

# enterprise europe network



## Enterprise Europe Network SME Growth Outlook 2019-20

# Foreword

The European Union is in its consecutive seventh year of economic growth. That is good news for our businesses and good news for our citizens employed in them and using their services.

But the EU must do even more. We need to sustain growth and prepare for the future. That means above all an economy that taps the potential of digitalisation and makes the transition to sustainability.

SMEs must be at the heart of our economy. They represent 99% of the EU companies in the non-financial business sector and employ two thirds of our workers.

Strengthening SMEs is one of the priorities of the new Commission. As the new Commission President Ursula Von der Leyen said in her political guidelines,<sup>1</sup> “They represent everything that is good in our economy”.

This is why the new Commission will be adopting a dedicated SME strategy to ensure they can thrive by reducing red tape and improving their access to the market. This will mean using all the tools available to support them in facing these new challenges.

Doing that successfully means knowing exactly where we are starting from. Every year, within the SME Performance Review exercise<sup>2</sup>, the Commission performs a thorough assessment of the performance of EU-28 SMEs, which brings evidence to our policy-making.

This Enterprise Europe Network report also adds a valuable contribution: it provides a snapshot of the current situation for SMEs in Europe, based on survey data from businesses using the Network’s services. It contains many useful insights because it captures the views of a number of small businesses on how they expect growth in terms of turnover, workforce, market share, prospects for international expansion, and innovation.

The survey’s results show this year that SMEs remain cautiously optimistic about their near-term growth. This fits the picture that we are seeing in our economic forecasts.

We in the Commission consider the Enterprise Europe Network as a core part of our future strategy. Supported by the EU under the COSME programme, it is already doing an impressive job. It provides tailored advice, helps European SMEs to innovate, and help connect them up with potential partners so that they can expand in the EU and beyond. More than 220 000 SMEs per year receive help from the Enterprise Europe Network advisers present on the ground in over 60 countries.

I am convinced that the Enterprise Europe Network is well placed to continue to improve the quality, efficiency and relevance of its services, and make an impactful contribution to SMEs’ growth in Europe.



Timo Pesonen

Director-General for Internal Market,  
Industry, Entrepreneurship and SMEs

<sup>1</sup> [A Union that strives for more: My agenda for Europe, Political Guidelines for the Next European Commission 2019–2024](#)

<sup>2</sup> [European Commission SME Performance Review 2018](#)

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# SME growth outlook 2019-20 – TOP 5 insights

The Enterprise Europe Network's 2019 survey data shows that small and medium-sized enterprises (SMEs) with international ambitions remain cautiously optimistic about their near-term growth. While optimism levels for turnover, market share and job creation over the coming year slightly fell compared to 2018, they remained broadly consistent with figures for the past two years. This year's star performer was Estonia where SMEs were the most optimistic for the coming 12 months across all three categories of growth. Greece, Sweden and Romania also scored well above average.



## 1. Turnover prospects remain positive

**59% of SMEs who internationalise expect to increase their turnover in the next 12 months.**

While Estonian SMEs (87%) were most confident about increasing their turnover, small businesses in Croatia and Luxembourg (41%) had the lowest expectations.



## 2. Job creation stays stable

**30% of SMEs seeking to develop their business beyond their national borders expect to create jobs in the next year.**

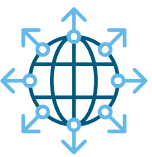
Estonian SMEs (57%) had the highest expectations for job creation while SMEs in Slovakia (6%) were the least optimistic.



## 3. Cautious optimism for market share

**49% of SMEs looking to expand abroad expect to increase their market share in the next 12 months.**

We found the most optimistic SMEs in Estonia (74%). SMEs in Belgium and France (35%) were the most cautious about their near-term growth prospects.



## 4. Cutting the cost of international expansion

**81% of small businesses found that the Network helped them to make cost savings when entering new markets.**

This illustrates the value that of the Network's services to SMEs who often perceive international expansion as a costly due to *lack of specialised staff to deal with exports, specificity of products to the domestic market and not knowing the rules that have to be followed*<sup>1</sup>.



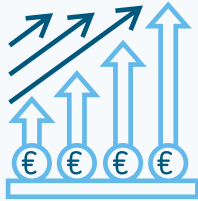
## 5. Satisfied clients

**88% of clients expressed satisfaction with the Network's services, demonstrating a high level of quality advice and support across the board.** 92% of clients also confirmed they would recommend the Network's services to other businesses.

