



Study report

Internationalisation analysis of small and medium enterprises
from the Kuyavian-Pomeranian province

Regional characteristics and international activities of companies from the Kuyavian-Pomeranian province

The Kuyavian-Pomeranian province is a relatively small region of the European Union. It spreads over the area of:



18k km²

The Kuyavian-Pomeranian province is inhabited by:



2,1m people

Geographical breakdown of exports in 2015:

33,75%



GERMANY

5,72%



GREAT BRITAIN

4,92%



SWEDEN

4,90%



ITALY

4,81%



THE NETHERLANDS

The number of business entities registered in 2016 by the National Statistical Office (GUS) database in the Kuyavian-Pomeranian province amounted to:



197,1k

Companies employing no more than 9 people accounted for:



96%

Share of the most significant product groups in exports in 2015:

PRODUCT GROUP	SHARE IN EXPORTS
paper and cardboard	12,37%
plastics	11,88%
electrical machines and devices	7,81%
furniture	7,51%
mechanical machines and devices	5,97%
cast-iron or steel products	5,94%
cast-iron and steel	5,28%

Information about the study

Purpose of study

The main goal of the study is to describe current conditions and assess the internationalisation potential of small and medium enterprises in the Kuyavian-Pomeranian province.

Methodology of the study

The analysis included:

- primary data from a survey of the enterprises (CATI – Computer Assisted Telephone Interview),
- secondary data originating from the data of the National Statistical Office for the year 2015 and 2016 and from the database of the Customs Administration Analytic Center (CAAC),
- the study was completed in 2016 with the use of a standard tool – a survey questionnaire, containing 20 multiple choice questions.

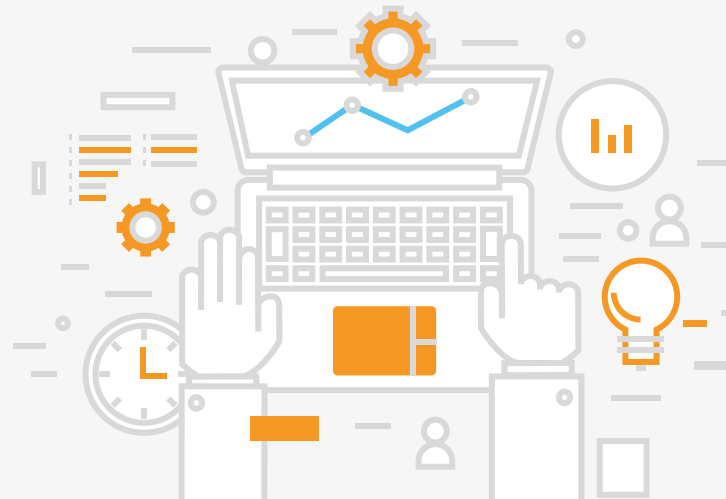
Sample

In total, the survey covered 363 enterprises, including 257 small and 106 medium companies.

The sample selection was based on the type of business structure.

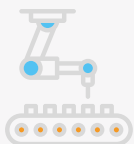
Internationalisation of the companies covered by the study is defined as:

- export of products,
- trade in services, including cross-border provision of services and consumption in Poland
i.e. provision of services for a foreign customer in Poland e.g. recreational and health tourism.



