UK Business Digital Index 2017 Appendix

Benchmarking the digital maturity of small businesses and charities in the UK

LLOYDS BANK

INTRODUCTION AND CONTENTS

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

To ensure published findings are statistically significant 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 statistical significance criteria.

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

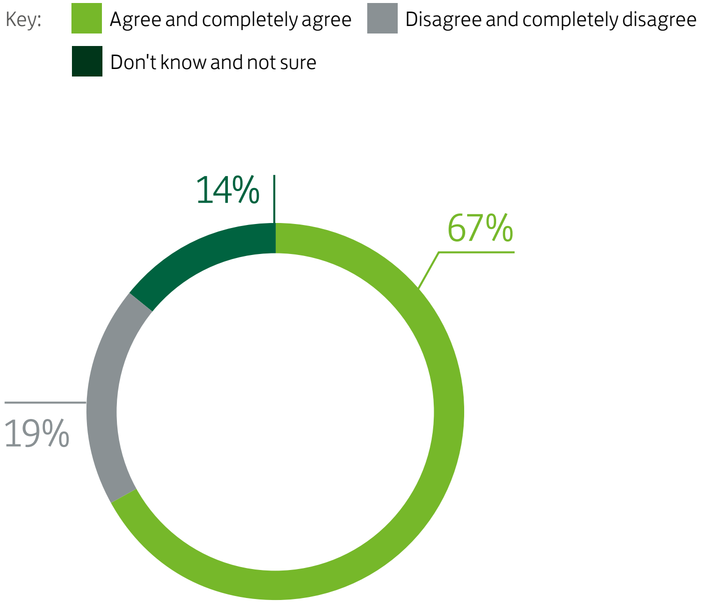
Appendix 1 – Small business Basic Digital Skills, by digital maturity segment, 2017

Key: 0% to 20% | 21% to 40% | 41% to 60% | 61% to 80% | 81% to 100%

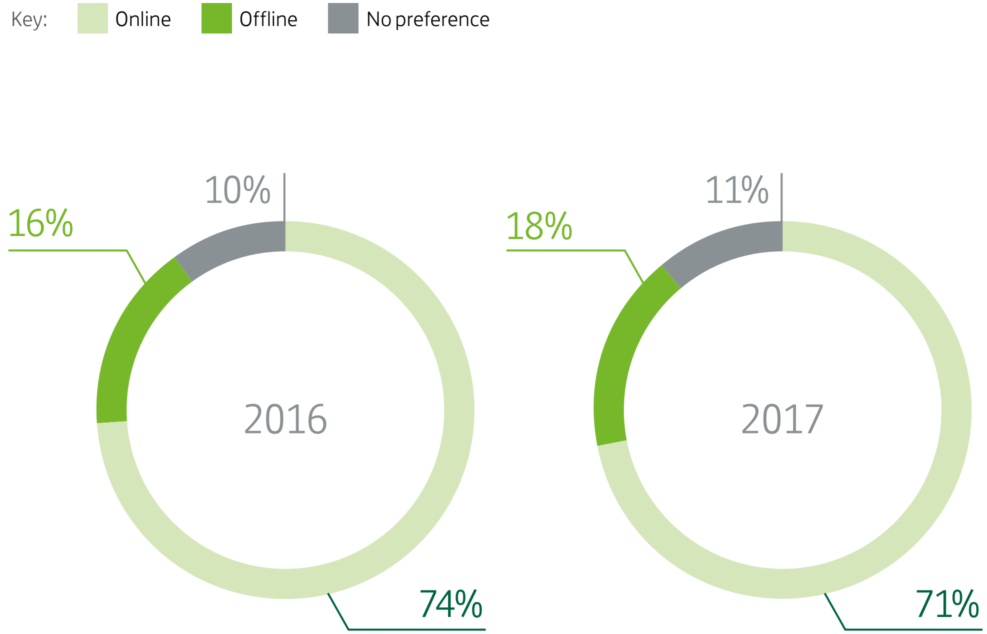
Least digital → Most digital

Broad Skill	Year	Description	1. Passive	2. Getting started	3. Established	4. High	5. Advanced
Communicating	2017	Digitally communicate to maintain customer and supplier relationships	18%	78%	91%	99%	99%
		Provide accessible information, and offer FAQ service	0%	1%	4%	12%	35%
		Use social media to promote your business or organisation	2%	13%	36%	55%	84%
Creating	2017	Create and maintain an informational or e-commerce website	6%	30%	37%	61%	91%
		Create content (images, logos, copy) to promote your organisation	5%	24%	44%	63%	89%
		Create resources to improve employee skills levels	8%	25%	31%	52%	70%
		Create social media communities to engage with customers	2%	13%	36%	55%	84%
Managing Information	2017	Search and discover growth opportunities for your business	1%	2%	3%	4%	5%
		Search for information on new suppliers and find the best deals	34%	62%	73%	80%	92%
		Store digital information on suppliers and customers	2%	8%	20%	39%	68%
		Understand who uses your website (analytics)	1%	1%	3%	5%	7%
Problem Solving	2017	Use analytics to improve website performance	1%	7%	15%	15%	23%
		Use online feedback to influence products and services	2%	11%	32%	50%	71%
		Utilise technology such as video-conferencing to reduce costs and increase efficiency	6%	25%	47%	69%	89%
Transacting	2017	Apply for permits and licences online	16%	55%	65%	81%	93%
		Manage your invoices and accounts digitally	25%	54%	80%	93%	99%
		Protect yourself from frauds / scams	0%	0%	8%	27%	64%
		Receive payments or donations	22%	39%	50%	64%	81%
		Sell through your website	0%	0%	4%	19%	51%

