

This paper seeks to understand how exporters grow. Using transaction-level customs data from Switzerland, we find that new transactions, or new seller-buyer-product combinations account for approximately 60% of export transactions within a year for firms of all size classes. Classifying the new transactions into two margins: going wide (introducing new products) and going deep (reaching new buyers for old products), we find that the dominant margin of export expansion depends on the life-cycle stage of firms, with small firms relying relatively more on going wide and large firms more on going deep. We rationalise this observation in a model where each margin of growth incurs an opportunity cost. Notably, as seen in the data, going wide is not readily scaleable and requires the same amount of resources regardless of firm life-cycle stage. By exploiting an exogenous increase in market size following the Swiss exchange rate shock in 2015, we confirm model predictions regarding the positive effect of an increase in market size on the importance of going deep as a margin of export growth.