Examined sample

I Industry



101 companies
27,82%

INDUSTRIAL
PROCESSING



81 companies
22,31%

TRADE



60 companies
16,53%

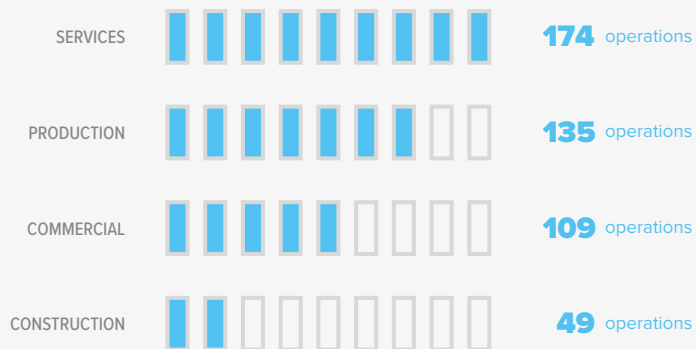
CONSTRUCTION



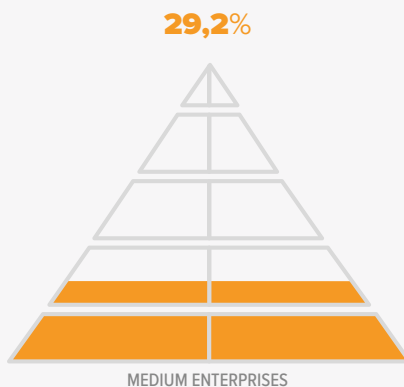
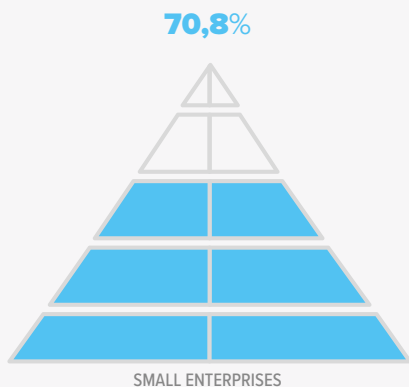
121 companies
33,34%

OTHER

I Type of conducted operations



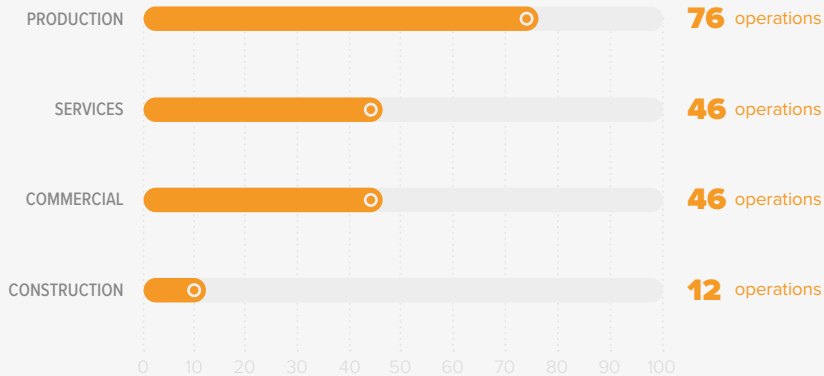
I Employment rate



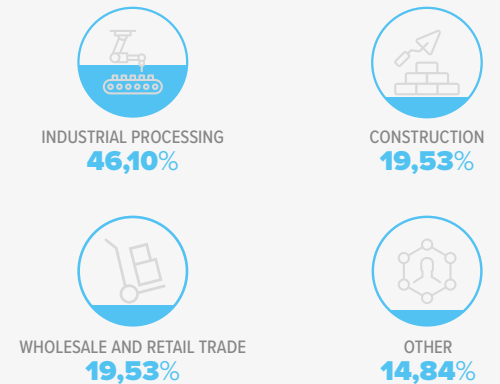
Characteristics of the internationalised enterprises examined