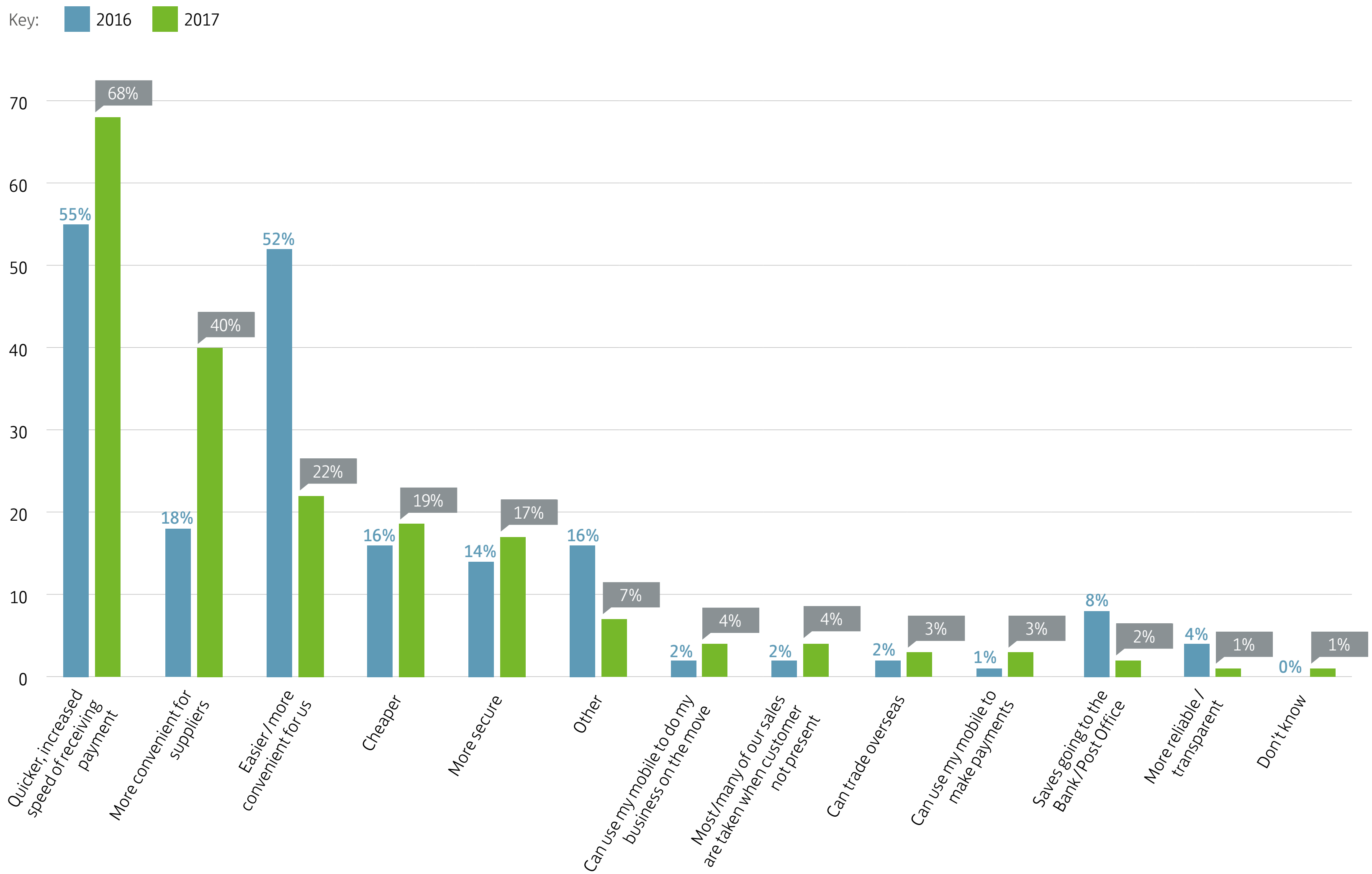
Appendix 2 – Small business 'Is having a mobile crucial to the success of your organisation?', 2017



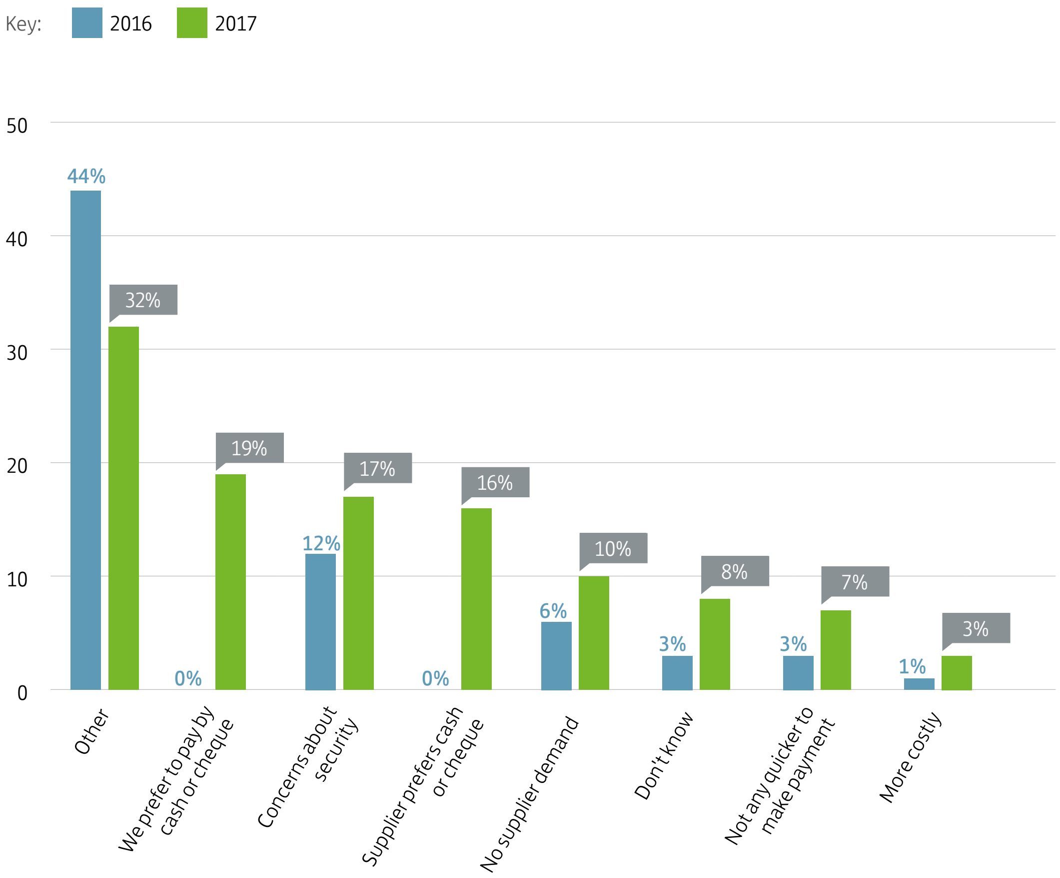
Appendix 3 – Small business preferred ways to make payments, 2017



