

# Businesses that embrace digital technologies are showing more resilience as Brexit uncertainty continues, report shows

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Credit: Karen Arnold/public domain

New technologies are giving businesses in Wales a much needed boost while questions over Brexit continue, researchers say.

Academics from Cardiff University's Welsh Economy Research Unit surveyed 479 small and medium enterprises (SMEs) as part of the 2018 Digital Maturity Survey. They say [the results](#) demonstrate a clear link between a business' success and its uptake of new digital opportunities.

The research reveals more than half (52 percent) of businesses using superfast broadband said they had seen an increase in profits, compared to 41 percent in 2017. Nearly half (42 percent) of those surveyed said using superfast broadband had improved their turnover, compared to 40 percent on the previous year. A quarter (24 percent) of businesses saw an increase in the number of people they employed, compared to 12 percent in 2017.

Along with rolling out [high speed broadband](#) to business premises via the Superfast Cymru programme, Welsh Government has been providing support to SMEs to understand, adopt and exploit the benefits that fast broadband provides through its Superfast Business Wales scheme.

Professor Max Munday, based at Cardiff Business School, said:  
"Businesses faced tough trading conditions last year, amid continued questions over what impact Brexit might have. But despite this, many SMEs who embraced new technologies reported being more productive.

"Looking ahead and as our separation from the EU continues to throw up challenges, these digitally mature SMEs could be more resilient and better positioned to grow exports, better placed to avoid overseas transaction costs and more informed of overseas opportunities."

The study, the third of its kind, suggests the majority of SMEs in Wales are using superfast broadband through fixed line connections, and adopting in ever greater numbers. Analysis shows 53 percent of those surveyed in 2018 were using superfast broadband – up from 42 percent in the previous year.

Only 1 percent of SMEs reported having no broadband, compared to 3 percent in the previous year.

The research also shows that an increasing number of SMEs are reporting sustained use of cloud services, with 72 percent of SMEs now using at least one form of advanced cloud computing service—up from 60 percent in 2017.

Professor Munday added: "The results from our latest report suggest that fixed [broadband](#) connectivity is now mainstream among SMEs in Wales and that many businesses – both rural and urban – are using digital tools to their advantage.

"Our continued work to analyse their activities during 2019 will give us a deeper understanding of the relationship between these [new technologies](#) and a [business](#)'s growth."

Provided by Cardiff University

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