Enterprise Europe Network
SME growth outlook
2018-19
Foreword

The European Commission wants to ensure that small and medium-sized enterprises (SMEs) have the right conditions and support to achieve their potential.

The Enterprise Europe Network does a fantastic job in this respect, providing tailored advice, helping European SMEs to innovate, and helping connect them up with potential partners so that they can expand in the EU and beyond. Its clients have achieved growth of over three percentage points more than companies that do not receive assistance1.

This report provides a snapshot of the current situation for SMEs in Europe. It is based on a survey of the Network’s clients. It contains many useful insights because it captures the views of a number of small businesses with international ambitions.

The key insight is a very encouraging one: that the SMEs surveyed show a high level of confidence in terms of expected growth and job creation.

This fits the positive outlook of the European Commission’s economic forecasts2 that growth is set to remain strong in 2018 and 2019.

This is great news and I am grateful for the role of the Enterprise Europe Network members in contributing to that. I hope to see even stronger numbers next year and more jobs and growth in Europe.

2 According to the European Commission’s Summer 2018 Interim Economic Forecast.
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As economic growth forecasts across Europe continue to improve, SMEs with international ambitions remain optimistic about their future growth. The Enterprise Europe Network’s 2018 survey data shows consistent levels of confidence among SMEs in Europe in terms of growth and job creation compared to 2017. This year, traditional companies showed an upswing in confidence and globally ambitious companies were the most upbeat about gaining market share. Hot-spots of positivity were spread across Denmark, Portugal, Slovakia and Sweden. Outside the EU28, SMEs in Serbia and in Bosnia & Herzegovina showed the highest levels of optimism for the future.

SME growth outlook 2018-19 – TOP 5 insights

1. A healthy outlook for turnover
   63 % of SMEs who internationalise expect to increase their turnover in the next 12 months. Around two thirds of small businesses continue to be optimistic that expanding their businesses beyond their home countries will pay off within the coming year. Of these, 65 % were traditional companies – showed a resurgence in confidence among this group. Danish and Slovakian SMEs (85 %) were most confident about increasing their turnover while small businesses in Belgium (46 %) had the lowest expectations.

2. A steadily growing workforce
   33 % of SMEs expect to create jobs in the next year. The positive trend in Europe’s employment levels is reflected among Europe’s internationally ambitious SMEs. Around a third of them expect to create jobs in the coming year. Around 40 % of these are innovative companies, suggesting a wide variety of employment opportunities. Swedish SMEs (46 %) had the highest expectations for job creation while SMEs in the Netherlands (20 %) were the least optimistic.

3. Optimism for future growth
   54 % of SMEs expect to increase their market share in the next 12 months. Small businesses remain bullish about their growth prospects with more than half expecting to increase their market share. Of these, more than a third also expect to improve their products or services through innovation. While this represents a slightly lower proportion compared to 2017, innovation nevertheless remains a driver for growth. We found the most optimistic SMEs in Portugal (70 %). SMEs in Lithuania (37 %) were the most cautious about their near-term growth prospects.

4. Positive prospects for globally ambitious SMEs
   Companies with global growth ambitions are the most confident: 67 % of companies targeting their international expansion beyond the EU were confident of increasing their market share (compared to 54 % whose focus was primarily within the EU). This globally ambitious breed of company is growing. Whereas in 2009 they represented just 3 % of business partnerships supported by the Enterprise Europe Network, by 2017 this figure was close to 9 % of the total volume.

5. An innovation growth hub in the Balkans
   Outside the EU, small businesses in Serbia and Bosnia & Herzegovina show the highest degree of optimism in terms of creating jobs and growing their businesses. In Serbia, 80 % of SMEs seeking to internationalise were confident that they would increase their turnover and 87 % expected to increase their market share in the next 12 months. Of these, over 50 % were innovative companies. In Bosnia & Herzegovina, 45 % expected to create jobs in the coming year, of which 62 % were innovative companies.
EU overview and country by country breakdown
SME growth outlook 2018–19 – EU overview

Jobs and growth projections 2018–19

63% of SMEs who internationalise expect to increase their turnover in the next 12 months (2017 = 65%)

33% of SMEs expect to create jobs in the next year (2017 = 32%)

54% of SMEs expect to increase their market share in the next (same as 2017)

SME support in 2017

192,060 SMEs benefitted from key Enterprise Europe Network services

134,788 SMEs benefitted from our information services and training sessions

17,166 SMEs participated in our brokerage events

37,060 SMEs got advice from our experts to help them innovate and grow internationally

3,046 SMEs benefitted from our tailored innovation support packages
According to the European Commission’s Spring 2018 Economic Forecast.

