



MADE IN BRITAIN BUYING BRITISH REPORT

Consumers and businesses prefer British-made goods – so why don't they buy them more often? We spoke to everyday shoppers and decision-makers to find out the barriers to buying British.



CONTENTS

3	Introduction.
4	How Britishness affects consumer decision-making.
6	What businesses can learn from these findings.
8	Why it matters for B2B firms.
10	Why British firms don't always buy British.



INTRODUCTION

We spoke to 2,000 UK adults, 1,000 senior business decision-makers and our own members for this report and the message is clear – everyone wants to buy more British-made products. Not only this, but because of the quality and sustainability of British-made goods, and the positive economic contribution made by British manufacturing, many people are willing to pay a premium to do so.

Climate change, Brexit, supply-chain ethics – these are just some of the many factors that have made the origin of what we buy matter more than ever. But even though it's clear how conscious people are of provenance, it's not always straightforward to know where the things we buy come from.

This is why **Made in Britain** was founded. We provide the only officially recognised accreditation of British-made products and our mark is carried on everything from Vauxhall Vivaro vans to high-end Fracino coffee machines and luxury bathrooms by Roman Showers.

If you're one of the eight in 10 UK adults that wants to buy British-made goods, then look out for the official **Made in Britain** logo. If you're a manufacturer that wants to capitalise on this huge appetite for British-produced goods, then please get in touch.

Our three studies, revealed here in this landmark report, comprise the most comprehensive exploration yet of provenance in consumer and business purchasing. We want this report to be the launch of a renewed dialogue around why we should buy products made closer to home, and how best to make that buying decision with confidence.

I hope you enjoy reading its findings.

John Pearce

Chief executive, Made in Britain

HOW DOES BRITISHNESS AFFECT CONSUMER DECISION-MAKING?

To say our consumer survey served up encouraging results might be an understatement.

It overwhelmingly proves what we suspected – people in Britain want to buy British-made products, with eight in 10 of 2,000 consumers saying they would happily pay more for products made in this country.

But they do this for a variety of reasons. Motivations differ, providing a fascinating insight into the mindset of consumers.

First, take the environment. Half said a desire to be greener motivates their choice to buy British wherever possible, with 63 per cent saying they thought it would help to combat climate change. In other words, millions of consumers are conscious about the miles the products they buy have travelled.

Seven in 10 said they bought British to boost the economy, while two-thirds do so to create or support jobs.

And the list of products they would happily pay more for to ensure they're British-made is long and includes essentials like food, clothes and furniture.

But it isn't 'job done'. The evidence is that consumers need – and would welcome – more information to help their buying decisions.

A third admitted they don't know if what they buy is made in Britain, with 37 per cent saying they don't know where their car is manufactured. That's despite some of the nation's favourite cars – such as MINI and Vauxhall Astra – being made right here in Britain and exported across the globe.





Consumers also admit there are products – beauty products and sports equipment among them – they don't know the origin of.

Yet the prize on offer if consumers know more is huge. Six in 10 said they are more loyal to a product they know is made in Britain and eight in 10 want to buy more things made domestically. And a quarter would switch allegiance if a manufacturer moved to making a British product overseas.

Perhaps most encouraging of all, four in 10 think British products are of better quality and will pay for the privilege of owning them – by an average of seven per cent to be precise.

All fascinating statistics, but what are the take-outs from the survey? They're three-fold.

First, the British public unambiguously want British products wherever possible.

Second, this desire is motivated by principled factors. They care about the environmental impact of buying products from overseas, they want to boost the UK economy and support British jobs.

Finally, though, more information and education are needed. In the majority of cases, it's not clear whether a product is made in Britain or abroad and yet this is a key part of the buying decision-making process.

It's why having an official, recognisable mark – one that lets consumers know what they're buying is made within these shores – is so crucial.

Our survey tells us the public want British products. And they want to know they're buying British.



SIX IN 10 ARE LOYAL TO BRITISH MADE PRODUCTS





WHY DO BUSINESSES NEED TO LEARN FROM THESE FINDINGS?

The message from consumers contained in our survey was loud and clear – they want to buy British more often.

