

SME Digital Adoption: Enabling Greater Productivity

Key findings from a Be the Business and
Amazon Small Business Accelerator partnership

September 2023



Small Business Accelerator





Anthony Impey MBE
CEO, Be the Business

Righting the UK's poor productivity record is no easy task.

It is a multifaceted, multilayered problem that will not improve without sustained efforts from across the economic spectrum, from government to the wider business support ecosystem and business leaders themselves.

When Be the Business was founded in 2017, we had a vision in mind: to utilise the expertise of the UK's major productivity players and diffuse that knowledge. Amazon have supported us in that mission from the very beginning.

There's no secret to higher levels of business productivity – it's a code that's already been cracked. We know that an increased focus on successful technology adoption, amongst other actions, is key to better results.

Tapping into Amazon's outstanding knowledge in the digital and technology space, we collaborated to provide a new form of intervention for small- and medium-sized business leaders (SMEs): Digital Incites. Taking the form of three 75-minute sessions on a range of technology topics, business leaders heard from an expert before engaging in peer-to-peer discussions.

We learnt a lot in the process, most notably that, despite an increased emphasis on the importance of technology, business leaders still face numerous challenges when it comes to successful adoption, including lack of understanding, cost, and time.

Despite these barriers, however, there is appetite amongst the small business community to actively incorporate digital tools and technology skills into their businesses – and therefore a huge opportunity for the business support ecosystem to enable this.

The Digital Incites trial was a success, but it was just the first step. And, as we've seen, it is only through concerted collaboration, such as the longstanding partnership between Amazon and Be the Business, that we will be able to effectively reach and engage business leaders in their productivity journey.



John Bumphrey
UK Country Manager,
Amazon

One of the keys to unlocking productivity in the UK is helping small businesses adopt new technologies, from ecommerce to AI, social media marketing and more. It's a vital mission if we are to retain our status as a world-leading economy – but it's a complex challenge which needs the support of the entire UK business community, particularly larger and established companies who have already successfully transformed their businesses by adopting a progressive approach to digital technology. It's imperative that we share knowledge, tools and services with small businesses across the UK who tell us they want to do more.

At Amazon, we are proud to have helped small businesses across the UK succeed for more than 20 years. We launched amazon.co.uk in 1998 and opened the Amazon Marketplace in 2002, which allowed independent selling partners the opportunity to reach customers on our online store for the first time. Since then, we have invested heavily in the UK and around the world to help 100,000s of small businesses now reach millions of customers globally, supporting a further 250,000 jobs in the UK to date.

Recently, our Amazon Small Business Accelerator has been an integral part of the wider support we have provided the community. I have been inspired by the stories of thousands of small businesses who have participated in our free online educational programme, training and partnerships to see how it has helped transformed their business. We now have around 100,000 UK-based small businesses who sell on Amazon's online stores (more than 1,800 products on Amazon every minute!) and more than half of those businesses are able to export with Amazon.

There are, however, still barriers that stop brilliant entrepreneurs from fulfilling their innovation potential. That's why I am delighted to see the release of this report, which offers a series of practical recommendations aimed at putting technology adoption at the heart of our business support ecosystem.

The UK is a fantastic place to start and build a business. We look forward to working with partners in government, Be the Business, the small business community and the wider industry to help these businesses improve their productivity now and in the future.



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Executive summary

The low level of productivity growth in the UK is a major drain on the overall performance of the economy. Since 2010, annual UK productivity growth has averaged 0.3%, compared to 0.9% in the rest of the Organisation for Economic Cooperation and Development (OECD) countries.^{1,2}

One reason for this is a “long-tail” of businesses that are less productive than comparable firms in other leading economies.³ One of the proven ways to increase productivity among this group is to encourage greater adoption and use of technology.⁴

There is a significant need for UK businesses to increase their use of productivity-enhancing technology. The UK ranks 31st globally—and 16th in Europe—for information and communication technologies (ICT) adoption, according to the World Economic Forum Global Competitiveness report.⁵ Moreover, evidence from Be the Business and McKinsey & Co. shows that more than half (53%) of all technology adoption efforts by UK SMEs are not successful.⁶

Against this backdrop, Amazon’s Small Business Accelerator and Be the Business partnered to understand more about the barriers to successful adoption for SMEs and identify measures that support higher levels of success.

Together, we recently ran Digital Incites, a programme to support SME leaders in this area. SME leaders attended three short sessions with a leading technology expert, followed by a facilitated discussion among programme participants. Following the conclusion of the pilot, we evaluated the programme and undertook wider research into the UK technology landscape. We identified five key barriers preventing SME leaders from making greater use of technology, and produced recommendations for Government, business, and the support ecosystem to improve adoption.

Barriers to SME Technology Adoption

- 1 Low awareness amongst SMEs of available digital adoption support**
 Too few SME leaders know about existing business support provision, including specific programmes designed to boost digital adoption.
- 2 Fear of failure deterring SME leaders from starting a technology adoption journey**
 Adopting technology is viewed as a challenging process by SME leaders, and fear, uncertainty and doubt deter many from attempting to adopt new technologies.
- 3 Insufficient tailoring of adoption support to meet SME needs and skills**
 Provision of adoption support typically doesn’t account for the learning preferences of SME leaders.
- 4 Costs associated with the initial purchase and ongoing maintenance of technology**
 Evaluation of Digital Incites saw nine in ten SME leaders cite funding as a key challenge for digital adoption.
- 5 Implementation challenges linked to employee engagement**
 Getting employees to use newly purchased technology was highlighted as a significant challenge by SME leaders.

Key recommendations & actions



Actions for policy makers & the business support ecosystem

Amplify awareness:

Government should scale up its collaboration with industry to showcase successful business technology adoption

Government should take inspiration from the success of the GREAT campaign^A and to apply this to support higher levels of technology adoption.

Enhance tailoring:

Create a dedicated front door only for business support

To improve sector-level adoption of technology, Government should develop sector strategies in collaboration with sector and technology leaders.

Improve navigation:

Create a single front door for business support

Government and the support ecosystem should collaborate to launch a simple platform that makes it easier for business leaders to find the most appropriate help to improve their business performance, including digital adoption.



Actions for leading companies

Easier adoption:

Larger companies should share the practices that make them successful

There is a clear opportunity for more leading businesses to pull back the curtain on their operations and to show SMEs how they use and embed technology to drive productivity.



Actions for business leaders

Increase employee engagement:

Business leaders should engage their teams at every stage of their tech adoption journey

By attending training with employees, business leaders can improve their own digital understanding and, at the same time, signal to staff that successful adoption of technology is a business priority.



^AThe GREAT Campaign showcases the very best of the UK, inspiring the world to collaborate, visit, study, live, work and do business in the UK. Visit www.greatcampaign.com

Technology adoption in the UK

The sixth edition of our Productive Business Index (PBI) published in April 2023 showed a second consecutive fall in our headline productivity measure.⁷ Output per worker remained stagnant over the last four quarters (to December 2022), indicating that the UK's productivity challenges remain deeply entrenched.^{8,9,10}

The adoption of digital technologies has a proven positive impact on productivity. Research from the Enterprise Research Centre showed that use of digital technologies is strongly linked to sales per employee, a measure of productivity. Over three years, use of a Customer Relationship Management system (CRM) added 18.4%, ecommerce added 7.5%-based accounting software led to an increase of 11.8% in firm-level productivity.⁴ This is further backed by an Office for National Statistics (ONS) analysis, which showed the use of two or more business management technologies is associated with productivity gains of up to 25%.¹¹ If UK companies can build five key digital capabilities, this could add £33bn to national output in 2030.¹²

The pandemic drove increased use of digital technology

Looking at the five years preceding the pandemic (2016–2020), ICT access and usage by businesses did not show any significant increases.¹³ This challenge was particularly severe for SMEs in the UK, which are less likely to adopt technology compared to both SMEs in other leading European countries as well as large firms in general.¹⁴