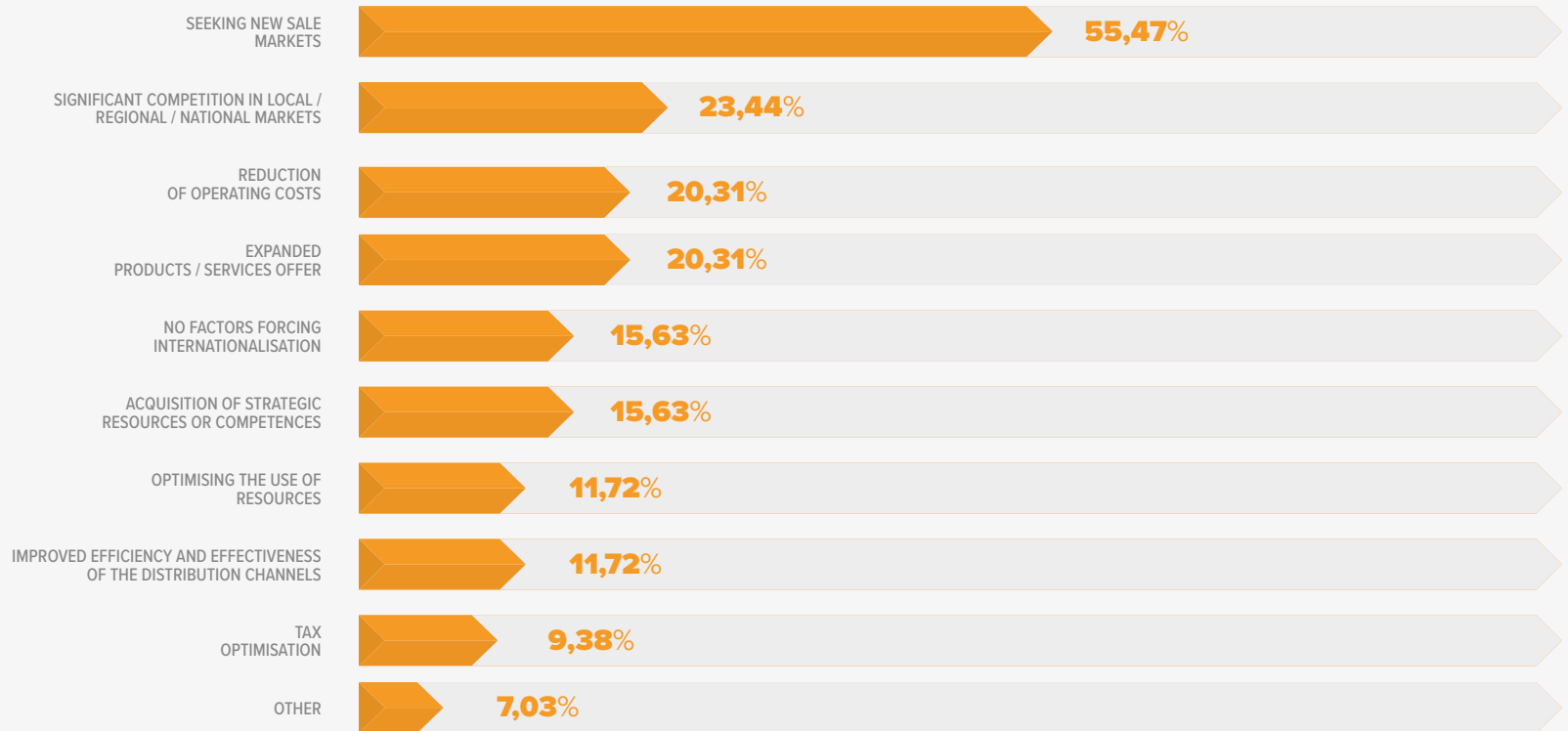
Type of business activity by internationalised companies



Division of the internationalised enterprises by industry



Reasons for internationalising according to internationalised companies surveyed



More than 72% of the non-internationalised entities do not see factors forcing them to undertake internationalisation activities.

The most significant barriers to conducting international operations for regional companies

External barriers

- 60,15%** foreign exchange rate fluctuations
- 47,65%** local conditions and uncertain political situations in foreign markets
- 47,65%** high saturation of products and competition in foreign markets
- 39,07%** bureaucracy and administrative barriers in Poland
- 36,72%** high costs of cross-border operations

Internal barriers

- 39,07%** no company/brand recognition in foreign markets
- 38,28%** difficulties in finding appropriate foreign partners
- 36,72%** no financial liquidity
- 35,94%** verification difficulties of business partners
- 35,16%** no competitive advantage



