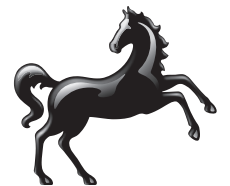# UK Business and Charity Digital Index 2018 Appendix

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

LLOYDS BANK

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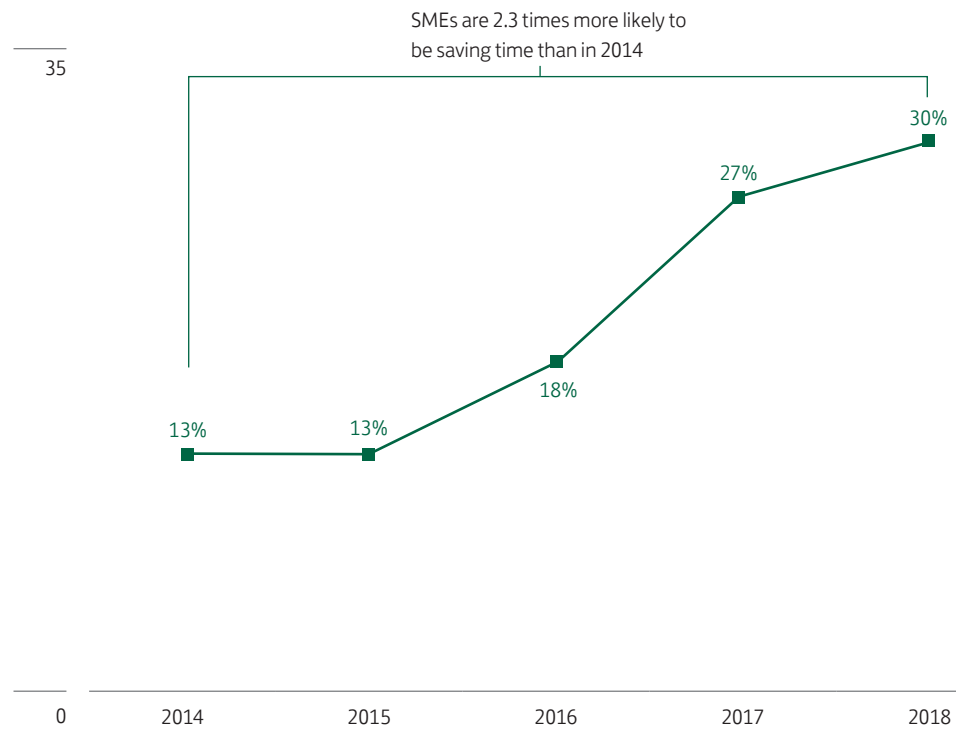
Appendix 1. **Graph shows the percentage of a working week that is being saved through digital, split by SME and charity, 2018**
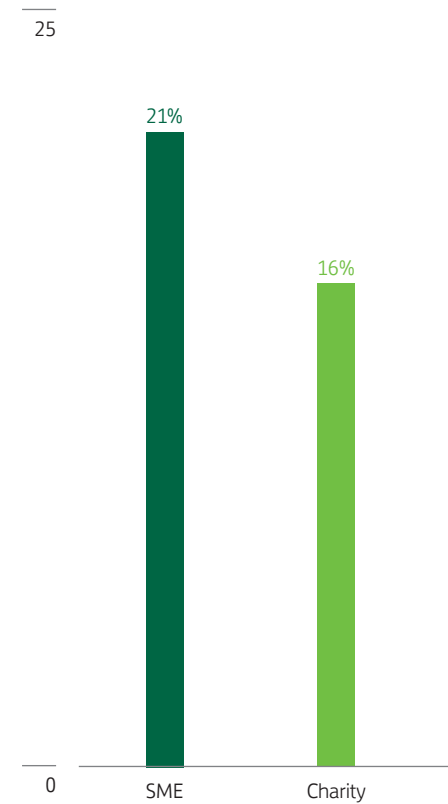
Appendix 2. **Graph shows the percentage of SMEs that have benefitted from using online facilities, split by digital capability, 2018**

Key
- High
- Low
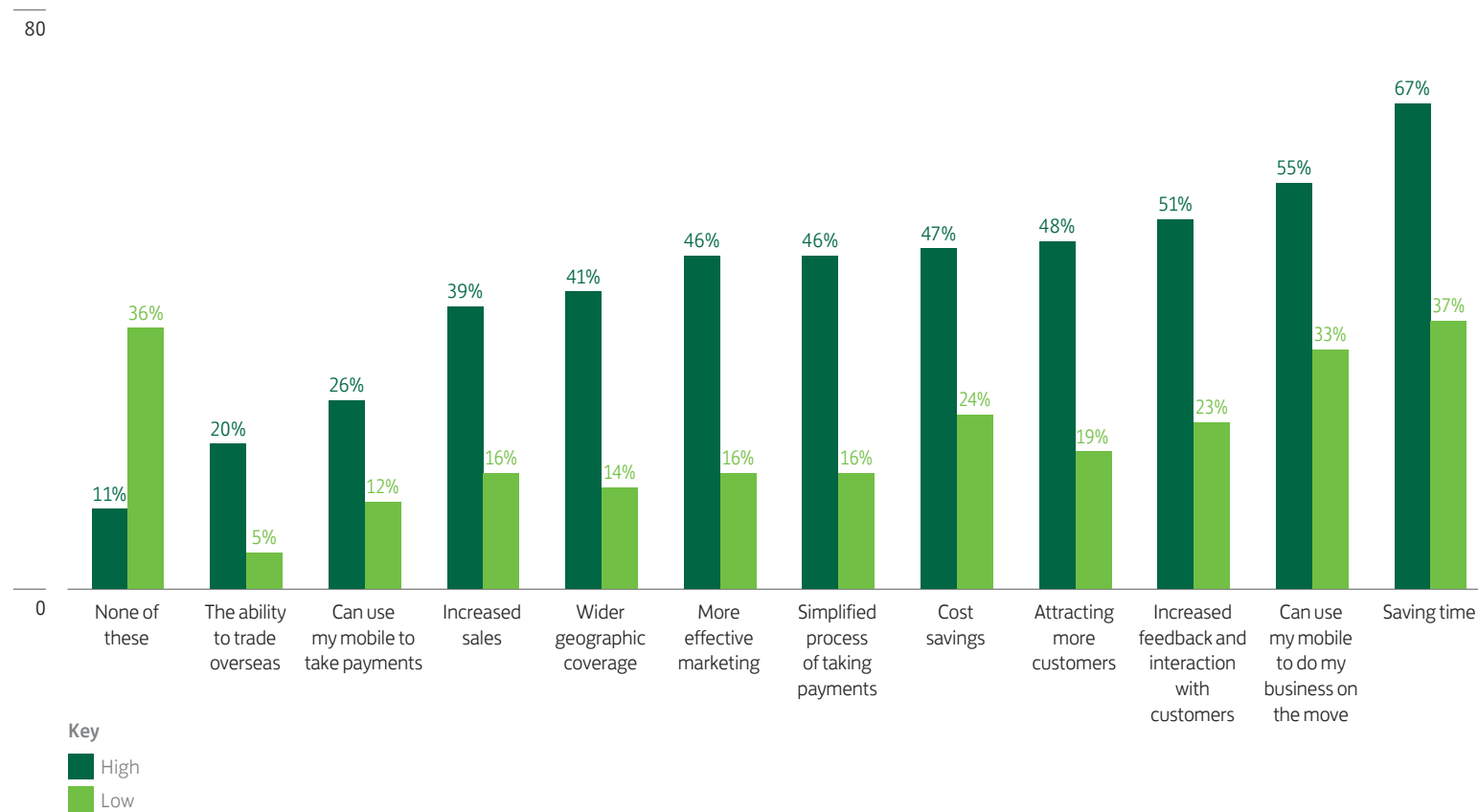
Appendix 3. **Graph shows the percentage of SMEs that have said they are saving a proportion of their time through being online, since 2014**

SMEs are 2.3 times more likely to
be saving time than in 2014

35

30%

27%

18%

13%   13%

0   2014   2015   2016   2017   2018

Appendix 4. **Graph shows the potential uplift in UK SME turnover if all SMEs developed high digital capability, split by employees band, 2018***

Band	Value
Total	84.5
50 to 249	1
10 to 49	21.5
2 to 9	18.8
Sole Trader	43.3

0   £20 billion   £40 billion   £60 billion   £80 billion   £100 billion
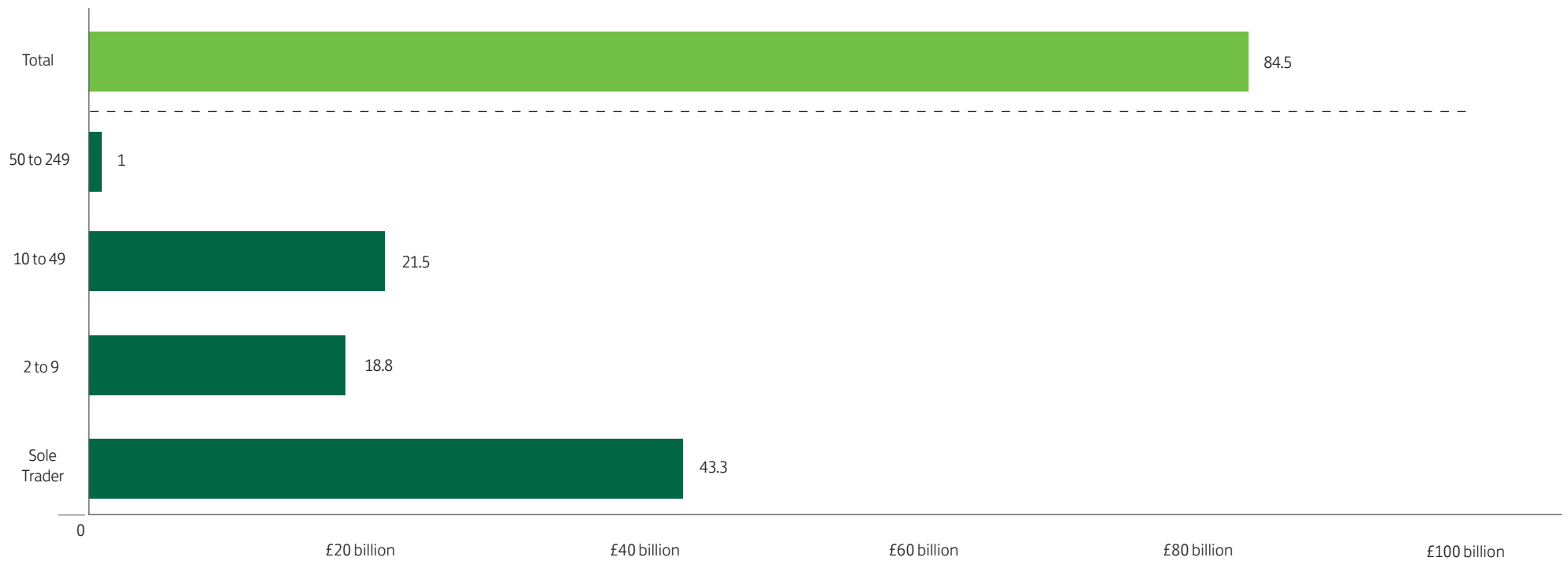
*It is acknowledged that the correlation between digital capability and turnover is also impacted by external factors.
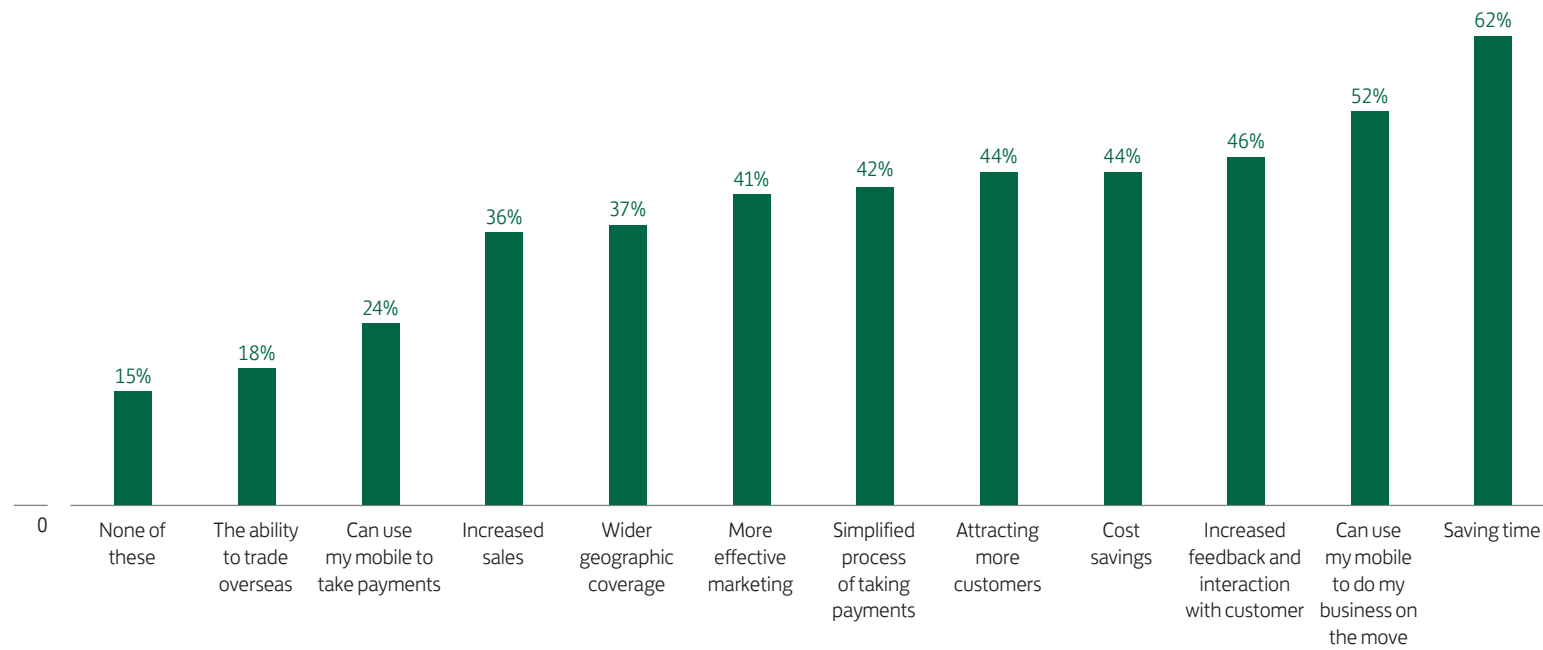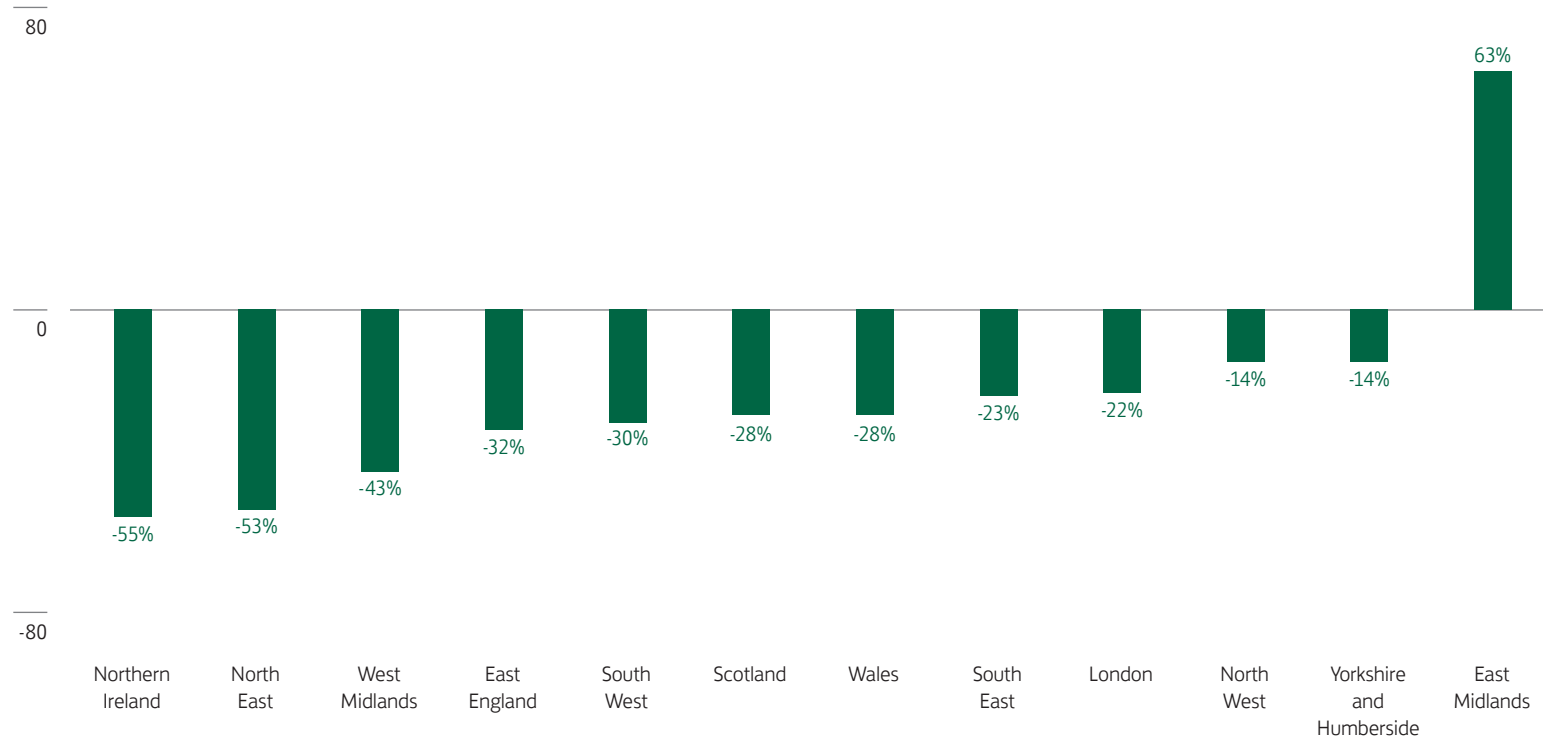
Appendix 5. **Graph shows the percentage of SMEs that have benefitted from using online facilities, 2018**