Nevertheless, some manufacturers continue to make their things abroad, perhaps in established manufacturing economies like China and Taiwan. Why is this?

In part, it reflects basic economics. The UK is a relatively expensive place in which to manufacture goods, with a highly-skilled workforce. Add to that the world-class reputation enjoyed by British design and you have a ‘premium’ manufacturing market.

And yet this could be offset by the potential pay-offs for British manufacturers.

As our survey shows, consumers expect British-made products to be of better quality and they are willing to pay more for them – by an average of seven per cent. Once they buy British, consumers are likely to stay loyal, our survey suggests.

All of which suggests that choosing a manufacturing base on the basis of cost alone could be a mistake.

And there are other reasons for businesses to switch to being ‘**Made in Britain**’, too.

Take the environment. Climate change has fast become the biggest issue of our times, with brands across the world being challenged on their environmental impact. Consumers are attuned to this and many want to buy British because products made closer to home inevitably have a smaller environmental footprint.

Next, the social side. As consumers continue to become more discerning, so attention focuses on the positive contribution of companies. Between them, the UK’s manufacturers employ millions of people, invest millions of pounds each year into their local economies and contribute huge amounts in tax revenue.

Many are model corporate citizens and this matters to today’s consumers. Often, they want to be guided by their conscience when buying.

And next to Brexit. It remains difficult to predict how this will affect consumer and business behaviour in the long-run. But it seems likely one effect will be a sharpening of the focus on provenance. Against this background, aspects like transparency and visibility of supply chain become key.

Importantly, though, ‘**Made in Britain**’ isn’t just a domestic play, crucial as it is in a market of 65 million people. A report by Barclays last year suggested overseas demand for British products was on the rise and – like their UK counterparts – foreign consumers are happy to pay more for our products.

Why is that? In simple terms, it’s because British products are perceived to be high quality, or ‘premium’. This attitude was particularly pronounced among Asian and African consumers.

And to end where we came in, it does come down to what consumers want. In our survey, an overwhelming majority – eight in 10 people – said they wanted to buy British more often than they do now.

The call from consumers is clear. Why would businesses not answer it?

BUT IT'S NOT JUST A CONSUMER ISSUE. B2B FIRMS NEED TO PAY ATTENTION, TOO

Our second study polled 1,000 senior business decision-makers based in the UK.

Perhaps surprisingly, they were more pre-disposed to buying British than UK consumers.

Whereas 40 per cent of consumers said they buy British no matter what the cost, this rose to 66 per cent for businesses.

We also spoke to a proportion of **Made in Britain** members, of which there are currently more than 1,000 based around the UK. Of the 10 per cent we spoke to, two-thirds said they buy British no matter what the cost.

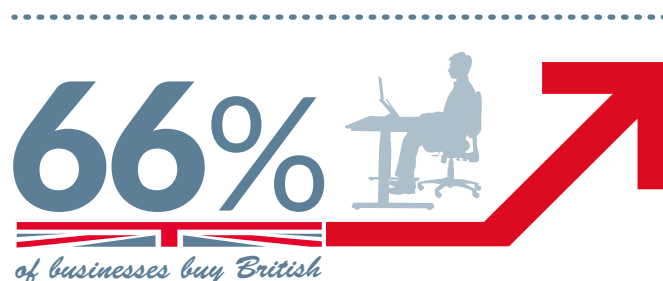
You might expect our membership to be among the most passionate advocates of British made goods – and the numbers suggest this to be the case – but we were heartened to see this reflected in the wider UK business population, too.

But what are their motivations?

More than a third (37 per cent) said it made them feel proud to buy British. But other reasons stood out more. Both businesses at large and our members feel it's good for the economy, polling at 56 per cent and 61 per cent respectively.

Just under half (47 per cent) think British-made products are better quality than imported alternatives. Perhaps unsurprisingly, our members are even more enthusiastic about their own products. Almost two-thirds (65 per cent) believe British-made means better quality.

Concerns about sustainability also feature highly in businesses' concerns. Some 67 per cent of businesses believe buying more products made in Britain could help to tackle climate change, rising to three-quarters of our members.



