UK Business and Charity Digital Index 2018 Appendix

The fifth edition – Benchmarking the digital capability and skills of UK SMEs and charities
Introduction

The report contains research from 1,500 SMEs and 500 charities into attitudinal behaviours and uses of digital within their organisations.

To ensure published findings are statistically and meaningful throughout the report, care has been taken to only reference within the body of the report those year-on-year changes that meet statistically significance criteria.

Please note that within graphs, figures have been displayed as they are, meaning that minimal differences might not be statistically significant.

Appendix 1. Graph shows the percentage of a working week that is being saved through digital, split by SME and charity, 2018.
Appendix 2. Graph shows the percentage of SMEs that have benefitted from using online facilities, split by digital capability, 2018

<table>
<thead>
<tr>
<th>Benefit</th>
<th>High (%)</th>
<th>Low (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>None of these</td>
<td>36%</td>
<td>5%</td>
</tr>
<tr>
<td>The ability to trade overseas</td>
<td>20%</td>
<td>5%</td>
</tr>
<tr>
<td>Can use my mobile to take payments</td>
<td>26%</td>
<td>12%</td>
</tr>
<tr>
<td>Increased sales</td>
<td>39%</td>
<td>36%</td>
</tr>
<tr>
<td>Wider geographic coverage</td>
<td>41%</td>
<td>14%</td>
</tr>
<tr>
<td>More effective marketing</td>
<td>46%</td>
<td>16%</td>
</tr>
<tr>
<td>Simplified process of taking payments</td>
<td>46%</td>
<td>15%</td>
</tr>
<tr>
<td>Cost savings</td>
<td>47%</td>
<td>24%</td>
</tr>
<tr>
<td>Attracting more customers</td>
<td>48%</td>
<td>19%</td>
</tr>
<tr>
<td>Increased feedback and interaction with customers</td>
<td>51%</td>
<td>22%</td>
</tr>
<tr>
<td>Can use my mobile to do my business on the move</td>
<td>55%</td>
<td>33%</td>
</tr>
<tr>
<td>Saving time</td>
<td>67%</td>
<td>37%</td>
</tr>
</tbody>
</table>

Key:
- **High**
- **Low**
Appendix 3. Graph shows the percentage of SMEs that have said they are saving a proportion of their time through being online, since 2014.
Appendix 4. Graph shows the potential uplift in UK SME turnover if all SMEs developed high digital capability, split by employees band, 2018*

*It is acknowledged that the correlation between digital capability and turnover is also impacted by external factors.
Appendix 5. Graph shows the percentage of SMEs that have benefitted from using online facilities, 2018

- None of these: 15%
- The ability to trade overseas: 18%
- Can use my mobile to take payments: 24%
- Increased sales: 36%
- Wider geographic coverage: 37%
- More effective marketing: 41%
- Simplified process of taking payments: 42%
- Attracting more customers: 44%
- Cost savings: 44%
- Increased feedback and interaction with customer: 46%
- Can use my mobile to do my business on the move: 52%
- Saving time: 62%
Appendix 6. Graph shows the percentage change in proportion of SMEs who benefit by trading overseas online, split by nation and region, 2018 vs. 2017

-55%  -53%  -43%  -32%  -30%  -28%  -28%  -23%  -22%  -14%  -14%  63%
Appendix 7. Graph shows those SMEs who are using digital to trade overseas, split by sector, 2018 vs. 2017
Appendix 8. Graph shows the percentage of SMEs that have benefitted from using online facilities, 2018 vs. 2017

Key
- 2017
- 2018
Appendix 9. Graph shows SMEs average turnover if they have the following skills: 'Cloud-based IT systems', 'online accounting software' and 'digital training tools' vs. those with none of these skills, 2018

<table>
<thead>
<tr>
<th>Skills</th>
<th>None</th>
<th>All/Most</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cloud-based IT systems</td>
<td>133,000</td>
<td>236,000</td>
</tr>
<tr>
<td>Online accounting software</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Digital training tools</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total turnover</td>
<td>£0</td>
<td>£300,000</td>
</tr>
</tbody>
</table>

Appendix 10. Graph shows SMEs average turnover if they have the following skills: 'social media and marketing expertise', 'e-commerce specialists', 'search engine optimisation/search engine marketing' and 'customer data analytics' vs. those with none of these skills, 2018