80

- 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%
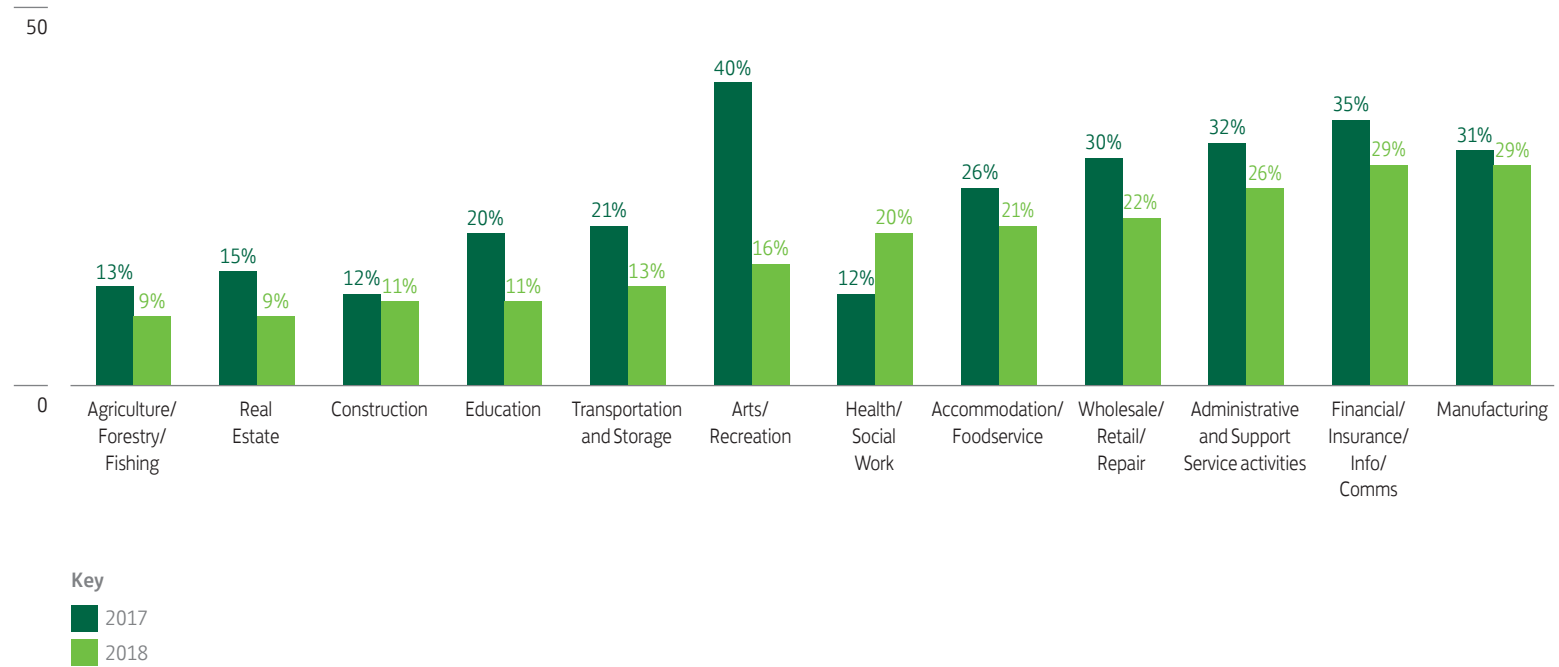- Can use my mobile to do my business on the move — 52%
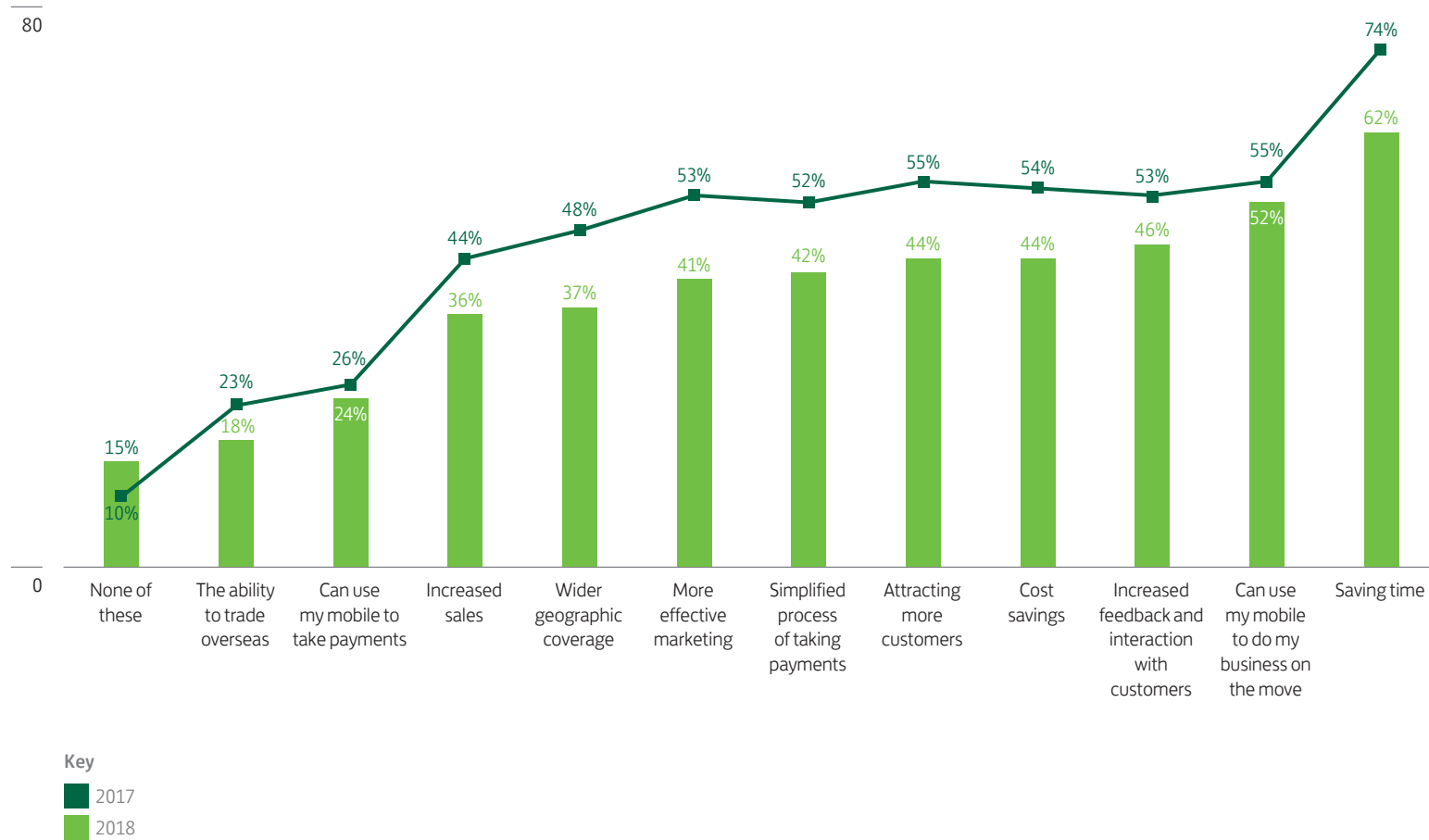- Saving time — 62%

0

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

Appendix 7. **Graph shows those SMEs who are using digital to trade overseas, split by sector, 2018 vs. 2017**

Sector	2017	2018
Agriculture/Forestry/Fishing	13%	9%
Real Estate	15%	9%
Construction	12%	11%
Education	20%	11%
Transportation and Storage	21%	13%
Arts/Recreation	40%	16%
Health/Social Work	12%	20%
Accommodation/Foodservice	26%	21%
Wholesale/Retail/Repair	30%	22%
Administrative and Support Service activities	32%	26%
Financial/Insurance/Info/Comms	35%	29%
Manufacturing	31%	29%

Key
- 2017
- 2018

Appendix 8. **Graph shows the percentage of SMEs that have benefitted from using online facilities, 2018 vs. 2017**

|	None of these	The ability to trade overseas	Can use my mobile to take payments	Increased sales	Wider geographic coverage	More effective marketing	Simplified process of taking payments	Attracting more customers	Cost savings	Increased feedback and interaction with customers	Can use my mobile to do my business on the move	Saving time
2017	10%	23%	26%	44%	48%	53%	52%	55%	54%	53%	55%	74%
2018	15%	18%	24%	36%	37%	41%	42%	44%	44%	46%	52%	62%

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**
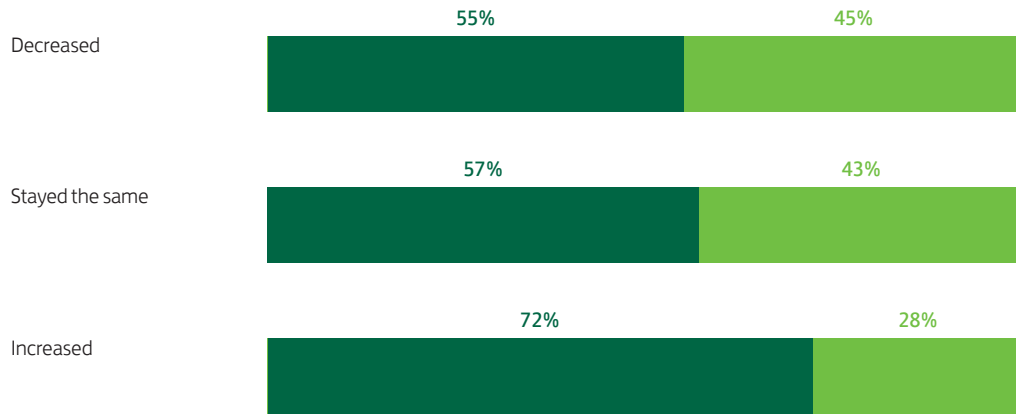
£300,000

236,000

133,000

£0

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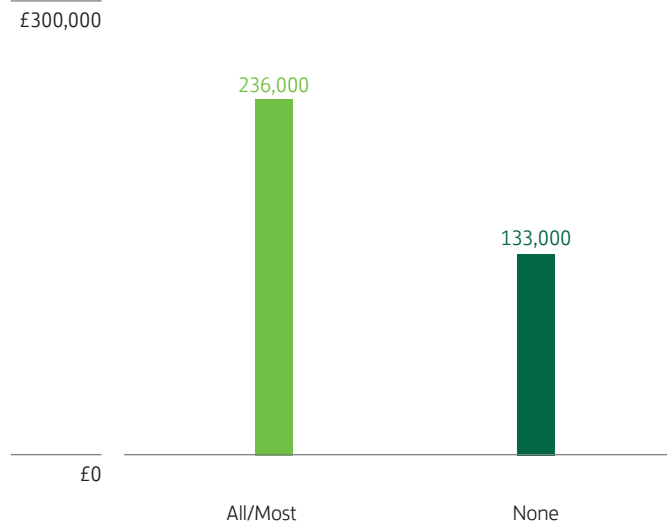
Appendix 10. **Graph shows SMEs average turnover if they have the following skills: 'social media and marketing expertise', 'e-commerce specialists', 'search engine optimisation/search engine marketing' and 'customer data analytics' vs. those with none of these skills, 2018**

£300,000

260,000

156,000

£0

All/Most   None
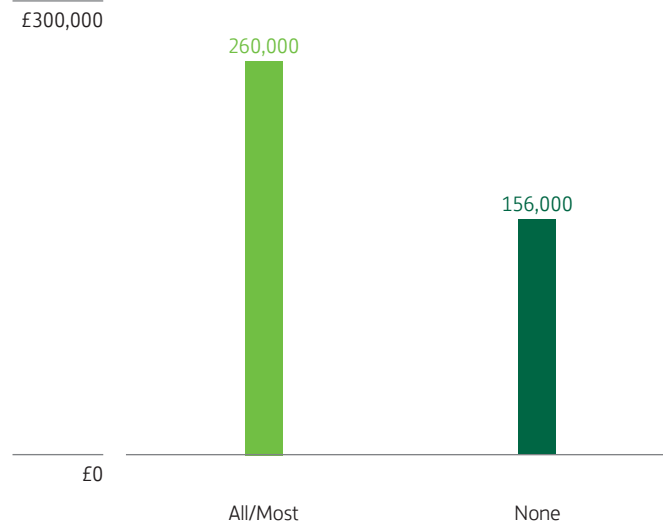
Appendix 11. **Graph shows SMEs average turnover if they have the following skills: 'organisation website', 'Instagram' and 'organisation Facebook page' vs. those with none of these skills, 2018**
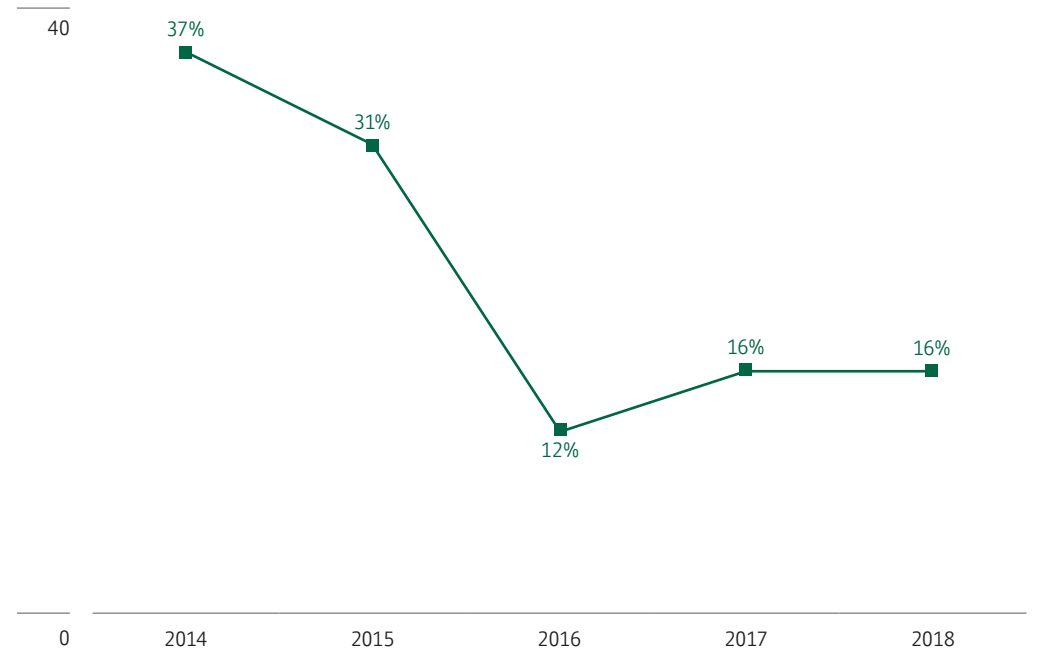
£300,000

219,000

142,000

£0

All/Most   None
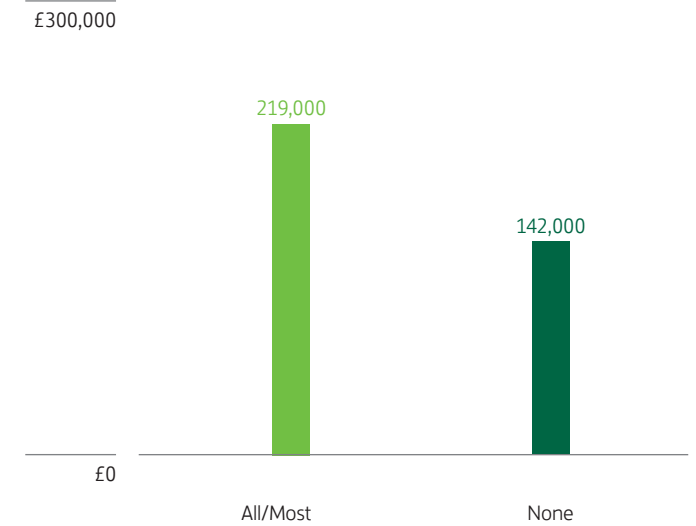
Appendix 12. Graphs shows SME's confidence that they can succeed in the digital world vs. movements in their turnover over the past two years, 2018
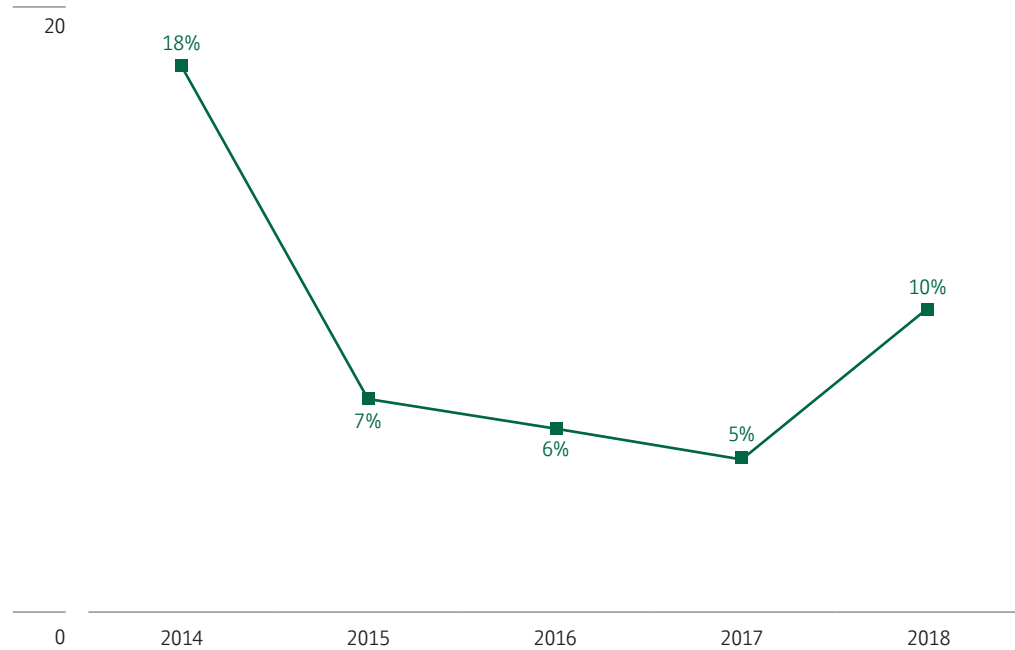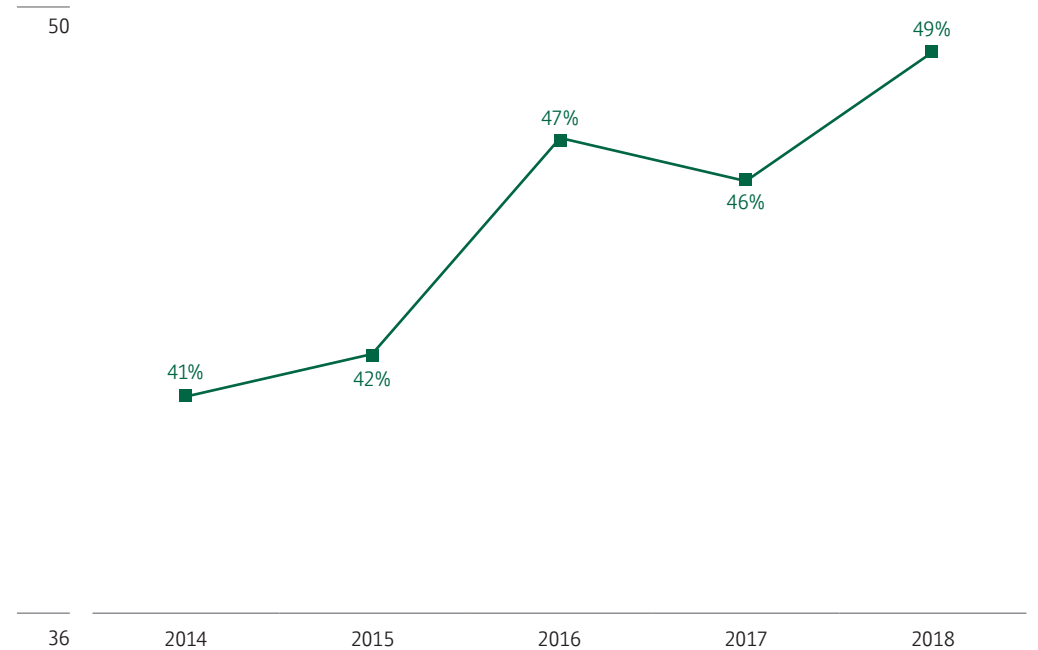
Appendix 13. Graph shows the percentage of SMEs that say they are already doing as much as they want to online, since 2014

Decreased

55% **45%**

Stayed the same

57% **43%**

Increased

72% **28%**

Key

■ Confident
■ Not Confident

40

37%

31%

16% 16%

12%

0   2014   2015   2016   2017   2018

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**

20

18%

7%

6%

5%

10%

0   2014   2015   2016   2017   2018

Appendix 15. **Graph shows the average percentage of digital transactions per SME, since 2014**

50

49%

47%

46%

41%

42%

36   2014   2015   2016   2017   2018

Appendix 16. Graph shows SME responses to the question 'Do you prefer to transact digitally or not?', 2018