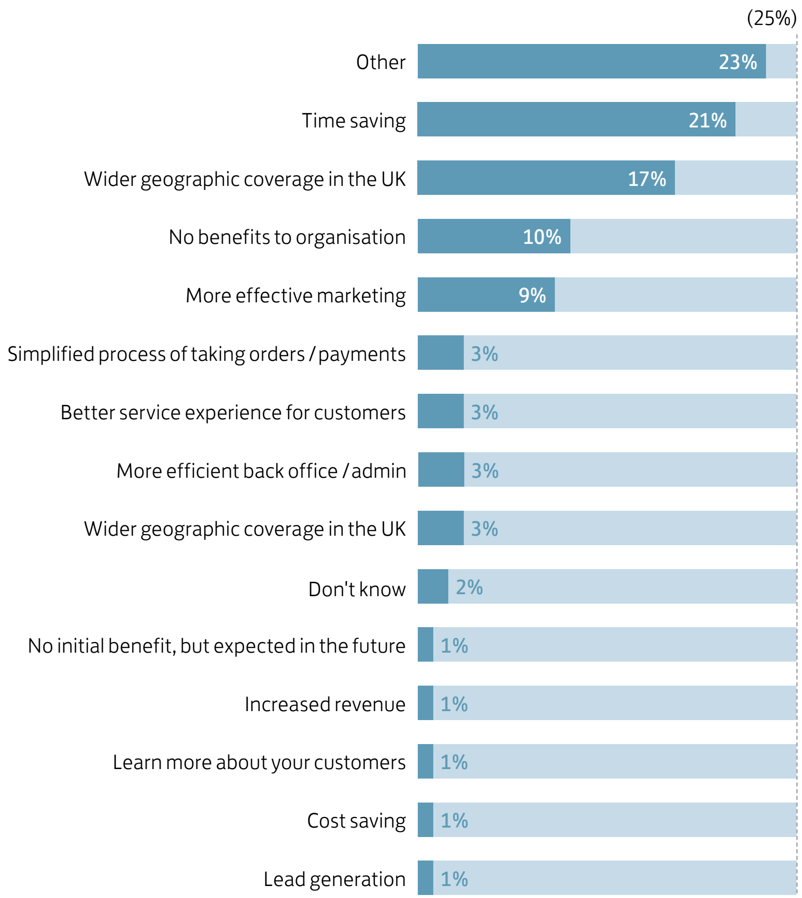
Appendix 4 – Small business reported reasons of why online channels are the preferred method for making payments, 2017 vs. 2016



Appendix 5 – Small business reported reasons of why online channels are not the preferred method for making payments, 2017 vs. 2016



Appendix 6 – Small business main benefit of being online, 2017



Appendix 7 – Small business change in turnover in the past two years, split by digital maturity segment, 2017

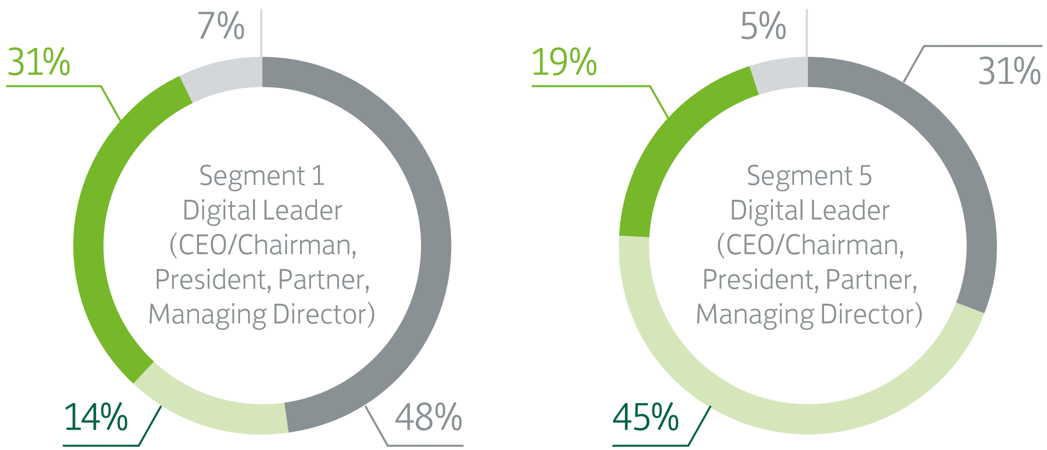
Key: 0% to 10% | 11% to 20% | 21% to 30% | 31% to 40% | 41%+

Least digital → Most digital

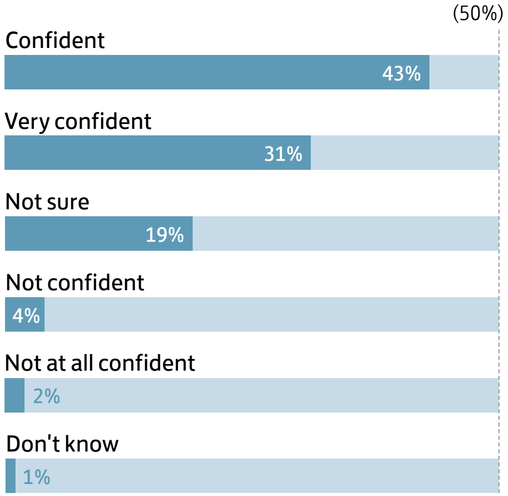
	1. Passive	2. Getting started	3. Established	4. High	5. Advanced
Decreased	22%	21%	20%	17%	15%
Don't know	4%	3%	4%	7%	7%
Increased	18%	28%	35%	42%	45%
Stayed the same	56%	48%	40%	34%	34%

Appendix 8 – Small business change in turnover in the past two years, split by job title, 2017

Key: Stayed the same | Increased | Decreased | Don't know / not sure



Appendix 9 – Small business confidence in their organisations' future prospects, 2017