# EU overview and country by country breakdown

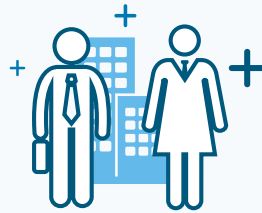
# SME growth outlook 2019-20 – EU overview

## Jobs and growth projections 2019-20



**59 %**

of SMEs who internationalise expect to increase their turnover in the next 12 months (2018 = 63 %)



**30 %**

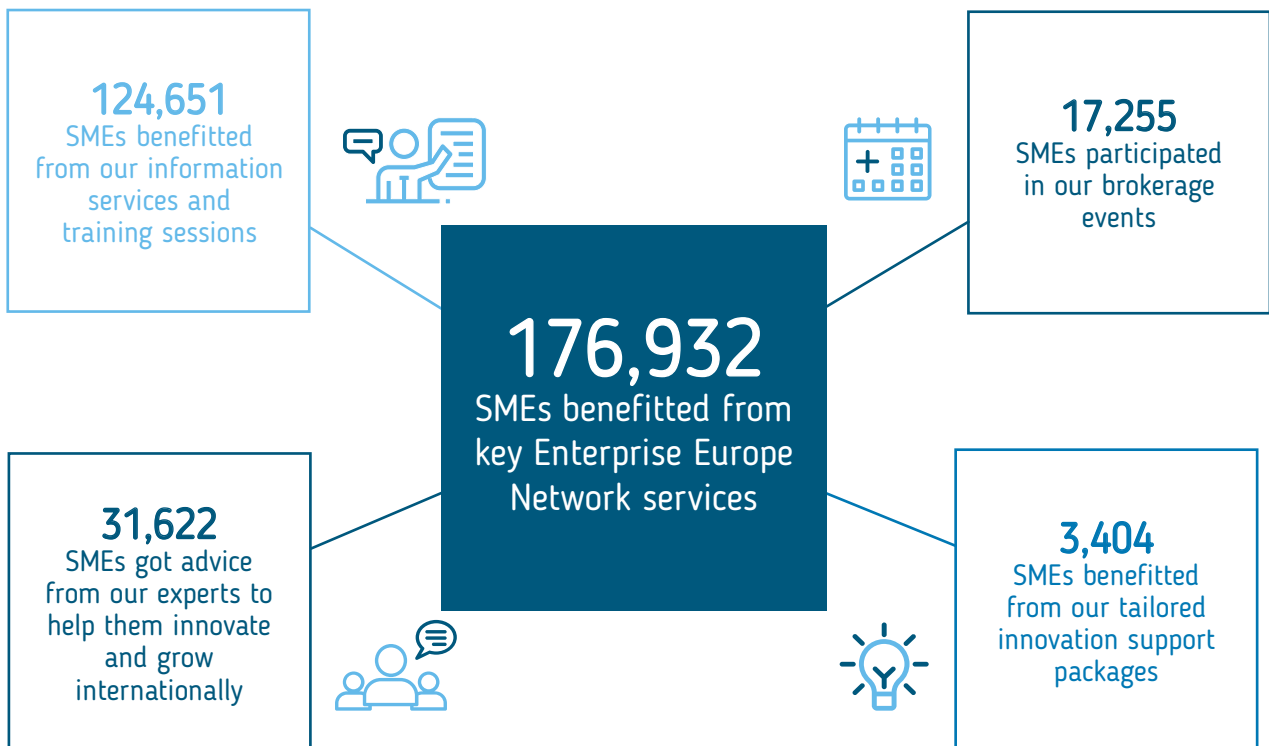
of SMEs expect to create jobs in the next year (2018 = 33 %)



**49 %**

of SMEs expect to increase their market share in the next year (2018 = 54 %)

## SME support in 2018





# Austria

1.6% Projected GDP growth% for 2020\*

## JOBS AND GROWTH PROJECTIONS



66%

Expect to increase turnover



30%

Expect to create jobs



52%

Expect to increase market share

## SME SUPPORT IN AUSTRIA 2018



905

SMEs receiving advice from the Network



523

SMEs participating in brokerage events and company missions



2,803

SMEs benefitting from information and training sessions



63

SMEs benefitting from innovation support packages



# Belgium

1.2% Projected GDP growth% for 2020\*

## JOBS AND GROWTH PROJECTIONS



56%

Expect to increase turnover



15%

Expect to create jobs



35%

Expect to increase market share

## SME SUPPORT IN BELGIUM 2018



496

SMEs receiving advice from the Network



624

SMEs participating in brokerage events and company missions



2,391

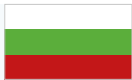
SMEs benefitting from information and training sessions



98

SMEs benefitting from innovation support packages

\* According to the European Commission's Spring 2019 Economic Forecast.