17%
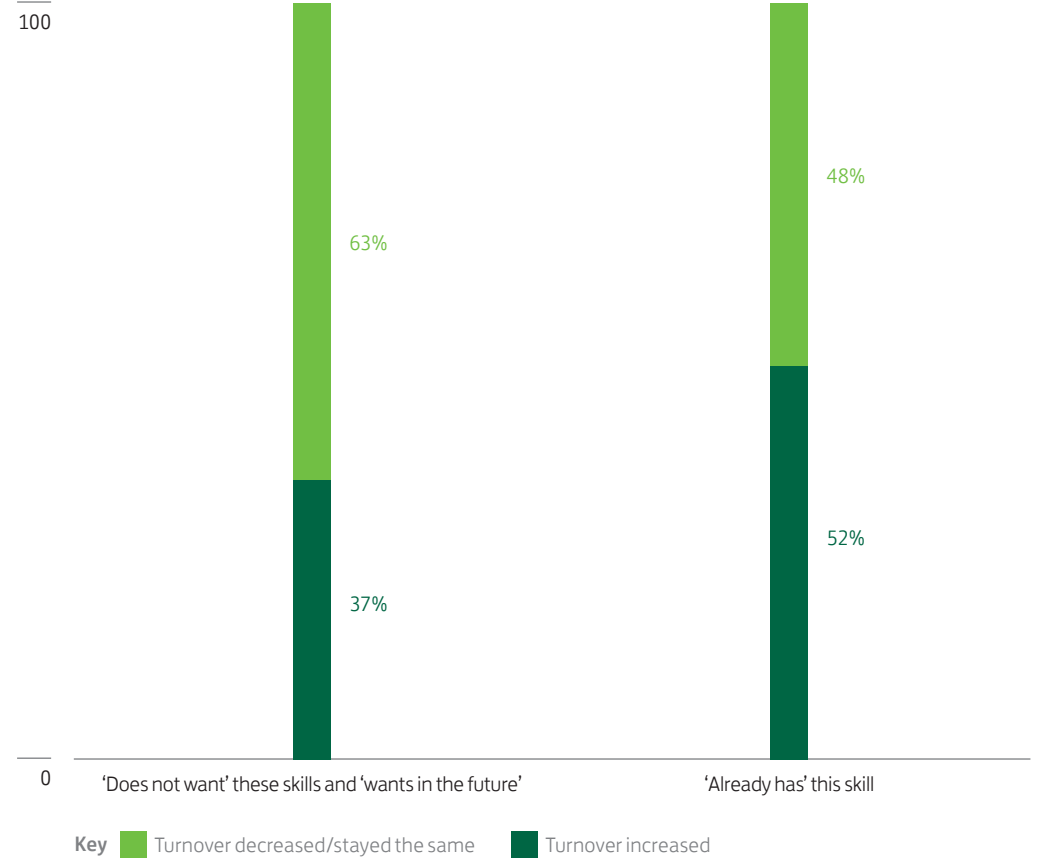
30%

14%

53%

Key

■ No preference

■ No

■ Yes
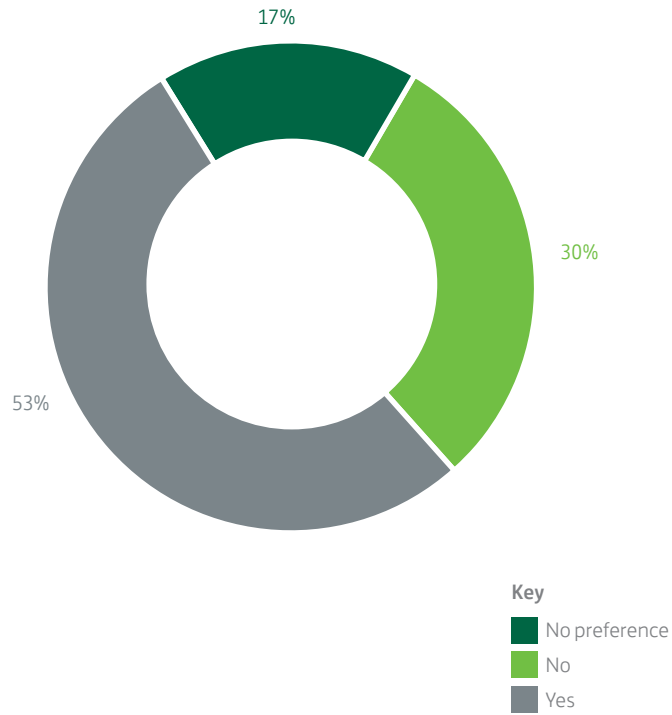
Appendix 17. Graph shows the percentage of SMEs who feel 'fraud and security concerns' have stopped them from doing more online, split by employee band, 2018
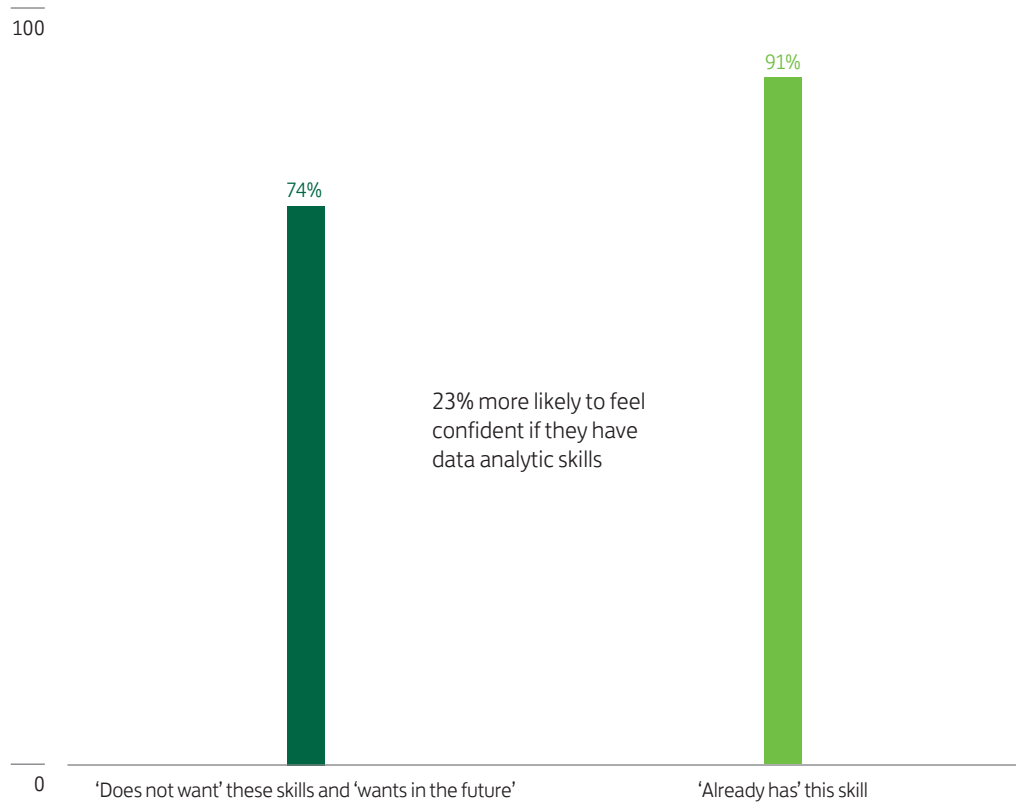
25

22%

22%

20%

14%

0

| Sole Trader | 2 to 5 | 6 to 9 | 10 to 249 |
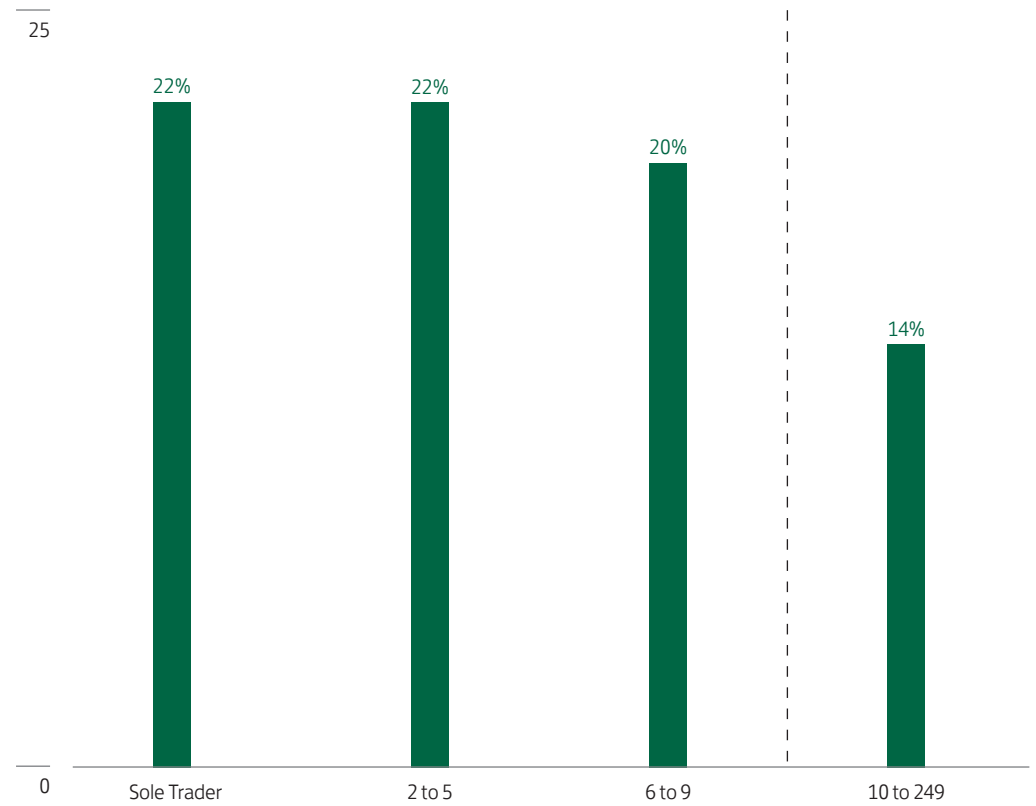
Appendix 18. **Graph shows the average figure debited through cheques by SMEs, split by age, 2017**

£60,000

57,000

15,000

£0

SMEs aged 5+   SMEs aged under 5 years
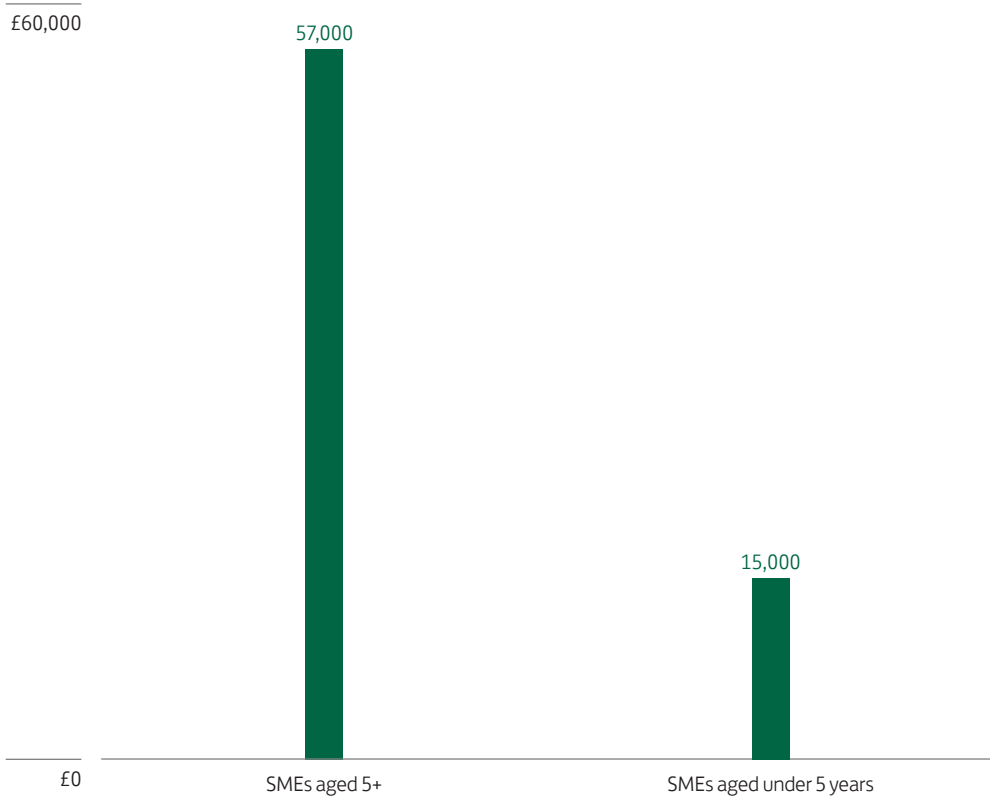
Appendix 19. **Graph shows the percentage of SMEs and whether they have or do not have data analytics skills, split by turnover status, 2018**

100

63%

48%

37%

52%

0

'Does not want' these skills and 'wants in the future'   'Already has' this skill

**Key** ■ Turnover decreased/stayed the same   ■ Turnover increased

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**

100

91%

74%

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

0

'Does not want' these skills and 'wants in the future'

'Already has' this skill

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

82%

18%

Key

■ Has mobile-optimised websites and services

■ Does not have mobile-optimised websites and services
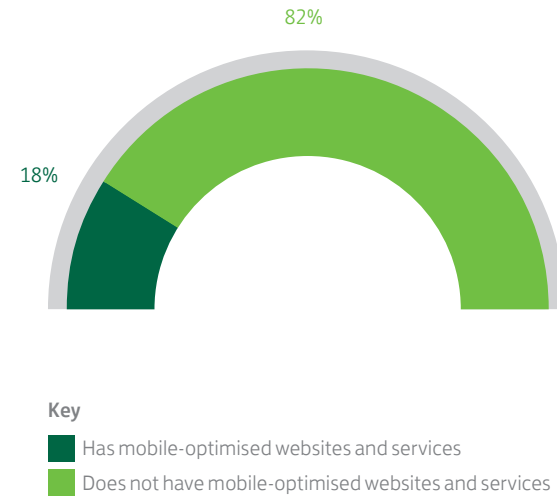
Appendix 22. **Graph shows the percentage of SMEs that have accessible websites, split by the UK average and employee band, 2018**
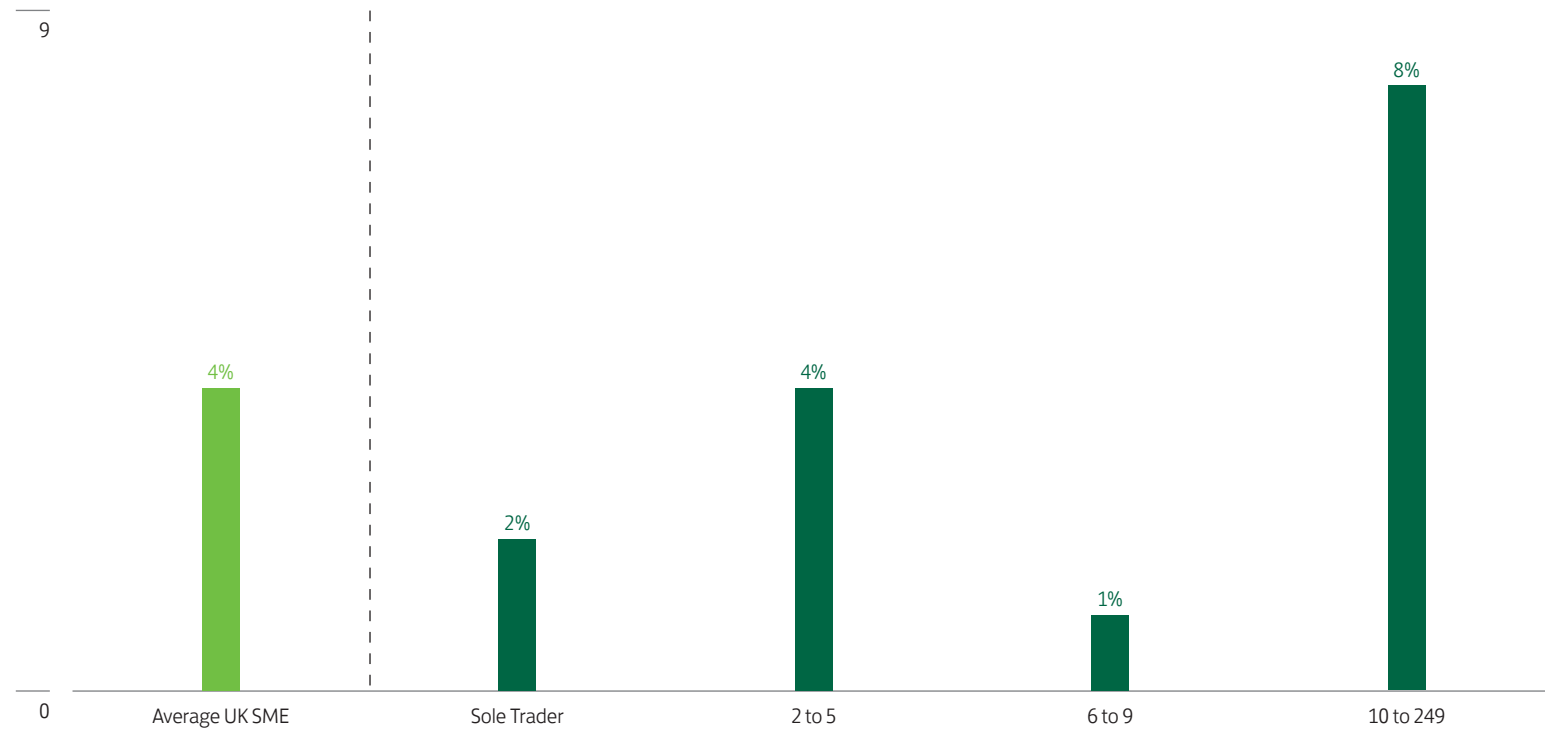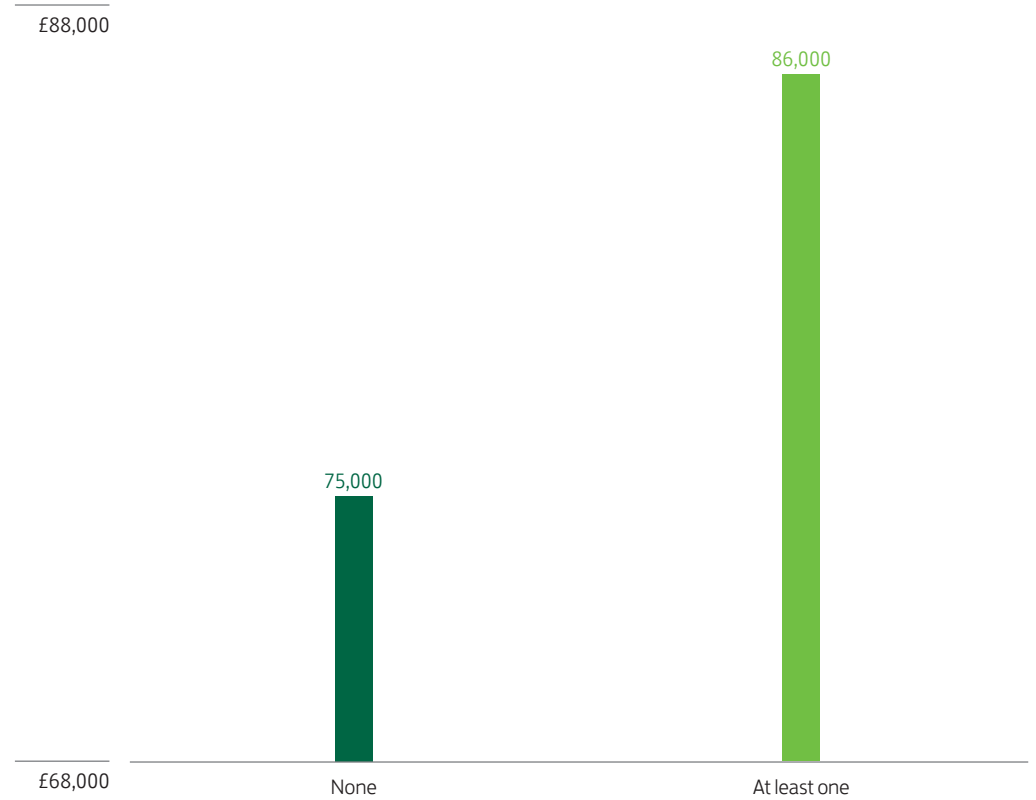
Appendix 23. **Graph shows the percentage of SMEs that have accessible websites, split by the UK average and industry sector, 2018**
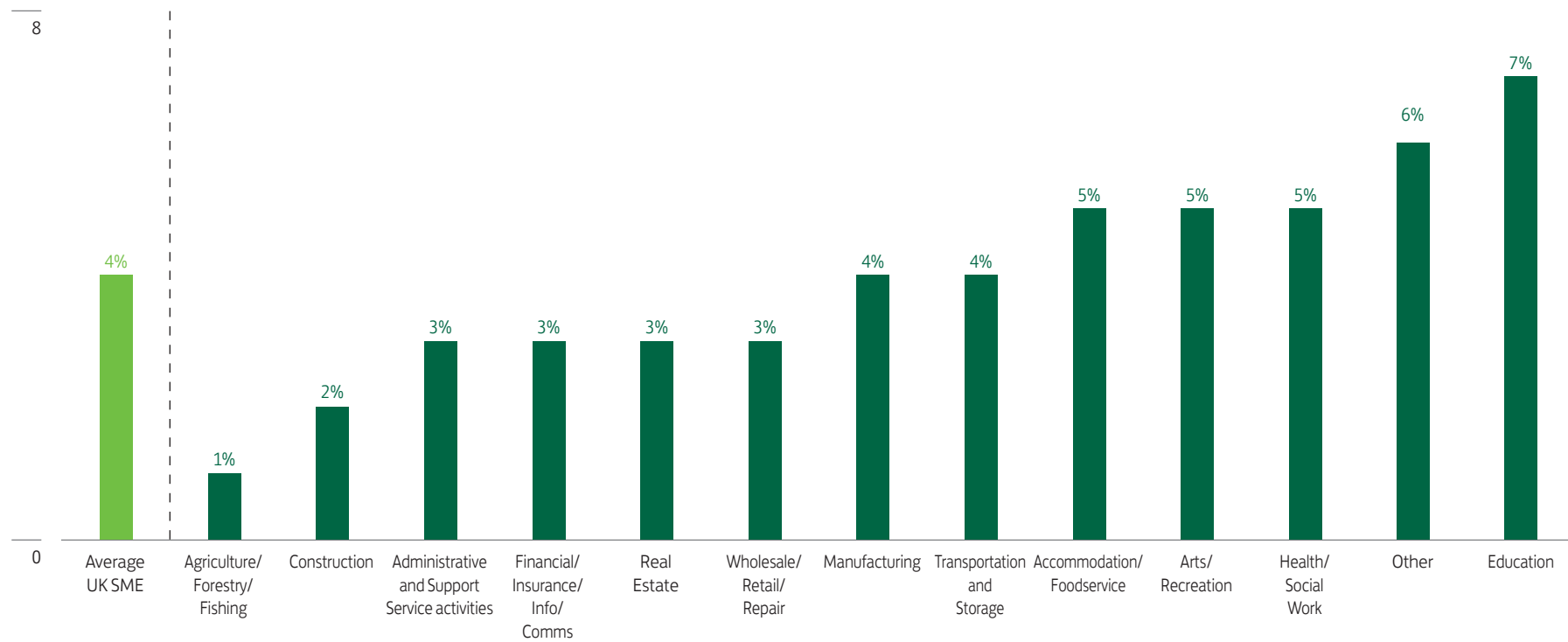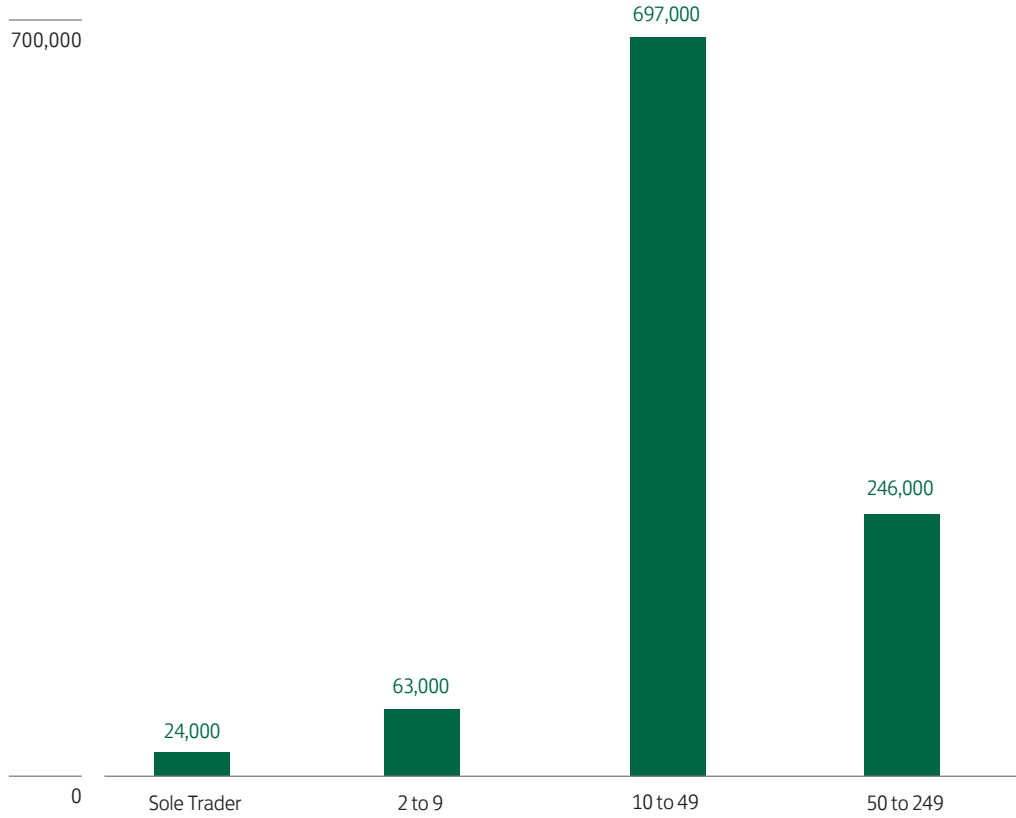
Appendix 24. **Graph shows the percentage of SMEs who use social media and who's turnover has increased in the past two years, split by employee band, 2018**

