

# Top five barriers to selling overseas for SMEs

In today's digital world, commerce is borderless - with more and more SMEs thinking globally as a result. Exporting goods abroad makes economies and businesses more productive, competitive and profitable. It kickstarts growth and provides with access to valuable new sources of technology and knowledge, increasing the likelihood of long-term success. No business is too small to send goods overseas, yet many SMEs have yet to crack international markets. We've listed the top five barriers smaller companies face when selling overseas, and the standards that can help to overcome them.

# 1) Inconsistent quality

Before launching into new markets, SMEs must be certain their business is trade ready. This means providing consistently high-quality products and services to meet international customer and regulatory requirements. ISO 9001 is a great foundation for small businesses to manage and improve quality, to boost participation in cross-border trade. The standard specifies requirements to establish and maintain a quality management system (QMS), used to monitor the progress of a product or service at every stage of production – from development to delivery.

The flexible nature of ISO 9001 means small firms can create a QMS that matches their needs, while its process-driven approach helps drive continual improvement. Implementing the standard increases product quality and

compatibility while simplifying internal procedures, improving efficiencies and reducing costs

Finally, certification demonstrates your SME can be relied upon to deliver excellence, establishing that all-important brand credibility.

#### 2) Lack of trust

A positive reputation might be an SME's most valuable asset. Having a strong, well-known brand enhances credibility with consumers, building the recognition and loyalty that gives your business a competitive edge and supports overseas expansion.

Smaller, lesser-known organizations can establish positive brand credibility and increase brand awareness by building trust with customers, suppliers and potential partners. Delivering superior products and services each and every time is an obvious place to start, and a



prerequisite in today's competitive, often oversaturated, marketplace. Beyond quality, customers now expect transparency from brands. Standards like ISO 14001 and ISO 26000 provide additional reassurance to customers that your SME can be trusted.

Using ISO 14001, businesses can embed a culture of sustainability that meets the high standards of consumers and other stakeholders, while also improving their legal and regulatory compliance. Meanwhile, ISO 26000 helps SMEs to implement a social responsibility strategy, building further trust and improving relationships with external parties. Both standards help smaller firms remain commercially successful, as well as environmentally and ethically responsible, contributing to improved brand credibility and an enhanced position in the international marketplace.

#### 3) Innovation without strategy

SMEs are often characterized by their innovative and entrepreneurial nature; but few are systematic and reliable in their strategic processes. The capacity to innovate is essential to create and produce marketable products, and innovative businesses are more likely to export

and collaborate with overseas partners. However, to be effective, the process of innovation must be managed and assessed to maximize the value it can achieve. Small firms might fear that working with standardization will act as a barrier to innovation, but the opposite is true. Instead, standards drive the development of new ideas and galvanize the creative process.

The risk-based thinking encouraged in ISO 9001 helps businesses transform weaknesses and threats into opportunities for innovation, while its continual improvement approach helps SMEs to review when, how, and why creativity is having an impact. ISO 14001 and ISO 26000 also boost innovation by promoting new structural initiatives. Of course, creativity is not possible without engaged people. Employees need to feel safe and secure to be creative. ISO 45001 helps organizations to build the right working environment, promoting positive health and safety in the workplace, while the upcoming ISO 45003 will focus on psychological health in the workplace. Both help SMEs develop an organizational culture that fosters inventiveness, while keeping staff happy and engaged.







# 4) Not being risk aware

As SMEs become more active in overseas markets, their ability to manage risk becomes all the more important. Smaller businesses must increase resilience to minimize the impact of a disruption, reassuring potential partners and consumers that a plan is in place should the worst happen.

In today's interconnected world, trade and cybersecurity are increasingly linked. An attack can be costly and undermines trust in your business, so protecting systems and data is vital. ISO 27001 helps SMEs implement a robust approach to managing information security, providing business owners with the confidence to meet expectations – from legal to new business opportunities.

A firm continuity plan is also key. ISO 22301 is the international standard for a business continuity management (BCM) system. It guides organizations of all sizes through the process of identifying risks and devising plans that enable you to remain operational, no matter the circumstances.

By investing in risk-prevention strategies, smaller firms can safeguard their brand, their reputation and the interest of key stakeholders, opening up more opportunities to sell overseas.

# 5) Ineffective partner relationships

Building and maintaining strong relationships with suppliers and partners is vital for any business – especially so for smaller firms looking to connect internationally. Quality, trust and dependability will go a long way in securing effective partnerships. Beyond this, open and honest communication is key for healthy working relationships and helps lay the foundation for future opportunities. ISO 44001 provides the framework and requirements to help establish collaborative partnerships. By implementing the standard, small businesses are able to monitor and continually improve their relationships both internally and externally. Established reporting structures streamline decision making, and shared costs and risks become easier to manage, ensuring that all parties involved get the maximum value from working together. For SMEs, ISO 44001 removes the complexity of collaborative working relationships, getting you to where you want to be – no matter your size or starting point. It empowers small business owners to engage with appropriate partners and foster sustainable and mutually beneficial alliances. Certification also demonstrates you are committed to transparency and good governance.



By putting standards in place, SMEs can easily overcome the barriers to selling overseas and strategically position their business in the international market. Using standards, you will be able to consistently provide high quality goods and services, build brand awareness and win trust and credibility. They also support structured innovation, minimize risk and bolster collaborative working, all of which proves to importers why they need to invest in your small business.

## Summary

- Digital transformation has made selling overseas accessible to businesses of all sizes, but many SMEs are still not taking advantage of the benefits.
- A standards-based approach is the simplest way for smaller firms to trade internationally, helping them overcome the perceived barriers.
- Being trade ready means being able to provide high-quality goods and services each and every time. ISO 9001 is a great foundation for small businesses to manage and improve quality and boost participation in international trade.
- Certification to ISO 9001 also establishes
  trust in your business, which is vital in today's
  competitive marketplace. Beyond quality,
  making responsible and ethical choices will
  enhance brand credibility. Use standards like
  ISO 14001 and ISO 26000 to demonstrate a
  commitment to environmental sustainability

- and social responsibility.
- Standards also drive effective innovation, enabling small businesses to transform risk into opportunity and embed a culture of strategic creativity. ISO 45001 and the upcoming ISO 45003 can further help SMEs to develop an organizational culture that fosters inventiveness, while keeping staff happy and engaged.
- Smaller organizations must invest in riskprevention strategies to safeguard their business and the interest of key stakeholders.
   ISO 27001 helps SMEs implement a robust approach to managing information security, while ISO 22301 supports business continuity management (BCM).
- Collaboration and healthy communication are essential when working with businesses overseas. ISO 44001 empowers SMEs to engage with appropriate partners and foster sustainable and mutually beneficial alliances.
- By putting standards in place, SMEs can easily overcome the barriers to selling overseas and strategically position their business in the international market.

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