Success factors of Kuyavian-Pomeranian exporters

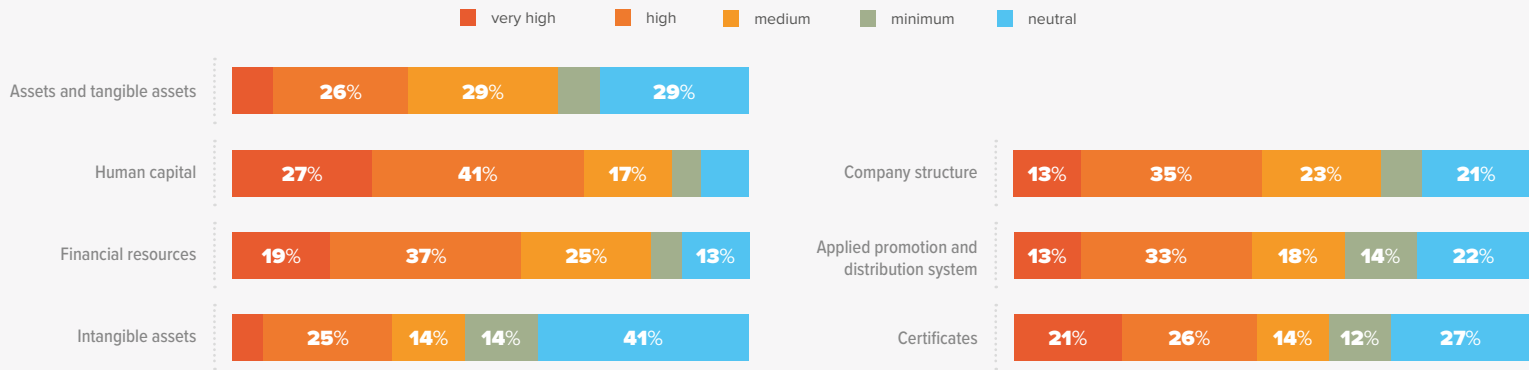
The most effective ways of reaching new foreign customers

25,45%	Recommendation by current customers / business partners
19,09%	Participation in foreign fairs
13,64%	Participation in domestic fairs of international nature
11,82%	Participation in tenders
9,09%	Dedicated shipments to customer
8,18%	Using an external trade intermediary
8,18%	Other
4,55%	Own online store
4,55%	Social media
3,64%	Participation in business and commercial missions
2,73%	Industry-specific press

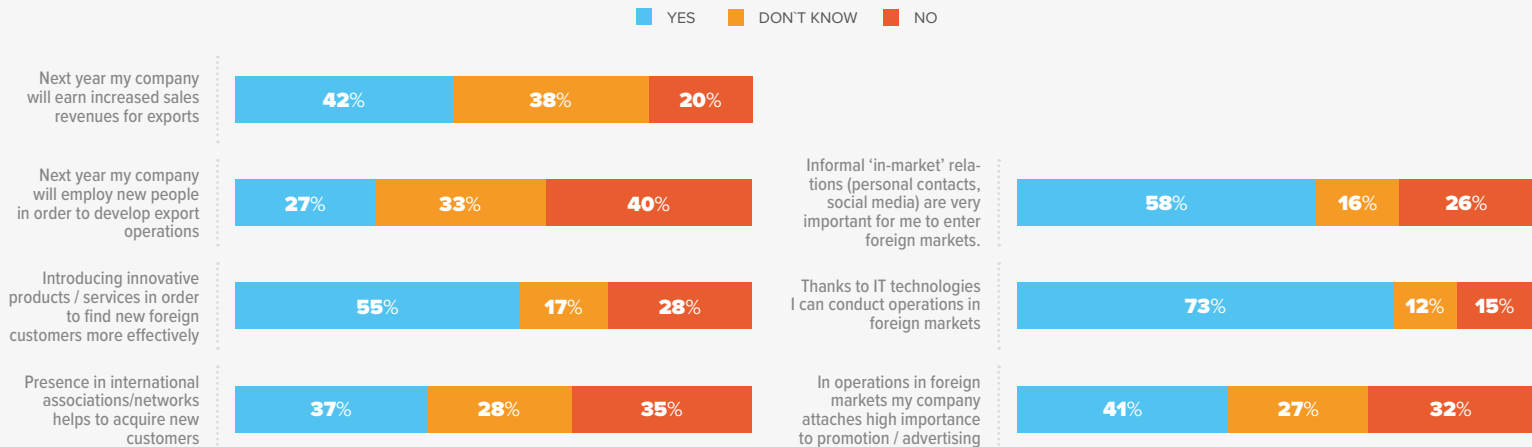
Sources of competitive advantages of internationally active enterprises

60,91%	Price of products / services
51,82%	Quality of products / services
19,09%	Adjustment of products / services to the customer needs
14,55%	Product / service uniqueness
12,73%	Product / service technology
7,27%	Better after-sales service
6,36%	Modern design
6,36%	Environmentally friendly products / services
4,55%	Protection of industrial property rights (patents, signs...)
3,64%	Verified distribution channels / sales network
2,73%	Effective marketing

