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Article 03 – Nine Ways for SMEs to Enhance Their Global Competitiveness

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9 WAYS FOR SMES TO ENHANCE THEIR GLOBAL COMPETITIVENESS

It is crucial for small and medium sized businesses to consider engaging in international trade, because it can provide them with opportunities to expand sales and grow.

However, SMEs tend to find it difficult to take the next steps in doing business at a global level. Challenges include meeting regulatory requirements (especially those of the foreign market), accessing finance, and finding buyers overseas.

Despite these constraints, many SMEs have prospered and succeeded in the international arena. They have taken different approaches to boosting their competitive advantage, such as by pursuing:

01 Niche markets

Small businesses can target underserved markets or segments where they can differentiate themselves and offer unique products or services.

02 Strategic partnerships

Small businesses can form strategic partnerships with larger companies or organizations that can provide access to new markets, customers, and resources.

03 E-commerce

E-commerce platforms can provide small businesses with an expanded reach to connect with customers worldwide, as well as use digital marketing techniques to enhance visibility and influence.

04 Flexible advantage

Constrained by less internal bureaucracy, small businesses can often be more agile than their larger competitors, and can respond more quickly with lower overhead costs.

05 Quality and customer service

Small businesses can differentiate themselves by providing high-quality (and tailored) products or services under the banner of 'excellent customer service'.



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06 Efficient compliance

Knowing and meeting the laws, regulations and standards required in export markets can facilitate improvements in branding and operational efficiency of small businesses in those markets, and certainly avoid penalties and potential loss of contracts.

07 Networking

Joining industry associations, attending trade shows, and participating in other networking events can help open doors to potential customers and collaborators, as well as provide market intelligence.

08 Online branding

Small businesses can establish a positive online reputation through reviews, social media, and other digital channels, which can help build trust with customers and drive sales.

09 Cutting-edge research

Through ongoing research and development of product (as well as market research of customers, competitors and technologies), small businesses can continuously adapt and innovate to take advantage of or create new opportunities.

Finally, it is important for small businesses to have a clear strategy and plan for their international expansion. They have to be prepared to adapt and evolve as market conditions change.