Austria

**2.2 %** Projected GDP growth % for 2019*

**JOBS AND GROWTH PROJECTIONS**

- **67 %**  Expect to increase turnover
- **26 %**  Expect to create jobs
- **56 %**  Expect to increase market share

**SME SUPPORT IN AUSTRIA 2017**

- **1,117** SMEs receiving advice from the Network
- **562** SMEs participating in brokerage events and company missions
- **3,487** SMEs benefitting from information and training sessions
- **78** SMEs benefitting from innovation support packages

Belgium

**1.7 %** Projected GDP growth % for 2019*

**JOBS AND GROWTH PROJECTIONS**

- **46 %**  Expect to increase turnover
- **18 %**  Expect to create jobs
- **39 %**  Expect to increase market share

**SME SUPPORT IN BELGIUM 2017**

- **554** SMEs receiving advice from the Network
- **948** SMEs participating in brokerage events and company missions
- **2,141** SMEs benefitting from information and training sessions
- **66** SMEs benefitting from innovation support packages

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* According to the European Commission’s Spring 2018 Economic Forecast.
According to the European Commission’s Spring 2018 Economic Forecast.

**Bulgaria**

### Jobs and Growth Projections

- **67%** Expect to increase turnover
- **24%** Expect to create jobs
- **60%** Expect to increase market share

**SME Support in Bulgaria 2017**

- **627** SMEs receiving advice from the Network
- **472** SMEs participating in brokerage events and company missions
- **2,945** SMEs benefitting from information and training sessions
- **35** SMEs benefitting from innovation support packages

**Croatia**

### Jobs and Growth Projections

- **55%** Expect to increase turnover
- **20%** Expect to create jobs
- **45%** Expect to increase market share

**SME Support in Croatia 2017**

- **253** SMEs receiving advice from the Network
- **427** SMEs participating in brokerage events and company missions
- **1,905** SMEs benefitting from information and training sessions
- **13** SMEs benefitting from innovation support packages

*According to the European Commission’s Spring 2018 Economic Forecast.*
Cyprus 3.3% Projected GDP growth % for 2019*

JOBS AND GROWTH PROJECTIONS

- 92% Expect to increase turnover
- 69% Expect to create jobs
- 77% Expect to increase market share

SME SUPPORT IN CYPRUS 2017

- 223 SMEs receiving advice from the Network
- 70 SMEs participating in brokerage events and company missions
- 454 SMEs benefitting from information and training sessions
- 4 SMEs benefitting from innovation support packages

Czech Republic 3.1% Projected GDP growth % for 2019*

JOBS AND GROWTH PROJECTIONS

- 64% Expect to increase turnover
- 33% Expect to create jobs
- 48% Expect to increase market share

SME SUPPORT IN CZECH REPUBLIC 2017

- 774 SMEs receiving advice from the Network
- 520 SMEs participating in brokerage events and company missions
- 3,525 SMEs benefitting from information and training sessions
- 63 SMEs benefitting from innovation support packages

* According to the European Commission’s Spring 2018 Economic Forecast.
### Denmark

**1.9%** Projected GDP growth % for 2019*

#### JOBS AND GROWTH PROJECTIONS

- **85%**
  - Expect to increase turnover
- **27%**
  - Expect to create jobs
- **53%**
  - Expect to increase market share

#### SME SUPPORT IN DENMARK 2017

- **285**
  - SMEs receiving advice from the Network
- **213**
  - SMEs participating in brokerage events and company missions
- **846**
  - SMEs benefitting from information and training sessions
- **87**
  - SMEs benefitting from innovation support packages