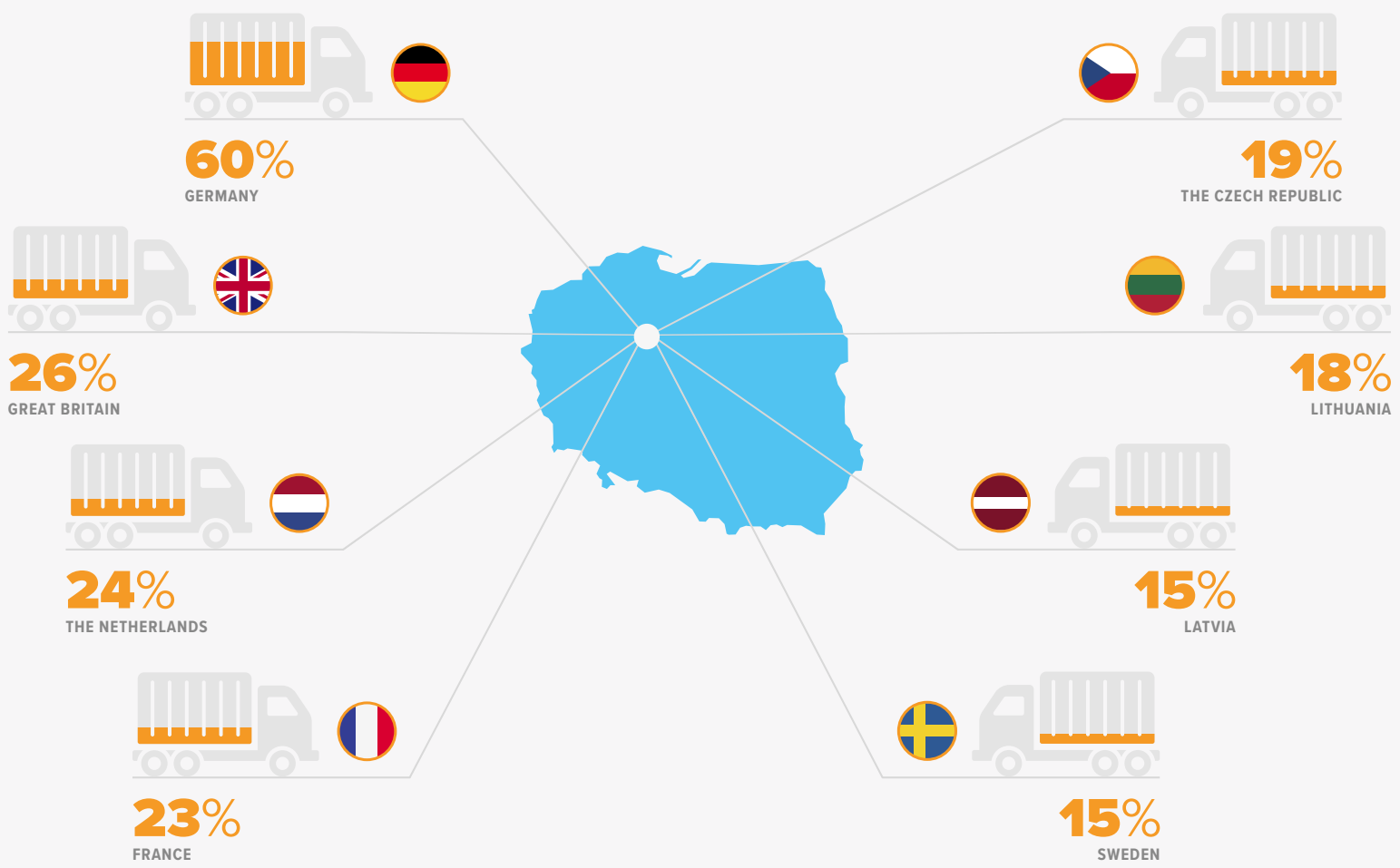
Significance of company resources for internationalising operations