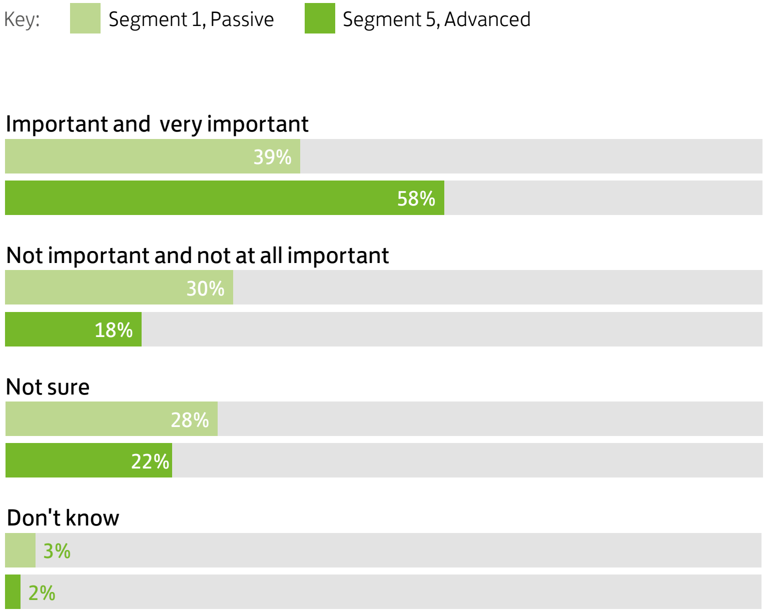
Appendix 10 – Small business confidence in their organisations' future prospects, split by digital maturity segment, 2017

Key: 0% to 10% | 11% to 20% | 21% to 30% | 31% to 40% | 41%+

Least digital → Most digital

	1. Passive	2. Getting started	3. Established	4. High	5. Advanced
Very confident and confident	68%	69%	74%	76%	77%
Don't know and not sure	24%	23%	22%	18%	18%
Not at all confident and not confident	8%	7%	4%	6%	6%

Appendix 11 – Small business 'Is growth important to your strategy?', Segment 1 vs. Segment 5, 2017



Appendix 12 – Small business 'How likely are you to invest in digital in the future?' vs. 'Is growth important to your strategy?', 2017

Key: 0% to 10% | 11% to 20% | 21% to 30% | 31% to 40% | 41%+

		How likely is your business to invest more in digital channels in the foreseeable future?		
		Likely and very likely	Not at all likely and not likely	Don't know and not sure
How important is growth to this businesses strategy?	Important and very important	71%	42%	56%
	Not at all important and not important	11%	29%	15%
	Don't know and not sure	18%	29%	28%

Appendix 13 – Small business percentage of turnover invested in digital skills vs. 'Is growth important to your strategy?', 2017

Key: 0% to 10% | 11% to 20% | 21% to 30% | 31% to 40% | 41%+

	Important and very important	Not at all important and not important	Not sure	Don't know
0%	57%	74%	66%	62%
1%+	33%	23%	29%	15%
Don't know	10%	3%	5%	23%

Appendix 14a – Small business 'Are you concerned about the future survival of your business?', split by digital maturity segment, 2017

Key: 0% to 10% | 11% to 20% | 21% to 30% | 31% to 40% | 41%+

Least digital → Most digital

	1. Passive	2. Getting started	3. Established	4. High	5. Advanced
Yes	8%	19%	22%	23%	25%
No	91%	79%	76%	75%	73%
Don't know	1%	2%	2%	2%	2%

Appendix 14b – Small business 'How likely is your business to invest more in digital channels in the foreseeable future?', split by digital maturity segment, 2017

Key: 0% to 10% | 11% to 20% | 21% to 30% | 31% to 40% | 41%+

Least digital → Most digital

	1. Passive	2. Getting started	3. Established	4. High	5. Advanced
Likely and very likely	5%	6%	20%	22%	38%
Not at all likely and not likely	80%	74%	62%	56%	39%
Don't know and not sure	15%	20%	18%	22%	23%

Appendix 15 – Small business 'Is growth important to your strategy?', split by digital maturity segment, 2017

Key: 0% to 10% | 11% to 20% | 21% to 30% | 31% to 40% | 41%+

Least digital → Most digital

	Average figure	1. Passive	2. Getting started	3. Established	4. High	5. Advanced
Very important and important	52%	38%	46%	48%	55%	58%
Not at all important and not important	22%	30%	27%	28%	17%	18%
Don't know	2%	4%	1%	1%	2%	2%
Not sure	24%	28%	26%	23%	26%	23%

Appendix 16 – Small business change in turnover in the past two years, split by digital maturity segment, 2017

Key: 1. Passive | 2. Getting started | 3. Established | 4. High | 5. Advanced

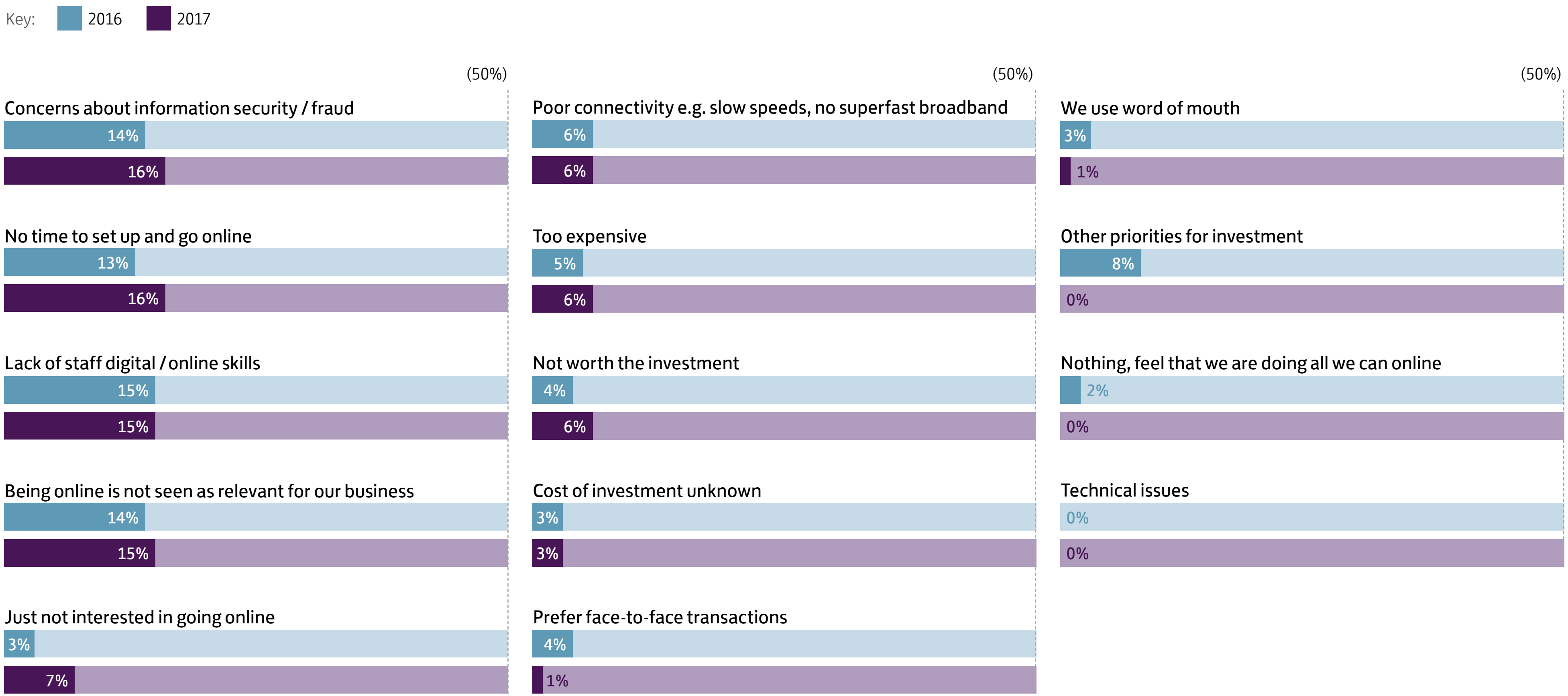
	Decreased	Increased	Stayed the same	Don't know
1. Passive	22%	18%	56%	4%
2. Getting started	21%	28%	48%	3%
3. Established	20%	35%	41%	4%
4. High	17%	42%	34%	7%
5. Advanced	15%	45%	34%	6%

