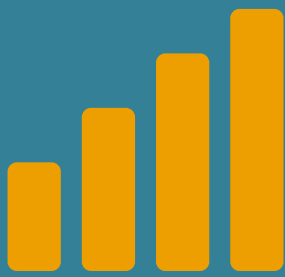


THE 2018 SCALEUP SURVEY

AT A GLANCE



514

SCALEUP BUSINESSES
GENERATING

THEY ARE HIGHLY PRODUCTIVE
AVERAGING

£187,000

TURNOVER PER EMPLOYEE

These scaleups came from across all
regions and sectors:



£6bn

IN TURNOVER



THEY REMAIN
AMBITIOUS

62%

EXPECT TO ACHIEVE 20%+
TURNOVER GROWTH IN THE
COMING YEAR

41%

OF SCALEUPS EXPECT TO
ACHIEVE 20%+ EMPLOYEE
GROWTH IN THE NEXT YEAR

THEY ARE HIGHLY
INNOVATIVE

79%

HAVE INTRODUCED A NEW/
IMPROVED PRODUCT,
SERVICE OR PROCESS IN
THE LAST THREE YEARS

2x

THE INNOVATION RATE OF
LARGE FIRMS

THEY ARE GOOD
CORPORATE CITIZENS

2/3 (64%)

OFFER OPPORTUNITIES TO
YOUNG PEOPLE THROUGH:

WORK EXPERIENCE (51%)

APPRENTICESHIPS (38%)

INTERNSHIPS (44%)

2x

AS MANY SCALEUPS
OFFER APPRENTICESHIPS
AS TYPICAL FIRMS



61%
EMPLOY STAFF
FROM THE EU AND



35%
EMPLOY STAFF FROM
OUTSIDE THE EU



THEY ARE
INTERNATIONAL

TWO THIRDS OF
SCALEUPS ARE
INVOLVED IN
INTERNATIONAL
TRADE

54%
EXPORT

43%
IMPORT

59%
ARE ENGAGED
IN TRADE WITH
THE EU

53%
ARE ENGAGED
IN TRADE
OUTSIDE THE EU



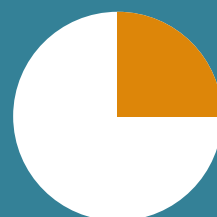
THEY HAVE, OR HAVE ASPIRATIONS TO GAIN, LARGE
CORPORATES AND GOVERNMENT AS CLIENTS

6 IN 10 SCALEUPS (55%)

SELL INTO LARGE CORPORATES AND

2 IN 10 (24%)

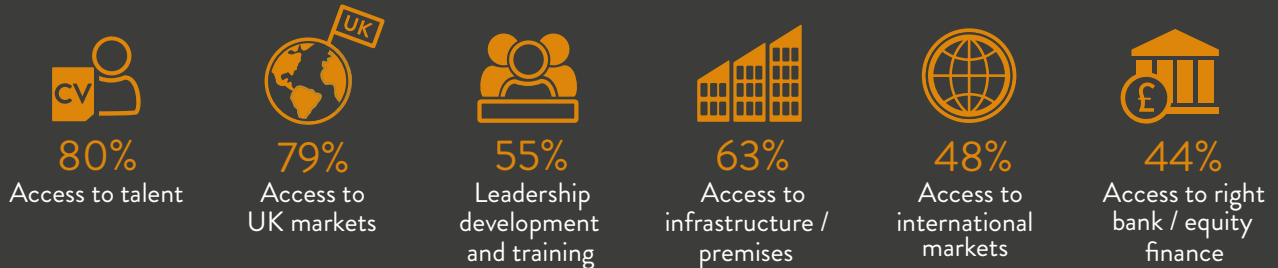
SELL INTO LOCAL OR NATIONAL GOVERNMENT



A QUARTER OF
THOSE NOT
CURRENTLY
SELLING INTO
EITHER LARGE
CORPORATES OR
GOVERNMENT
HAVE ASPIRATIONS
TO DO SO

LOOKING FORWARD: HIGH AMBITIONS TO GROW BUT CONCERN THE UK WILL BECOME HARDER TO SCALE IN WITH LIMITED SUPPORT AND BARRIERS TO BE ADDRESSED

The key factors that will allow scaleups to continue to grow are:



However, when asked to force rank their top 3 priorities, talent and markets remained in first and second place but bank/equity finance moved up to joint 3rd with leadership ahead of infrastructure.

The key sources of future help to grow are LOCAL:



Scaleups would also like easier access to Government resources of:



Scaleups know they are doing well – 63% agree that they are outperforming their peers. But four out of ten feel there is little support for businesses like them (40%) and half have concerns about whether the UK will continue to be a good place to do business (48%).

Two-thirds

scaleups would like a single point of contact to act as a relationship manager to support access to services

Key challenges



TALENT

Key future skills for scaleup employees are critical thinking (64%) and a service orientation (44%). 7 in 10 with overseas staff say it is vital/very important they can continue to bring in this talent.



MARKETS

Selling into both government and large corporates is made more complicated by complex procurement processes (50%), the time it takes to win a contract (36%) and being able to spot relevant contracts to bid for (36%). A relationship management approach is valued.



INTERNATIONAL MARKETS

Scaleups are already doing business across the world, and want to do more in regions such as the Middle East, Australia, Latin America and the Asian Pacific region. Key barriers to international trade are access to markets and partners overseas (31%) and having the staff with the right skills to win overseas sales (31%). A dedicated export relationship management approach is valued.



LEADERSHIP

Scaleups are looking for support from people who know what it is like to grow a business, whether as employees (46%), a network of peers (36%) or as non-exec directors (27%). They also want to develop their existing leadership team (57%).



FINANCE

Three quarters of scaleups are using external finance (75%), but 4 out of 10 do not feel they have the right finance in place for their business. A quarter (25%) are currently using equity finance and 8% plan to use it in the near future. The rest (67%) cite a fear of losing control, thinking it is not a suitable form of finance, or not really knowing much about equity finance as their reasons for not using this funding.



INFRASTRUCTURE

Infrastructure remains a critical component to get right for our fast growing companies, particularly scaleup space. The infrastructure challenge is complementary to other challenges. Scaleups are seeking much greater university support for space and R&D facilities.