For example, while 62% of large UK firms and 68% of large German firms use CRMs, the gap is much larger amongst SMEs (10–49 full-time employees), with just over a quarter (26%) of UK SMEs using the technology compared to 40% in Germany.¹⁵

More recent evidence collected during and after the pandemic suggested an increase in technology adoption due to virtual-only interactions. During the first lockdown, Be the Business found that UK SMEs had undertaken three years' worth of innovation in just three months and significantly increased their use of technology.¹⁶ Additionally, Valero and Van Reenen highlighted that 60% of firms have adopted new management practices or digital technology since the start of the pandemic.¹⁷ A 2023 report from Be the Business also identified higher levels of awareness, understanding and use of digital technologies associated with higher productivity.¹⁸

However, barriers remain in the technology adoption process, and more than half (53%) of SMEs fail in their technology adoption journeys.¹⁹ Even when they do succeed, increasing use of technology can be met with resistance, with evidence showing that micro businesses that have adopted technology are less likely to do so again due to the difficulties with previous adoption efforts.²⁰

Use of two or more business management technologies is associated with **productivity gains of up to 25%.**¹¹

If UK companies can build five key digital capabilities, this could **add £33bn to national output in 2030.**¹²

About Digital Incites

Digital Incites was a short-term pilot intervention designed to overcome some of the documented barriers to technology adoption experienced by SME leaders.

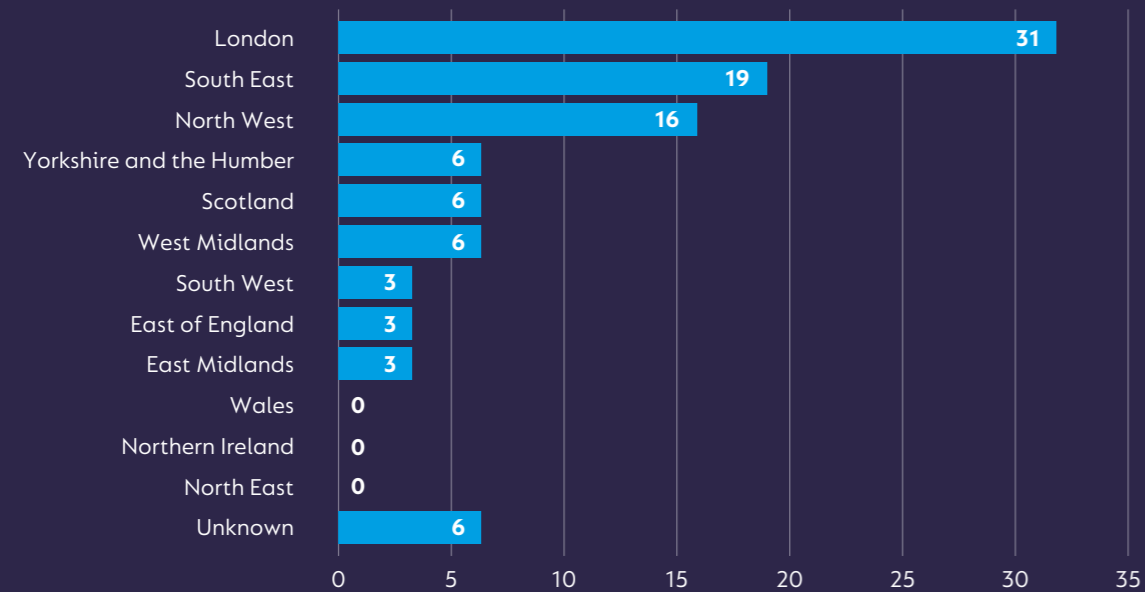
The pilot involved around four hours of contact spread across three weekly 75-minute sessions. Delegates were split across four cohorts on the basis that smaller groups enable better engagement and discussion between individuals.

For those who attended the sessions, there were several key areas of interest. Data from the application form provided insights into the existing challenges that

companies faced regarding technology adoption, with the most common responses being a lack of understanding, cost, and time. Major issues for companies were engaging better with their customers, building their audience and customer relationship management. Individuals who attended the sessions varied in terms of region, sector and size.

The most common industry was retail followed by construction. These could be two valuable sectors to increase technology adoption rates based on openness to technology adoption, industry and economic contribution.⁶

Regional breakdown of attendees (%)



Barriers to & opportunities for digital adoption

1 Low awareness amongst SMEs of available digital adoption support

Whilst small companies are generally aware of different digital tools available on the market, this knowledge is limited, especially regarding the value this technology can provide.²¹ This highlights the importance of programmes to help SMEs with technology adoption.

However, the lack of awareness of such programmes is a barrier. The majority (55%) of Digital Incites respondents were unaware of Government's recently closed Help to Grow: Digital programme.

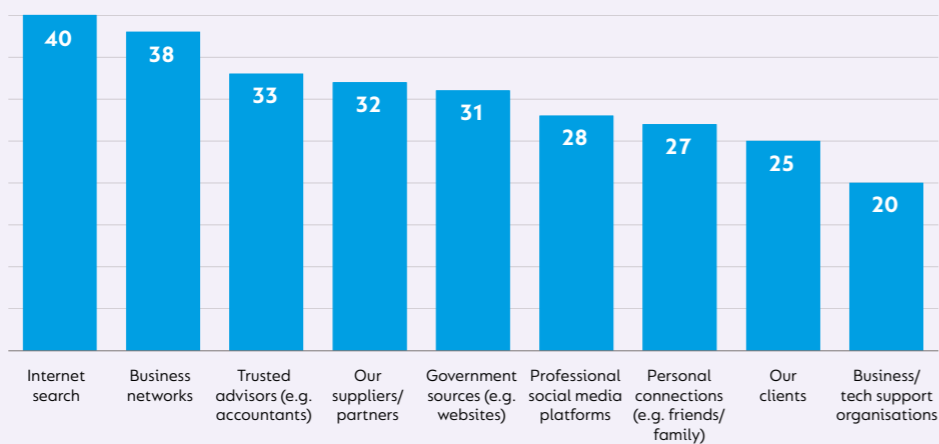
A lack of uptake was cited as the reason for closing the programme, which provided a discount of up to £5,000 on approved software.²² Additionally, only 20% of SMEs ask business support organisations for advice regarding how technology can help them.⁶

We know awareness of business support and use of support in general are relatively low among SME leaders, with only 29% of employers having heard of a growth hub and just 9% having used one.²² Looking at business advice more broadly, just a quarter (24%) of businesses received advice in 2022 compared to half in 2010²³. This is significant because businesses that seek advice are up to three times more likely to undertake activities that improve their productivity and business performance.⁷

Only 20%
of SMEs looked to business support or technology advocacy organisations to learn how technology could help resilience in the COVID-19 crisis, suggesting a need for an impartial 'go to' adviser for SME technology⁶