Appendix 17 – Small business 'Do you have the knowledge and experience needed to make your business more digital?', split by job title, 2017

Key: 0% to 10% | 11% to 20% | 21% to 30% | 31% to 40% | 41%+

	CEO/Chairman, President,Partner, Managing Director	Other
Agree and completely agree	50%	52%
Disagree and completely disagree	25%	28%
Don't know	1%	1%
Not sure	23%	19%

Appendix 18 – Small business main barriers to doing more online, 2017



Numbers do not add up to 100% due to rounding and 'Other' answer

Appendix 19 – Small business percentage of turnover invested in digital skills, split by size of business, 2017

Key: 0% to 10% | 11% to 20% | 21% to 30% | 31% to 40% | 41%+

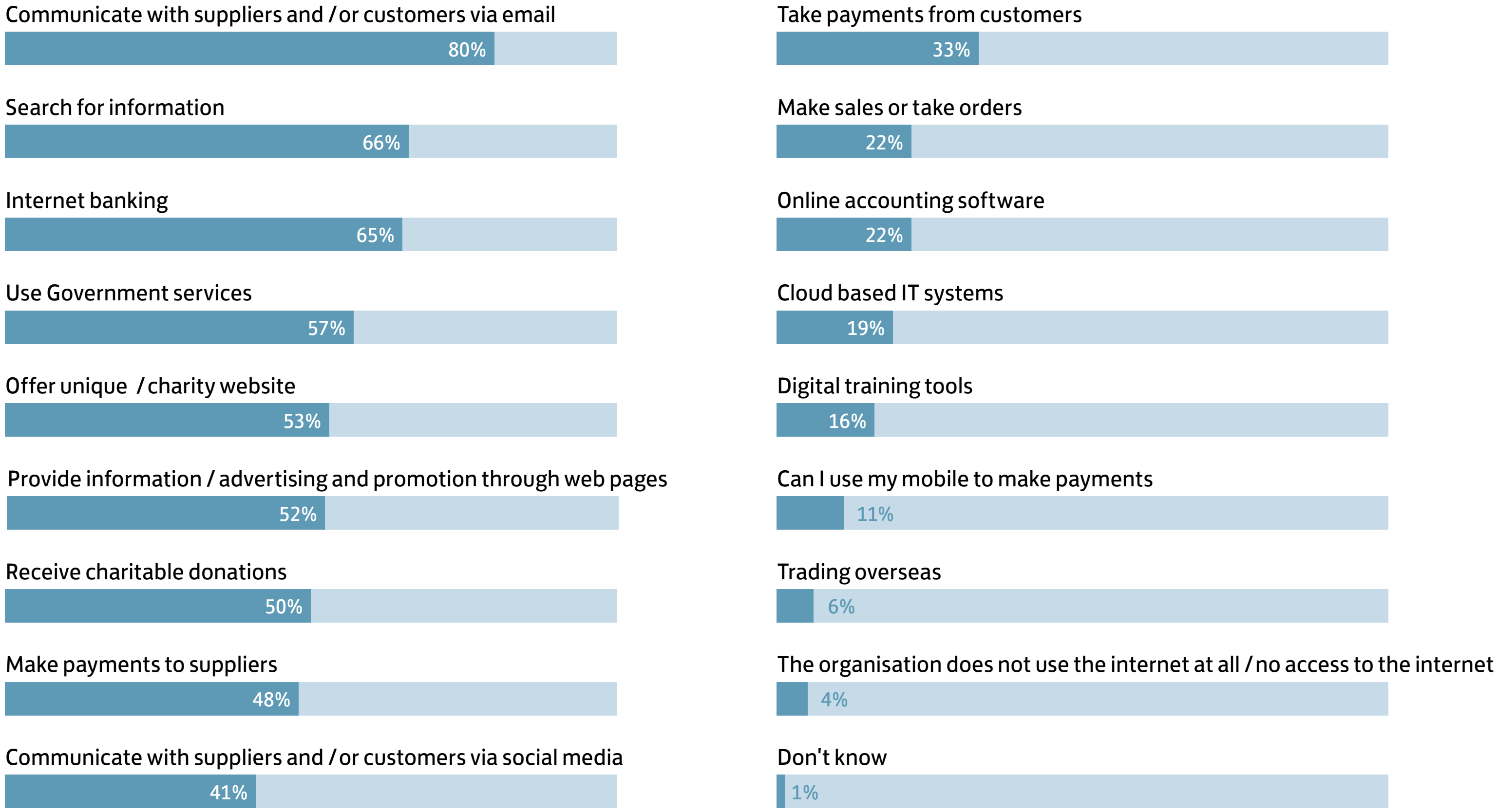
Response	1	2 to 5	6 to 9	10 to 249	Don't know
0%	74%	64%	46%	32%	50%
1% - 2%	7%	13%	17%	30%	0%
3% - 5%	7%	8%	13%	12%	17%
6% - 10%	3%	4%	11%	7%	0%
11%+	4%	4%	3%	6%	0%
Don't know	5%	7%	10%	13%	33%

Appendix 20 – Small business 'Which digital or technological developments could transform your business?', split by age of business, 2017