25

21%

17%

12%

5%

0

Sole Trader   2 to 5   6 to 9   10 to 249
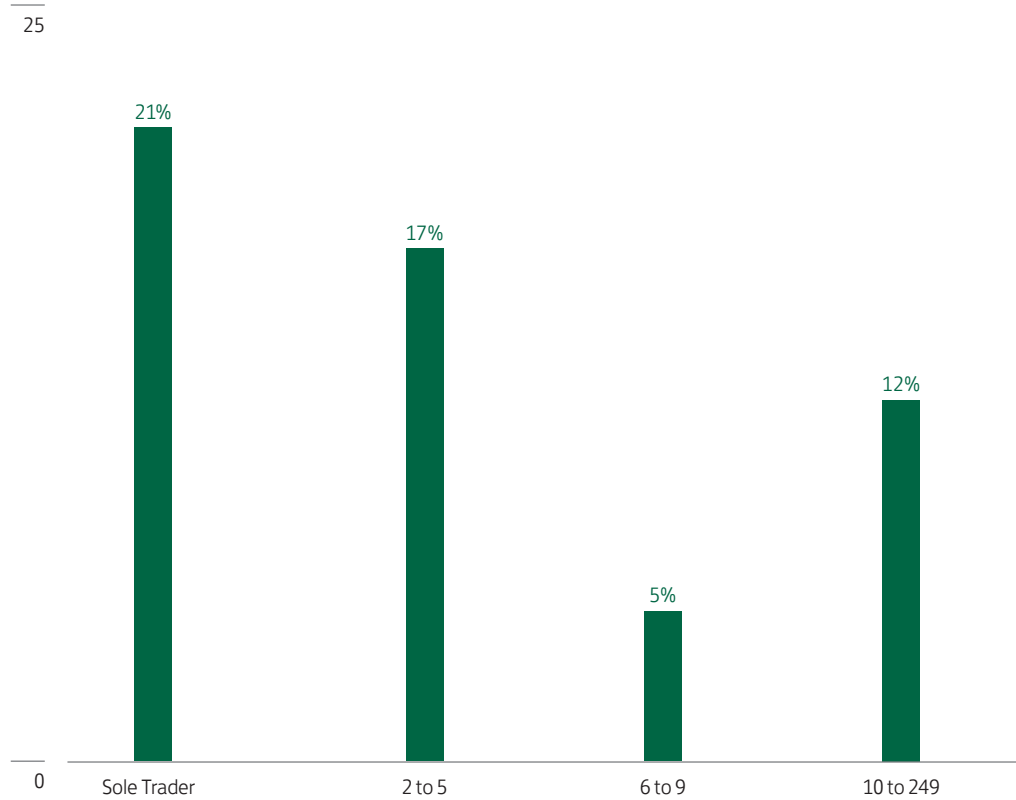
Appendix 25. **Graph shows sole traders turnover if they have at least one of the following skills: 'Cloud-based IT systems', 'online accounting software' or 'digital training tools' vs. those who have none of these skills, 2018**


£88,000

86,000

75,000

£68,000

None   At least one

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**
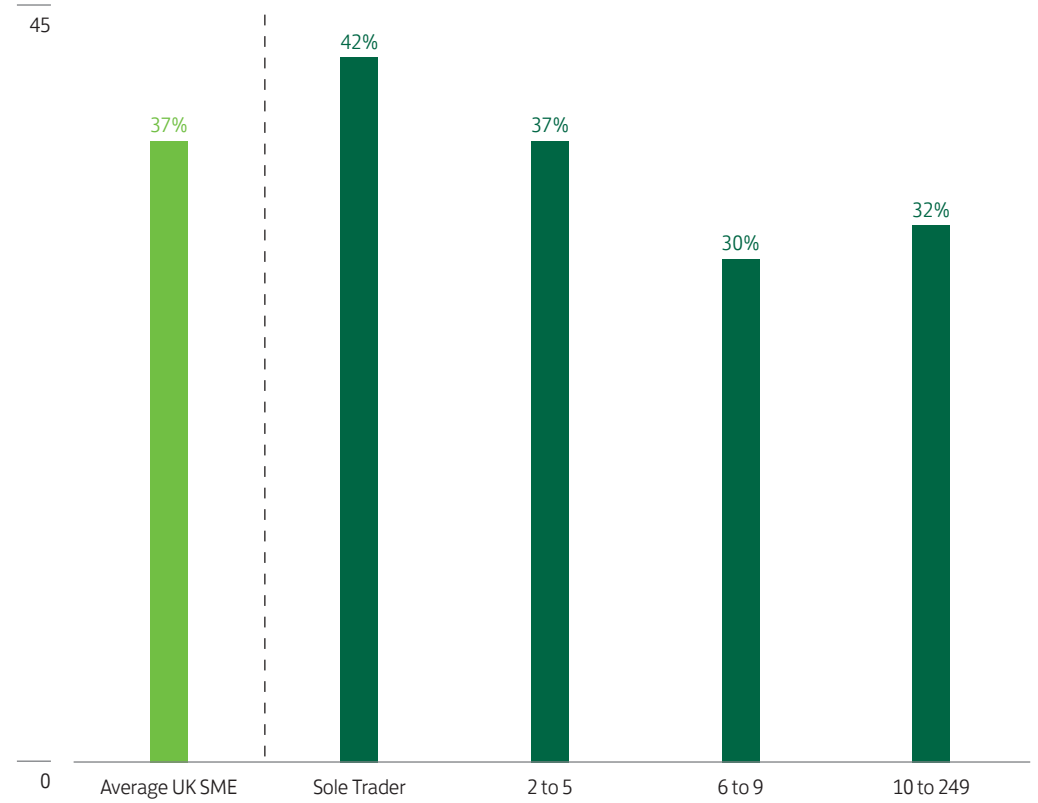
Appendix 28. **Graph shows the percentage of SMEs that have robust website security, since 2014**

80

41%

32%

62%

66%

72%

0

2014   2015   2016   2017   2018
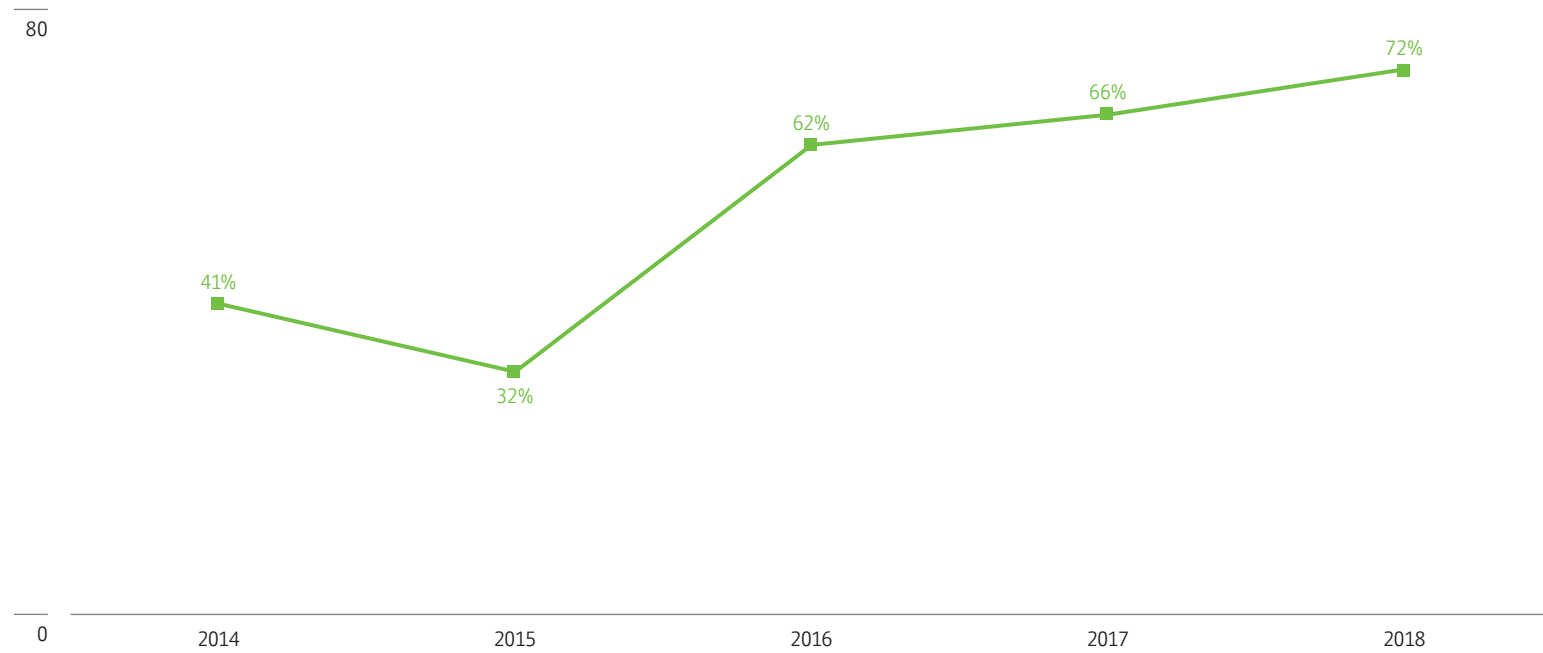
Appendix 29. **Graph shows the percentage of SMEs that are seeking to acquire the following digital skills in the next two years, 2018**
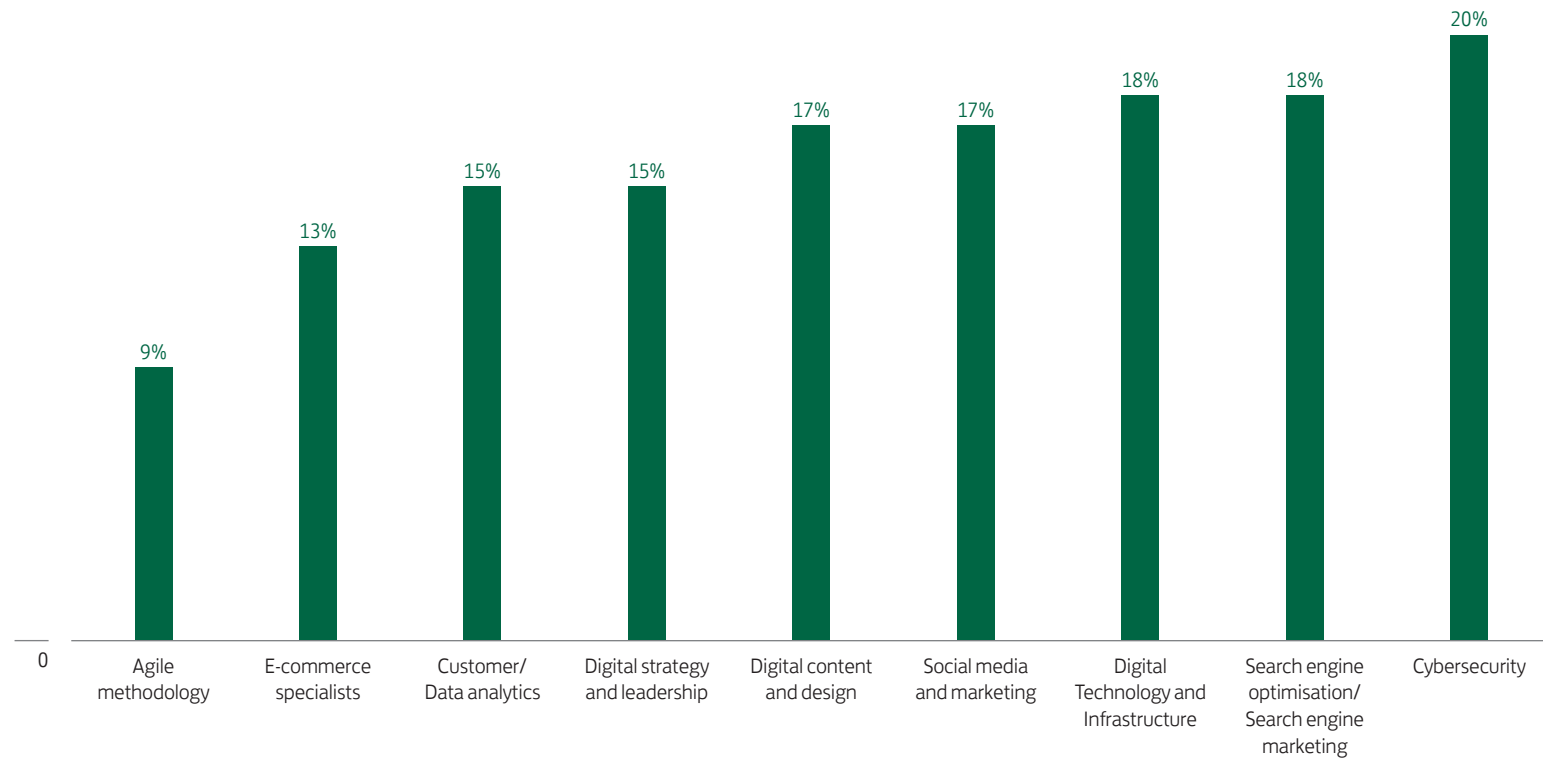
Appendix 30. **Graph shows the percentage of SMEs who understand what cybersecurity is and whether they; 'want this skillset in the future', 'do not want this skillset' or 'already have this skillset', 2018**
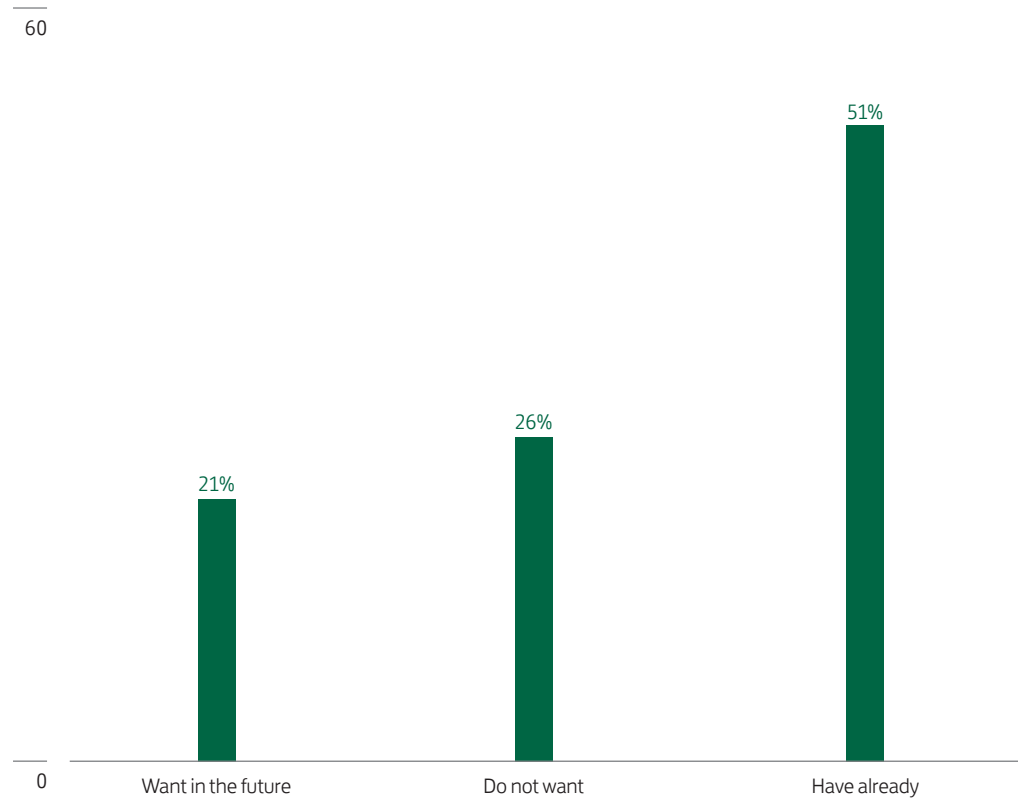
Appendix 31. **Graph shows how likely SMEs are to be interested in receiving free digital skills training from a larger organisation with the appropriate expertise, split by digital capability, 2018**

