



GATEWAY & PARTNERS

Indicator 1. Share of entrepreneurs and new businesses in the region (not older than 3 years), which are ready for cross-border cooperation

June 2021

THE MAIN RESEARCH AIM:

The aim of the survey is to assess the fulfilment of the result indicator „Indicator 1. Share of entrepreneurs and new businesses in the region (not older than 3 years), which are ready for cross-border cooperation“

Target Group

Entrepreneurs, who have been registered less than three years ago (companies that are registered in 2018, 2019 and 2020), representing both countries and counties or planning regions

Sample size

N= 511. 252 Estonian companies and 259 Latvian companies

Method

CATI (Computer - Assisted Telephone Interviewing)

Fieldwork

May 2021 – June 2021

Terms used

If the indicator is statistically significantly higher than in the total sample (95% probability), then it's marked with **blue** outline and if the indicator is statistically lower then it's marked with **red** outline.

Sample description

		N	%
All	All	511	100%
Country	Estonia	252	49%
	Latvia	259	51%
Type of company	Accommodation and food services	35	7%
	Activities of households as employers; production of goods for own use and provision of services by individual households	5	1%
	Administrative and support service activities	19	4%
	Agriculture, forestry and fisheries	45	9%
	Arts, entertainment and recreation	53	10%
	Construction	65	13%
	Education	19	4%
	Electricity, gas, steam and air conditioning supply	8	2%
	Health and social care	17	3%
	Information and communication services	33	6%
	Manufacturing	39	8%
	Mining and quarrying	3	1%
	Other services	93	18%
	Professional, scientific and technical services	44	9%
	Transport and storage	31	6%
	Water supply; sewage, waste management and remediation activities	2	0%

		N	%
Number of employees	1-4	400	78%
	5-9	59	12%
	10-49	47	9%
	50-249	5	1%
Age of company	up to 1 year	128	25%
	up to 2 years	191	37%
	up to 3 years	192	38%
Place of registration	Hiiu maakond	5	1%
	Jõgeva maakond	12	2%
	Lääne maakond	12	2%
	Pärnu maakond	50	10%
	Põlva maakond	13	3%
	Saare maakond	20	4%
	Tartu maakond	90	18%
	Valga maakond	13	3%
	Viljandi maakond	19	4%
	Võru maakond	18	4%
	Kurzeme planning region	36	7%
Rīga Planning region	191	37%	
Vidzeme planning region	31	6%	

Summary

Summary

- 80% have not extended their activities to neighbouring countries
- 20% have extended their activities
- Most popular countries, where activities have been extended to: 6% Lithuania and 5% Estonia/Latvia, Germany, Sweden, and Finland
- In the planning regions Latvians have extended their activities more to neighbouring countries already compared to Estonians – 28% and 12%
- According to NACE industry classification, the biggest share of extended activities to neighbour countries' markets have shown enterprises working in: Information and communication services (36%) and Manufacturing (31%)
- 92% of Jõgeva, Lääne, Pärnu and Põlva county enterprises have not extended their activities to neighbouring markets, which is one of the highest amount compared to other areas
- Riga planning region entrepreneurs have extended their activities more to neighbouring markets compared to other areas – 31%

Summary

- Slightly more Estonians than Latvians have not considered the option of extending their activities to the neighbouring markets – 64% and 57%
- More Latvians than Estonians have already extended their activities to the neighbouring markets – 23% and 10%
- Only 3% of Kurzeme planning region enterprises consider extending their activities to neighbouring markets, which is the lowest amount compared to other counties

Results

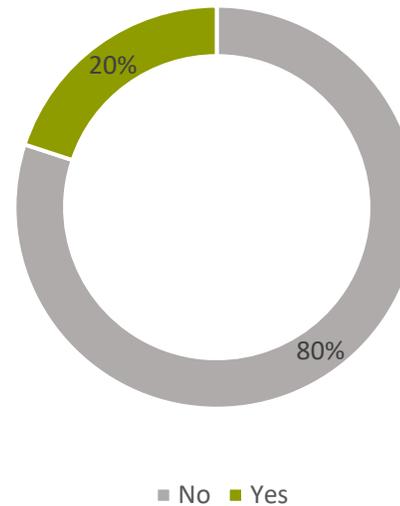
Performance extension to neighbour countries' markets