<table>
<thead>
<tr>
<th>Skills</th>
<th>None</th>
<th>All/Most</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social media and marketing expertise</td>
<td>156,000</td>
<td>260,000</td>
</tr>
<tr>
<td>E-commerce specialists</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Search engine optimisation/search engine marketing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customer data analytics</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total turnover</td>
<td>£0</td>
<td>£300,000</td>
</tr>
</tbody>
</table>

Appendix 11. Graph shows SMEs average turnover if they have the following skills: ‘organisation website’, ‘Instagram’ and ‘organisation Facebook page’ vs. those with none of these skills, 2018

<table>
<thead>
<tr>
<th>Skills</th>
<th>None</th>
<th>All/Most</th>
</tr>
</thead>
<tbody>
<tr>
<td>Website</td>
<td>142,000</td>
<td>219,000</td>
</tr>
<tr>
<td>Instagram</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Facebook page</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total turnover</td>
<td>£0</td>
<td>£300,000</td>
</tr>
</tbody>
</table>
Appendix 12. Graphs show SME’s confidence that they can succeed in the digital world vs. movements in their turnover over the past two years, 2018

Appendix 13. Graph shows the percentage of SMEs that say they are already doing as much as they want to online, since 2014

<table>
<thead>
<tr>
<th>Year</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>12%</td>
<td>16%</td>
<td>16%</td>
<td>16%</td>
<td>31%</td>
<td>37%</td>
</tr>
</tbody>
</table>

Key
- Confident
- Not Confident
Appendix 14. Graph shows the percentage of SMEs in Segment 1 that say they are already doing as much as they want to online since 2014.

Appendix 15. Graph shows the average percentage of digital transactions per SME since 2014.
Appendix 16. Graph shows SME responses to the question ‘Do you prefer to transact digitally or not?, 2018

Appendix 17. Graph shows the percentage of SMEs who feel ‘fraud and security concerns’ have stopped them from doing more online, split by employee band, 2018
Appendix 18. Graph shows the average figure debited through cheques by SMEs, split by age, 2017

Appendix 19. Graph shows the percentage of SMEs and whether they have or do not have data analytics skills, split by turnover status, 2018
Appendix 20. Graph shows the percentage of SMEs that are confident they can succeed in a digital world and whether they have or do not have data analytics skills, 2018

23% more likely to feel confident if they have data analytic skills

Appendix 21. Graph shows the percentage of SMEs that have mobile-optimised websites and services, 2018

Key:
- Has mobile-optimised websites and services
- Does not have mobile-optimised websites and services
Appendix 22. Graph shows the percentage of SMEs that have accessible websites, split by the UK average and employee band, 2018

<table>
<thead>
<tr>
<th>Employee Band</th>
<th>Average UK SME</th>
<th>Sole Trader</th>
<th>2 to 5</th>
<th>6 to 9</th>
<th>10 to 249</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>4%</td>
<td>2%</td>
<td>4%</td>
<td>1%</td>
<td>8%</td>
</tr>
</tbody>
</table>
Appendix 23. Graph shows the percentage of SMEs that have accessible websites, split by the UK average and industry sector, 2018.
Appendix 24. Graph shows the percentage of SMEs who use social media and who’s turnover has increased in the past two years, split by employee band, 2018

- Sole Trader: 21%
- 2 to 5: 17%
- 6 to 9: 5%
- 10 to 249: 12%

Appendix 25. Graph shows sole traders turnover if they have at least one of the following skills: ‘Cloud-based IT systems’, ‘online accounting software’ or ‘digital training tools’ vs. those who have none of these skills, 2018

- None: £68,000
- At least one: £86,000
Appendix 26. Graph shows potential uplift in individual SME turnover if they were to develop high digital capability, split by employee band, 2018

Appendix 27. Graph shows the percentage of SMEs who turn to ‘friends, relatives and colleagues’ for advice and training on technology, split by employee band, 2018
Appendix 28. Graph shows the percentage of SMEs that have robust website security, since 2014

- 2014: 41%
- 2015: 32%
- 2016: 62%
- 2017: 66%
- 2018: 72%
Appendix 29. Graph shows the percentage of SMEs that are seeking to acquire the following digital skills in the next two years, 2018.
Appendix 30. Graph shows the percentage of SMEs who understand what cybersecurity is and whether they: ‘want this skillset in the future’, ‘do not want this skillset’ or ‘already have this skillset’, 2018