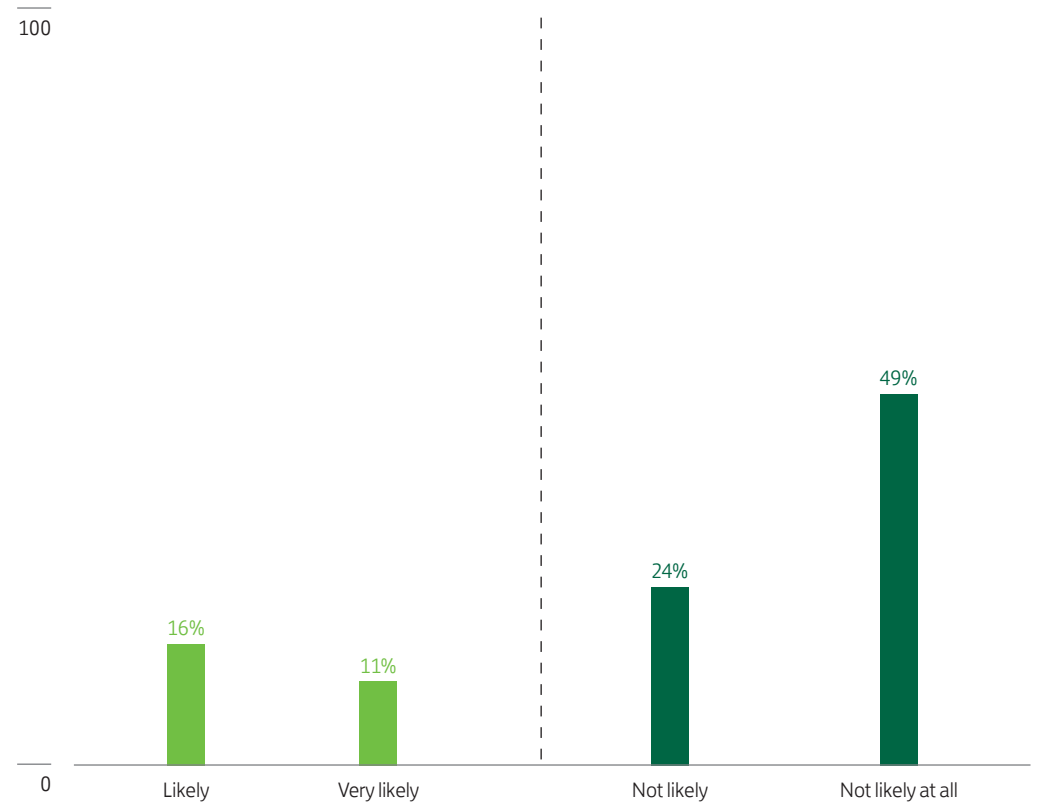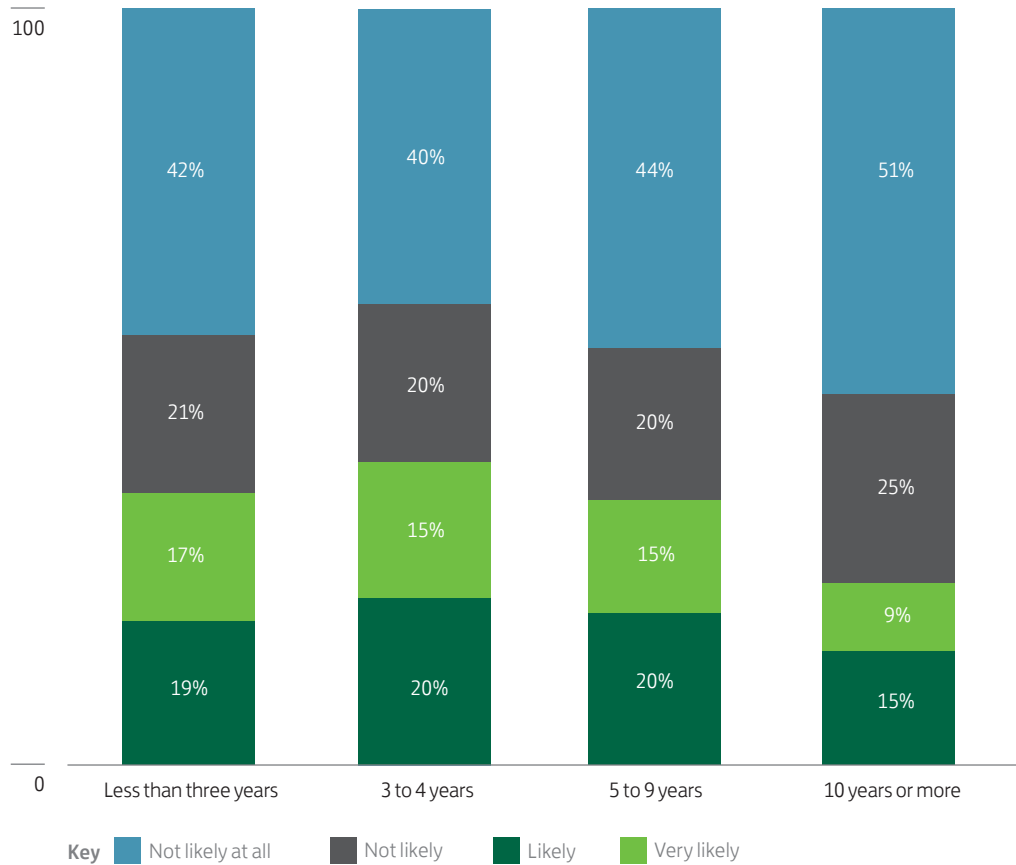Appendix 32. **Graph shows how likely SMEs are to be interested in receiving free digital skills training from a larger organisation with the appropriate expertise, split by SME age, 2018**

	Less than three years	3 to 4 years	5 to 9 years	10 years or more
Not likely at all	42%	40%	44%	51%
Not likely	21%	20%	20%	25%
Very likely	17%	15%	15%	9%
Likely	19%	20%	20%	15%

Key Not likely at all Not likely Likely Very likely

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**
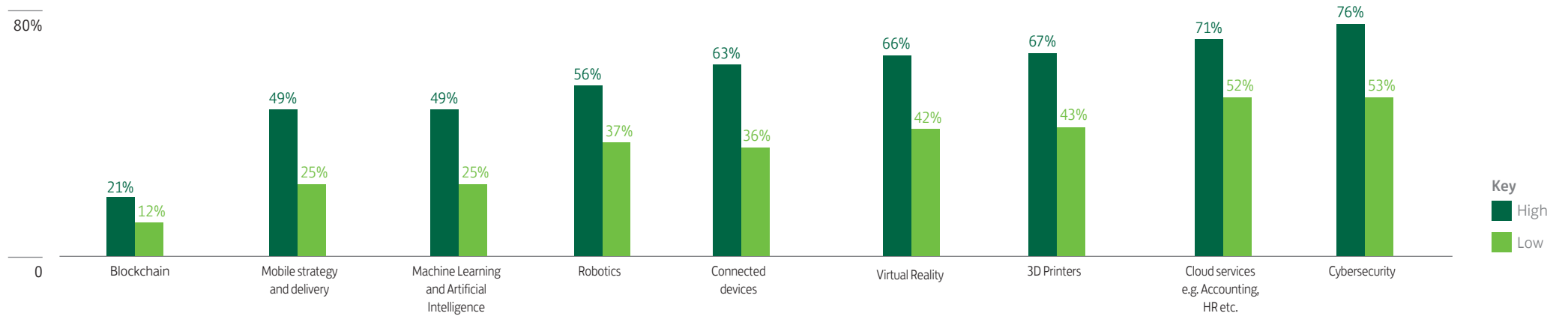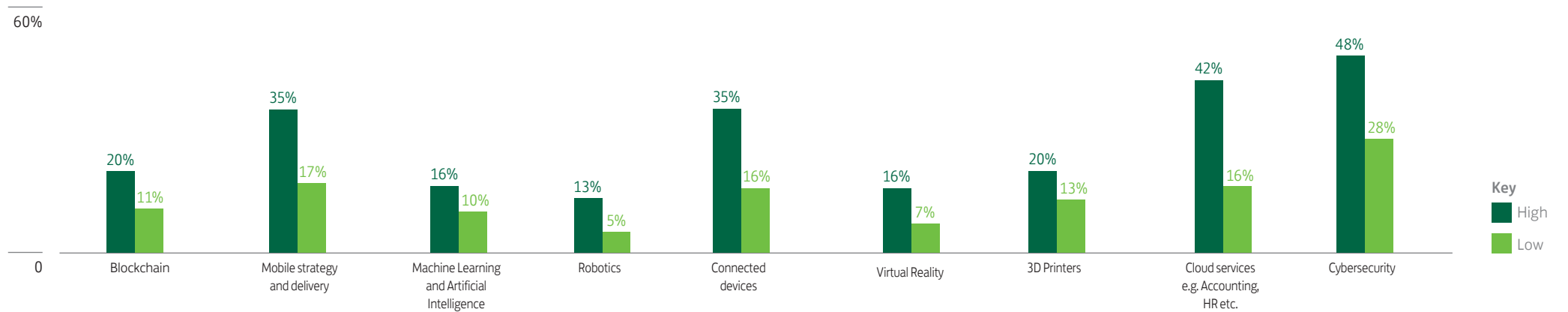

	Likely	Very likely	Not likely	Not likely at all
High	17%	12%	25%	46%
Low	10%	5%	21%	65%

Key High Low
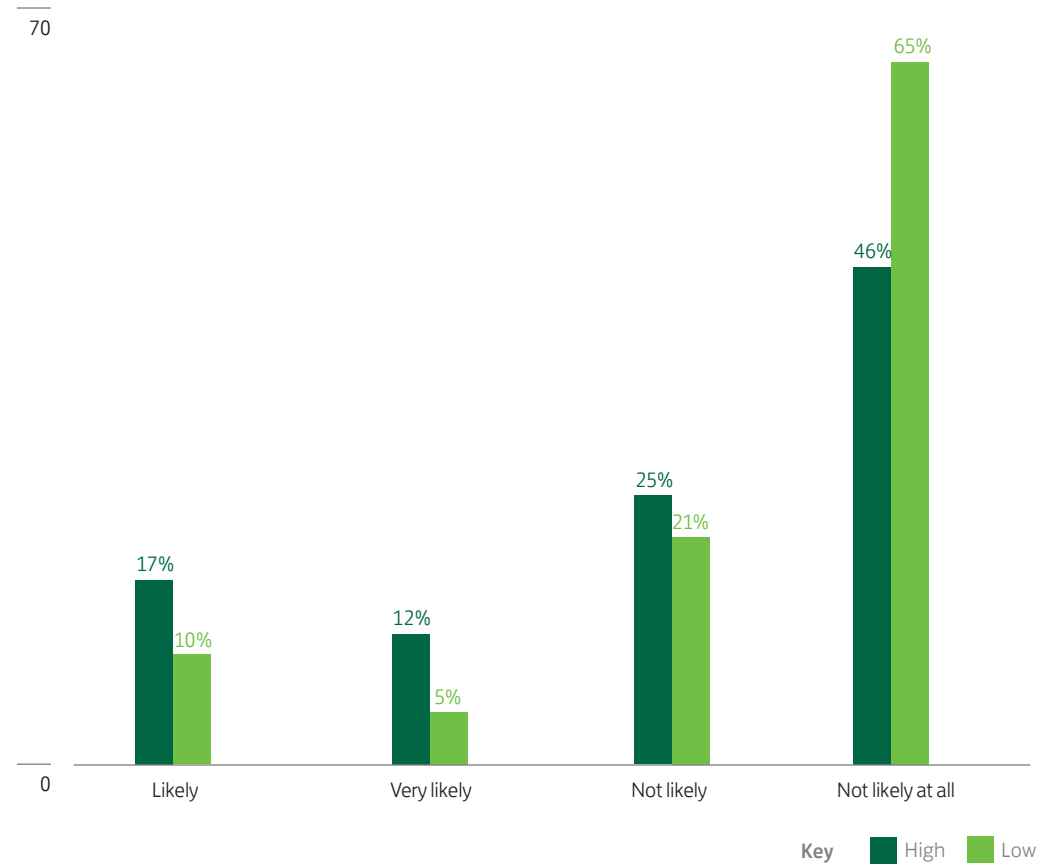
Appendix 34 (i). **Graph shows the percentage of SMEs that understand the following skills, split by digital capability, 2018**

Skill	High	Low
Blockchain	21%	12%
Mobile strategy and delivery	49%	25%
Machine Learning and Artificial Intelligence	49%	25%
Robotics	56%	37%
Connected devices	63%	36%
Virtual Reality	66%	42%
3D Printers	67%	43%
Cloud services e.g. Accounting, HR etc.	71%	52%
Cybersecurity	76%	53%

Key: High, Low

Appendix 34 (ii). **Graph shows the number of SMEs that understand the following skills, split by digital capability, 2018**

Skill	High	Low
Blockchain	20%	11%
Mobile strategy and delivery	35%	17%
Machine Learning and Artificial Intelligence	16%	10%
Robotics	13%	5%
Connected devices	35%	16%
Virtual Reality	16%	7%
3D Printers	20%	13%
Cloud services e.g. Accounting, HR etc.	42%	16%
Cybersecurity	48%	28%

Key: High, Low

Appendix 35. **Graph shows the percentage of SMEs with full Basic Digital Skills, split by sector, since 2017**