Key: 0% to 10% | 11% to 20% | 21% to 30% | 31% to 40% | 41% +

	Less than 3 years	3 - 4 years	5 - 9 years	10 or more years
Any developments could help to transform our business	0%	1%	1%	0%
Better broadband / internet connection / coverage	2%	5%	4%	3%
Create / improve our website	10%	16%	10%	7%
Don't know	17%	13%	21%	15%
Faster broadband / internet connection / install fibre optic cables	3%	4%	5%	30%
IT support	0%	2%	0%	0%
Keep up to date with technology	0%	2%	0%	1%
Nothing / not required for business	53%	49%	45%	57%
Online banking / payments	4%	1%	2%	3%
Online publicity / advertisement	5%	5%	2%	2%
Other	1%	2%	5%	4%
Provide more digital communication such as text / email / WhatsApp / intranet	0%	2%	0%	1%
Reliable broadband / internet connection / coverage	0%	2%	1%	1%
Security / fraud prevention and protection software	1%	0%	1%	0%
Set up / upgrade cloud based storage	0%	0%	1%	1%
SKYPE	0%	1%	0%	0%
Social media/Facebook/Twitter	5%	6%	2%	3%
Training tools	0%	2%	1%	1%
Up to date technology	1%	1%	1%	1%
Video conferencing / video information	0%	0%	1%	0%

Appendix 21 – Charities reported reasons for using the internet, 2017



Appendix 22 – Charities Basic Digital Skills, split by digital maturity segment, 2017

Key: 0% to 20% | 21% to 40% | 41% to 60% | 61% to 80% | 81% to 100%

Broad Skill	Year	Description	1. Passive	2. Getting Started	3. Established	4. High	5. Advanced
Communication	2017	Digitally communicate to maintain customer and supplier relationships	24%	88%	92%	100%	98%
		Provide accessible information, and offer FAQ service	0%	2%	11%	26%	15%
		Use social media to promote your business or organisation	1%	23%	47%	61%	80%
Create	2017	Create and maintain an informational or e-commerce website	11%	34%	64%	80%	92%
		Create content (images, logos, copy) to promote your organisation	6%	34%	52%	67%	88%
		Create resources to improve employee skills levels	4%	7%	22%	38%	46%
		Create social media communities to engage with customers	1%	23%	47%	61%	80%
Managing Information	2017	Search and discover growth opportunities	0%	0%	6%	6%	3%
		Search for information on new suppliers and find the best deals	32%	60%	70%	79%	82%
		Store digital information on suppliers and customers	0%	5%	13%	37%	37%
		Understand who uses your website (analytics)	0%	1%	5%	3%	5%
Problem Solving	2017	Use analytics to improve website performance	0%	7%	11%	16%	18%
		Use online feedback to influence products and services	4%	19%	39%	67%	77%
		Utilise technology to reduce costs and increase efficiency	13%	36%	68%	80%	91%
Transact	2017	Apply for permits and licences online	16%	44%	51%	74%	89%
		Manage your invoices and accounts digitally	16%	53%	73%	91%	99%
		Protect yourself from frauds/scams	0%	0%	14%	42%	64%
		Receive payments or donations	21%	47%	65%	75%	81%
		Sell through your website	0%	0%	4%	28%	29%

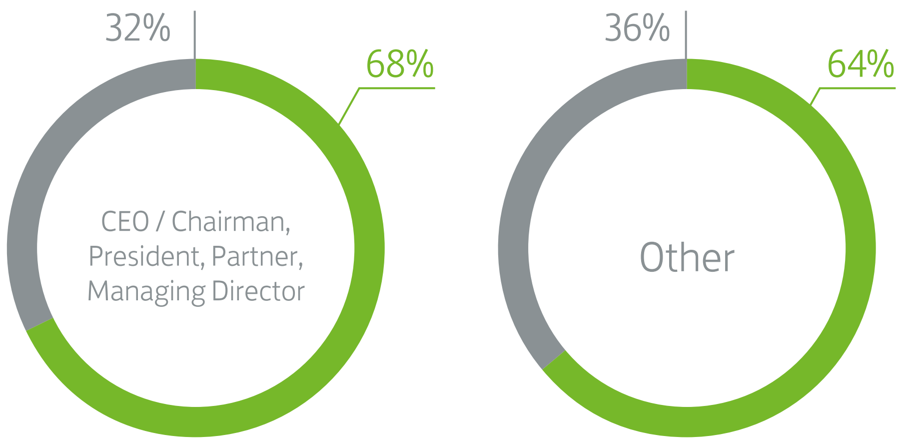
Appendix 23 – Charities 'Does your charity use social media?' vs. 'Has your charity seen an increase in donations in the last 2 years?', 2017

Key: 0% to 10% | 11% to 20% | 21% to 30% | 31% to 40% | 41%+

	No	Yes
Decreased	20%	10%
Increased	22%	33%
Stayed the same	62%	48%
Don't know	4%	9%

Appendix 24 – Charities 'Do you have access to the right technology to help your organisation become more digital?', 2017

Key: Agree and completely agree | Disagree and completely disagree



Appendix 25 – Charities confidence in organisations' future prospects, split by digital maturity segment, 2017

Key: 0% to 20% | 21% to 40% | 41% to 60% | 61% to 80% | 81% to 100%

Least digital → Most digital

	1. Passive	2. Getting started	3. Established	4. High	5. Advanced
Confident and very confident	69%	75%	80%	82%	83%
Not confident and not at all confident	14%	2%	5%	5%	7%
Not sure	11%	21%	14%	12%	10%
Don't know	6%	2%	1%	1%	0%

Appendix 26 – Charities 'Is growth important to your strategy?', split by digital maturity segment, 2017

Key: 0% to 10% | 11% to 20% | 21% to 30% | 31% to 40% | 41%+

Least digital → Most digital

	1. Passive	2. Getting started	3. Established	4. High	5. Advanced
Important and very important	2%	34%	35%	45%	52%
Not important and not at all important	43%	38%	27%	22%	21%
Not sure	24%	24%	33%	31%	27%
Don't know	10%	4%	5%	2%	0%

Due to sample size, data comparisons have been made between Segment 2 and Segment 5

Appendix 27 – Charities 'Are you concerned about the future survival of your organisation if you do not improve your digital capability?', split by digital maturity segment, 2017

Key: 0% to 10% | 11% to 20% | 21% to 30% | 31% to 40% | 41%+

Least digital → Most digital

	1. Passive	2. Getting started	3. Established	4. High	5. Advanced
Yes	6%	10%	7%	20%	21%
No	93%	85%	93%	78%	79%
Don't know	1%	5%	0%	2%	0%