Appendix 31. Graph shows how likely SMEs are to be interested in receiving free digital skills training from a larger organisation with the appropriate expertise, split by digital capability, 2018
Appendix 32. Graph shows how likely SMEs are to be interested in receiving free digital skills training from a larger organisation with the appropriate expertise, split by SME age, 2018

Appendix 33. Graph shows how likely SMEs are to be interested in receiving free digital skills training from a larger organisation with the appropriate expertise, split by digital capability, 2018
Appendix 34 (i). Graph shows the percentage of SMEs that understand the following skills, split by digital capability, 2018

Appendix 34 (ii). Graph shows the number of SMEs that understand the following skills, split by digital capability, 2018
Appendix 35. Graph shows the percentage of SMEs with full Basic Digital Skills, split by sector, since 2017

Appendix 36. Graph shows the percentage of SMEs who either want, do not want or already have digital strategy and leadership skills, split by sectors, 2018
Appendix 37. Graph shows the percentage of SMEs that think none of their workforce will be replaced by AI/Robotics in the next five years, split by employee band, 2018

Appendix 38. Graph shows the percentage of SMEs that think none of their workforce will be replaced by AI/Robotics in the next five years, split by turnover, 2018
Appendix 39. Graph shows the percentage of SMEs that think none of their workforce or over 50% of their workforce will be replaced by AI/Robotics in the next five years, split by nation and region, 2018.
Appendix 40. Graph shows SME Index scores, split by age, 2018 vs. 2017

Appendix 41. Graph shows the percentage of SMEs who can do the 'Problem Solving' Basic Digital Skill, split by employee band, 2018 vs. 2017
Appendix 42. Graph shows the percentage of charities who are offline, since 2014
Appendix 43. Graph shows the percentage of charities who can do all tasks within the 'Creating' Basic Digital Skill, since 2014

Appendix 44. Graph shows the percentage of charities who can do all tasks within the 'Transacting' Basic Digital Skill, since 2014
Appendix 45. Graph shows the percentage of charities who have Facebook and Twitter accounts, since 2014

Appendix 46. Graph shows the percentage of charities who use social media and whether their turnover has increased, stayed the same or decreased over the last two years, 2018
Appendix 47. Graph shows the percentage of charities who see 'saving time' as the main benefit of being online, since 2014

Appendix 48. Graph shows the percentage of charities that don’t see any benefits to being online, since 2016
Appendix 49. Graph shows the charities who said ‘saving time’ wasn’t a benefit of being online and how much of their working week they are saving, 2018

- Less than 5%: 53%
- 5% – 10%: 14%
- 11% – 25%: 19%
- 26% – 50%: 11%
- 51% – 75%: 3%
- 76% – 100%: 0%

86% have saved up to 25% of their working week
Appendix 50. Graph shows the percentage of charities who think being online isn’t relevant to them, since 2014.
Appendix 51. Graph shows the percentage of charities in Segment 1 and what has stopped them from doing more online, 2018 vs. 2017
Appendix 52. Graph shows the percentage of charities that see being online relevant to them, split by those in lowest digital capability Segment 1, since 2014.
Appendix 53. Graph shows the growth in digital usage, split by SME and charity, 2018 vs. 2014.
Appendix 54. Graph shows the percentage of charities that have or do not have accessible websites, 2018

Appendix 55. Graph shows the percentage of charities that have or do not have mobile-optimised websites and services, 2018
Appendix 56. Graph shows what percentage of charities operating budget is being spent on building digital skills, 2018 vs. 2017
Appendix 57. Graph shows the charity Index score, split by employee band, since 2014
Appendix 58. Graph shows the percentage of SMEs that see being online relevant to their business, split by those in the lowest digital capability segment, since 2014.

31% increase since 2014
Welcome to the fifth year of the Lloyds Bank Business and Charity Digital Index

With five years’ worth of data this report is the only measure of its kind, providing valuable insight into the digital behaviours and attitudes of organisations across the UK.

Find the report and appendices at Lloydsbank.com/businessdigitalindex

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Email the team at DigitalSkillsInclusion@lloydsbanking.com