70

66%

55%

48%

52%

58%

61%

Industry

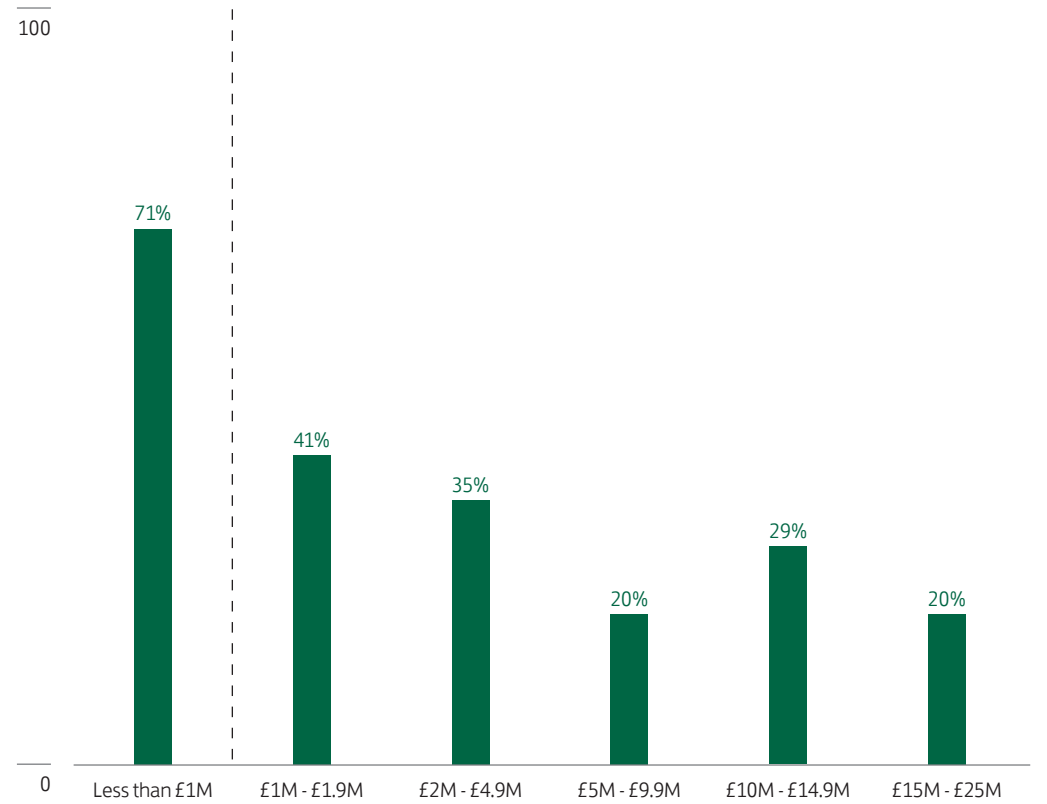Retail

Services

0

Key ■ 2017 ■ 2018
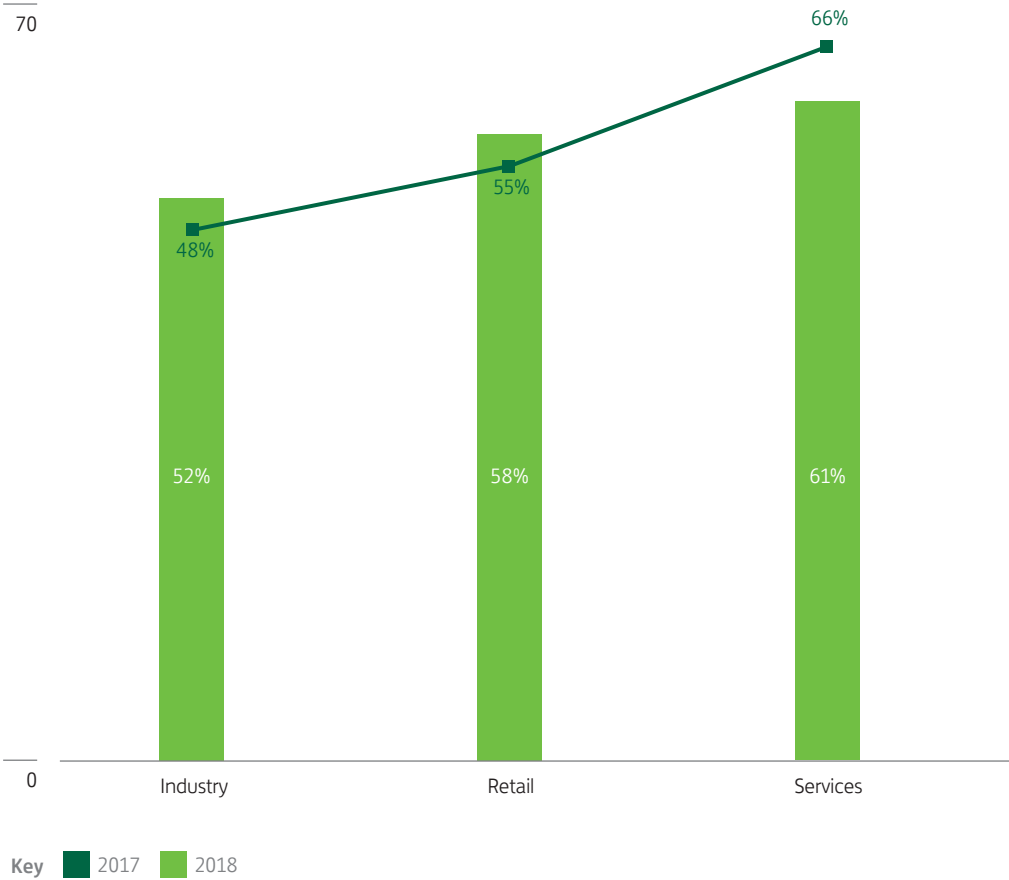
Appendix 36. **Graph shows the percentage of SMEs who either want, do not want or already have digital strategy and leadership skills, split by sectors, 2018**
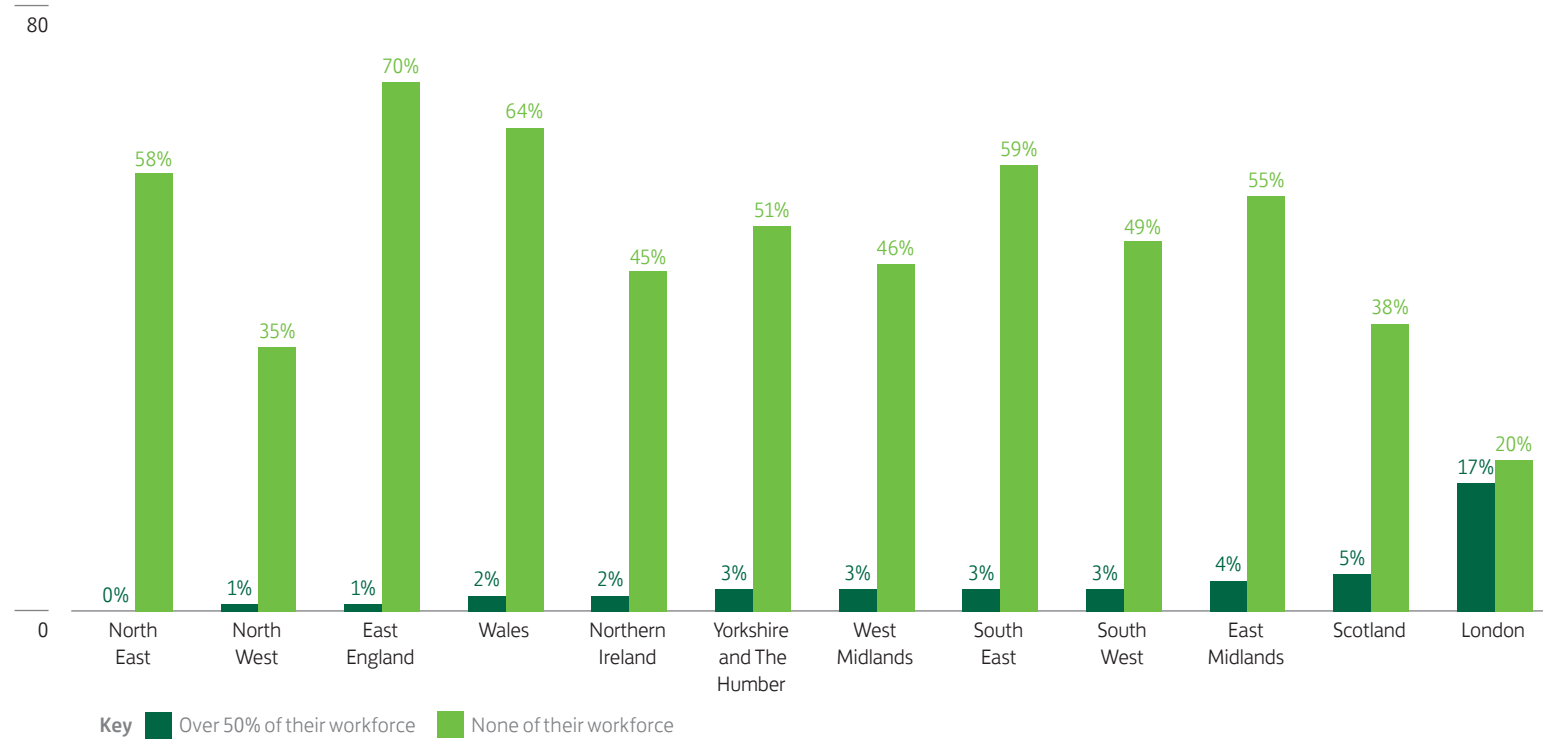
80

73%

66%

58%

25%

18%

12%

15% 16% 17%

Has already

Wants in future

Does not want

0

Key ■ Industry ■ Retail ■ Services
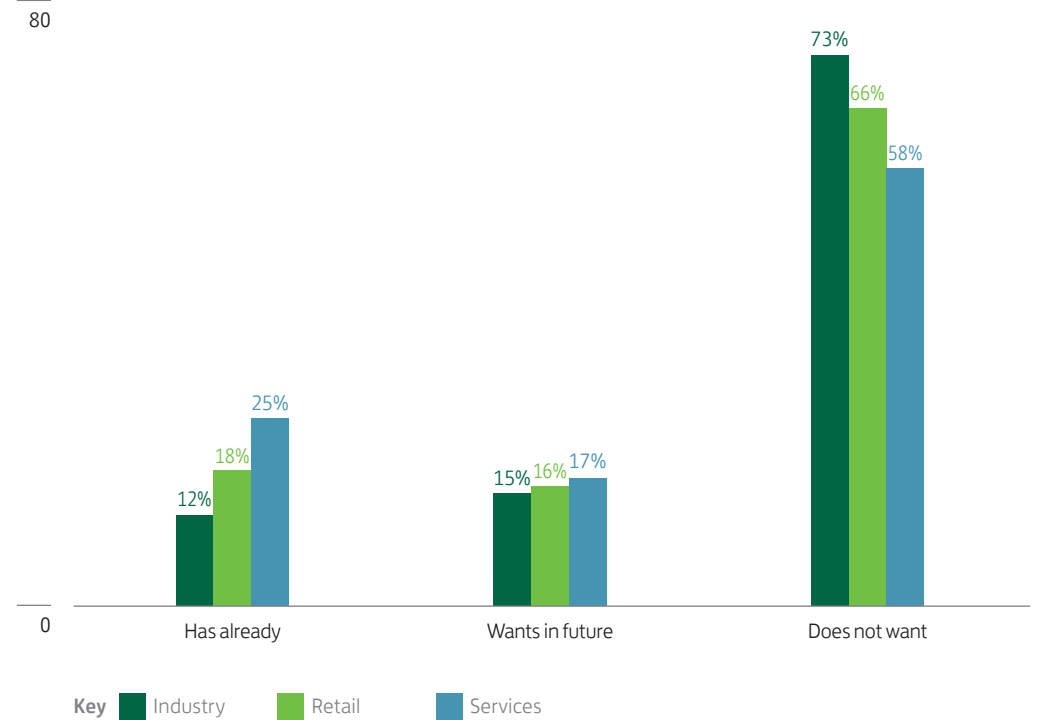
Appendix 37. **Graph shows the percentage of SMEs that think none of their workforce will be replaced by AI/Robotics in the next five years, split by employee band, 2018**

100

53%

79%

44%

28%

24%

0

Average UK SME   1 to 9   10 to 49   50 to 99   100 to 249
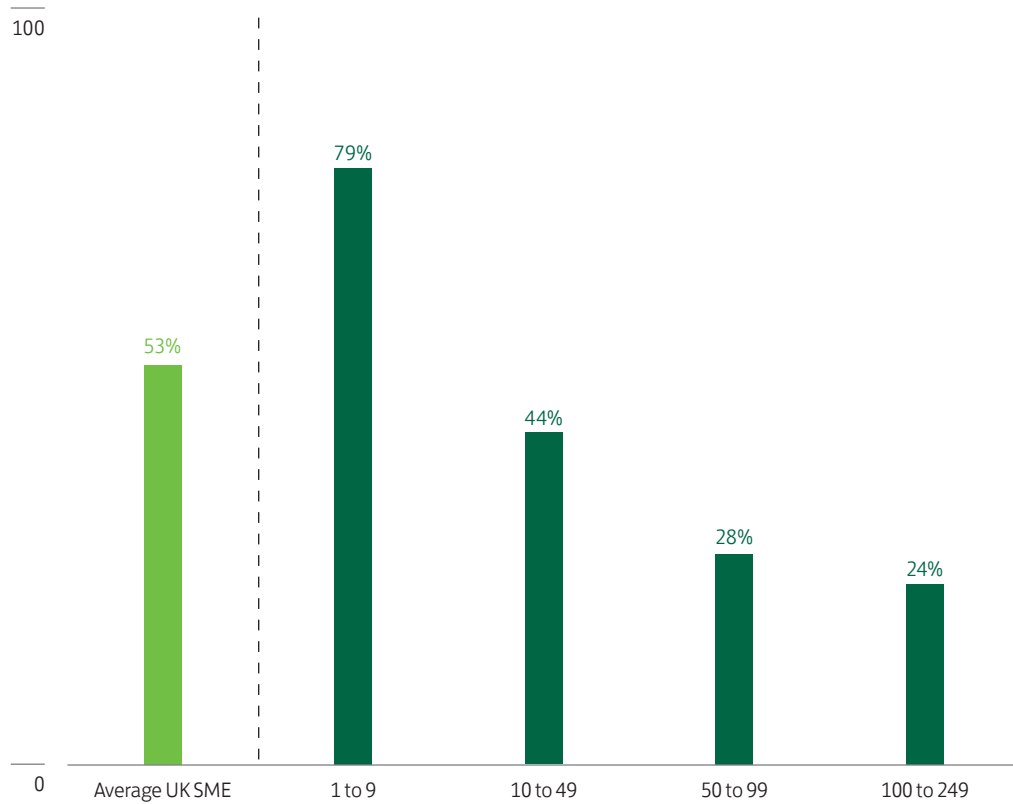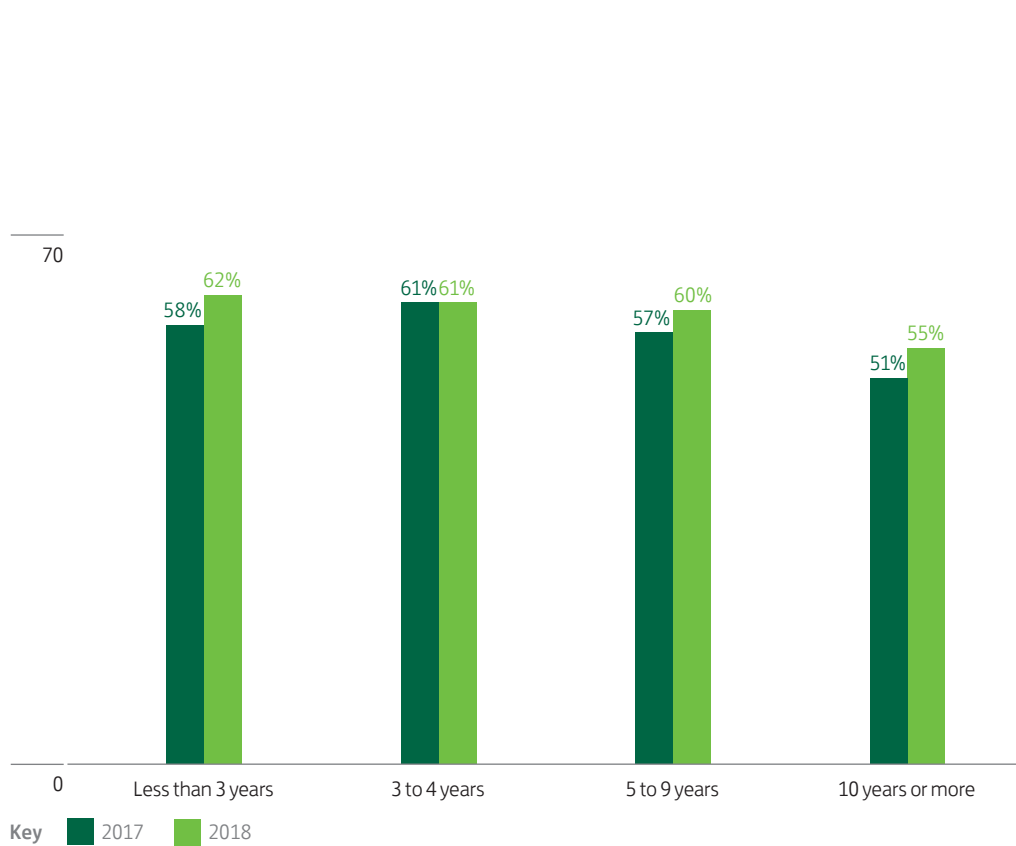
Appendix 38. **Graph shows the percentage of SMEs that think none of their workforce will be replaced by AI/Robotics in the next five years, split by turnover, 2018**

100

71%

41%

35%

20%

29%

20%

0

Less than £1M   £1M - £1.9M   £2M - £4.9M   £5M - £9.9M   £10M - £14.9M   £15M - £25M

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**

	North East	North West	East England	Wales	Northern Ireland	Yorkshire and The Humber	West Midlands	South East	South West	East Midlands	Scotland	London
Over 50% of their workforce	0%	1%	1%	2%	2%	3%	3%	3%	3%	4%	5%	17%
None of their workforce	58%	35%	70%	64%	45%	51%	46%	59%	49%	55%	38%	20%

Key ■ Over 50% of their workforce ■ None of their workforce

Appendix 40. **Graph shows SME Index scores, split by age, 2018 vs. 2017**

Key ■ 2017 ■ 2018

| Less than 3 years	3 to 4 years	5 to 9 years	10 years or more
58% / 62%	61% / 61%	57% / 60%	51% / 55%

Appendix 41. **Graph shows the percentage of SMEs who can do the 'Problem Solving' Basic Digital Skill, split by employee band, 2018 vs. 2017**

Key ■ 2017 ■ 2018

| Sole Trader	2 to 5	6 to 9	10 to 249
58% / 55%	67% / 68%	80% / 76%	85% / 89%
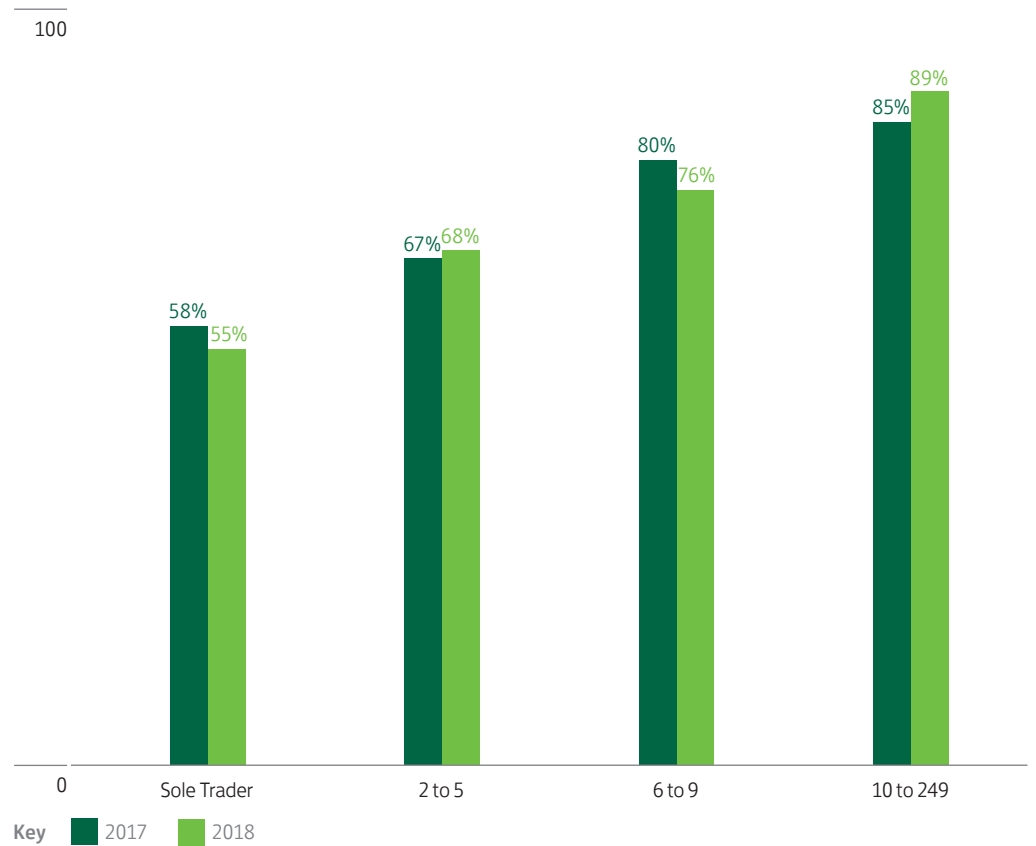
Appendix 42. **Graph shows the percentage of charities who are offline, since 2014**
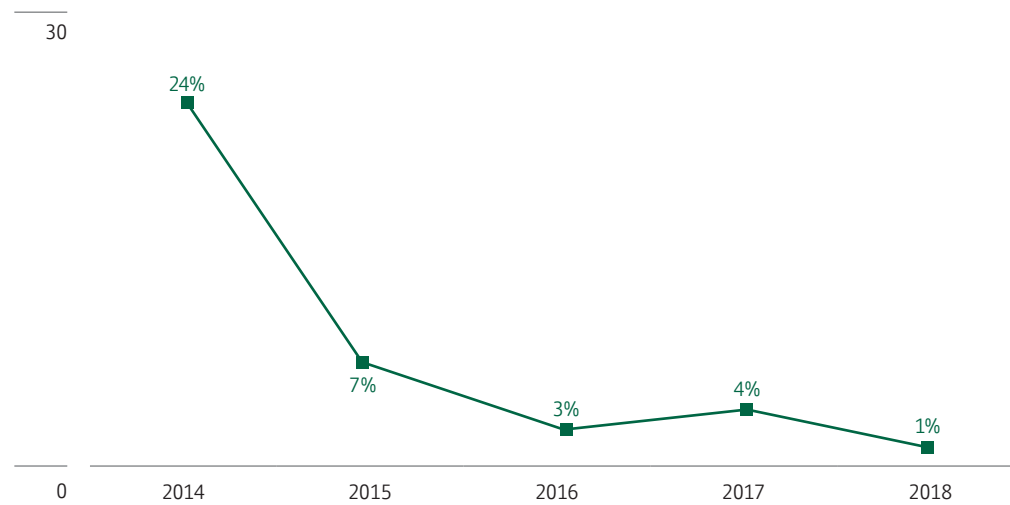
Appendix 43. Graph shows the percentage of charities who can do all tasks within the 'Creating' Basic Digital Skill, since 2014