Performance extension to neighbour countries' markets

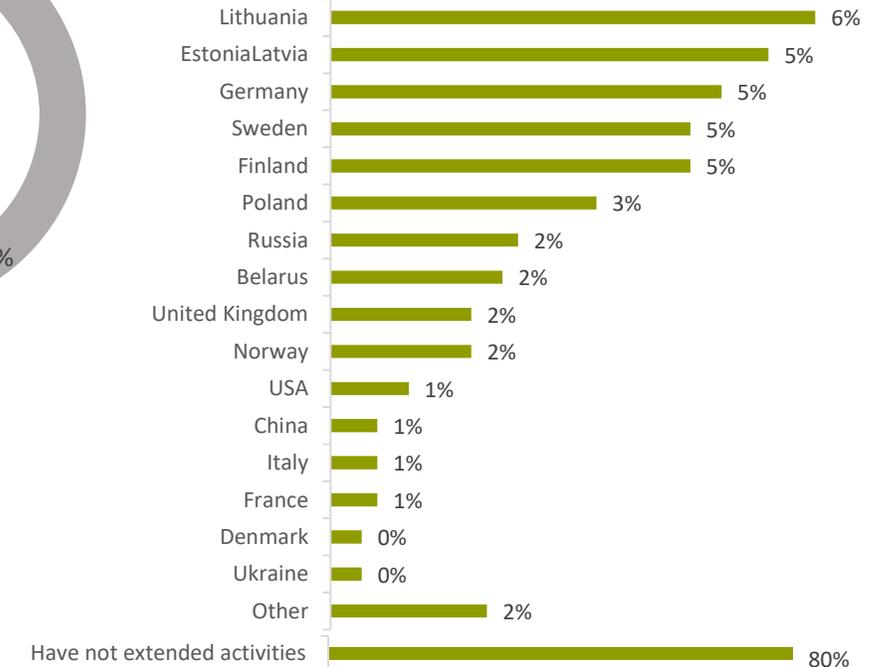
Whole sample

- 80% have not extended their activities to neighbouring countries
- 20% have extended their activities
- Most popular countries, where activities have been extended to
 - 6% Lithuania
 - 5% Estonia/Latvia, Germany, Sweden, and Finland

Have you already extended your activities to markets of neighbouring countries?
% of all respondents, N=511



Which countries?
% of all respondents, N=511



Current performance in neighbouring countries' markets in details I

Current performance in neighbouring countries' markets in details I

Whole sample

- In the planning regions Latvians have extended their activities more to neighbouring countries already compared to Estonians – 28% and 12%
- According to NACE industry classification, the biggest share of extended activities to neighbour countries' markets have shown enterprises working in:
 - Information and communication services (36%)
 - Manufacturing (31%)

Have you already extended your activities to markets of neighbouring countries?

		N	Yes	No	Yes %	No %
All		511	102	409	20%	80%
Country	Estonia	252	29	223	12%	88%
	Latvia	259	73	186	28%	72%
Type of company	Accommodation and food services	35	2	33	6%	94%
	Activities of households as employers; production of goods for own use and provision of services by individual households	5	1	4	20%	80%
	Administrative and support service activities	19	2	17	11%	89%
	Agriculture, forestry and fisheries	45	8	37	18%	82%
	Arts, entertainment and recreation	53	7	46	13%	87%
	Construction	65	9	56	14%	86%
	Education	19	4	15	21%	79%
	Electricity, gas, steam and air conditioning supply	8	1	7	13%	88%
	Health and social care	17	1	16	6%	94%
	Information and communication services	33	12	21	36%	64%
	Manufacturing	39	12	27	31%	69%
	Mining and quarrying	3	0	3	0%	100%
	Other services	93	27	66	29%	71%
	Professional, scientific and technical services	44	7	37	16%	84%
	Transport and storage	31	9	22	29%	71%
	Water supply; sewage, waste management and remediation activities	2	0	2	0%	100%
Number of employees	1-4	400	52	348	13%	87%
	5-9	59	19	40	32%	68%
	10-49	47	27	20	57%	43%
	50-249	5	4	1	80%	20%
Age of company	up to 1 year	128	16	112	13%	88%
	up to 2 years	191	35	156	18%	82%
	up to 3 years	192	51	141	27%	73%

Current performance in neighbouring countries

Current performance in neighbouring countries' markets in details II

Whole sample

- 92% of Jõgeva, Lääne, Pärnu and Põlva county enterprises have not extended their activities to neighbouring markets, which is one of the highest amount compared to other areas
- Riga planning region entrepreneurs have extended their activities more to neighbouring markets compared to other areas – 31%

Have you already extended your activities to markets of neighbouring countries?

