

International businesses most optimistic about growth in 2021

More than three fifths of UK based international businesses are optimistic about finding growth this year, according to new research from HSBC UK.

A survey of HSBC UK customers found that more than half (53%) of businesses were optimistic about growing their business this year with international firms (61%) more optimistic than their domestic counterparts (46%).

Of those firms who were optimistic about a sales recovery, 41% have intentions to expand into new markets.

A third of businesses revealed that they plan to increase capital expenditure (CapEx) during 2021 with a focus on 'technology, software and data', 'expansion into new markets' and 'product diversification' as businesses look for opportunities to use CapEx to adapt and grow in the post-pandemic world.

Ian Tandy MBE, Head of Global Trade and Receivables Finance at HSBC UK, said: "Businesses are at a tipping point as they emerge from one of the most significant social and economic crises in a generation and it is clear they are assessing their performance and looking for growth.

"Many businesses had put investment plans on hold during the uncertainty of the last 12 months, but now is the time for business leaders make the strategic decisions that will fuel their growth ambitions for the future.

"British firms have an exceptional reputation on the global stage and it's encouraging to see that businesses are committed to expanding their international operations as a means to build back better."

Firms identified reducing costs and improving cash flow as their top priorities. The survey revealed they intend to do this through investment in automation and digitisation to revolutionise the way they operate in order to find sustainable growth in the future. And despite a focus on cost-cutting businesses retain an innate desire to own assets rather than lease or hire.

Ian Tandy MBE, continues: "It's clear that businesses understand that in order to drive down costs they need to execute their long-term investment plans now – and many are doing so.

"In a fast-changing world it's encouraging to see that UK firms see technology as a key area of investment to keep them ahead of their competitors."

Ends

Note to editors:

The research is based on the views of 350 HSBC UK business customers.

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