30

25%

14%

12%

4%

2%

0

2014   2015   2016   2017   2018
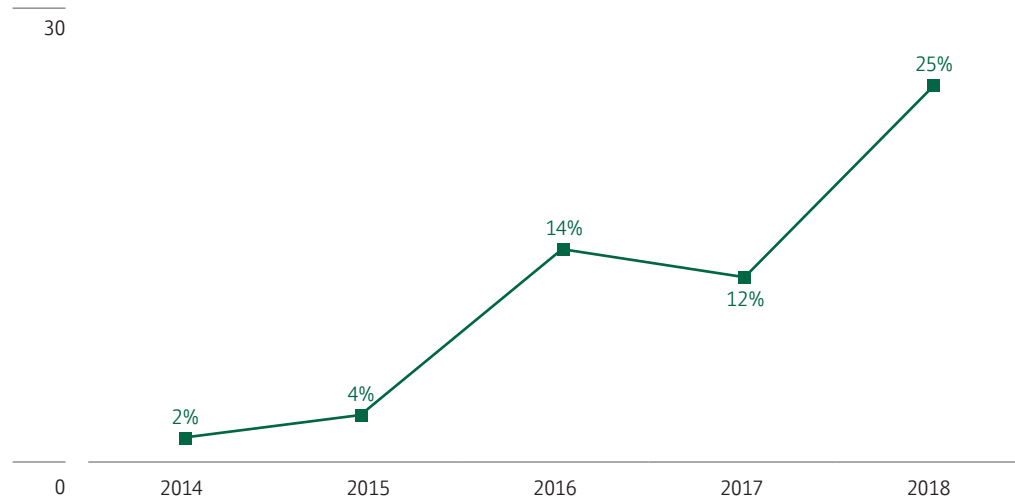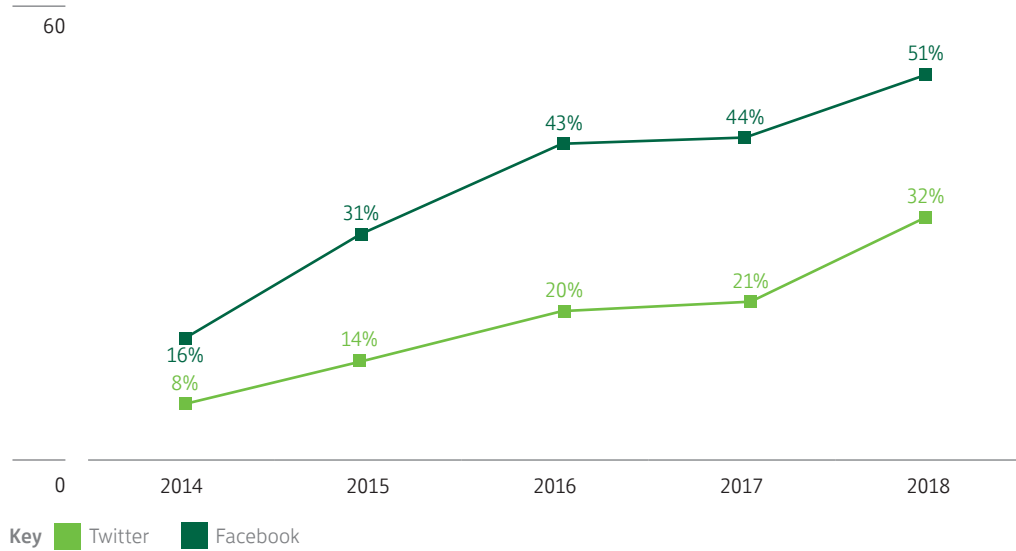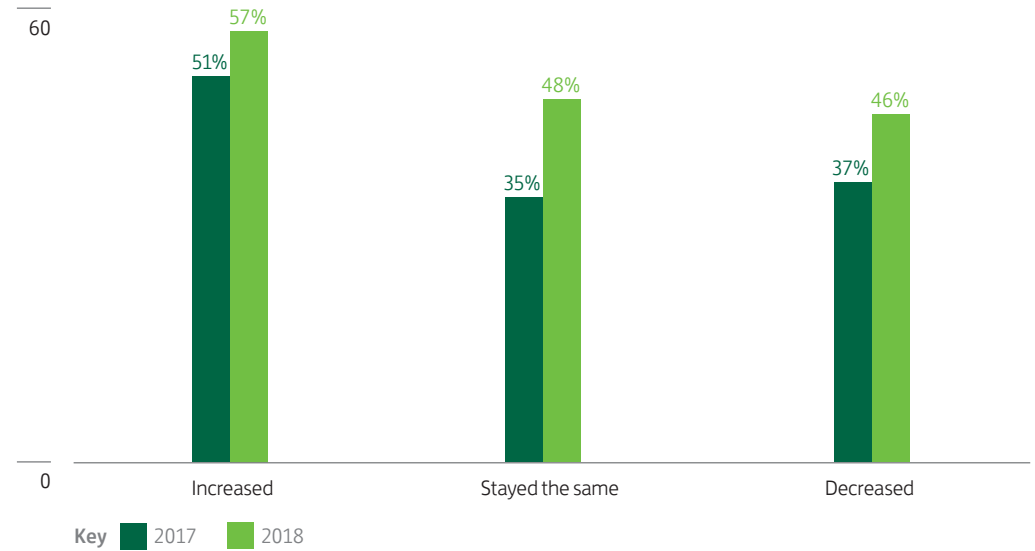
Appendix 44. Graph shows the percentage of charities who can do all tasks within the 'Transacting' Basic Digital Skill, since 2014

30

12%

6%   6%

1%

0%

0

2014   2015   2016   2017   2018
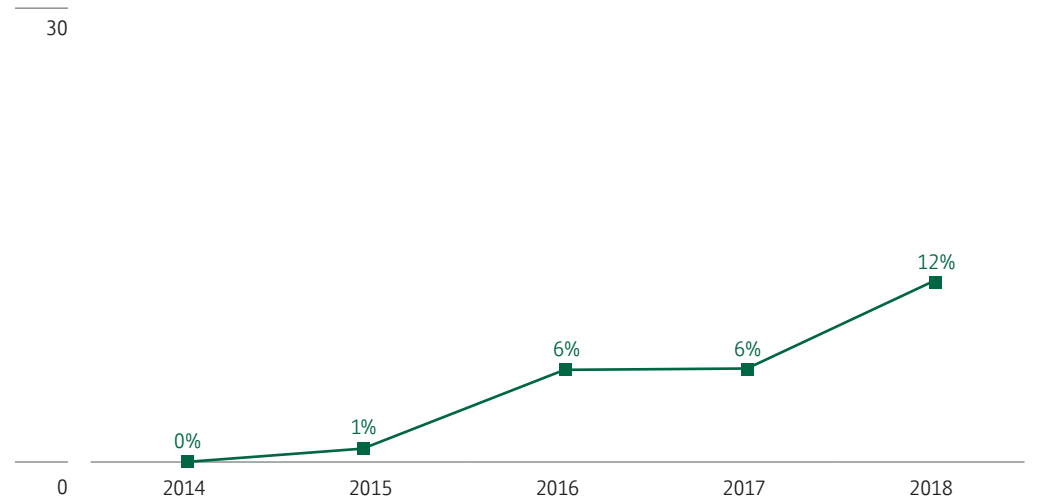
Appendix 45. Graph shows the percentage of charities who have Facebook and Twitter accounts, since 2014


Key ■ Twitter ■ Facebook

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

Key ■ 2017 ■ 2018

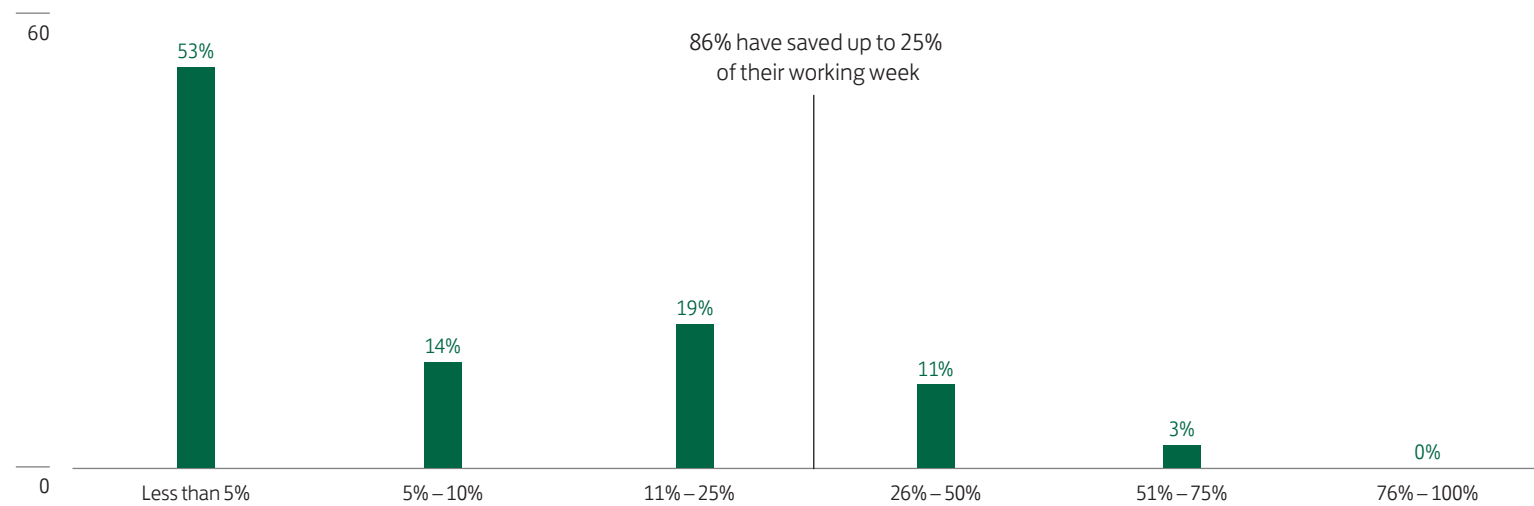**Appendix 47. Graph shows the percentage of charities who see 'saving time' as the main benefit of being online, since 2014**

	2014	2015	2016	2017	2018
	13%	23%	22%	25%	30%
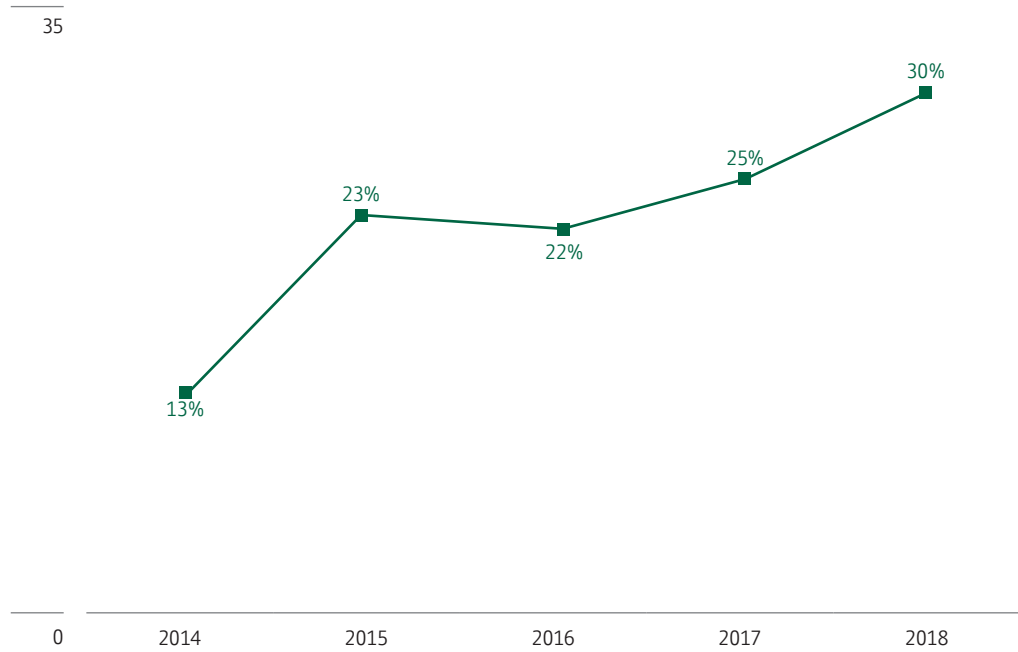
Appendix 48. Graph shows the percentage of charities that don't see any benefits to being online, since 2016

	2016	2017	2018
	10%	14%	18%
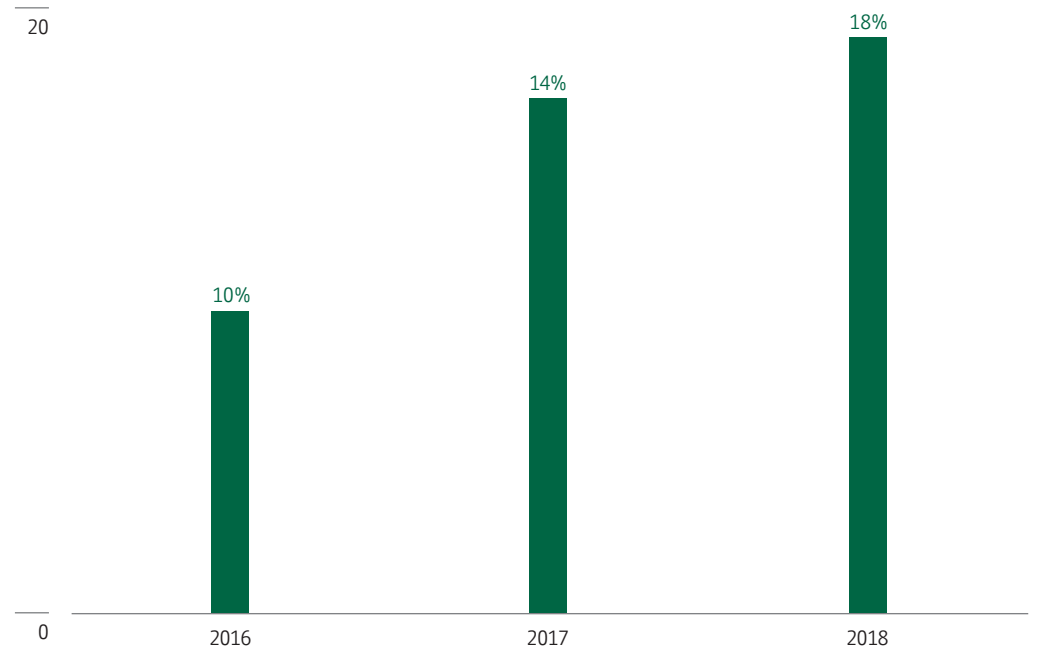
Appendix 49. **Graph shows the charities who said 'saving time' wasn't a benefit of being online and how much of their working week they are saving, 2018**

60

53%

86% have saved up to 25%
of their working week

19%

14%

11%

3%

0%

| Less than 5% | 5% – 10% | 11% – 25% | 26% – 50% | 51% – 75% | 76% – 100% |

0

Appendix 50. **Graph shows the percentage of charities who think being online isn't relevant to them, since 2014**

50

32%

27%

33%

33%

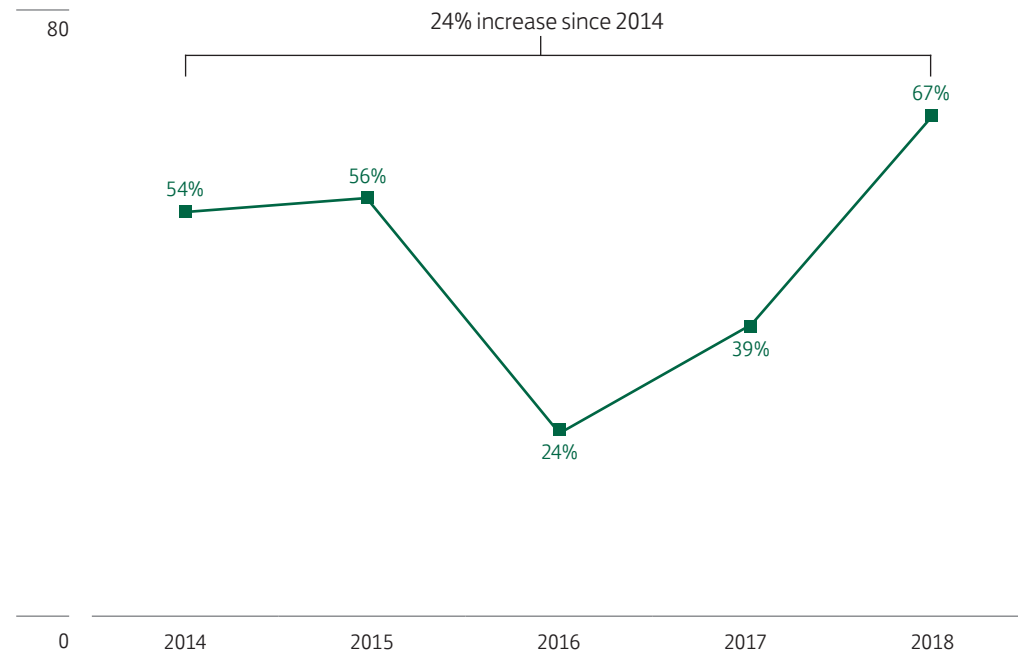31%

0   2014   2015   2016   2017   2018
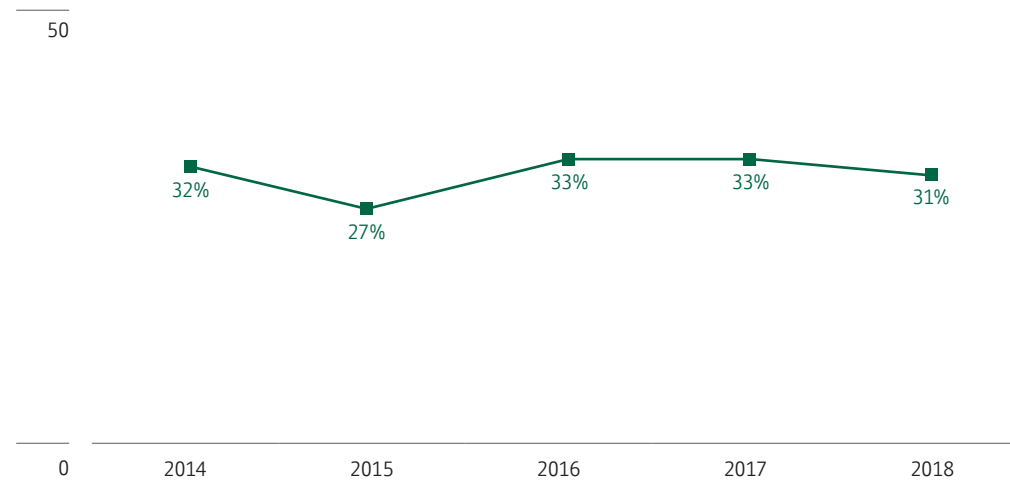
Appendix 51. **Graph shows the percentage of charities in Segment 1 and what has stopped them from doing more online, 2018 vs. 2017**