		N	Yes	No	Yes %	No %
	All	511	102	409	20%	80%
County in the programme area	Hiiu county	5	1	4	20%	80%
	Jõgeva county	12	1	11	8%	92%
	Lääne county	12	1	11	8%	92%
	Pärnu county	50	4	46	8%	92%
	Põlva county	13	1	12	8%	92%
	Saare county	20	4	16	20%	80%
	Tartu county	90	13	77	14%	86%
	Valga county	13	0	13	0%	100%
	Viljandi county	19	2	17	11%	89%
	Võru county	18	2	16	11%	89%
	Planning region in the programme area	Kurzeme planning region	36	8	28	22%
Rīga Planning region		191	59	132	31%	69%
Vidzeme planning region		31	6	25	19%	81%

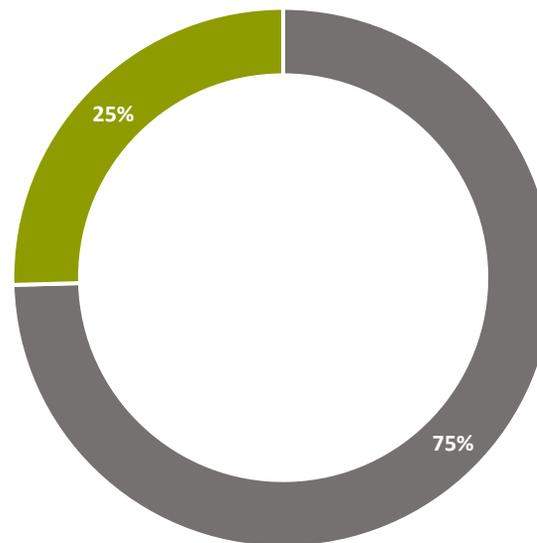
Consideration of performance extension to neighbouring countries' markets

Consideration of performance extension to neighbouring countries' markets

Those who have not extended their activities to the markets of neighbouring countries

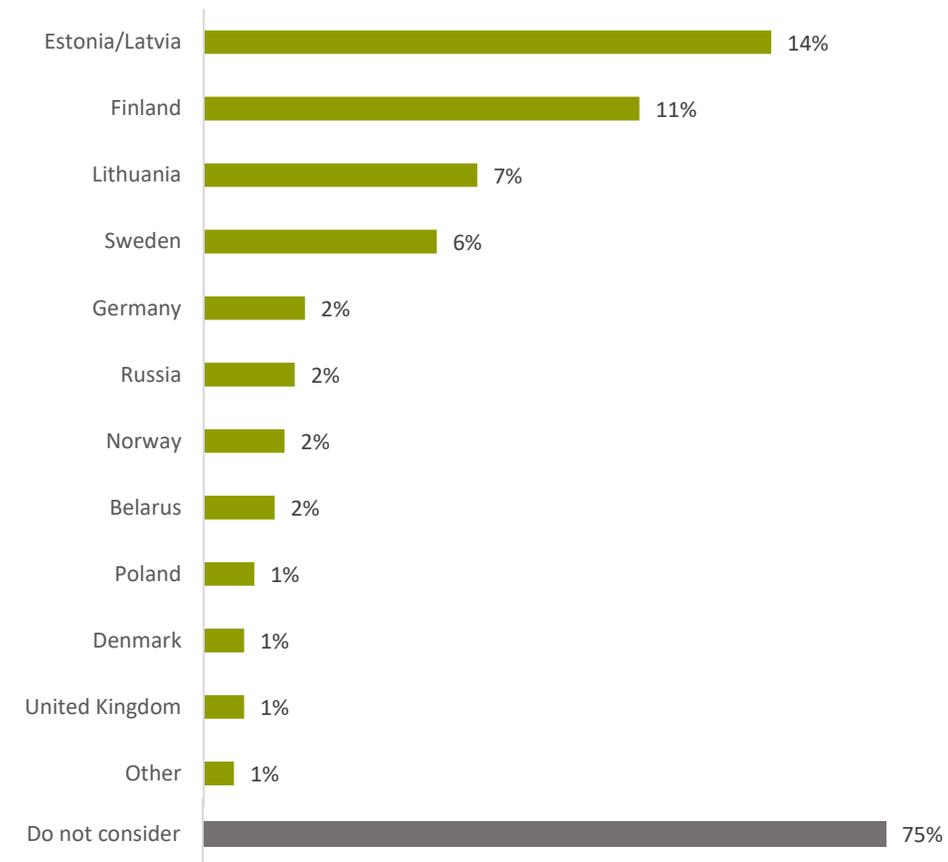
- 25% have considered the option to extend their activities to neighbouring markets
- 75% have not considered to extend their activities to neighbouring markets
- 14% would consider Estonia/Latvia for country to extend
- 11% would consider Finland
- 7% would consider to expand their activities to Sweden and 6% to Lithuania