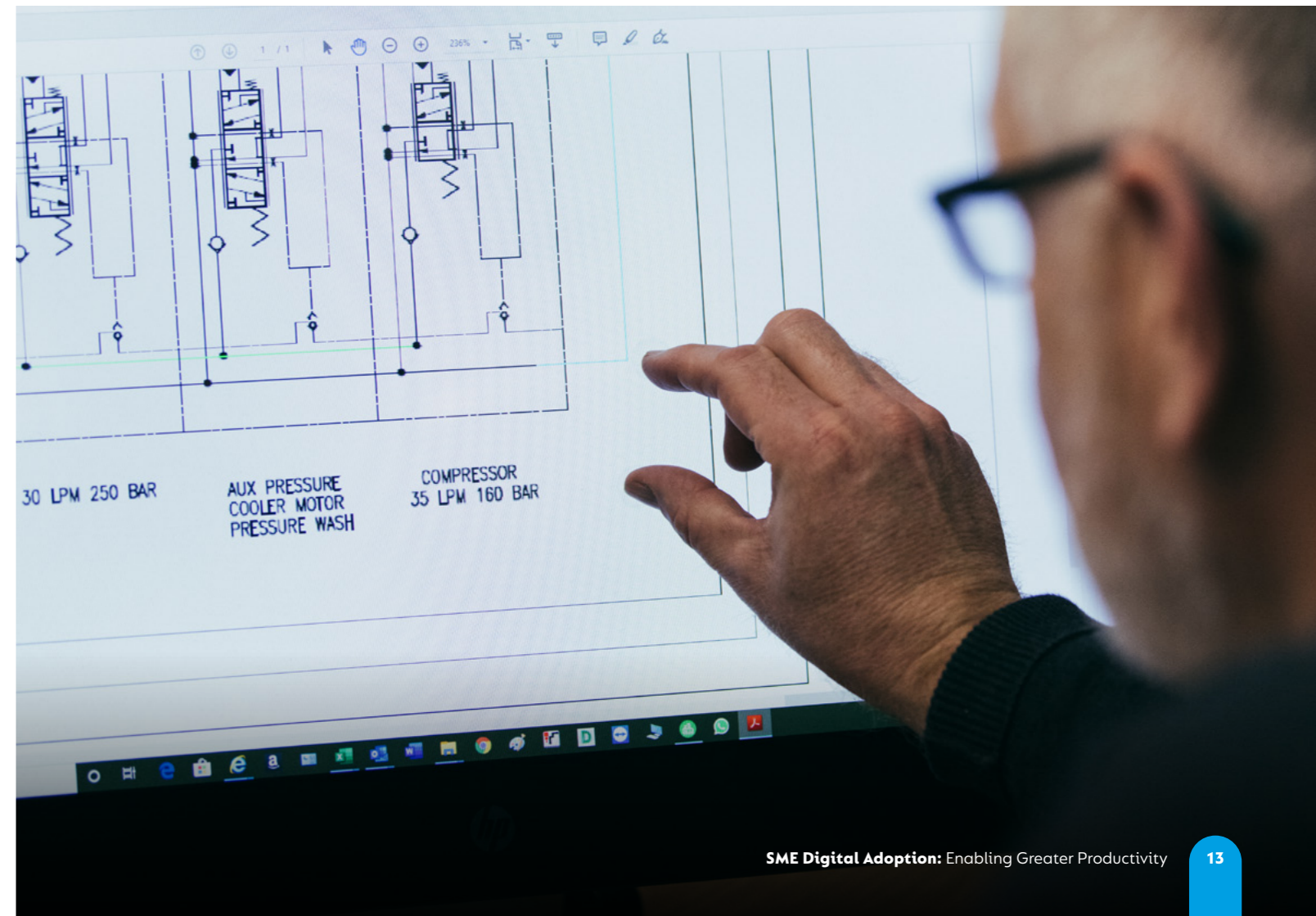
SMEs lack a 'go-to' source on technology, crowd sourcing from multiple sources

Which sources of information have you used to learn about how technology can help your company to cope better with coronavirus? (% Respondents, N = 420)



Feedback from Digital Incites reflects the value of relevant advice. Once engaged in the Digital Incites sessions, SMEs highly rated and greatly benefitted from the support offered. The programme had a net promoter score (NPS) of 55, with anything over 50 being considered excellent.

Additionally, 91% of participants achieved at least one thing as a result of the programme. The sessions outcome also instigated an appetite for further support and improvement. This aligns strongly with the previous experience of Be the Business, in which businesses take up an initial form of support and then continue on a journey of accessing support and making changes.²⁴



Barriers to & opportunities for digital adoption

Opportunities

Government should scale up its collaboration with industry to showcase successful business technology adoption

The recent merging of the Department for International Trade and the Department for Business, Energy and Industrial Strategy presents an opportunity to leverage the successful approach taken by the GREAT Campaign and to apply this to support higher levels of technology adoption. Collaborating with industry to highlight business leader role models will show the benefits of adoption to more SMEs, which may then trigger a digital adoption journey. This means providing SME leaders with a platform to share their digital adoption experiences with other SME leaders, as well as promoting stories and experiences regarding digitalisation within SMEs through corporate support campaigns.

Create a dedicated front door only for business support

Knowing where to start on the business improvement journey is difficult, which discourages many SME leaders from taking the first step. Government and the business support community should collaborate to launch a leader-centric starting point, consolidating resources and pointing SME leaders to the most appropriate support – including for digital adoption.

The consolidation of startup, scale up and export advice on the Help to Grow campaign^B site should be extended to include a wider range of proven support, including industry initiatives.

Ensure the support is positioned to align with SME leaders' interests

SME leaders will usually search for support to help them with their immediate challenges but do not know exactly which solution to use. For example, they may want to know how to manage customers, improve staff retention or grow their business. Support providers should consider this when promoting their offerings to ensure they appeal to SME leaders with a range of requirements.

Peer-to-peer elements are an important part of training

Peer-to-peer best practices, experience sharing and mentoring enable business leaders to really understand what's involved in technology adoption and digital upskilling. Providing a platform to those who have been on the same journey will help bring the learning to life, be highly relatable and provide a greater understanding of the value of technology to small companies.

Only 29% of employers had heard of a Growth Hub and only 9% had used one

^B www.helptogrow.campaign.gov.uk



Barriers to & opportunities for digital adoption

2 Fear of failure deters SME leaders from starting a technology adoption journey

Within SMEs, a significant amount of the technical assessment falls onto leaders' shoulders, whereas larger companies can rely more heavily on specialists with the skills and knowledge to lead the introduction of new systems.⁶ Adopting technology can be a big step for SME leaders who do not have time to conduct in-depth research or who find it challenging to assess the return on investment.²¹ There is also a lack of confidence around achieving integrations with other systems, with only 23% of SME leaders feeling that they have the technical skills to adopt a new technology.²⁵

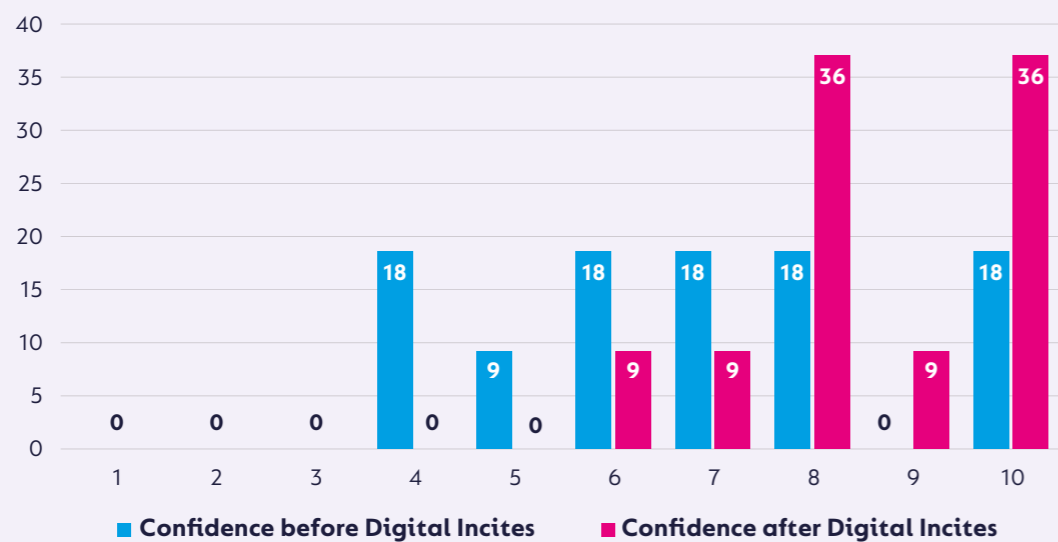
According to a food distributor, "We would need a full-time IT team working on it. I saw a bottomless drain of cash just to implement it. We would be completely at their mercy to bill and bill until it works for us... and it would take months before you can even start using it."

Seven in eight SME leaders think that the digitisation of processes and services doesn't go as expected.¹² Furthermore, switching from one digital service to another has been identified by SME leaders as one of the most difficult parts of adopting technology, with 41% indicating that switching could disrupt their business. There is additional stress around potential data loss and integration with other systems.¹⁴

Data from the Digital Incites end of programme survey suggest that the participants' confidence regarding the adoption of technology increased after attending the sessions. Survey respondents suggested that Digital Incites increased their confidence with selecting digital tools, with almost three-quarters (73%) saying this had improved.