### Estonia

**2.8%** Projected GDP growth % for 2019*

#### JOBS AND GROWTH PROJECTIONS

- **78%**
  - Expect to increase turnover
- **56%**
  - Expect to create jobs
- **78%**
  - Expect to increase market share

#### SME SUPPORT IN ESTONIA 2017

- **297**
  - SMEs receiving advice from the Network
- **64**
  - SMEs participating in brokerage events and company missions
- **1,677**
  - SMEs benefitting from information and training sessions
- **19**
  - SMEs benefitting from innovation support packages

* According to the European Commission’s Spring 2018 Economic Forecast.
Finland

**2.3% Projected GDP growth % for 2019**

**JOBS AND GROWTH PROJECTIONS**

- **71%** Expect to increase turnover
- **42%** Expect to create jobs
- **68%** Expect to increase market share

**SME SUPPORT IN FINLAND 2017**

- **713** SMEs receiving advice from the Network
- **299** SMEs participating in brokerage events and company missions
- **1,573** SMEs benefitting from information and training sessions
- **108** SMEs benefitting from innovation support packages

France

**1.8% Projected GDP growth % for 2019**

**JOBS AND GROWTH PROJECTIONS**

- **56%** Expect to increase turnover
- **34%** Expect to create jobs
- **48%** Expect to increase market share

**SME SUPPORT IN FRANCE 2017**

- **4,045** SMEs receiving advice from the Network
- **1,702** SMEs participating in brokerage events and company missions
- **13,920** SMEs benefitting from information and training sessions
- **319** SMEs benefitting from innovation support packages

*According to the European Commission’s Spring 2018 Economic Forecast*
Germany

**JOBS AND GROWTH PROJECTIONS**

- **56%** Expect to increase turnover
- **30%** Expect to create jobs
- **46%** Expect to increase market share

**SME SUPPORT IN GERMANY 2017**

- **5,640** SMEs receiving advice from the Network
- **1,729** SMEs participating in brokerage events and company missions
- **16,785** SMEs benefitting from information and training sessions
- **332** SMEs benefitting from innovation support packages

Greece

**JOBS AND GROWTH PROJECTIONS**

- **74%** Expect to increase turnover
- **37%** Expect to create jobs
- **67%** Expect to increase market share

**SME SUPPORT IN GREECE 2017**

- **5,111** SMEs receiving advice from the Network
- **450** SMEs participating in brokerage events and company missions
- **5,028** SMEs benefitting from information and training sessions
- **39** SMEs benefitting from innovation support packages

* According to the European Commission’s Spring 2018 Economic Forecast.
Hungary

JOBS AND GROWTH PROJECTIONS

- 65% Expect to increase turnover
- 32% Expect to create jobs
- 42% Expect to increase market share

SME SUPPORT IN HUNGARY 2017

- 934 SMEs receiving advice from the Network
- 520 SMEs participating in brokerage events and company missions
- 4,845 SMEs benefitting from information and training sessions
- 47 SMEs benefitting from innovation support packages

Ireland

JOBS AND GROWTH PROJECTIONS

- 25% Expect to increase turnover
- 50% Expect to create jobs
- 50% Expect to increase market share

SME SUPPORT IN IRELAND 2017

- 604 SMEs receiving advice from the Network
- 250 SMEs participating in brokerage events and company missions
- 2,671 SMEs benefitting from information and training sessions
- 22 SMEs benefitting from innovation support packages

* According to the European Commission’s Spring 2018 Economic Forecast.
According to the European Commission’s Spring 2018 Economic Forecast.

**Italy**

1.2% Projected GDP growth % for 2019*

**JOBS AND GROWTH PROJECTIONS**

- 55% Expect to increase turnover
- 29% Expect to create jobs
- 46% Expect to increase market share

**SME SUPPORT IN ITALY** 2017

- 2,177 SMEs receiving advice from the Network
- 1,420 SMEs participating in brokerage events and company missions
- 13,374 SMEs benefitting from information and training sessions
- 409 SMEs benefitting from innovation support packages

**Latvia**

3.3% Projected GDP growth % for 2019*

**JOBS AND GROWTH PROJECTIONS**

- 78% Expect to increase turnover
- 15% Expect to create jobs
- 60% Expect to increase market share