## Bulgaria

3.4% Projected GDP growth% for 2020\*

### JOBS AND GROWTH PROJECTIONS



73%

Expect to increase turnover



23%

Expect to create jobs



52%

Expect to increase market share

### SME SUPPORT IN BULGARIA 2018



612

SMEs receiving advice from the Network



414

SMEs participating in brokerage events and company missions



3,718

SMEs benefitting from information and training sessions



39

SMEs benefitting from innovation support packages



## Croatia

2.5% Projected GDP growth% for 2020\*

### JOBS AND GROWTH PROJECTIONS



41%

Expect to increase turnover



34%

Expect to create jobs



41%

Expect to increase market share

### SME SUPPORT IN CROATIA 2018



285

SMEs receiving advice from the Network



121

SMEs participating in brokerage events and company missions



2,201

SMEs benefitting from information and training sessions



13

SMEs benefitting from innovation support packages

\* According to the [European Commission's Spring 2019 Economic Forecast](#).





## Cyprus

2.7% Projected GDP growth% for 2020\*

### JOBS AND GROWTH PROJECTIONS



46%

Expect to increase turnover



23%

Expect to create jobs



38%

Expect to increase market share

### SME SUPPORT IN CYPRUS 2018



151

SMEs receiving advice from the Network



76

SMEs participating in brokerage events and company missions



1,196

SMEs benefitting from information and training sessions



11

SMEs benefitting from innovation support packages



## Czechia

2.4% Projected GDP growth% for 2020\*

### JOBS AND GROWTH PROJECTIONS



49%

Expect to increase turnover



14%

Expect to create jobs



44%

Expect to increase market share

### SME SUPPORT IN CZECHIA 2018



698

SMEs receiving advice from the Network



417

SMEs participating in brokerage events and company missions



2,522

SMEs benefitting from information and training sessions



74

SMEs benefitting from innovation support packages

\* According to the European Commission's Spring 2019 Economic Forecast.



# Denmark

1.6% Projected GDP growth% for 2020\*

## JOBS AND GROWTH PROJECTIONS



84%

Expect to increase turnover



24%

Expect to create jobs



71%

Expect to increase market share

## SME SUPPORT IN DENMARK 2018



288

SMEs receiving advice from the Network



209

SMEs participating in brokerage events and company missions



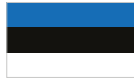
636

SMEs benefitting from information and training sessions



76

SMEs benefitting from innovation support packages



# Estonia

2.4% Projected GDP growth% for 2020\*

## JOBS AND GROWTH PROJECTIONS



87%

Expect to increase turnover



57%

Expect to create jobs



74%

Expect to increase market share

## SME SUPPORT IN ESTONIA 2018



274

SMEs receiving advice from the Network



117

SMEs participating in brokerage events and company missions



990

SMEs benefitting from information and training sessions



21

SMEs benefitting from innovation support packages

\* According to the European Commission's Spring 2019 Economic Forecast.



## Finland

1.2% Projected GDP growth% for 2020\*

### JOBS AND GROWTH PROJECTIONS



55%

Expect to increase turnover



29%

Expect to create jobs



42%

Expect to increase market share

### SME SUPPORT IN FINLAND 2018



455

SMEs receiving advice from the Network



275

SMEs participating in brokerage events and company missions



1,187

SMEs benefitting from information and training sessions



58

SMEs benefitting from innovation support packages



## France

1.5% Projected GDP growth% for 2020\*

### JOBS AND GROWTH PROJECTIONS



45%

Expect to increase turnover



30%

Expect to create jobs



35%

Expect to increase market share

### SME SUPPORT IN FRANCE 2018



3,618

SMEs receiving advice from the Network



2,051

SMEs participating in brokerage events and company missions



11,551

SMEs benefitting from information and training sessions



311

SMEs benefitting from innovation support packages

\* According to the [European Commission's Spring 2019 Economic Forecast](#).