Have you considered the option of extending your activities to the markets of neighbouring countries?
% of those who have not extended , N=409



■ No ■ Yes

Which countries considered?
% of those who have not extended , N=409



Considered performance in neighbouring countries' markets in details I

Considered performance in neighbouring countries' markets in details I

Whole sample

- Slightly more Estonians than Latvians have not considered the option of extending their activities to the neighbouring markets – 64% and 57%
- More Latvians than Estonians have already extended their activities to the neighbouring markets – 23% and 10%

Have you considered the option of extending your activities to the markets of neighbouring countries?

	N	Yes	No extended	Have already		Have already extended	
				Yes %	No %		
All	511	118	308	85	23%	60%	17%
Country							
Estonia	252	66	161	25	26%	64%	10%
Latvia	259	52	147	60	20%	57%	23%
Type of company							
Accommodation and food services	35	3	30	2	9%	86%	6%
Activities of households as employers; production of goods for own use and provision of services by individual households	5	0	4	1	0%	80%	20%
Administrative and support service activities	19	2	15	2	11%	79%	11%
Agriculture, forestry and fisheries	45	12	26	7	27%	58%	16%
Arts, entertainment and recreation	53	11	36	6	21%	68%	11%
Construction	65	10	48	7	15%	74%	11%
Education	19	4	12	3	21%	63%	16%
Electricity, gas, steam and air conditioning supply	8	1	6	1	13%	75%	13%
Health and social care	17	2	14	1	12%	82%	6%
Information and communication services	33	11	13	9	33%	39%	27%
Manufacturing	39	20	9	10	51%	23%	26%
Mining and quarrying	3	0	3	0	0%	100%	0%
Other services	93	25	45	23	27%	48%	25%
Professional, scientific and technical services	44	9	30	5	20%	68%	11%
Transport and storage	31	6	17	8	19%	55%	26%
Water supply; sewage, waste management and remediation activities	2	0	2	0	0%	100%	0%
Number of employees							
1-4	400	101	258	41	25%	65%	10%
5-9	59	10	32	17	17%	54%	29%
10-49	47	6	17	24	13%	36%	51%
50-249	6	1	1	4	17%	17%	67%
Age of company							
up to 1 year	128	32	84	12	25%	66%	9%
up to 2 years	191	44	116	31	23%	61%	16%
up to 3 years	192	42	108	42	22%	56%	22%

Considered performance in neighbouring countries' markets in details II

Considered performance in neighbouring countries' markets in details II

Whole sample

- 3% of Kurzeme planning region enterprises consider extending their activities to neighbouring markets, which is the lowest amount compared to other counties

Have you considered the option of extending your activities to the markets of neighbouring countries?

		N	Yes	No	Have already extended	Yes %	No %	Have already extended
All		511	118	308	85	23%	60%	17%
County in the programme area	Hiiu county	5	3	1	1	60%	20%	20%
	Jõgeva county	12	3	9	0	25%	75%	0%
	Lääne county	12	1	11	0	8%	92%	0%
	Pärnu county	50	18	28	4	36%	56%	8%
	Põlva county	13	1	11	1	8%	85%	8%
	Saare county	20	3	13	4	15%	65%	20%
	Tartu county	90	27	50	13	30%	56%	14%
	Valga county	13	5	8	0	38%	62%	0%
	Viljandi county	19	3	14	2	16%	74%	11%
	Võru county	18	2	16	0	11%	89%	0%
Planning region in the programme area	Kurzeme planning region	36	1	27	8	3%	75%	22%
	Rīga Planning region	191	45	99	47	24%	52%	25%
	Vidzeme planning region	31	5	21	5	16%	68%	16%

