



SOUTH EAST

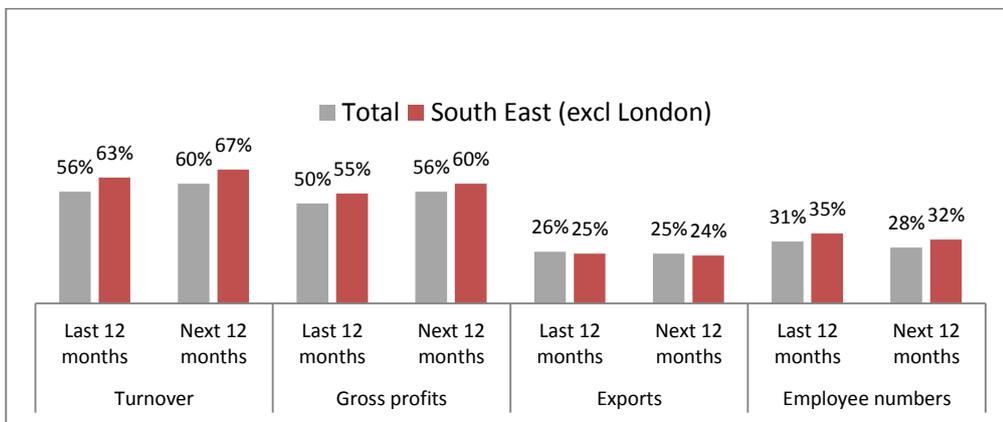
Background

1,010 members in UK businesses were interviewed by phone for the *ICAEW UK Enterprise Survey 2011* between June and Sept 2011 by Kudos Research; 135 of them in the South East region. The survey forms our 15th annual UK Enterprise Report which, along with our Global Enterprise report, can be seen at icaew.com/SMEResearch. The 2011 survey was sponsored by SAP.

Summary

The South East is generally in line with the UK average with regard to expectations and attitudes, but competition and customer demand are less prevalent challenges than in some other regions.

Growth – % reporting growth in last 12 months and expecting in next 12 months



About two thirds in the South East expect turnover growth in the next 12 months, and 32% plan for more employees.

Proportions reporting and expecting growth are close to the UK average in terms of turnover, profits, exports and staff

Challenges and opportunities

- The greatest anticipated business opportunity for SE businesses (as in other regions) lies in new customers and markets, in some cases internationally.
- And although competitive pressure and customer demand are expected by about one in three to become more of a challenge in the coming 12 months, these challenges are less pressing than in most other regions.
- Key objectives for businesses here and across the UK are to increase profitability – the single main objective for 37% and increase turnover (19%).
- 58% of South East businesses say that the UK tax and regulatory environment is not business-friendly, slightly above the UK average.

Globalisation

- Increasing globalisation is expected to have a positive impact for half of South East businesses, while 40% believe it does not affect them. This is in line with the UK average.
- Two thirds of the region's businesses have international activities, the same proportion as the UK average; 38% in the South East export (average 44%) and 40% import. South East businesses are more likely than average to have business functions overseas (36%)
- Those interested in exporting would benefit from country and sector intelligence, and information on commercial and product regulations.