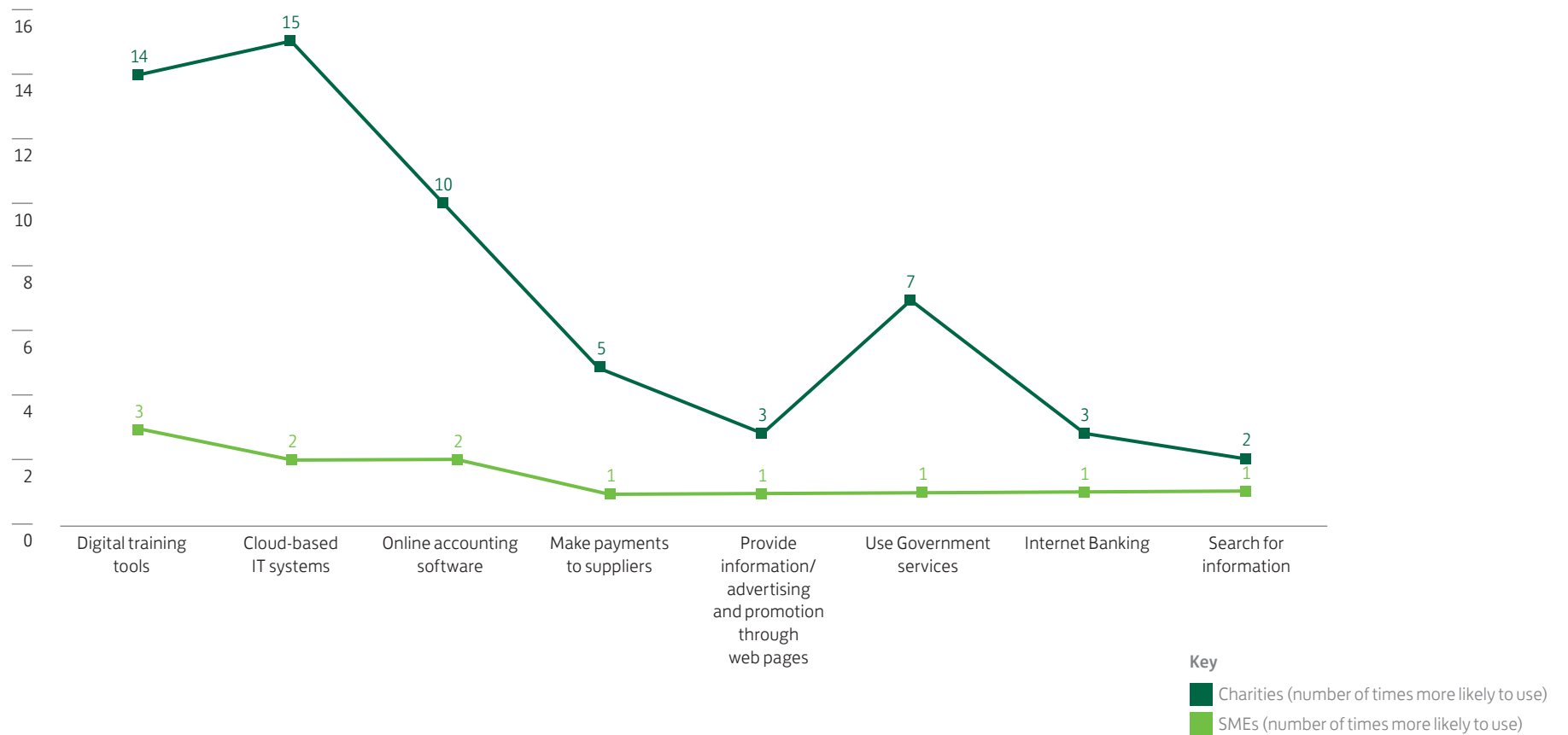|	2017	2018
We are in the process of doing more		3%
We use word-of-mouth	1%	3%
Nothing, feel that we are doing all we can online	7%	6%
Technical issues		6%
No time to set up and go online	13%	8%
Prefer face-to-face transactions	8%	8%
Cost of investment unknown	7%	11%
Concerns about information security/fraud	20%	14%
Not worth the investment	25%	14%
Poor connectivity e.g. slow speeds, no superfast broadband	8%	14%
Too expensive	10%	14%
Lack of staff digital/online skills	24%	19%
Just not interested in going online	38%	25%
Being online is not seen as relevant for our charity	61%	33%

Key
2017
2018

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**


24% increase since 2014

80

54%

56%

24%

39%

67%

0   2014   2015   2016   2017   2018

Appendix 53. **Graph shows the growth in digital usage, split by SME and charity, 2018 vs. 2014**

	Digital training tools	Cloud-based IT systems	Online accounting software	Make payments to suppliers	Provide information/ advertising and promotion through web pages	Use Government services	Internet Banking	Search for information
Charities	14	15	10	5	3	7	3	2
SMEs	3	2	2	1	1	1	1	1

Key

■ Charities (number of times more likely to use)

■ SMEs (number of times more likely to use)

Appendix 54. **Graph shows the percentage of charities that have or do not have accessible websites, 2018**

100

95%

5%

0

Accessible Website

Not accessible Website
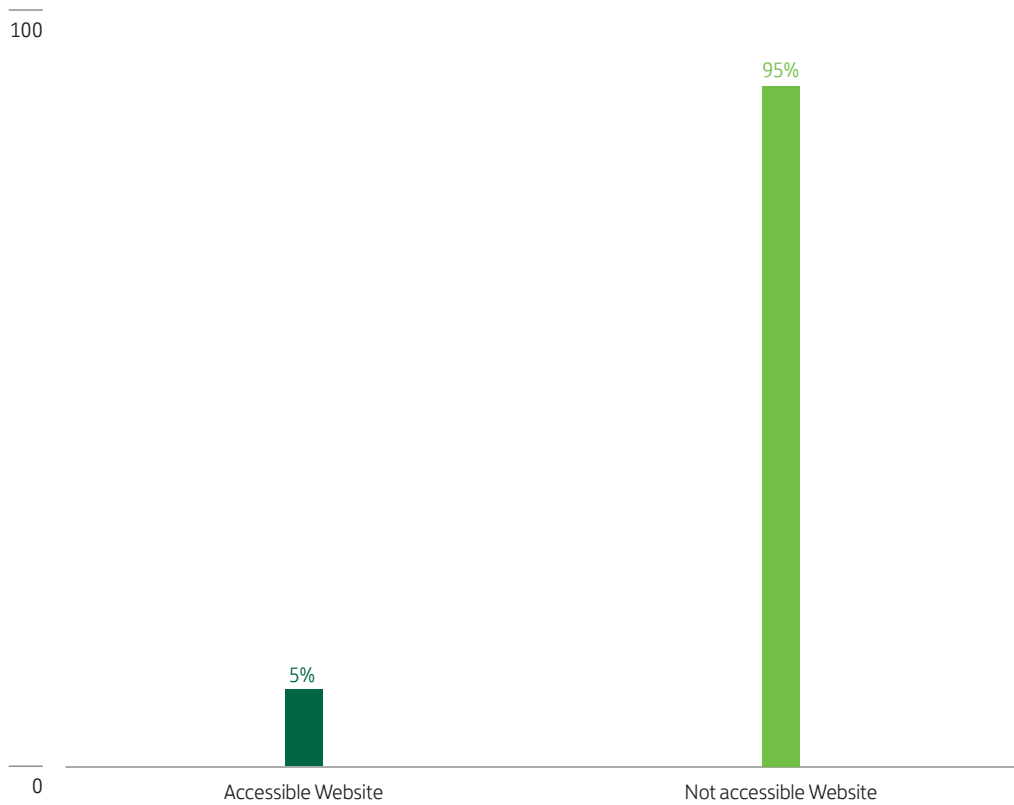
Appendix 55. **Graph shows the percentage of charities that have or do not have mobile-optimised websites and services, 2018**

100

92%

8%

0

Has mobile-optimised websites and services

Does not have mobile-optimised websites and services
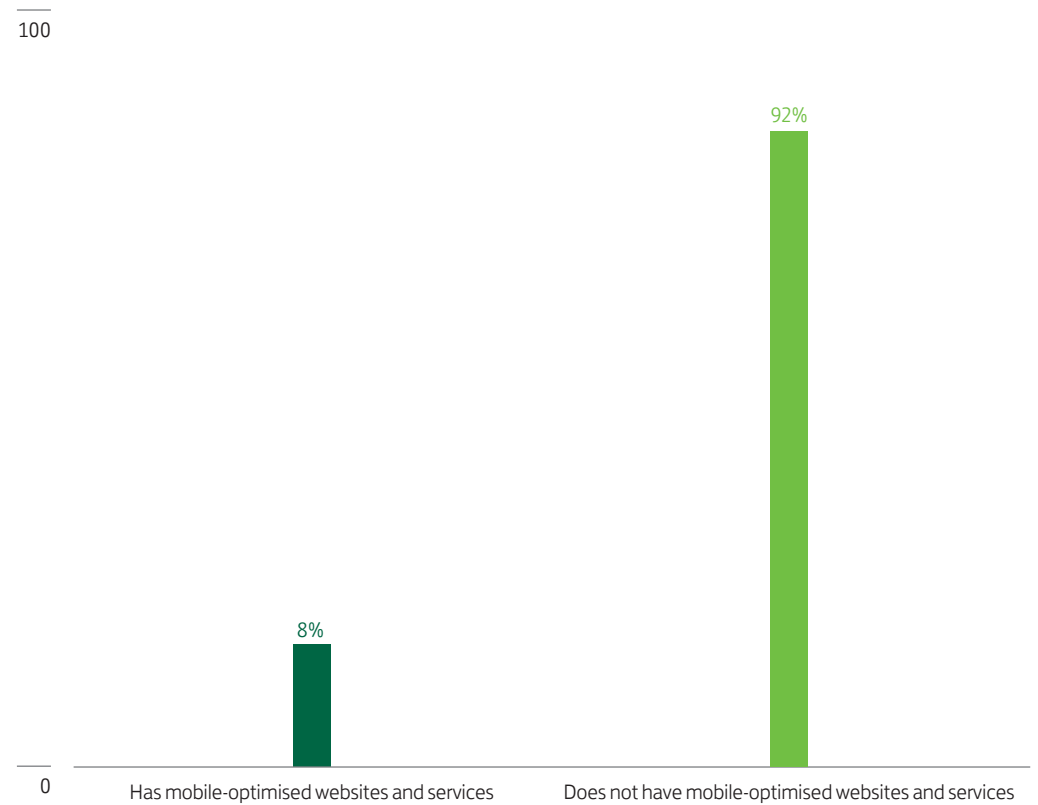
Appendix 56. **Graph shows what percentage of charities operating budget is being spent on building digital skills, 2018 vs. 2017**

Key
2017
2018
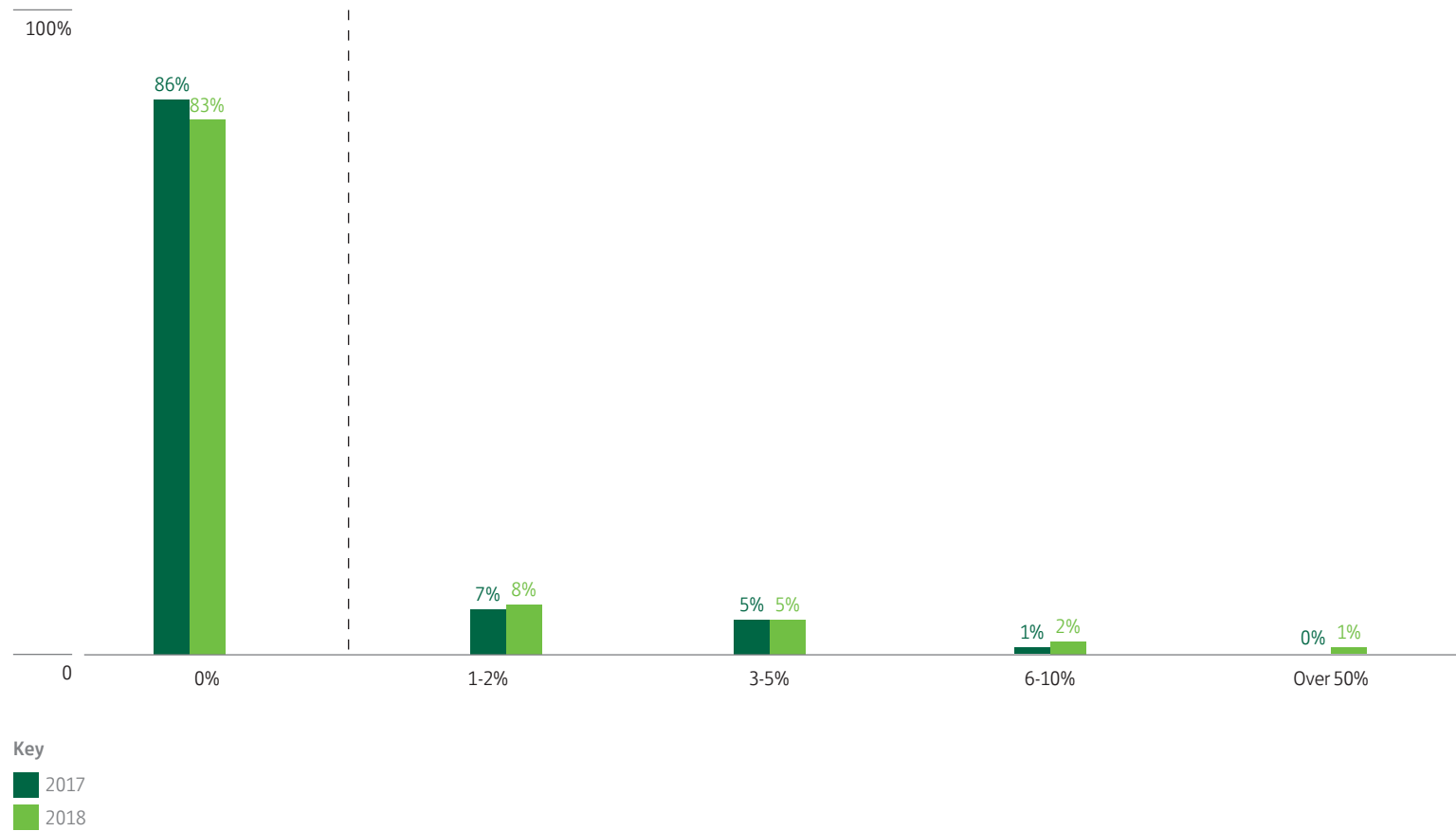
Appendix 57. **Graph shows the charity Index score, split by employee band, since 2014**

Key

■ 0 to 9
■ 10 to 249
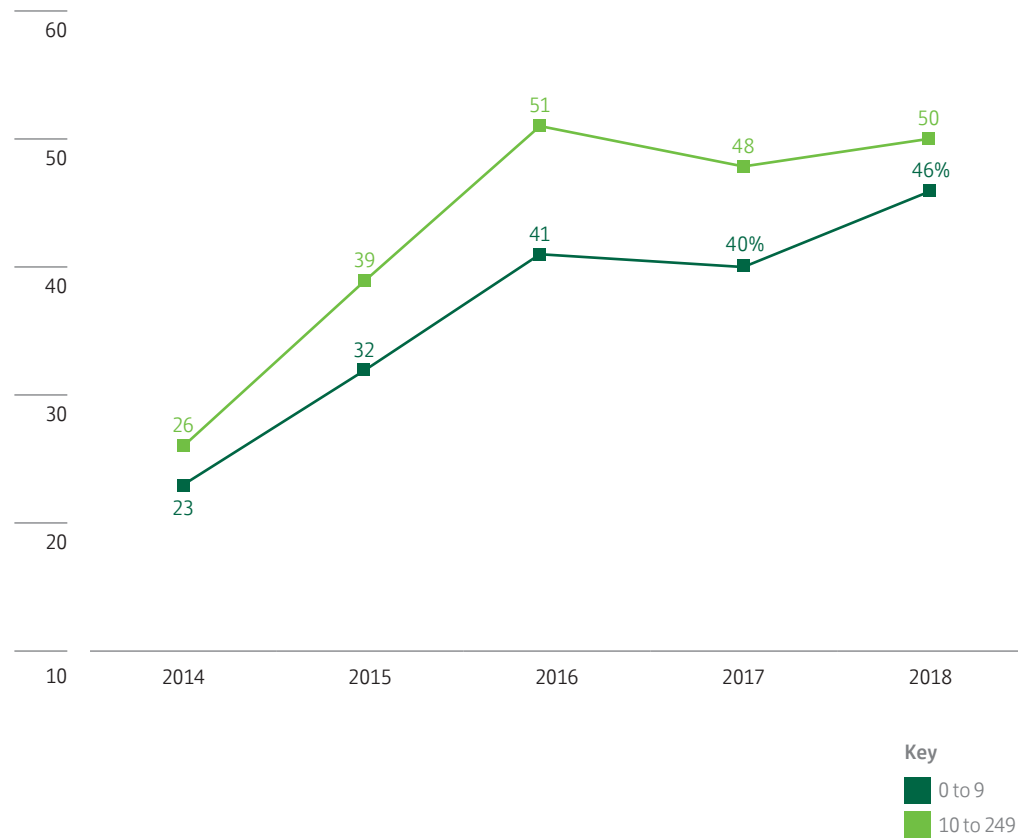
Appendix 58. Graph shows the percentage of SMEs that see being online relevant to their business, split by those in the lowest digital capability segment, since 2014

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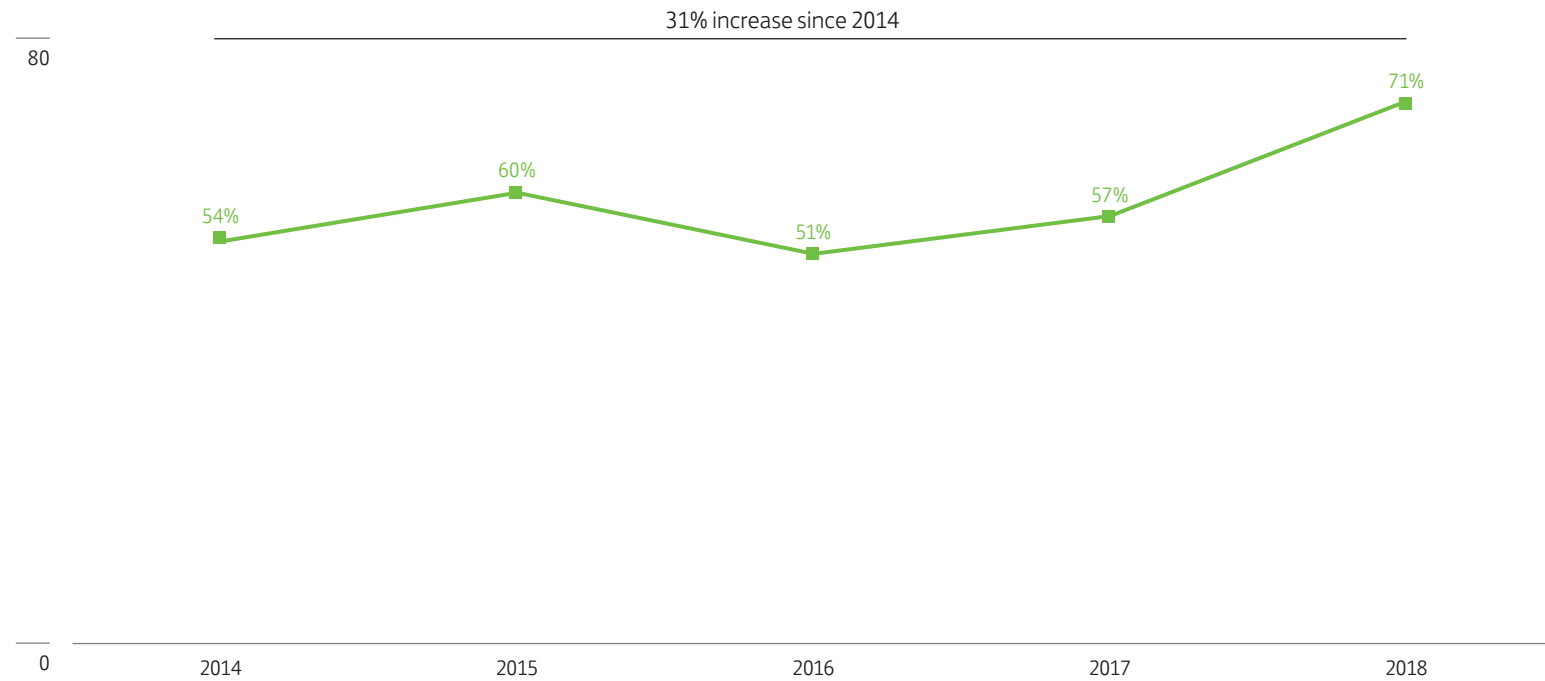
Welcome to the fifth year of the Lloyds Bank Business and Charity Digital Index

Find the report and appendices at
Lloydsbank.com/businessdigitalindex

Tweet us at @LBGDigi
#BizIndex18
#BasicDigitalSkills

Email the team at
DigitalSkillsInclusion@lloydsbanking.com

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

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