The Digital Incites series and other Be the Business programmes indicate that increasing confidence is an important first step in the adoption journey as, without confidence, SME leaders won't be able to identify, adopt and deploy the right technology for their business.

Change in confidence in selecting digital tools (%)



Opportunities

Larger companies should share the practices that made them successful

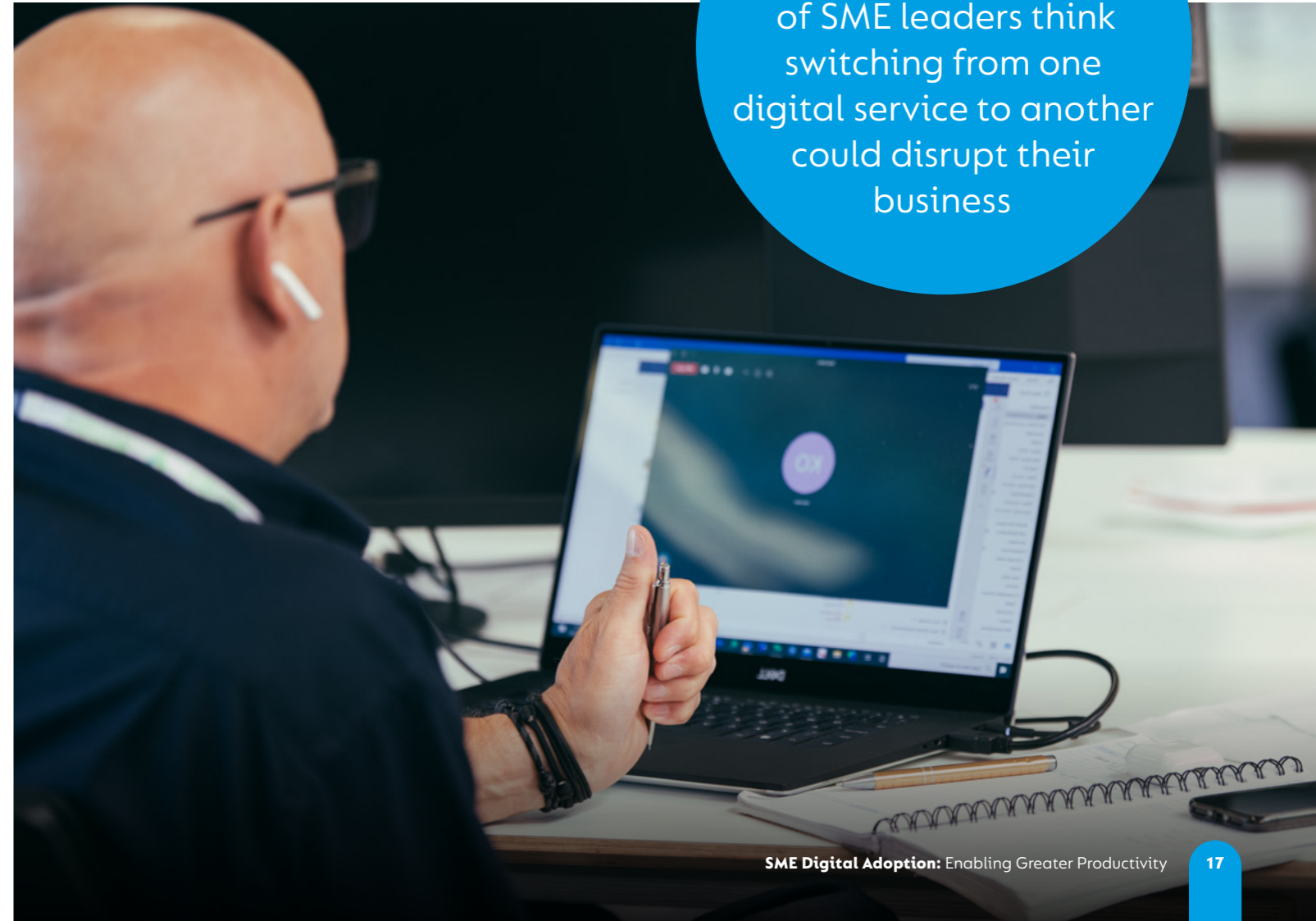
The UK is home to some of the world's most productive organisations,²⁶ but there is currently too little diffusion of their best practices to SMEs compared to in other leading economies, such as Germany and the US.²⁷

When leading firms do share their expertise, it is highly valued, and the positive NPS suggests that the Digital Incites programme is just one example of doing so. There is a clear opportunity for more leading businesses to pull back the curtain on their operations to demonstrate how they use and embed technology to drive productivity.

SME leaders should invest in leadership and management training for their senior managers

This means investing not only in one's own capabilities as the leader of a firm but also the capabilities of managers. Good leadership and management underpin a firm's ability to sustainably adopt and improve. With 2.4 million "accidental managers" in the UK workforce,²⁸ developing more capable employees through effective training and support could unlock substantial value.

41%
of SME leaders think switching from one digital service to another could disrupt their business



Barriers to & opportunities for digital adoption

3 Insufficient tailoring of adoption support to meet SMEs' needs and skills

The What Works Centre for Local Economic Growth highlighted that tailored support may be more likely to increase employment and productivity than generic help.²⁹ Several reports reflect the importance of ensuring tailoring within-business support provision, with one highlighting that support needs to be timely, easy to find, relevant and effective for meeting objectives.³⁰

This challenge of appropriately tailored material is not unfamiliar to technology adoption programmes. In a previous Be the Business programme, Technology Adoption

Labs, it was highlighted that each SME had a unique set of challenges and goals that required bespoke support to help identify the right technology solutions for their needs. This reflected the diversity of sectors, sizes and differing stages in their business journey.²¹ Additionally, SME leaders have cited being unable to find tailored advice for their business and sector as two key barriers to taking up further support.³¹

An additional barrier in this area is that many technology solutions available on the market are complex, multi-functional solutions which go beyond the simplicity that SME leaders may be seeking. SME leaders rank the fit with their needs as a key decision factor when looking for solutions, and this is an area where they have been shown to be the least satisfied.⁶

Opportunities

Overall, a balance is required, and programmes should include a blend of peers and experts

Peer-based networks can drive up adoption, yet most diffusion activity by experts is insufficiently “customer credible”. SME leaders have far less capacity to scrutinise technology salespeople and experts than leaders of bigger firms. As such, they rely heavily on peers who are a step ahead to make a quick call on whether an approach, programme or product will be right for them.³²