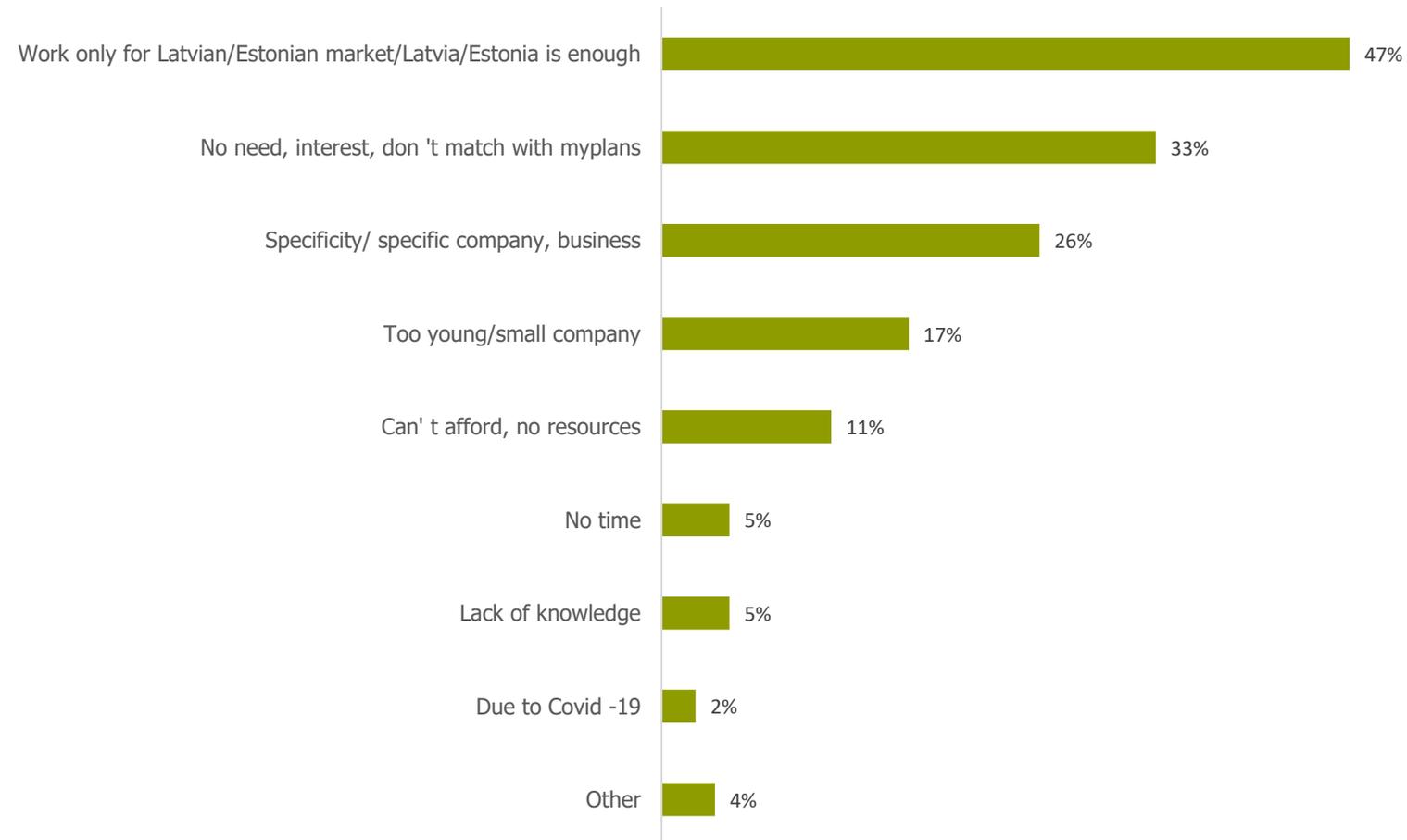
Reasons for non-considering performance extension to neighbouring countries' markets

Reasons for non-considering performance extension to neighbouring countries' markets

Those who have not considered option to extend their activities to the markets of neighbouring countries

- Main reasons for not considering performance extension to neighbouring countries are:
 - Work only for Latvian/Estonian market/Latvia/Estonia is enough 47%
 - No need, interest, don 't match with my plans 33%
 - Specificity/ specific company, business 26%

Why haven't you considered this option?
% of those who have not considered option to extend to other markets, N=305



Thank you!

Gateway&Partners