Appendix 28 – Charities barriers to doing more online, split by digital maturity segment, 2017

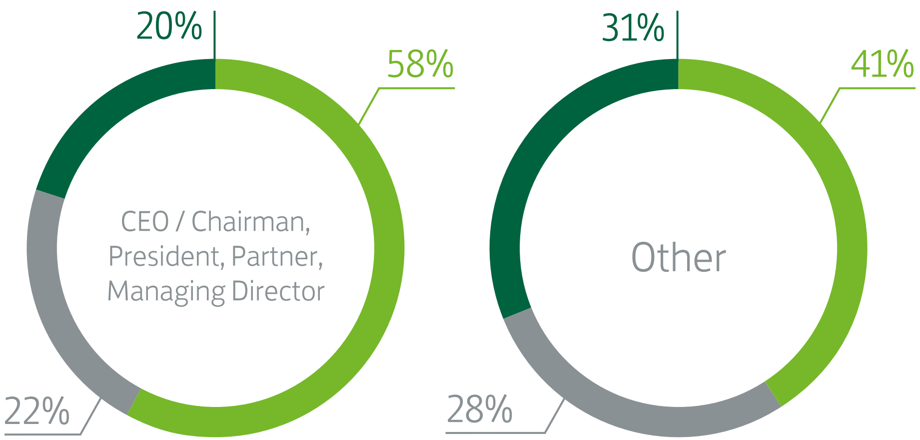
Key: 0% to 10% | 11% to 20% | 21% to 30% | 31% to 40% | 41%+

Least digital → Most digital

	1. Passive	2. Getting started	3. Established	4. High	5. Advanced
Being online is not seen as relevant for our charity	61%	50%	23%	21%	17%
Concerns about information security / fraud	20%	25%	26%	22%	23%
Cost of investment unknown	7%	9%	26%	17%	26%
Don't know	1%	2%	1%	3%	1%
Just not interested in going online	38%	35%	10%	13%	8%
Lack of staff digital / online skills	24%	32%	33%	29%	33%
Lloyds not compatible / not helpful / too complicated	0%	0%	1%	1%	0%
No time to set up and go online	13%	20%	25%	25%	32%
Not worth the investment	25%	17%	22%	17%	19%
Nothing, feel that we are doing all we can online	7%	8%	15%	20%	22%
Other	7%	7%	10%	10%	17%
Poor connectivity e.g. slow speeds, no superfast broadband	8%	9%	10%	17%	16%
Prefer face-to-face transactions	8%	1%	2%	0%	3%
Technical issues	0%	0%	0%	1%	0%
Too expensive	10%	5%	15%	16%	22%
We are in the process to do more	0%	1%	1%	2%	2%
We use word of mouth	0%	1%	1%	1%	1%
Willingness of customers to pay online	0%	0%	1%	0%	0%

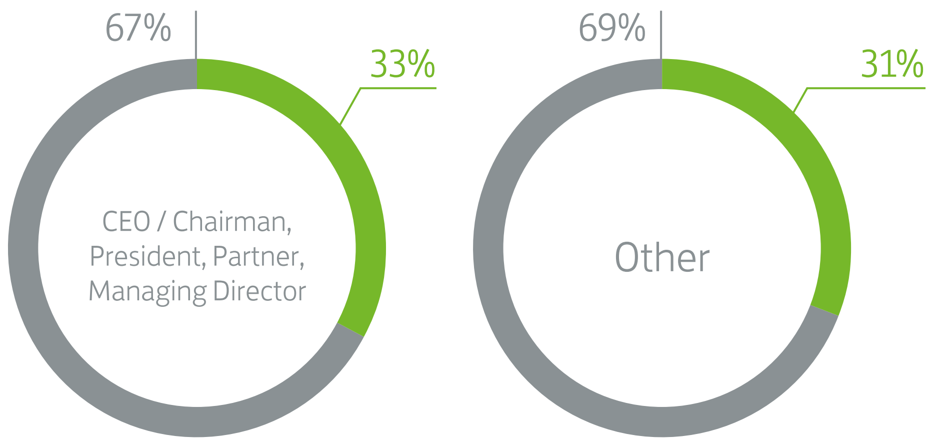
Appendix 29 – Charities 'Do you have the knowledge and experience needed to make your organisation more digital?', split by job title, 2017

Key: Agree and completely agree | Disagree and completely disagree | Don't know and not sure