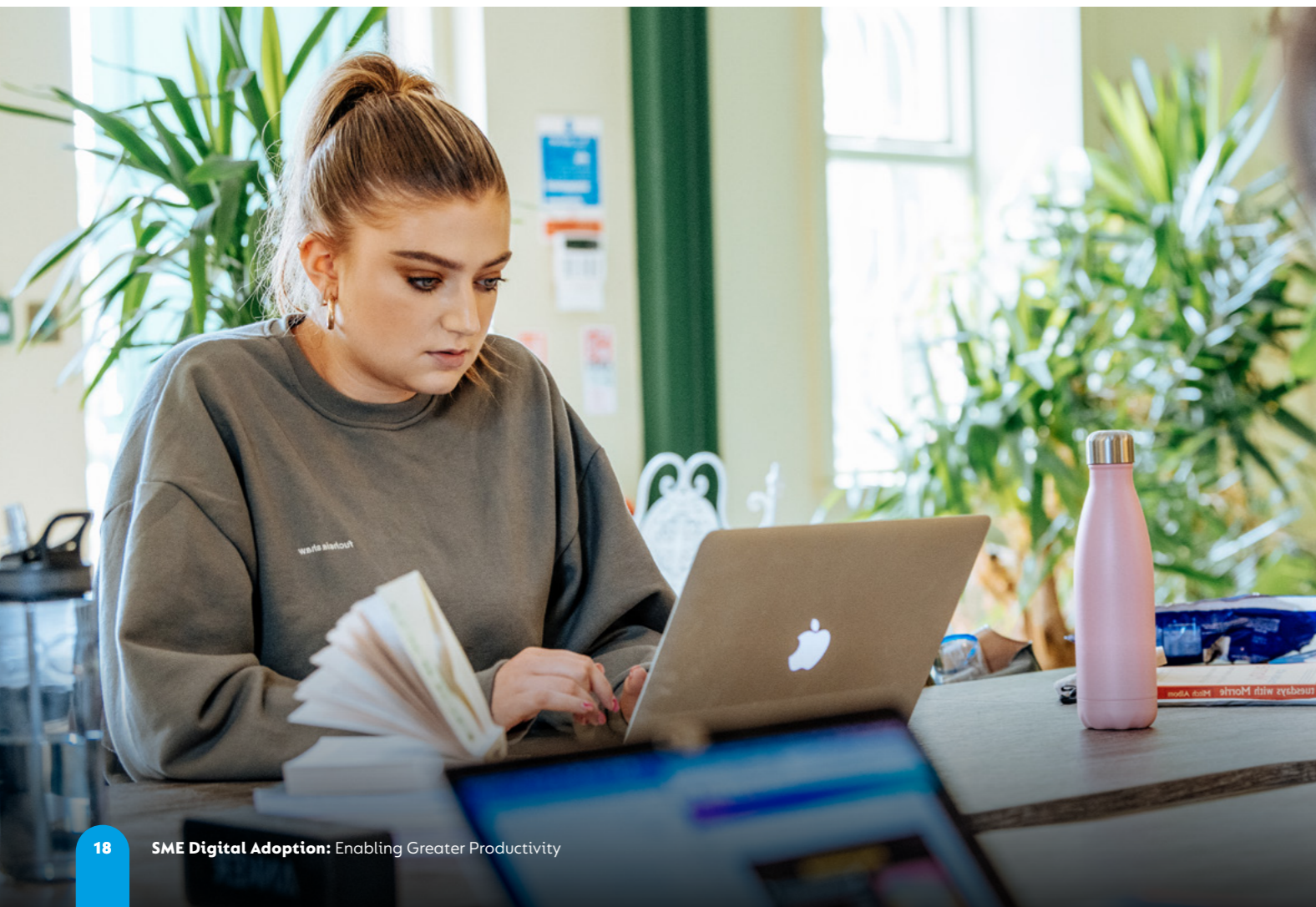
Offer flexible models of training: individuals learn in different ways, business circumstances vary, and prior levels of qualification differ

Offering a variety of formats and training lengths is key to maximising take up of support. Flexible and sometimes shorter models of training can appeal to SME leaders seeking to fit it around on-the-job responsibilities. However, for significant organisational skills gaps, longer-form structured learning may be more appropriate.

The Business Support Survey also showed variations between age groups, suggesting tailored support according to a business leader's age would be valuable.²⁹ During the Digital Incites sessions, the facilitator was required to tailor the content to those in attendance. We recognised throughout the sessions that interest from startups was high, and so there is potential to tailor further sessions more towards that market.

Develop sector strategies for better sector-level adoption

Sector and technology leaders should come together to build sector-level action plans for technology diffusion and adoption. Many of the barriers described in this report have been identified before, and previous research has shown that there is a need for leadership and management skills as well as basic digital capabilities as a precursor to adoption of more advanced technologies.³³ Tailoring the action plans to specific sectors can lead to greater benefits from support provision.



Barriers to & opportunities for digital adoption

4 Costs associated with the initial purchase & ongoing maintenance of technology

In the final survey for the Digital Incites sessions, 91% of respondents raised the issue of funding as a key challenge. Given the closure of Help to Grow: Digital and there still being demand for this kind of support, alternative solutions to fill this gap should be considered.

After COVID-19, a survey by Sage highlighted that even though SMEs desired to invest in technology, 50% said cash constraints would mean they would not be able to do so.³⁴ In another report, 57% cite a lack of funding as a key barrier to digital adoption.³⁵

Insights from previous programmes indicate that flexibility in contract structures is vital for SME leaders and can encourage technology adoption. SME leaders who were provided with low cost-per-user models and monthly subscriptions were impressed with their impact, whereas SME leaders presented with yearly contracts and high fees were deterred by the concept.²¹ Running costs were more of an issue for micro firms, although they were still flagged by SME leaders.⁶

Opportunities

Government should review what's next for business support with technology adoption now that the Help to Grow: Digital programme has ended

Technology adoption barriers, including concerns over funding initial and long-term commitments to technology, remain for SMEs. Government should consider mechanisms to support companies to overcome these concerns.

Make switching between technology solutions easier

Industry should embrace self-regulation and build in greater data portability across platforms and technologies to make it easier for SMEs to adopt new digital tools. Switching from an existing technology to a new provider is the most difficult and stressful of any stage of technology adoption, so new data portability standards will create a larger SME market for all.

57%

Flagged a lack of funding as a key barrier to digital adoption³⁵

#SSEHub



Barriers to & opportunities for digital adoption

5 Implementation challenges linked to employee engagement

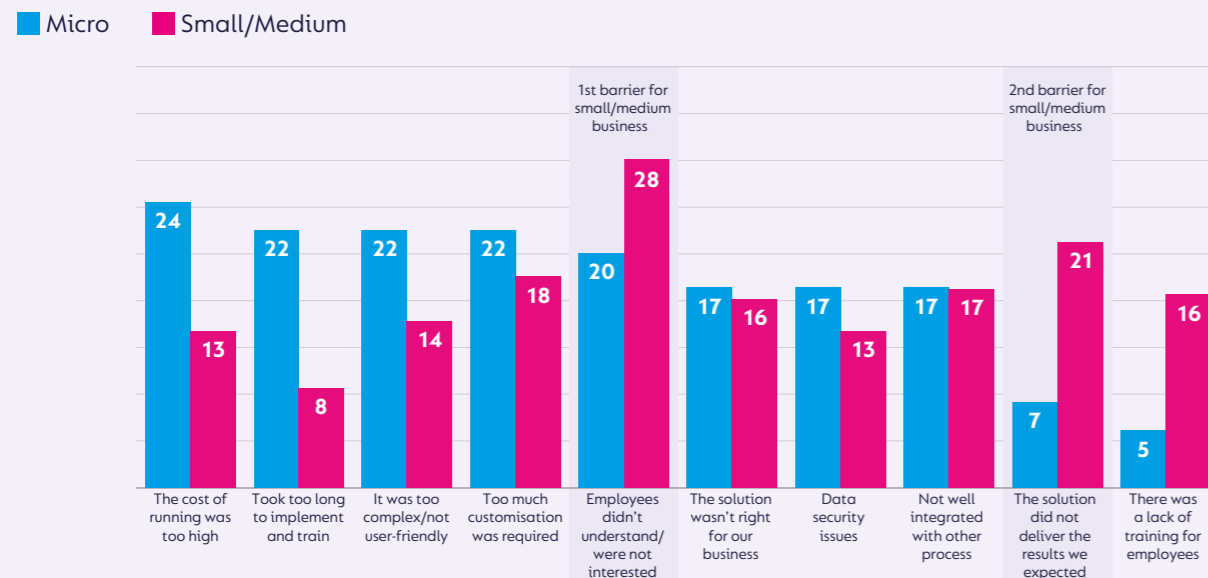
During the Digital Incites sessions, over half (55%) of participants flagged staff adoption as a key barrier. A previous report highlighted that digital skills are highly valued by business

leaders, but only 31% think their teams have all the basic digital skills needed.²³ The biggest barrier for SMEs identified in the UK Technology Moment report⁶ was employees not understanding or not being interested in digital adoption. The data also showed that SMEs are more than twice as likely to report failed technology adoption if employees are not on board.

