics. The one-to-one interviews demonstrated a clear understanding of the concept of opportunity cost in terms of focusing scarce resource, both in terms of manpower and finances, to a few targeted markets and the importance of not investing in areas which would not offer an optimal return on that investment.

Comments included:

- “A warning from local commercial section re payment and corruption”.
- “At this stage we are still considering all markets. What might happen is that we will leave the marketing of the products to local partners or global partners with offices in smaller markets”.
- “The Czech Republic, but it was good to visit and learn more about the market”.
- “Lithuania was very restrictive for our market and we would think it unlikely that we would work with them”.

4.3.10 Repeat Visits to Market

In terms of repeat visits to the market a relatively large number of the respondents (77%) have plans to make repeat visits to the markets visited as part of the trade mission.



A relatively small number of the companies (25%) had actually made repeat visits to the markets visited during the trade missions. The only reason given was that communication with the appropriate people and/ or organisations was effective without visiting the market at this stage of the process.

4.3.11 Additional market research

We were also interested in establishing the extent to which the companies had undertaken market research following the country visits. The results showed that only 32% had done so. The qualitative responses were mixed and ranged from being "too early in the planning stage" to an indication that market research was carried out on an ongoing basis anyway and that the negative response was, to a limited degree, based on the more formal aspect of market research.

Other comments included:

- "Carried out mainly desk-based research to support info provided on the Trade Mission".
- "Made contact with people we met but had no luck in securing any business".
- "Constant ongoing part of this job!"
- "Not at this time, however the last two visits have prompted us to change our business model significantly for these regions".
- "The Middle East and Far East"
- "We examined the different countries closer and attended additional meetings when they returned with a Trade Mission to Scotland".

4.3.12 Business Impact section - Conclusions

The overall impact at the business unit level is positive with the majority of respondents stating that new markets were opened up as a consequence of the support from BGI Lothian, an expectation of additional outcomes and further increases in export sales, and, in terms of strategic planning, having undertaken additional market research following their participation. There was also a majority of companies reporting high levels of confidence in terms of intent to make repeat visits to the mission(s) target markets.

A significant number of companies reported sales following the mission(s), although we would point to the qualitative feedback that many of the respondents who stated that they did not see this as a reasonable measure of success given the long term nature of export development.

Only a small number of organisations reported that jobs had been safeguarded as an outcome. This should be seen in terms of the local economic profile of business growth and unemployment etc. However, such an analysis is outwith the scope of this report.

We also conclude that, in terms of the exclusion of certain markets it should be seen as a positive outcome from the mission(s). To invest scarce resource in markets that would not offer a satisfactory return would be wasteful and potentially high risk at both the economic development and the organisational development levels. As such this return is consistent with the Smart Successful Scotland objectives.

4.4 Overall Experience of Study Respondents

4.4.1 Sectoral V's General Missions

A slight majority of the respondents (58%) expressed a preference for Sectoral missions i.e. missions that focus on a particular industry rather than mission that are organised for companies regardless of the industry or sector. The benefits perceived by the majority included:

- "The Missioners complementing each other"
- "Sectoral missions are more focused"
- "A spin-off benefit of Missioner networking activity"
- "More likely to find focused business opportunities in this way".
- "Sectoral missions tend to be more focused and it also allows the participants to exchange their ideas and creates better business opportunities".
- "Although one of the interesting outcomes of the mission was to meet people in other sectors who have the same problems as ourselves!"

On the other hand many respondents expressed a preference for General non-sector specific missions. Those who preferred this type expressed comments such as:

- "I would join any mission because my research had shown that there is a potential market in that country/region, and hopefully receive a grant for support to gain access to that market".
- "More benefit in General Missions".
- "Interestingly, on both the missions I've been on we've managed to sell to our fellow missioners making the whole experience very worth while".
- "The networking possibilities are better in horizontal missions. There is also less likelihood of competition interfering with the social dynamic of the group"
- "It is a great networking opportunity to meet people from different industries where missioners can share problems/experiences in a non-competitive framework, and where cross selling opportunities can arise".

23% missioners had no preference for either vertical or horizontal missions and of those who expressed a preference, a small number saw the benefit of both types and stated that they would take part regardless of the type of mission. Interestingly one of the missioners proposed that first visits within a horizontal framework allow second visits to be more vertical. The only caveat would be re-visiting an existing developed market with a more vertical approach should exhibitions etc be the main reason for the visit.

4.4.2 Financial support for participation in the mission

Of those companies that received financial assistance towards the costs of the mission(s) 61% stated that the support was instrumental in taking part. It is difficult to draw a conclusion regarding the impact of not offering this type of support, but there were a number of companies that would certainly be unlikely to take part if that was the case. The following comments were typical of the feedback received.