**SME SUPPORT IN LATVIA** 2017

- 908 SMEs receiving advice from the Network
- 210 SMEs participating in brokerage events and company missions
- 863 SMEs benefitting from information and training sessions
- 11 SMEs benefitting from innovation support packages

* According to the European Commission’s Spring 2018 Economic Forecast.
Lithuania 2.7 % Projected GDP growth % for 2019*

**JOBS AND GROWTH PROJECTIONS**

- 59 % Expect to increase turnover
- 7 % Expect to create jobs
- 37 % Expect to increase market share

**SME SUPPORT IN LITHUANIA 2017**

- 757 SMEs receiving advice from the Network
- 125 SMEs participating in brokerage events and company missions
- 1,943 SMEs benefitting from information and training sessions
- 20 SMEs benefitting from innovation support packages

Luxembourg 3.5 % Projected GDP growth % for 2019*

**JOBS AND GROWTH PROJECTIONS**

- 33 % Expect to increase turnover
- 7 % Expect to create jobs
- 7 % Expect to increase market share

**SME SUPPORT IN LUXEMBOURG 2017**

- 597 SMEs receiving advice from the Network
- 216 SMEs participating in brokerage events and company missions
- 1,497 SMEs benefitting from information and training sessions
- 4 SMEs benefitting from innovation support packages

* According to the European Commission’s Spring 2018 Economic Forecast.
Malta 5.1% Projected GDP growth % for 2019*

JOBS AND GROWTH PROJECTIONS

36% Expect to increase turnover
9% Expect to create jobs
45% Expect to increase market share

SME SUPPORT IN MALTA 2017

83 SMEs receiving advice from the Network
76 SMEs participating in brokerage events and company missions
504 SMEs benefitting from information and training sessions
2 SMEs benefitting from innovation support packages

Netherlands 2.6% Projected GDP growth % for 2019*

JOBS AND GROWTH PROJECTIONS

60% Expect to increase turnover
20% Expect to create jobs
53% Expect to increase market share

SME SUPPORT IN NETHERLANDS 2017

1,137 SMEs receiving advice from the Network
866 SMEs participating in brokerage events and company missions
4,190 SMEs benefitting from information and training sessions
105 SMEs benefitting from innovation support packages

* According to the European Commission’s Spring 2018 Economic Forecast.
Poland

**JOBS AND GROWTH PROJECTIONS**

- **67%** Expect to increase turnover
- **28%** Expect to create jobs
- **58%** Expect to increase market share

**SME SUPPORT IN POLAND 2017**

- **1,226** SMEs receiving advice from the Network
- **854** SMEs participating in brokerage events and company missions
- **7,455** SMEs benefitting from information and training sessions
- **124** SMEs benefitting from innovation support packages

Portugal

**JOBS AND GROWTH PROJECTIONS**

- **69%** Expect to increase turnover
- **31%** Expect to create jobs
- **70%** Expect to increase market share

**SME SUPPORT IN PORTUGAL 2017**

- **657** SMEs receiving advice from the Network
- **500** SMEs participating in brokerage events and company missions
- **2,548** SMEs benefitting from information and training sessions
- **65** SMEs benefitting from innovation support packages

* According to the European Commission’s Spring 2018 Economic Forecast.
According to the European Commission’s Spring 2018 Economic Forecast.

**Romania**

**3.9 % Projected GDP growth % for 2019**

**JOBS AND GROWTH PROJECTIONS**

- 65 % Expect to increase turnover
- 41 % Expect to create jobs
- 55 % Expect to increase market share

**SME SUPPORT IN ROMANIA 2017**

- 645 SMEs receiving advice from the Network
- 563 SMEs participating in brokerage events and company missions
- 4,025 SMEs benefitting from information and training sessions
- 64 SMEs benefitting from innovation support packages

**Slovakia**

**4.2 % Projected GDP growth % for 2019**

**JOBS AND GROWTH PROJECTIONS**

- 85 % Expect to increase turnover
- 41 % Expect to create jobs
- 68 % Expect to increase market share

**SME SUPPORT IN SLOVAKIA 2017**

- 128 SMEs receiving advice from the Network
- 648 SMEs participating in brokerage events and company missions
- 812 SMEs benefitting from information and training sessions
- 64 SMEs benefitting from innovation support packages

* According to the European Commission’s Spring 2018 Economic Forecast.
According to the European Commission’s Spring 2018 Economic Forecast.