Key barriers to successful implementation

Top two drivers of failure match barriers to adopting tech for businesses with 11+ employees

Of those businesses who adopt tech, most are unsuccessful (53%)* % average across all adoptions, N = 1,007



* You mentioned that use of technology solutions in has not been very successful. Why is that? Source: Opinium survey, June 2020, N = 1,476

SMEs are **3x more likely** than microbusinesses to struggle with the chosen solution delivering expected results⁶

“A key challenge is understanding how to bring people along, particularly when it’s around automation where there is reluctance and fear.

Programme participant

The two most recent editions of the Be the Business Productive Business Index (PBI) have shown a steady decline in the capability score for SMEs. This score incorporates the capabilities of SMEs and their staff to adopt technology.⁷ Related to this, fewer than half (48%) of SMEs think they are using software effectively, but some firms desire to improve employees’ digital skills.³⁶

“My employees don’t want to change how they do things.

Programme participant

Opportunities

SME leaders should engage their teams at every stage of their technology adoption journey

The Digital Incites programme focused on improving the skills of SME leaders, but evaluation evidence found higher levels of success when end users participated alongside their employers. By attending training with employees, SME leaders can improve their own digital understanding and, at the same time, signal to staff that successful adoption of technology is a business priority.

Internal testing or product trials can build a greater understanding of the tools and functionalities before they are implemented across the business. This finding agrees with a previous analysis carried out by Engage for Success, which showed that organisations with employee engagement scores in the top quartile had 18% higher productivity than those scoring in the bottom quartile.³⁷

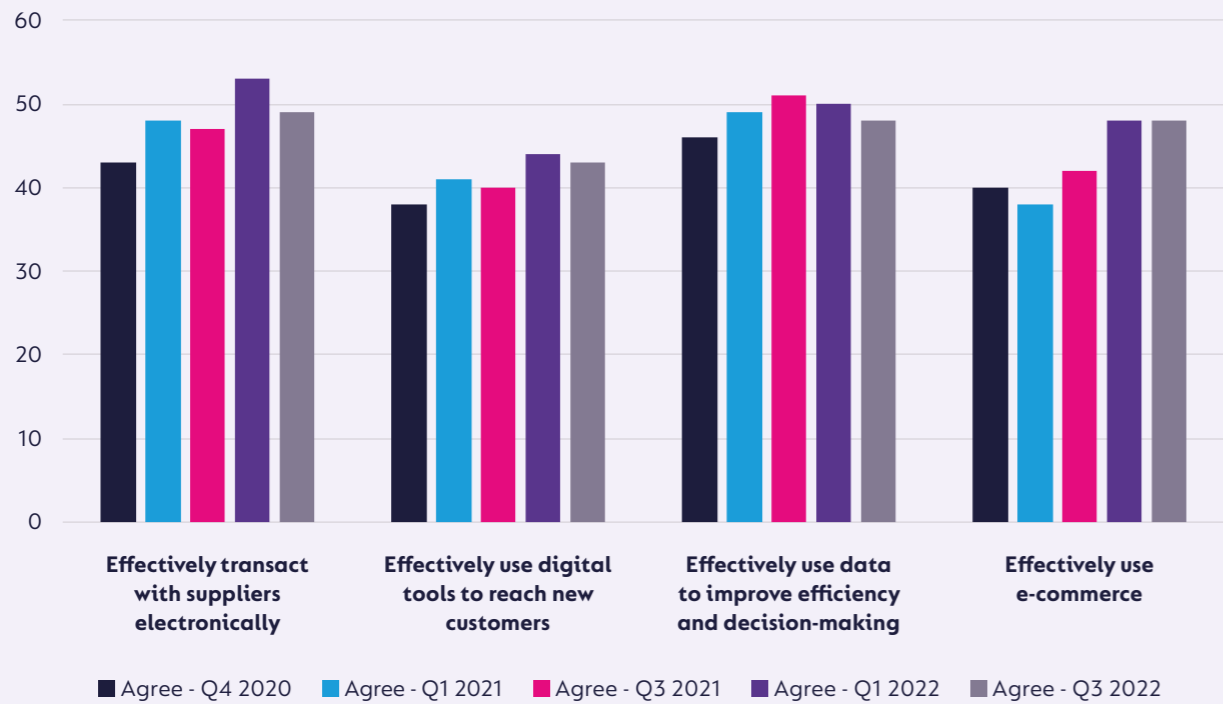
A clear path to SMEs extracting the maximum value from a solution is end users (employees) using it consistently and in the right ways

There are some steps SME leaders can take to maximise the value of the technology they adopt. A key step is to have end user “champions” within the business.

One way to achieve this is by deeply understanding end user pain points, developing solutions that clearly address them and upskilling employees. “[Technology provider] staff have a conversation with our marketing team on a constant basis – not only for things related to their product, but they recommend other tools and answer any questions we have,” said an LED equipment supplier.

Barriers to & opportunities for digital adoption

Effectiveness of adopting new technologies



Employee openness to technology is the biggest predictor of implementation success

Success factors (Correlation analysis results)

SMEs are more likely to succeed with tech adoptions IF:

- ↑ Their employees are open to using new technology
- ↑ Their employees are tech savvy
- ↑ They believe technology can improve productivity
- ↑ They have quantitative measures in place to measure success
- ↑ They work with suppliers/vendors that use technology

SMEs are more likely to fail with tech adoptions IF:

- ↓ They lack visibility of the tasks happening in the business
- ↓ They struggle to convince employees to adopt new technology
- ↓ Their employees feel overwhelmed by tech
- ↓ Business lacks capabilities to implement the solution



Appendix

What is Digital Incites?

The Amazon Small Business Accelerator^c has supported thousands of startups and businesses since launching in 2020. A new initiative they launched in partnership with Be the Business is the Digital Incites programme.

Digital Incites was a short-term intervention of around four hours of contact spread across three sessions. Each session lasted around 75 minutes, and they were generally spread across a period of three weeks. Participants were split into four cohorts on the basis that smaller groups enable better engagement and discussion between individuals.

During the Digital Incites sessions, participants heard a 10-minute TED-style talk by Amazon experts followed by facilitated discussion to support them with three aspects of their digital journey:

- Mapping your digital journey
- The skills and leadership needed for successful digital change
- Choosing your digital tools

Adoption of digital technologies has a proven positive impact on productivity.⁴ This report summarises the findings from this programme using the sources outlined below.

- Application data
- Monitoring data on attendance
- Facilitator survey
- Observer notes
- End of programme survey

Given the small participant numbers, we triangulated information from these sources to draw key conclusions and recommendations.

What the application data tells us about those who attended

Overall, 40 individuals registered for the Digital Incites sessions. Of those, 32 (80%) attended at least one session, 21 (53%) attended at least two sessions and 15 (38%) attended all three sessions. The number of participants was below the initial target number of 56 individuals. However, it was above the minimum viable number of 20 individuals.

One session had only two attendees. However, a small session size didn't reduce its impact. According to an external facilitator, "We only had two delegates for this session. The session was amazing, the speaker was incredibly open about his experience of being a startup and was truly inspiring and relatable, which was very highly appreciated by the two delegates who very much experienced mentoring in action. I have to say this was one of the very best sessions to have been part of. As an opportunity to dive into the mindset of startups, it was brilliant!"

Initially, the aim was to have four cohorts of different firm sizes based on employee numbers:

- 1-2 employees
- 3-30 employees
- 31-250 employees
- 3-250 employees

However, it proved difficult to recruit larger SMEs for the programme due to the numbers required for a cohort, while at the same time, interest from SMEs was high. The decision was made to target cohorts one and four to companies with three or more employees, whereas cohorts two and three were mainly targeted at companies with one to two employees. In this case, owners were included in firms with one employee.

Participating businesses by employee size (%)



While there was some evidence that there was a larger drop-off among smaller SMEs, it is not clear that size was the major factor across the two cohorts. There was also some evidence that when individuals already knew each other and had existing relationships, attendance was better. For those who attended the sessions, there were a few key areas of interest. These generally aligned well with the material and the advertising of the sessions.