- “Unsure - it made the decision easier, but was not the deciding factor”.
- “We are progressively looking at new markets and therefore would have made our own enquiries and followed the same enquiry procedure. However grant assistance always allows these decisions / actions to be made quicker”.
- “too expensive to risk a first visit without support”.
- “to be honest probably not, we have set markets that are already funded, this is a new venture and hence worth checking out, but the BGI funding was instrumental in my being allowed to attend”.
- “Grant assistance takes the edge off what is a highly speculative venture”

4.4.3 Intent to take part in future missions

97% of those respondents would consider taking part in future trade missions organised by BGI Lothian

Comments included:

- “Organisation superb by Lothian Mission staff and leadership by Mission Leader second to none. As we do not use OMIS services, we research directly and offers of help constantly come from Lothian”.
- “We are in the process of refining and expanding our offering, so would wait now until our strategy is fully in place”
- “Commercial success depends upon as getting as many people as possible using our software, therefore we are very interested in continuing to promote ourselves in these areas”.
- “The business would need to be better established so that more resources could be devoted to maximising the opportunity”.
- “Especially repeat visit to Bulgaria to strengthen current links”.
- “Definitely - The Romania trade mission was extremely well organised - lots of contacts and introductions”
- “Not this year. The company is more focussed on the UK market at the moment”.

4.4.4 Willingness to recommend BGI Lothian missions

Again, a very high level of the respondents (91%) would be prepared to recommend mission organised by BGI Lothian to other parties.

4.4.5 Overall rating

Consistent with the above, the overall rating was very high. In general there was a high opinion of the organisation of the mission(s) with 91% of the missioners rating the missions either Very Good or Good.

4.4.6 Overall Experience section - Conclusions

As stated above the overall rating was very high. Most of the quantitative feedback was consistent with the overall rating. The qualitative results were equally positive with many organisations taking time to make comment on the organisational aspects of the programmes. However, despite a large majority that considered the networking to be of value, a small number of respondents did offer negative comments (section 3.3.7) on the networking in terms of the organisation of the networking events and the selection of the overseas participants attending the events.

The overall experience was rated very high by the vast majority of respondents with returns in the upper decile for the intention to take part in future events organised by BGI Lothian, a willingness to recommend the missions to others, and the overall rating of the mission(s).

5 Conclusions

BGI International have organised trade missions for many years. Over the period studied, there has clearly been support from the companies who have participated in the programme. Most of the participating companies have benefited to some extent from qualitative effects: these benefits range from increased market awareness to networking. Crucially, missions have acted as a catalyst to encouraging companies to visit markets at a particular time. For a few companies, missions have also been directly responsible for increasing turnover and anticipation of job creation in the future.

Overall, the Trade Missions are considered to be an important and useful mechanism to enable companies to develop international business. They act as a catalyst in bringing forward market entry activity, produce qualitative benefits in the form of turnover and market entry, and quantitative returns in the form of market awareness, networking and the development of intermediary relationships.

In terms of customer satisfaction, BGI Lothian's high standard of organisation was particularly commended by participants. This would also seem to be borne out by the fact that the companies saw no barriers to participating in other missions or recommending the BGI Lothian missions to other parties.

A large majority of the respondents (85%) stated that the decision was strategic one and therefore part of an explicit intention to capitalise on the international trade opportunities, albeit some also stated that this may be a longer term plan.

There is a very high level of satisfaction amongst respondents on both management and operational matters concerning the level of service that they receive as participants on the missions. To a large extent this confirms the content of the post mission feedback reports, provided as part of the desk research of this study.

The overall indication is that a good level of additionality has been achieved through the programme and public sector intervention has helped to spur businesses onto investigate new markets and opportunities.

From the interviews and results of the survey it was clear that most companies had experienced some form of positive impact as a result of mission participation. This included: additional sales as a consequence of attending the mission(s), improved understanding of the market, additional overseas markets, a better understanding of market research, change in behaviour or attitude towards exporting (more positive), bringing forward of decision to approach market, improved networking, appointment or discussions vis-à-vis intermediaries. However there were companies who expressed lack of any impact in the short term and acknowledged that it would take time to realise any investments made in the form of market research and attending such trade missions. There were a small number of companies that did not wish to pursue their intention to trade with the target markets but acknowledged that participation in the mission had enabled them to make a firm decision based on a better understanding of the issues and saved wasting time in the long run.

6 Recommendations

In light of the above findings we would make the following recommendations.

- That BGI Lothian continue to develop the overseas mission programme based on the solid foundation established to date.
- Communicate the objectives of the networking activities and establish full expectations of the delegates prior to the missions.
- Undertake an annual assessment of the impact of the missions based on a benchmarking exercise, in order to establish and promote ‘best practise’ activities and address potential areas of weakness.