## Germany

1.5% Projected GDP growth% for 2020\*

### JOBS AND GROWTH PROJECTIONS



50%

Expect to increase turnover



31%

Expect to create jobs



43%

Expect to increase market share

### SME SUPPORT IN GERMANY 2018



4,604

SMEs receiving advice from the Network



2,564

SMEs participating in brokerage events and company missions



13,734

SMEs benefitting from information and training sessions



334

SMEs benefitting from innovation support packages



## Greece

2.2% Projected GDP growth% for 2020\*

### JOBS AND GROWTH PROJECTIONS



77%

Expect to increase turnover



42%

Expect to create jobs



63%

Expect to increase market share

### SME SUPPORT IN GREECE 2018



3,501

SMEs receiving advice from the Network



436

SMEs participating in brokerage events and company missions



3,656

SMEs benefitting from information and training sessions



50

SMEs benefitting from innovation support packages

\* According to the [European Commission's Spring 2019 Economic Forecast](#).

# Hungary

2.8% Projected GDP growth% for 2020\*

## JOBS AND GROWTH PROJECTIONS



56%

Expect to increase turnover



25%

Expect to create jobs



45%

Expect to increase market share

## SME SUPPORT IN HUNGARY 2018



814

SMEs receiving advice from the Network



425

SMEs participating in brokerage events and company missions



3,400

SMEs benefitting from information and training sessions



73

SMEs benefitting from innovation support packages

# Ireland

3.4% Projected GDP growth% for 2020\*

## JOBS AND GROWTH PROJECTIONS



100%

Expect to increase turnover



25%

Expect to create jobs



75%

Expect to increase market share

## SME SUPPORT IN IRELAND 2018



415

SMEs receiving advice from the Network



57

SMEs participating in brokerage events and company missions



1,825

SMEs benefitting from information and training sessions



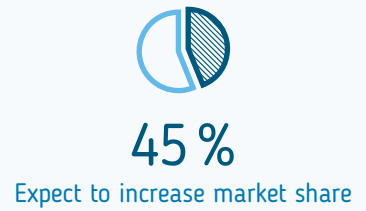
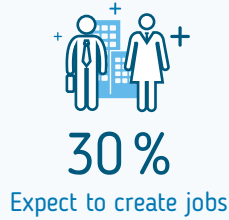
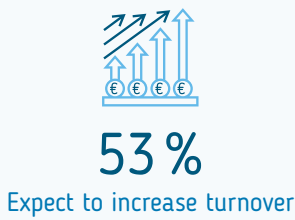
25

SMEs benefitting from innovation support packages

\* According to the European Commission's Spring 2019 Economic Forecast.

**Italy** 0.7% Projected GDP growth% for 2020\*

**JOBS AND GROWTH PROJECTIONS**

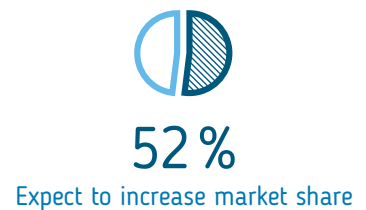
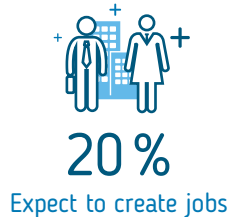
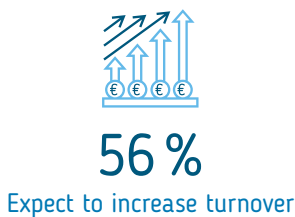


**SME SUPPORT IN ITALY 2018**



**Latvia** 2.8% Projected GDP growth% for 2020\*

**JOBS AND GROWTH PROJECTIONS**



**SME SUPPORT IN LATVIA 2018**



\* According to the European Commission's Spring 2019 Economic Forecast.



# Lithuania

2.4% Projected GDP growth% for 2020\*

## JOBS AND GROWTH PROJECTIONS



82%

Expect to increase turnover



19%

Expect to create jobs



45%

Expect to increase market share

## SME SUPPORT IN LITHUANIA 2018



552

SMEs receiving advice from the Network



268

SMEs participating in brokerage events and company missions



1,310

SMEs benefitting from information and training sessions



25

SMEs benefitting from innovation support packages



# Luxembourg

2.6% Projected GDP growth% for 2020\*

## JOBS AND GROWTH PROJECTIONS



41%

Expect to increase turnover



7%

Expect to create jobs



48%

Expect to increase market share

## SME SUPPORT IN LUXEMBOURG 2018



426

SMEs receiving advice from the Network



231

SMEs participating in brokerage events and company missions



2,636

SMEs benefitting from information and training sessions



8

SMEs benefitting from innovation support packages

\* According to the [European Commission's Spring 2019 Economic Forecast](#).