Data from the application form gave some insights into the existing challenges that companies faced, with the most common responses being a lack of understanding, cost, and time. Application data showed that firms in the retail and construction sectors showed the most interest in the programme. We know from previous research that these are key sectors for improving the productivity challenge.

Participating businesses by industry

Industry	No. of firms
Retail	7
Construction and Housing	5
Health and Care Sector	3
Professional Business services	3
Ecommerce	3
Construction Products	2
Media and Broadcasting	2
Farming, food and drink sectors	2
Digital, technology and computer services	1
Energy	1
Aviation	1
Consumer Goods	1
Education	1
Total	32

^c www.sell.amazon.co.uk/amazon-small-business-accelerator

End of programme beneficiary survey



Headline findings

1 The final programme survey was completed by 11 participants. While this represents a good response rate in line with other evaluations, the small number of overall participants means caution should be applied when interpreting the results.

2 All responding participants planned to introduce a new digital initiative following the programme, highlighting strong engagement.

3 Nearly three-quarters (73%) of responding participants stated they achieved the aim they had when they initially signed up for the programme, which suggests the marketing of the product was in line with what was delivered.

Programme satisfaction

- Almost all responding participants (91%) said they were either satisfied or very satisfied with the support provided, with two-thirds of those being very satisfied. This is in line with the scoring from the Be the Business Advisory Board programme (95%).

One participant felt they did not gain much from the sessions and desired more specific advice on solutions and tools applicable to them and more advanced content. They had a high level of technology usage already. This highlights a key challenge with cohort-delivered sessions, as people in the room will have different levels of digital skills and different content preferences.

- In terms of willingness to recommend, the programme received an average score of 8.5 out of 10. Overall, 73% answered 9 or 10 or of 10 and this resulted in an NPS score of 55, with anything over 50 being considered excellent.³⁸

A score of 55 is in the same range as the much more in-depth Be the Business Advisory Board^D programme (score of 62) and is notably higher than the Technology Adoption Labs^E programme (score of 42).

- There was a large amount of variation regarding how much participants were willing to pay for the sessions (range: £0 to £1000). The £1000 answer was an outlier, and with it removed, the average was £85. With the value of £1000 included, the average increased significantly to £176. There was a split amongst the participants between those willing to pay more and less than £100, with 45% saying they were willing to pay more than this amount.

The support appears to have unlocked demand for further interventions, as 91% responded “yes” when asked “Are you interested in further initiatives such as this to support your business with technology adoption?” This aligns with the view of Be the Business that SMEs need to initially engage with support activity and then continue to engage with further support as part of their journey.

Changes for the individual and their businesses

- Participants were more confident using digital initiatives upon completion, with the average level of confidence score increasing from 6.8 to 8.5 out of 10.

“I think there was a real perspective shift amongst the group on how to approach leading digital transformation, particularly around revisiting the ‘Why’ in order to understand the ‘How’.”

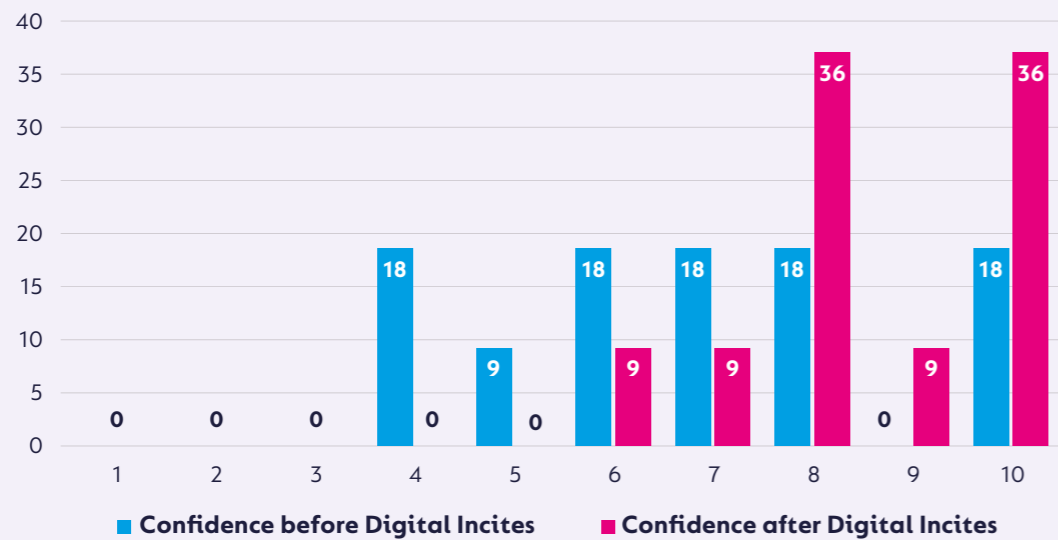
Observer

- Digital Incites session participants also experienced personal developments. We would expect to see changes happen at this level and then further changes at the business level once the personal changes start to have an impact. There do already appear to be some business-level changes reported because of the programme.

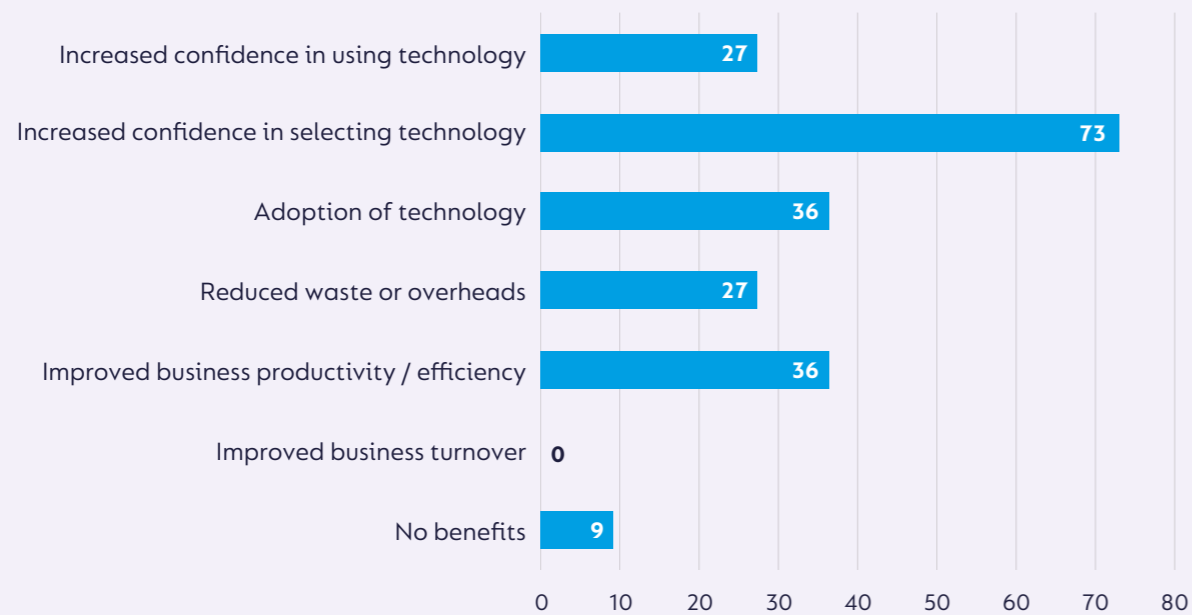
^D Advisory Boards is a programme that runs over a period of 12 months, with business leaders having four quarterly meetings with up to five board members/advisors to support them.

^E Technology Adoption Labs is a programme in which participants engage in several one-on-one sessions with a technology expert, who supports them with technology adoption plans.

Change in confidence (%)



What have the Digital Incites Sessions helped you achieve personally? (%)



- When asked what the sessions helped them to achieve, 91% of responding participants said the sessions helped them in at least one of the areas outlined in the graph.
- In addition to an increased level of confidence using digital initiatives, 73% of responding participants reported increased confidence with selecting digital tools.
- **Over one-third (36%)** of responding participants said the sessions helped them to adopt technology.

