

Survey data summary tables



Your business's innovation

1. How would you describe your business's appetite for innovation? Innovation is:

	Company Size					
	Total	1-50 employees	51-250 employees	251-500 employees	501-1,000 employees	1,000+ employees
Base: All Respondents	1000 100%	491 100%	204 100%	138 100%	92 100%	75 100%
Essential (5)	259 25.90%	92 18.70%	58 28.40%	51 37.00%	32 34.80%	26 34.70%
High priority (4)	382 38.20%	142 28.90%	92 45.10%	65 47.10%	53 57.60%	30 40.00%
Medium priority (3)	254 25.40%	170 34.60%	45 22.10%	20 14.50%	6 6.50%	13 17.30%
Low priority (2)	58 5.80%	43 8.80%	7 3.40%	2 1.40%	1 1.10%	5 6.70%
Not a priority (1)	47 4.70%	44 9.00%	2 1.00%	-	-	1 1.30%
NET: Top 2 Box (4+5)	641 64.10%	234 47.70%	150 73.50%	116 84.10%	85 92.40%	56 74.70%
NET: Bottom 2 Box (1+2)	105 10.50%	87 17.70%	9 4.40%	2 1.40%	1 1.10%	6 8.00%
Mean	3.75	3.4	3.97	4.2	4.26	4

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2. Which sources of government funding has your business made use of?

	Company Size					
	Total	1-50 employees	51-250 employees	251-500 employees	501-1,000 employees	1,000+ employees
Base: All Respondents	1000 100%	491 100%	204 100%	138 100%	92 100%	75 100%
Grant funding	295 29.5%	57 11.6%	88 43.1%	73 52.9%	47 51.1%	30 40.0%
Patent box	125 12.5%	11 2.2%	26 12.7%	45 32.6%	27 29.3%	16 21.3%
R&D tax credits	239 23.9%	27 5.5%	62 30.4%	64 46.4%	57 62.0%	29 38.7%
Other shareholders' or investors' relief e.g. SEIS, EIS and entrepreneurs' relief	162 16.2%	24 4.9%	44 21.6%	41 29.7%	29 31.5%	24 32.0%
Other government funding (interest free loans)	157 15.7%	32 6.5%	46 22.5%	33 23.9%	26 28.3%	20 26.7%
None of these	427 42.7%	360 73.3%	36 17.6%	8 5.8%	10 10.9%	13 17.3%
Don't know	32 3.2%	14 2.9%	8 3.9%	3 2.2%	1 1.1%	6 8.0%

3. Has your ability to access finance ever been a barrier to your business's growth?

	Company Size					
	Total	1-50 employees	51-250 employees	251-500 employees	501-1,000 employees	1,000+ employees
Base: All Respondents	1000 100%	491 100%	204 100%	138 100%	92 100%	75 100%
Yes	514 51.4%	200 40.7%	126 61.8%	88 63.8%	60 65.2%	40 53.3%
No	486 48.6%	291 59.3%	78 38.2%	50 36.2%	32 34.8%	35 46.7%

How the extra money should be spent

4. Which types of direct business's support should the government prioritise?

	Company Size					
	Total	1-50 employees	51-250 employees	251-500 employees	501-1,000 employees	1,000+ employees
Base: All Respondents	1000 100%	491 100%	204 100%	138 100%	92 100%	75 100%
Lower corporation tax for all businesses	3.81	3.66	3.87	3.88	4.01	4.27
Lower corporation tax specifically for innovative businesses	3.80	3.89	3.75	3.47	3.75	3.97
Tax incentives for research and development	3.64	3.68	3.62	3.88	3.67	2.91
Grant funding	3.45	3.37	3.35	3.61	3.71	3.59
Support for the commercialisation of products and services	4.21	4.41	4.09	3.81	3.89	4.35
Other shareholders' or investors' relief e.g. SEIS, EIS and entrepreneurs' relief	5.12	5.43	4.99	4.62	4.74	4.87
Other government funding (interest free loans)	3.98	3.56	4.34	4.72	4.23	4.05

This table is a summary of means; the lowest score denotes the highest priority, and vice versa.

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5. Which types of indirect business support should the government prioritise?

	Company Size					
	Total	1-50 employees	51-250 employees	251-500 employees	501-1,000 employees	1,000+ employees
Base: All Respondents	1000 100%	491 100%	204 100%	138 100%	92 100%	75 100%
Trade and inward investment	4.74	4.65	4.86	4.89	4.90	4.52
Business management advice	5.53	5.75	5.27	5.28	5.34	5.55
Collaboration between businesses and researchers	5.02	5.32	4.90	4.68	4.40	4.69
The UK workforce (apprenticeships, access to education and mentoring)	4.15	3.71	4.48	4.94	4.50	4.27
Full-fibre broadband and 5G mobile communications	4.81	4.59	4.97	5.07	5.10	5.01
Future transport technology and infrastructure	4.49	4.45	4.56	4.51	4.52	4.55
Procurement and supply chain support	5.72	6.07	5.34	5.22	5.48	5.64
Affordable and clean energy	4.57	4.41	4.50	4.78	5.10	4.69
Flood defences	5.98	6.06	6.11	5.63	5.66	6.08

This table is a summary of means; the lowest score denotes the highest priority, and vice versa.

6. Who should benefit most from the extra innovation investment?

	Company Size					
	Total	1-50 employees	51-250 employees	251-500 employees	501-1,000 employees	1,000+ employees
Base: All Respondents	1000 100%	491 100%	204 100%	138 100%	92 100%	75 100%
Start-ups	1.57	1.44	1.65	1.80	1.73	1.61
SMEs	1.85	1.75	1.93	2.09	1.89	1.88
Large companies	2.58	2.81	2.43	2.11	2.38	2.51

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7. What stage of research should be prioritised?