## Malta

4.8% Projected GDP growth% for 2020\*

### JOBS AND GROWTH PROJECTIONS



71%

Expect to increase turnover



14%

Expect to create jobs



71%

Expect to increase market share

### SME SUPPORT IN MALTA 2018



43

SMEs receiving advice from the Network



133

SMEs participating in brokerage events and company missions



0

SMEs benefitting from information and training sessions



1

SMEs benefitting from innovation support packages



## The Netherlands

1.6% Projected GDP growth% for 2020\*

### JOBS AND GROWTH PROJECTIONS



60%

Expect to increase turnover



25%

Expect to create jobs



52%

Expect to increase market share

### SME SUPPORT IN THE NETHERLANDS 2018



994

SMEs receiving advice from the Network



1,173

SMEs participating in brokerage events and company missions



6,108

SMEs benefitting from information and training sessions



140

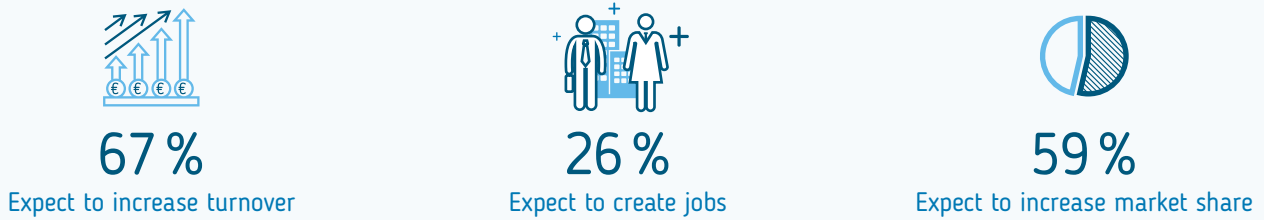
SMEs benefitting from innovation support packages

\* According to the [European Commission's Spring 2019 Economic Forecast](#).



 **Poland** 3.6% Projected GDP growth% for 2020\*

**JOBS AND GROWTH PROJECTIONS**

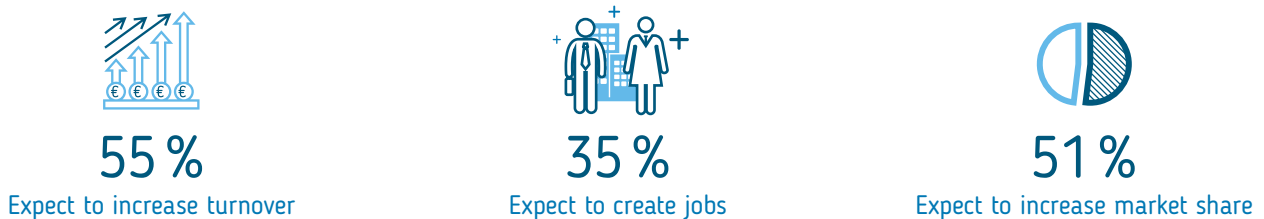


**SME SUPPORT IN POLAND 2018**



 **Portugal** 1.7% Projected GDP growth% for 2020\*

**JOBS AND GROWTH PROJECTIONS**



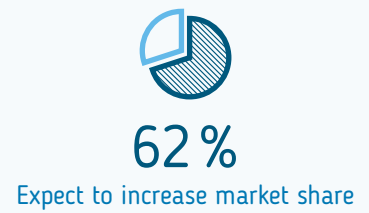
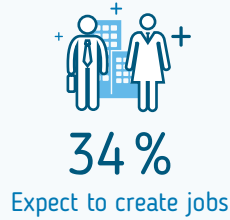
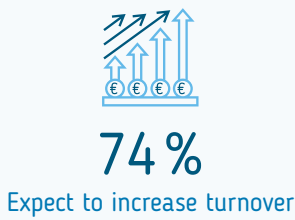
**SME SUPPORT IN PORTUGAL 2018**



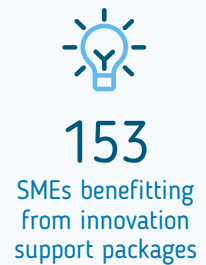
\* According to the [European Commission's Spring 2019 Economic Forecast](#).