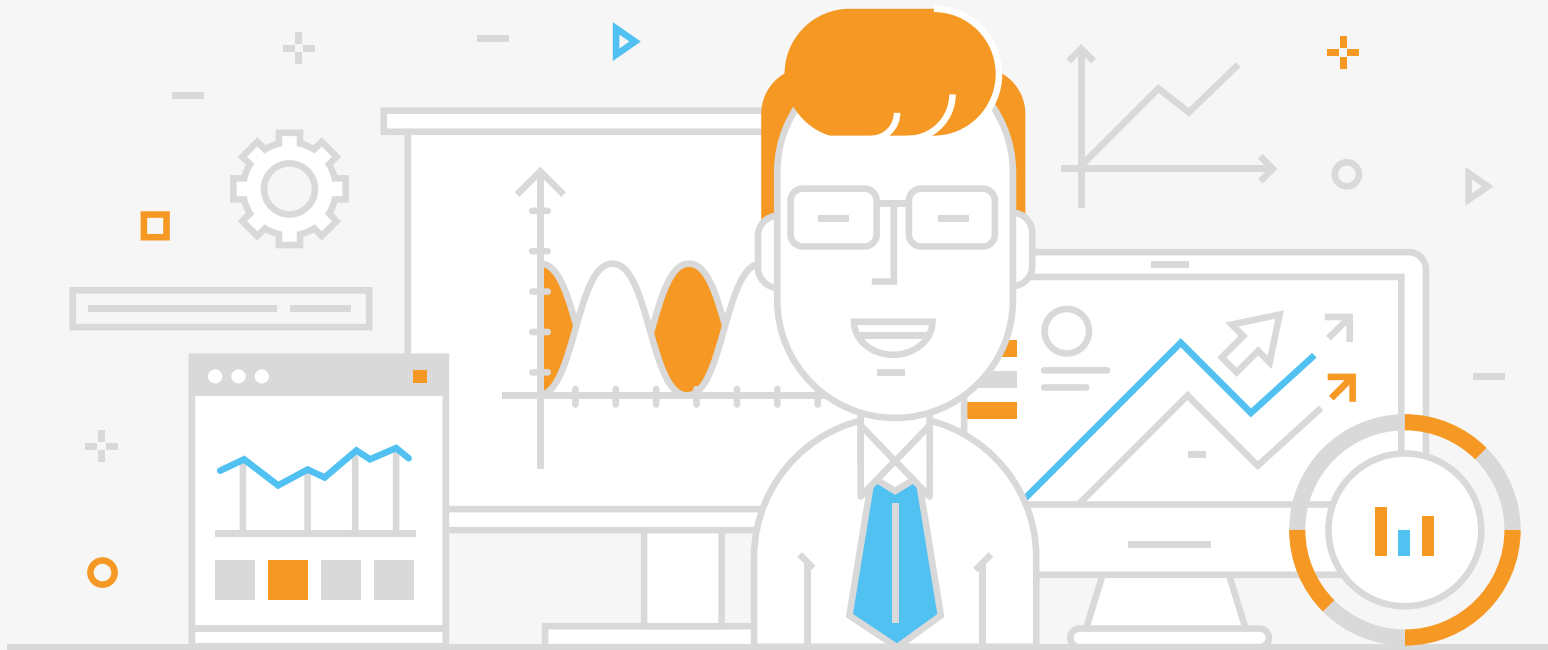


Factors shaping export actions



Destinations for the expansion of exporting companies from the Kuyavian-Pomeranian province





This study presents an analysis of the internationalisation of small and medium enterprises from the Kuyavian-Pomeranian province. The analysis has been prepared on the basis of results of a survey completed within the SME Internationalisation Exchange (SIE) project co-financed by the funds from the European Regional Development Fund under INTERREG Europe programme. The SIE project is a partnership initiative which involves organisations from the following countries: the UK, the Czech Republic, France, Spain, Germany, Poland and Italy. The aim of the project is to assess the effectiveness of and improve support for the internationalisation of small and medium-size enterprises in the Kuyavian-Pomeranian province.

In the Kuyavian-Pomeranian province the project is led by Toruńska Agencja Rozwoju Regionalnego S.A. (Torun Regional Development Agency)



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