

## [Worse than nothing](#) [1]

Written by [Tim Ambler](#) [2] | Monday 19 August 2013

Like many countries, the government offers advice to new and would-be exporters. If the advice is sub-standard, it may be worse than no advice at all.

The organisation charged with this function is called UK Trade & Investment (UKTI) and is a combination of civil servants from the Business (BIS) department, Foreign and Commonwealth Office and staff volunteered by their companies. It is about 2,500 strong, half overseas and half in the UK. UKTI's Annual Report is a challenge to the reader as they are preoccupied with whether these are FCO or BIS staff and confused between the very distinct roles of helping export as and helping overseas investment in the UK.

Most of the overseas staff are locals who know little or nothing about the new and would-be UK exporters. Only about 10% of the total are actually engaged, on the ground, in advising UK exporters. They are far outnumbered by their colleagues drinking tea in Whitehall meetings.

Should we look at the quality rather than the quantity of advice?

Firstly there is no sign in the UKTI that they benchmark their advice against academic studies or the advice given by other countries. How do we know how the UK advice rates if we have no idea of the quality of our competitors' advice? In fact the Australian advice, for one, is much better.

20 years ago Chris Styles, then working on his doctoral thesis and now Dean of the Australian Graduate School of Management, and I researched, for the then Department of Trade and Industry, what did and did not work for new exporters. The research conclusively showed that the government's standard advice that one should choose the market through formal market research and then oneself draw up a marketing plan was comprehensively wrong. Numbers only reveal the state of play, not what a market could become, still less what it will become since that depends on what the exporter will do. Were Iceland, for example, to have no fridges, would that imply a potential demand for fridges or simply a dislike of, or no need for, fridges?

Relationship with the importer proved to be the crucial thing: the better and stronger that relationship, the better was the performance.

This blog does not have space for all the detail. Suffice it to say that the DTI accepted all our findings both empirical and theoretical. Checking current UKTI advice, however, shows that they have reverted to the same old rubbish we disproved 20 years ago. It was wrong then, it is wrong now and British exporters are being misled.

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