**Romania** 3.1% Projected GDP growth% for 2020\*

**JOBS AND GROWTH PROJECTIONS**

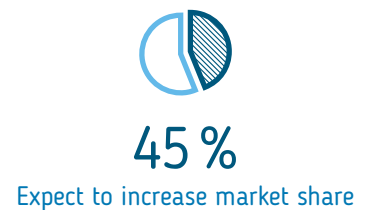
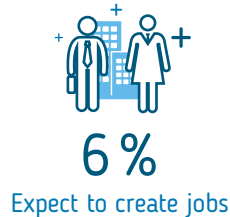
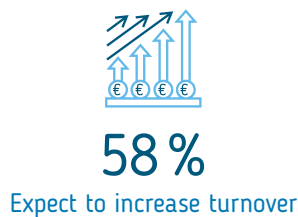


**SME SUPPORT IN ROMANIA 2018**

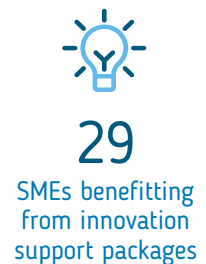


**Slovakia** 3.4% Projected GDP growth% for 2020\*

**JOBS AND GROWTH PROJECTIONS**



**SME SUPPORT IN SLOVAKIA 2018**



\* According to the [European Commission's Spring 2019 Economic Forecast](#).



# Slovenia

2.8% Projected GDP growth% for 2020\*

## JOBS AND GROWTH PROJECTIONS



64%

Expect to increase turnover



14%

Expect to create jobs



40%

Expect to increase market share

## SME SUPPORT IN SLOVENIA 2018



460

SMEs receiving advice from the Network



209

SMEs participating in brokerage events and company missions



1,185

SMEs benefitting from information and training sessions



35

SMEs benefitting from innovation support packages



# Spain

1.9% Projected GDP growth% for 2020\*

## JOBS AND GROWTH PROJECTIONS



60%

Expect to increase turnover



34%

Expect to create jobs



50%

Expect to increase market share

## SME SUPPORT IN SPAIN 2018



3,598

SMEs receiving advice from the Network



1,696

SMEs participating in brokerage events and company missions



12,322

SMEs benefitting from information and training sessions



420

SMEs benefitting from innovation support packages

\* According to the [European Commission's Spring 2019 Economic Forecast](#).



## Sweden

1.6% Projected GDP growth% for 2020\*

### JOBS AND GROWTH PROJECTIONS



63%

Expect to increase turnover



36%

Expect to create jobs



58%

Expect to increase market share

### SME SUPPORT IN SWEDEN 2018



539

SMEs receiving advice from the Network



378

SMEs participating in brokerage events and company missions



4,984

SMEs benefitting from information and training sessions



184

SMEs benefitting from innovation support packages



## United Kingdom

1.3% Projected GDP growth% for 2020\*

### JOBS AND GROWTH PROJECTIONS



60%

Expect to increase turnover



38%

Expect to create jobs



52%

Expect to increase market share

### SME SUPPORT IN UNITED KINGDOM 2018



2,639

SMEs receiving advice from the Network



1,063

SMEs participating in brokerage events and company missions



14,031

SMEs benefitting from information and training sessions



473

SMEs benefitting from innovation support packages

\* According to the [European Commission's Spring 2019 Economic Forecast](#).

# Methodology

## General

Survey data was collected between April 2018 and April 2019. Projections relate to the coming 12 months.

Data was submitted electronically to the Executive Agency for Small and Medium-sized Enterprises (EASME) which is responsible for coordinating the EU programme for the Competitiveness of Small and Medium-Sized Enterprises (COSME), that co-funds the Enterprise Europe Network.

## Data on SMEs' projections for turnover, job creation and market share

Survey data for EU 28 countries is based on 3639 responses from SMEs who had received advisory, innovation or partnership services from the Enterprise Europe Network.

Country data which represents less than 1% of the client base and fewer than 15 responses per country (Malta, Ireland) appear to be outliers. The data for these countries is not sufficiently representative to provide specific country insights. Where fewer than 15 responses were received for a given question, the data was also considered insufficient to provide an accurate estimate. For the purpose of the report, client base is defined as the number of clients participating in information and training events.

## Volume of SMEs benefitting from Network services

Data covers the EU 28 countries. Data was submitted by Enterprise Europe Network partners and covers a one-year period (2018).

## Client satisfaction with Network services

Data covers all the COSME countries<sup>2</sup>. Data was submitted electronically between April and June 2019 to the Executive Agency for Small and Medium-sized Enterprises (EASME). A total of 2675 clients answered the satisfaction survey.

<sup>2</sup> EU 28, Montenegro, Turkey, Republic of North Macedonia, Albania, Serbia, Bosnia & Herzegovina, Moldova, Armenia, Ukraine and Iceland.

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