

IPAL LUNCHON-TALK 6 Feb 2023, London

Evaluating the weakening national UK economy as an opportunity for international growth

Interview of Simon Denton (Sovereign) with Gerrit Stroomann (GLOBAL EXPANSION ALLIANCE)

- The state of the UK economy in comparison with other Western markets
- How Britain can overcome the downturn in economy
- Overview of domestic and global growth options for SME: chances in Europe, Middle East and beyond for British companies
- Pragmatic approaches to access new markets: trust is the basis
- Pitfalls in internationalization: some cases on how not to do it



On 6th February our MD Gerrit Stroomann held a speech on the state of British economy and options in international business to get around Brexit hangover and overcome an economically unfavorable situation of the UK.

The introductory speech before 60 fellow business and expansion professionals in London and the following interview between Simon Denton of Sovereign Group and Gerrit D. Stroomann, Founder of the GLOBAL EXPANSION ALLIANCE and Managing Partner of Expandeers Global Group, discussed the weakening national economy of the United Kingdom as an opportunity for international growth.

The International Monetary Fund (IMF) recently announced that the G7 countries will experience GDP growth this calendar year, with the exception of the United Kingdom (-0.6%) majorly due to the impacts of Brexit that are adding to the cost of COVID-19, and the invasion of Ukraine by Russia and associated issues. The interview focuses on the options for small and

medium-sized enterprises (SMEs) and larger corporates in terms of market entry and **expansion in the European Union**, starting with Germany as an idea.



The recent complications due to Brexit have made it difficult for SMEs to expand their business across the EU and the UK. A recent survey by the British Chambers of Commerce found that half of 500 SMEs asked are struggling with current European exports, and the difficulty of obtaining visas for employees and supplies from mainland Europe. The Economic & Social Research Institute in Dublin reported a 16% decline in UK exports and a 20% decline in EU exports

to the UK due to Brexit. The UK has also seen a 25% decline in investment from the EU.

How to make the best of the current crises

To overcome these challenges, the interview suggests diversifying businesses and focusing on a strategy that puts advantages of production, supply, and sales together. Expanding to the European market makes sense, as it is culturally familiar and most companies have the most experience with this market, whether it be good or bad. The most favorable European market for British companies to expand to will depend on the specific needs and goals of the company. Several factors must be considered, including market size and growth potential, access to talent, infrastructure and transportation, legal and regulatory environment, and taxation and costs.

Expanding to the **Middle East and the ASEAN states** also offer opportunities for growth and expansion. The Middle East is an attractive market due to its large and growing population, increasing wealth, and growing demand for goods and services. The ASEAN states, particularly Southeast Asia, have been experiencing robust economic growth, making them attractive markets for international businesses. Both regions have diverse cultures, languages, and regulatory environments, so it is essential for companies to carefully evaluate their options and conduct thorough market research before entering these markets.

The time is now

In times of crises it makes sense to re-invent and prepare for new ways to do business. When you have a power failure you look for candles and matches to cover that, but also must think



of avoiding that failure next time. As always getting out of a crises stronger than you entered it. Especially in the perma-crisis mode we are experiencing.

In conclusion, the weakening national economy in the United Kingdom **presents an opportunity for international growth**, and businesses can overcome the challenges posed by Brexit by diversifying their operations and focusing on a strategy that puts advantages of production, supply, and sales together. Both the European market and the Middle East and ASEAN states offer opportunities for growth and expansion, but companies must carefully evaluate their options and conduct thorough market research before entering these markets.

ABOUT GXA – THE GLOBAL EXPANSION ALLIANCE

The GLOBAL EXPANSION ALLIANCE is a closed community for organizations and individuals with international mind and interest. The GXA is focused on supporting companies expanding globally by providing access to a **range of services**. Members receive invitations to frequently organized **regional and global member meetings** for exchanging with likeminded leaders. Also, **market exploration journeys** as well as **trade delegations**, where companies, governmental officials, politicians, and associations are met in foreign countries are organized on a regular basis, to which all **members are invited** and can enroll. Furthermore, scheduled **webinars with focus on markets** and/or specific industries are offered free of charge. And so are the **updated market reports**, which can be accessed and downloaded by the members, to stay informed on markets, segments, opportunities and inspirations.

Further services, that can easily be accessed by members via **one point of contact** include market research, legal and regulatory compliance, translation and localization, logistics and supply chain management, financial and currency services, cultural and business etiquette training, business development and partners sourcing, and digital marketing.

The GLOBAL EXPANSION ALLIANCE provides regional branches in Singapore (SG), Kuala Lumpur (MY), Lahore (PK), Dubai (UAE), Toluca (MX), Hamburg (DE) and access points all around the world for its members. is a privately owned organization that aims to **support small and midsize companies to navigate the complexities of global expansion** and achieve their goals.

For more information: www.gxa.world & by email to inquiry@globalxalliance.com