	Company Size					
	Total	1-50 employees	51-250 employees	251-500 employees	501-1,000 employees	1,000+ employees
Base: All Respondents	1000 100%	491 100%	204 100%	138 100%	92 100%	75 100%
Idea generation	2.49	2.41	2.65	2.49	2.58	2.45
Concept development and testing	2.38	2.35	2.35	2.46	2.43	2.39
Product development	2.14	2.04	2.13	2.28	2.22	2.40
Commercialisation	3.00	3.20	2.87	2.77	2.77	2.76

This table is a summary of means; the lowest score denotes the highest priority, and vice versa

Impact on the wider landscape

8. In comparison to the rest of Europe, how does the UK fare in terms of R&D? We are:

	Company Size					
	Total	1-50 employees	51-250 employees	251-500 employees	501-1,000 employees	1,000+ employees
Base: All Respondents	1000 100%	491 100%	204 100%	138 100%	92 100%	75 100%
Ahead of Europe	314 31.4%	116 23.6%	70 34.3%	57 41.3%	43 46.7%	28 37.3%
On a par with Europe	470 47.0%	240 48.9%	100 49.0%	56 40.6%	39 42.4%	35 46.7%
Behind Europe	216 21.6%	135 27.5%	34 16.7%	25 18.1%	10 10.9%	12 16.0%

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9. Added to existing government funding for R&D (£6.3 billion in 2014), is the extra £2bn a year by 2020 enough? It is:

	Company Size					
	Total	1-50 employees	51-250 employees	251-500 employees	501-1,000 employees	1,000+ employees
Base: All Respondents	1000 100%	491 100%	204 100%	138 100%	92 100%	75 100%
Too little	399 39.9%	194 39.5%	84 41.2%	53 38.4%	36 39.1%	32 42.7%
Enough	564 56.4%	282 57.4%	110 53.9%	82 59.4%	52 56.5%	38 50.7%
Too much	37 3.7%	15 3.1%	10 4.9%	3 2.2%	4 4.3%	5 6.7%

10. What impact will this extra investment have on the UK's position in terms of R&D? We will be:

	Company Size					
	Total	1-50 employees	51-250 employees	251-500 employees	501-1,000 employees	1,000+ employees
Base: All Respondents	1000 100%	491 100%	204 100%	138 100%	92 100%	75 100%
Ahead of Europe	355 35.5%	161 32.8%	70 34.3%	49 35.5%	49 53.3%	26 34.7%
On a par with Europe	493 49.3%	241 49.1%	111 54.4%	68 49.3%	34 37.0%	39 52.0%
Behind Europe	152 15.2%	89 18.1%	23 11.3%	21 15.2%	9 9.8%	10 13.3%

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11. What impact does Brexit have on the government's extra investment in R&D? It makes it:

	Company Size					
	Total	1-50 employees	51-250 employees	251-500 employees	501-1,000 employees	1,000+ employees
Base: All Respondents	1000 100%	491 100%	204 100%	138 100%	92 100%	75 100%
Significantly more important	318 31.8%	166 33.8%	61 29.9%	40 29.0%	28 30.4%	23 30.7%
More important	406 40.6%	172 35.0%	95 46.6%	65 47.1%	48 52.2%	26 34.7%
It makes no difference	240 24.0%	138 28.1%	42 20.6%	27 19.6%	13 14.1%	20 26.7%
Slightly less important	22 2.2%	13 2.6%	3 1.5%	4 2.9%	1 1.1%	1 1.3%
Significantly less important	14 1.4%	2 0.4%	3 1.5%	2 1.4%	2 2.2%	5 6.7%
NET: Top 2 Box (4+5)	724 72.4%	338 68.8%	156 76.5%	105 76.1%	76 82.6%	49 65.3%
NET: Bottom 2 Box (1+2)	36 3.6%	15 3.1%	6 2.9%	6 4.3%	3 3.3%	6 8.0%
Mean	3.99	3.99	4.02	3.99	4.08	3.81

12. When it materialises, would this extra funding for R&D change your business's appetite for innovation? Our appetite would:

	Company Size					
	Total	1-50 employees	51-250 employees	251-500 employees	501-1,000 employees	1,000+ employees
Base: All Respondents	1000 100%	491 100%	204 100%	138 100%	92 100%	75 100%
Increase	400 40.0%	138 28.1%	87 42.6%	74 53.6%	57 62.0%	44 58.7%
Decrease	60 6.0%	14 2.9%	22 10.8%	17 12.3%	3 3.3%	4 5.3%
Remain the same	475 47.5%	303 61.7%	79 38.7%	41 29.7%	28 30.4%	24 32.0%
Don't know	65 6.5%	36 7.3%	16 7.8%	6 4.3%	4 4.3%	3 4.0%

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About the survey

All field work was conducted during January and February 2017, based on an online survey of 1,000 business leaders: company chairs, non-executive directors, chief executives, managing director, company founders, CFOs/finance directors/directors of heads of finance and chief operating officers.

About ForrestBrown

ForrestBrown is a tax consultancy specialising in research and development (R&D) tax credits. Our team of chartered tax advisers help innovative businesses grow and were awarded 'best independent tax consultancy firm' by Taxation Awards 2016. We have two ex-HMRC R&D Unit Inspectors in our ranks. With more than 250 years combined experience, our tax team has a deep understanding of the R&D tax legislation as well as a keen interest in science and technology. We are currently advising 100+ companies a month across all sectors, and last year delivered £50+ million for innovative UK businesses.