Digital Trade: Britain's Unrealised Growth Opportunity

Why coordinated adoption is essential to turn digital capability into economic growth

The International Centre for Digital Trade and Innovation (IC4DTI), TradeTech Solutions Ltd **and the** Teesside Digital Trade Testbed | Joint UK strategic discussion paper v0.38 | 2 November 2026

Evidence and attribution notes apply throughout.

Executive Summary

(For the full paper, click here.)

This paper examines the benefits of trade digitalisation, the barriers and their causes, and potential solutions. It seeks to encourage organisations able to accelerate SME adoption to act.

It should be noted that AI is a supporting capability**.** Digital trade does not depend on AI. However, effective AI use depends on reliable digital information and connected processes.

The economic opportunity is substantial. ICC United Kingdom identifies £25 billion in potential trade growth and £224 billion p.a. in potential efficiency savings. [2,33]. The Department for Business Innovation Science and Technology (DBIST) also have quoted with approval an estimate from LSE that global digitalisation of trade could add 1.3% to GDP. At the same time the Bank of England estimates the current SME trade finance gap to be some £22bn.

To benefit from this potential benefit, businesses must address three connected imperatives.

1. statutory compliance
2. market competitiveness; and
3. trade expansion

However, available technology and statutory compliance alone cannot ensure effective adoption. Small and medium-sized enterprises (SMEs) face significant barriers to adoption. These include

1. fragmented provision of services and information
2. limited awareness; and
3. severe implementation difficulties.

A new, coordinated approach is required to bridge these gaps.

To help SMEs adopt and utilise suitable digital services effectively, this paper proposes the establishment of Digital Business Communities (DBCs). They combine a single digital reference point with trading opportunities and, critically, proactive management. DBCs would direct firms to relevant public support and help them connect their existing systems to digital trade services they can use with customers and suppliers.

However, a single, national DBC is not necessary to provide effective solutions. Individual DBCs focused on the commercial interests of their community are much easier to construct and manage. These individual DBCs can then be connected as deemed appropriate to provide wider market access to their members.

It is recommended that these communities are built upon existing, trusted business relationships of organisations such as telcos and banks. These private-sector owners, supported by specialist service providers, should own, finance and promote their DBCs. As a return on this investment, the DBCs can provide a direct financial return to the owners through a blend of: sales commissions, advertising and increased sales. Indirect benefits include client retention and market differentiation.

Timely action matters. Changing requirements and trading practices give businesses reasons to prepare now.

To discuss the findings or explore how a Digital Business Community could benefit your organisation, please contact **Ian Dunning** or **Nick Davies** to arrange a no commitment consultation.