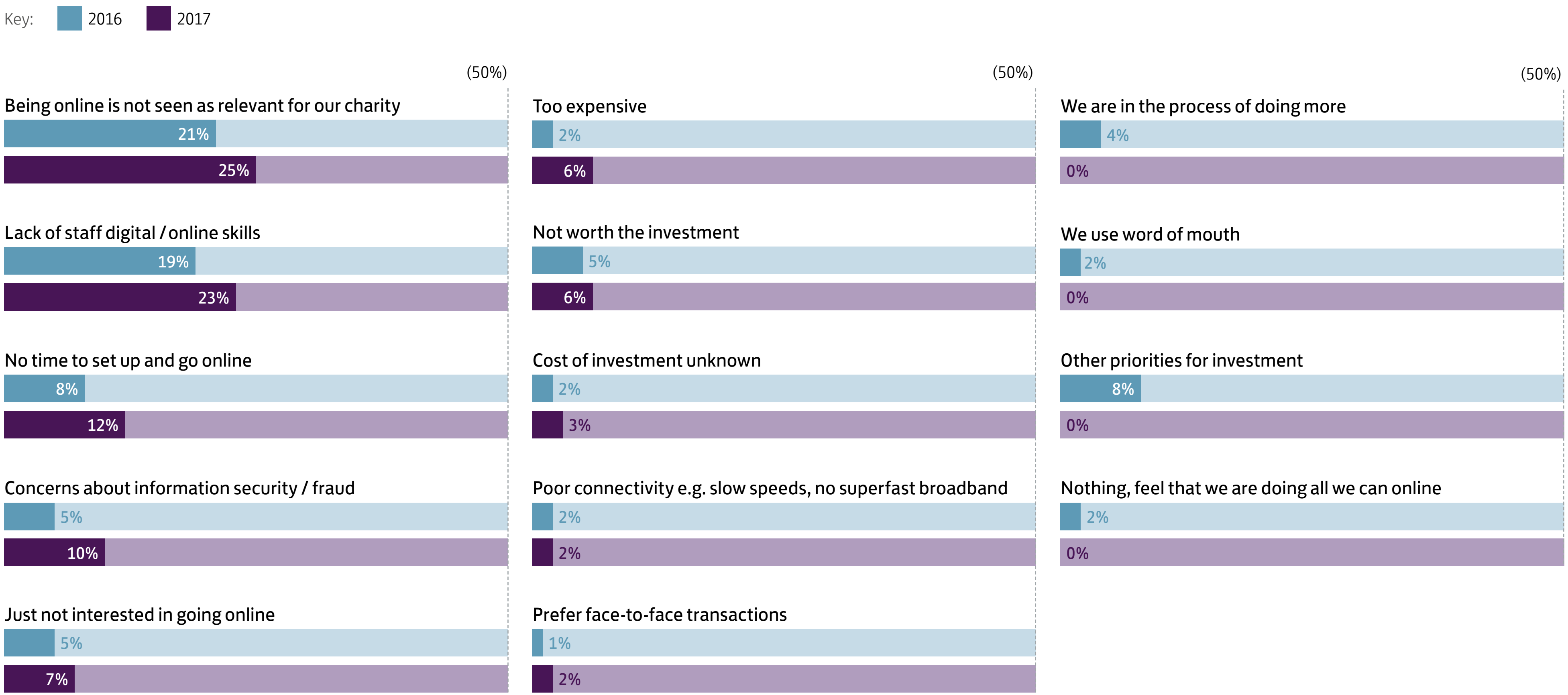


Appendix 30 – Charities 'Do you use social media for personal use but not for organisational use?', 2017

Key: Agree and completely agree | Disagree and completely disagree

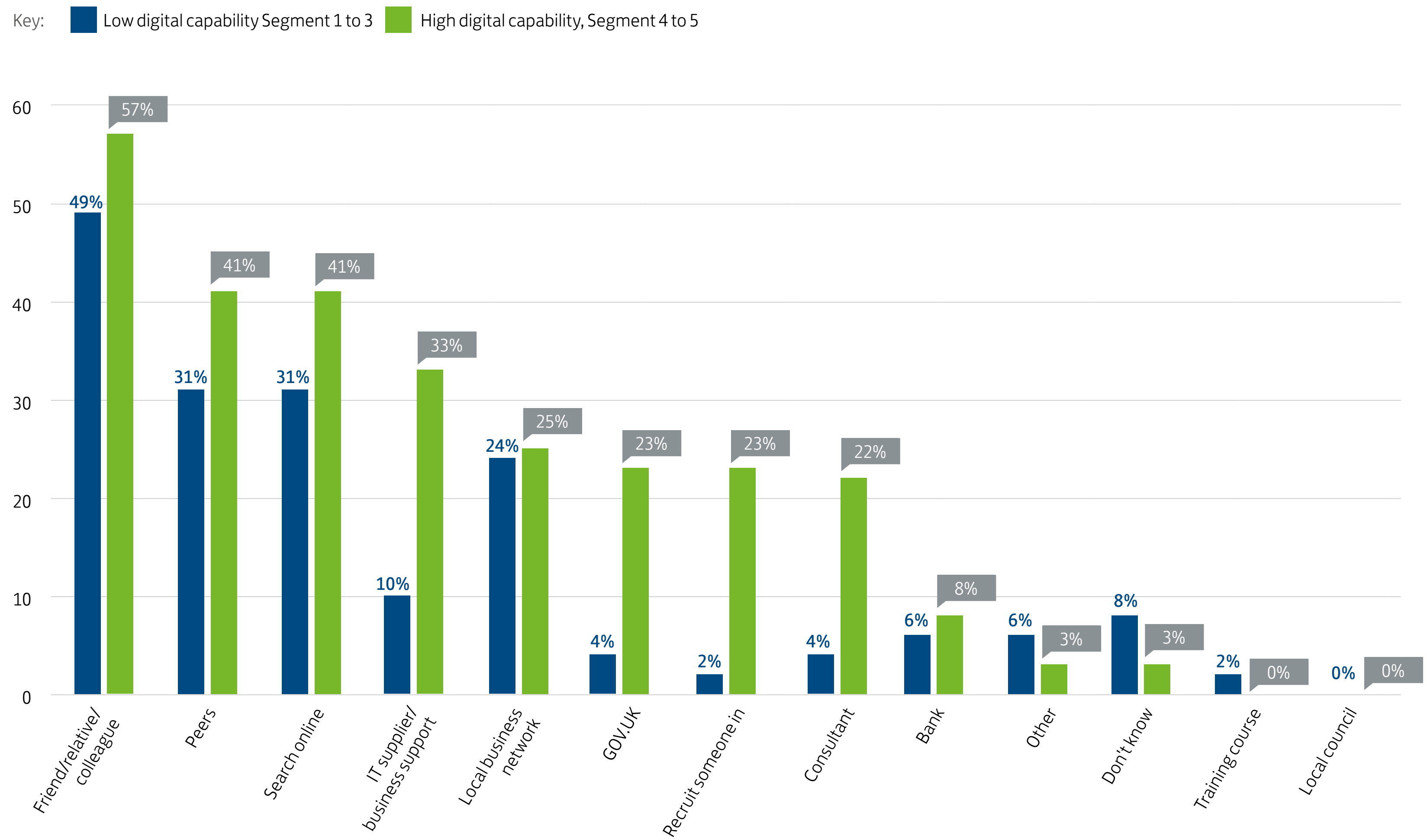


Appendix 31 – Charities main barrier to doing more online, 2017 vs. 2016



Numbers do not add up to 100% due to rounding and 'Other' answer

Appendix 32 – Charities 'Where do you go to get help and advice on technology and the web?', split by low digital capability and high digital capability, 2017



Find out more

Go to lloydsbank.com/businessdigitalindex for the full appendices

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For a list of useful digital tools, information and resources please visit: http://resources.lloydsbank.com/business-guides/digital-know-how/

To get in touch with the team, please email: DigitalSkillsInclusion@lloydsbanking.com

Please contact us if you would like this information in an alternative format such as Braille, large print or audio.

If you have a hearing or speech impairment you can use the Next Generation Text (NGT) Service (previously Text Relay/Typetalk).

Important information

Great care has been taken to ensure that the information used here cannot be in any way traced to a specific individual. This report has used aggregated data to highlight the trends and insights that will help small businesses, charities and UK Government to understand more about our nation's digital inclusion landscape.

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