**Slovenia**

3.6% Projected GDP growth % for 2019*

**JOBS AND GROWTH PROJECTIONS**

- 54% Expect to increase turnover
- 15% Expect to create jobs
- 44% Expect to increase market share

**SME SUPPORT IN SLOVENIA 2017**

- 352 SMEs receiving advice from the Network
- 350 SMEs participating in brokerage events and company missions
- 1,331 SMEs benefitting from information and training sessions
- 35 SMEs benefitting from innovation support packages

**Spain**

2.4% Projected GDP growth % for 2019*

**JOBS AND GROWTH PROJECTIONS**

- 61% Expect to increase turnover
- 36% Expect to create jobs
- 54% Expect to increase market share

**SME SUPPORT IN SPAIN 2017**

- 3,912 SMEs receiving advice from the Network
- 2,034 SMEs participating in brokerage events and company missions
- 16,102 SMEs benefitting from information and training sessions
- 269 SMEs benefitting from innovation support packages

* According to the European Commission’s Spring 2018 Economic Forecast.
Sweden

JOBS AND GROWTH PROJECTIONS

65% Expect to increase turnover
46% Expect to create jobs
57% Expect to increase market share

SME SUPPORT IN SWEDEN 2017

710 SMEs receiving advice from the Network
250 SMEs participating in brokerage events and company missions
6,551 SMEs benefitting from information and training sessions
105 SMEs benefitting from innovation support packages

United Kingdom

JOBS AND GROWTH PROJECTIONS

66% Expect to increase turnover
44% Expect to create jobs
63% Expect to increase market share

SME SUPPORT IN UNITED KINGDOM 2017

2,594 SMEs receiving advice from the Network
828 SMEs participating in brokerage events and company missions
11,791 SMEs benefitting from information and training sessions
537 SMEs benefitting from innovation support packages

* According to the European Commission’s Spring 2018 Economic Forecast.
Methodology

General

Survey data was collected between April 2017 and April 2018. Company 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 COSME programme that co-funds the Enterprise Europe Network.

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

Survey data for EU28 countries is based on 3169 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 (Cyprus, Luxembourg, Malta, Ireland) is not sufficiently representative to provide accurate country insights. Equally, 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 organised by the Network.

Data on European SMEs expanding internationally

Survey data is based on 3419 responses from SMEs in countries participating in the COSME programme¹ 6% of which had received specific advisory, innovation or partnership services from the Enterprise Europe Network to enter markets outside the COSME countries.

Global data on highest levels of optimism among SMEs

Analysis incorporated survey data from EU28 (as above) as well as 471 responses from SMEs who had received advisory, innovation or partnership services from the Network’s Business Cooperation Centres² and non-EU countries participating in the COSME programme³. Country data which represents fewer than 15 responses per country (Argentina, Egypt, Israel, Moldova, Norway, Singapore, Tunisia, Ukraine, USA) is not sufficiently representative to provide accurate country insights.

Volume of SMEs benefitting from Network services

Data covers the EU’s 28 Member States. Data was submitted by Enterprise Europe Network partners and covers a one-year period (2017).

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¹ EU 28, Montenegro, Turkey, Former Yugoslav Republic of Macedonia, Albania, Serbia, Bosnia & Herzegovina, Moldova, Armenia, Ukraine, Iceland.
² Russia, New Zealand, Japan, China, Brazil, Norway, Egypt, Israel, Argentina, South Korea, United States of America, Peru, India, Taiwan, Jordan, Switzerland, Belarus, Chile, Singapore, Georgia, Mexico, Tunisia, Indonesia, Vietnam, Cameroon, Qatar.
³ Montenegro, Turkey, Former Yugoslav Republic of Macedonia, Albania, Serbia, Bosnia & Herzegovina, Moldova, Armenia, Ukraine, Iceland.