THINK **BRITISH PRODUCTS** ARE BETTER QUALITY THAN IMPORTS





For these reasons and more, business buyers are more switched on to issues of provenance than consumers, with 42 per cent saying they would always consider where something is made before making a purchase. Our **Made in Britain** members were marginally higher at 47 per cent. Both compare to just 15 per cent of consumers.

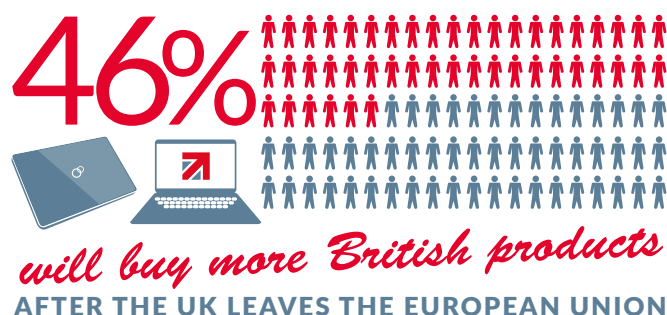
This concern extends into brand loyalty. Two-thirds of business purchase decision-makers would be more loyal to a British-made brand – a massive 87 per cent of our membership.

And what of Brexit's potential impact?

For businesses, a significant proportion (46 per cent) say they will buy more British-made products after the UK leaves the European Union. This was higher – at 55 per cent – for our manufacturing business members, perhaps unsurprisingly given their future supply chain concerns.

Our two surveys suggest that B2B brands should care every bit as much as consumer brands about the origin of their production and how it's communicated to potential buyers, if not more so.

British manufacturing, despite the often downbeat media coverage that follows it, is clearly still held in as high regard by the nation's business community as by the shopper on the high street.





WHY DON'T UK BUSINESSES BUY BRITISH?

Seven in every 10 businesses would like to buy more goods made in Britain than they currently do and 88 per cent of our membership. Like consumers, there is significant latent demand.

So why don't they? It's not for want of trying.

A third simply struggle to get a handle on a product's origins – much like consumers. Our members were a little clearer on this, with only 12 per cent facing this issue. Though of course, they belong to a community of accredited British manufacturers.

But 22 per cent of our members said they may know a brand was founded in Britain but are unsure if its products are made here. This rose to 40 per cent among the wider business population.

Almost three in 10 businesses (29 per cent) say they simply find it confusing, 37 per cent say they can't tell when a product is British-made and a third say they wouldn't know where to go to buy them.

Now, more than ever, there is a need to coalesce around our official accreditation for quality British-made products to help cut through the confusion for businesses as well as shoppers.

Cost is, of course, an issue, too. Asked what their most important factor was in decision-making, cost (26 per cent) and quality (27 per cent) were pegged at roughly equal levels of importance. But despite viewing British-made goods overwhelmingly favourably in the quality stakes, over half said one reason they won't buy more British goods is because their businesses will see it as too expensive.

Quality always comes at a cost and this almost bestows a preconception of a price premium on British-manufactured products.

With environmental concerns rising ever further up the corporate agenda and quality never more critical in an age where reputations are made and broken on social media, British goods should still capitalise, despite the perception of carrying a weightier price tag.



Over half...
SAID THEY WON'T BUY MORE BRITISH GOODS BECAUSE THEIR BUSINESSES WILL SEE IT AS TOO EXPENSIVE



“Sustainability, shopping locally and supporting British businesses have all climbed up the agenda for consumers in recent years. From this research it is clear that the same is true for businesses who would, in most cases, prefer to source British-made products in their supply chains. The desire is there – what is missing is the insight and knowledge to make these kinds of procurement decisions with confidence.

“The finding that a third of consumers struggle to determine where products come from should be a wake-up call to British firms who manufacture their products within the UK. By not signposting their products’ origins clearly, they risk missing out on increased loyalty from shoppers and any halo effects that surround British products being perceived as better quality.”

Professor Dominic Medway, Deputy Pro-Vice-Chancellor at the Faculty of Business and Law and specialist in place marketing at Manchester Metropolitan University



HELPING **BRITAIN'S MANUFACTURERS**
SELL MORE WITH ONE MARK

madeinbritain.org

© 2019 Made in Britain.