This result is similar to that of the Technology Adoption Labs programme. This shows that both formats can support SMEs with the adoption of technology and that a group setting does not necessarily result in lower levels of adoption than one-on-one support.

- **Over one-third (36%)** of responding participants reported that the sessions helped them to improve their business productivity/efficiency.
- Three-quarters of those who selected this answer also said the programme helped them with the adoption of technology, which highlights the clear relationship between the adoption of technology and improving productivity/efficiency.
- **Almost one-third (27%;** compared to 17% for Technology Adoption Labs) reported reduced waste or overheads in the business.
- This support has not yet been reported to translate into higher turnover; however, this is not conclusive and most likely attributable to the short timeframe that has passed since the end of the programme.

Remaining challenges for implementing new initiatives

- According to 91% of responding participants, funding is a key challenge.
- Challenges with staff adoption, technical knowledge and time were all raised as other key factors by over half the respondents (55%), and these are key issues that are commonly referred to in the literature.

“Looking to understand how to bring people along, particularly when it’s around automation, where there is reluctance and fear.”

Programme participant

- On a positive note, confidence was only raised as a remaining challenge by 18% of responding participants.

Appendix

Comparisons with the Productive Business Index

As part of the Digital Incites final programme survey, some, some questions from the Be the Business PBI^F were included for comparison. This produced some notable differences, although it is challenging to make robust comparisons because of variations in the size of SMEs and the sample sizes in this survey. Regarding the rate of a company's digital technology use and readiness, there were large differences in two areas:

- 1) The SMEs in Digital Incites were less likely to say they effectively used data to improve efficiency and decision making.

This came up multiple times during the Digital Incites sessions.

“Customer base and know your data – has not prioritised data but will now, will focus on big picture and know where she wants to be and putting in objectives to achieve that.”

Programme participant

- 2) Digital Incites participants were less certain that their employees had access to the technology they needed to improve their productivity.

“Old paper files, not useful for accessing or tracking data. Scaling up means a full process of digitalisation is needed. Resistance from people who find it easier to write pen to paper notes. Uploading scanned copies of these documents, it's simply not as effective.”

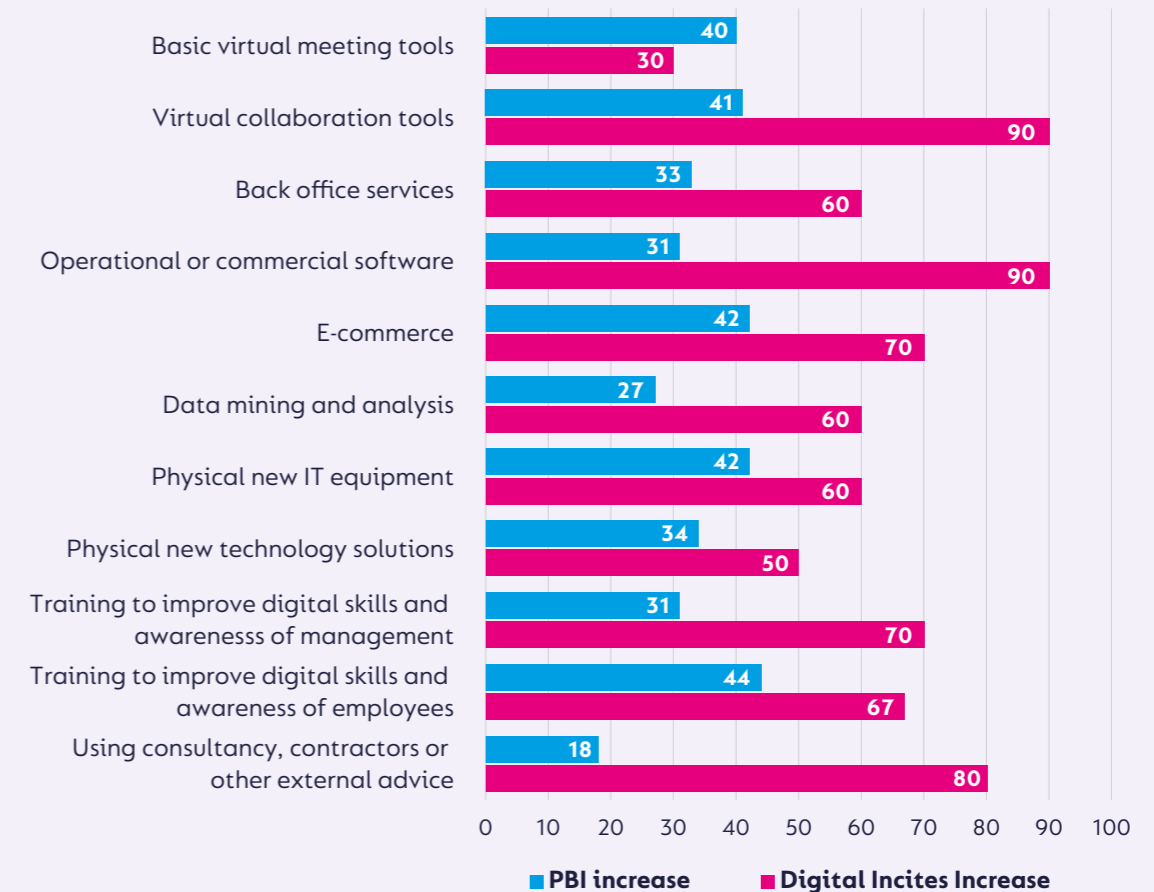
Programme participant

Participants were asked if their planned activity or investment in several areas over the next 12 months was likely to increase, decrease or stay the same. As with the PBI, the most common answer was that it would increase or stay the same, although the Digital Incites group was more likely to select increase. This might be because the Digital Incites participants were more naturally inclined to plan technology investment if they chose to incorporate a technology programme. Half of the Digital Incites participants stated that their answers had changed based on the support they had received.

“All businesses are technology businesses. Digitalisation is a core part of the business strategy (same realm as economics, marketing) rather than being a project. Transformation all comes down to leadership and commitment to the vision.”

Programme participant

Planned activity or investment in the next 12 months



^F The PBI focuses on the productivity of micro, small and medium-sized businesses in the UK. Changes are tracked in five key areas (management skills, training and HR, innovation, process efficiency and technology adoption) as well as general operating conditions, barriers to growth and expectations for the future.

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About us



Small Business Accelerator

Be the Business is an independent charity that inspires greater productivity, by connecting leadership teams to the curated expertise needed to answer today's challenges. By combining peer to-peer networks, the employee expertise found within pioneering corporate partners, independent business experts and our research and insights, we inspire leadership teams to create and deliver sustainable business change. Collectively we're transforming the UK's productivity, raising the value of businesses in our communities, safeguarding jobs, and improving standards of living.

In recent years the UK small and medium-sized companies (SMEs) have faced unprecedented challenges that have slowed growth and reduced productivity levels in comparison with other economies. Be the Business is on a mission to inspire all 253,000+ SMEs across the UK to create sustainable business change that delivers greater productivity. Since 2017, Be the Business has inspired thousands of business leaders to transform the way they work directly resulting in hundreds of millions of pounds worth of gross value added through increased productivity.

The Amazon Small Business Accelerator is a free, online educational programme for UK entrepreneurs who want to start a new online business or grow an existing one. Alongside more than 20 e-learning courses with 50+ bitesize videos, the program also offers events including specialist in-depth workshops and bootcamps, and access to an expert adviser network.

Thousands of businesses have accessed the Accelerator since it started over three years ago and will continue to serve the evolving needs of the UK's thriving small business community.

To help UK start-ups, entrepreneurs and small or medium sized businesses, the content is tailored to the level of experience and need of the individual business. Collaborating with external partners to bring together the best-in-class advice from the country's small business experts and Amazon leaders. The comprehensive curriculum covers topics such as starting a business, marketing, and social media, making and growing sales, selling on Amazon, funding, and money management.

