

2016 Business Finance Survey: SMEs



**A report by Ipsos MORI to
the British Business Bank**

February 2017



Ipsos MORI

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www.britishbusinessbank.co.uk

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- Awareness of different types of finance
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Background

- In 2012, BIS commissioned a new survey exploring the stages SMEs go through when considering the need to raise external finance and the specific actions they take (1,500 SMEs interviewed by CATI)
- Survey was repeated in 2014 (1,000 SMEs interviewed) and in 2015 (1,608 SMEs)
- 2016 survey is based on 1,535 interviews with SMEs. Some new questions were added, but core questions remain the same enabling comparison over time
- Statistically significant changes between the 2015 and 2016 surveys (at 95% confidence level) are identified by circles (increases) and squares (decreases)

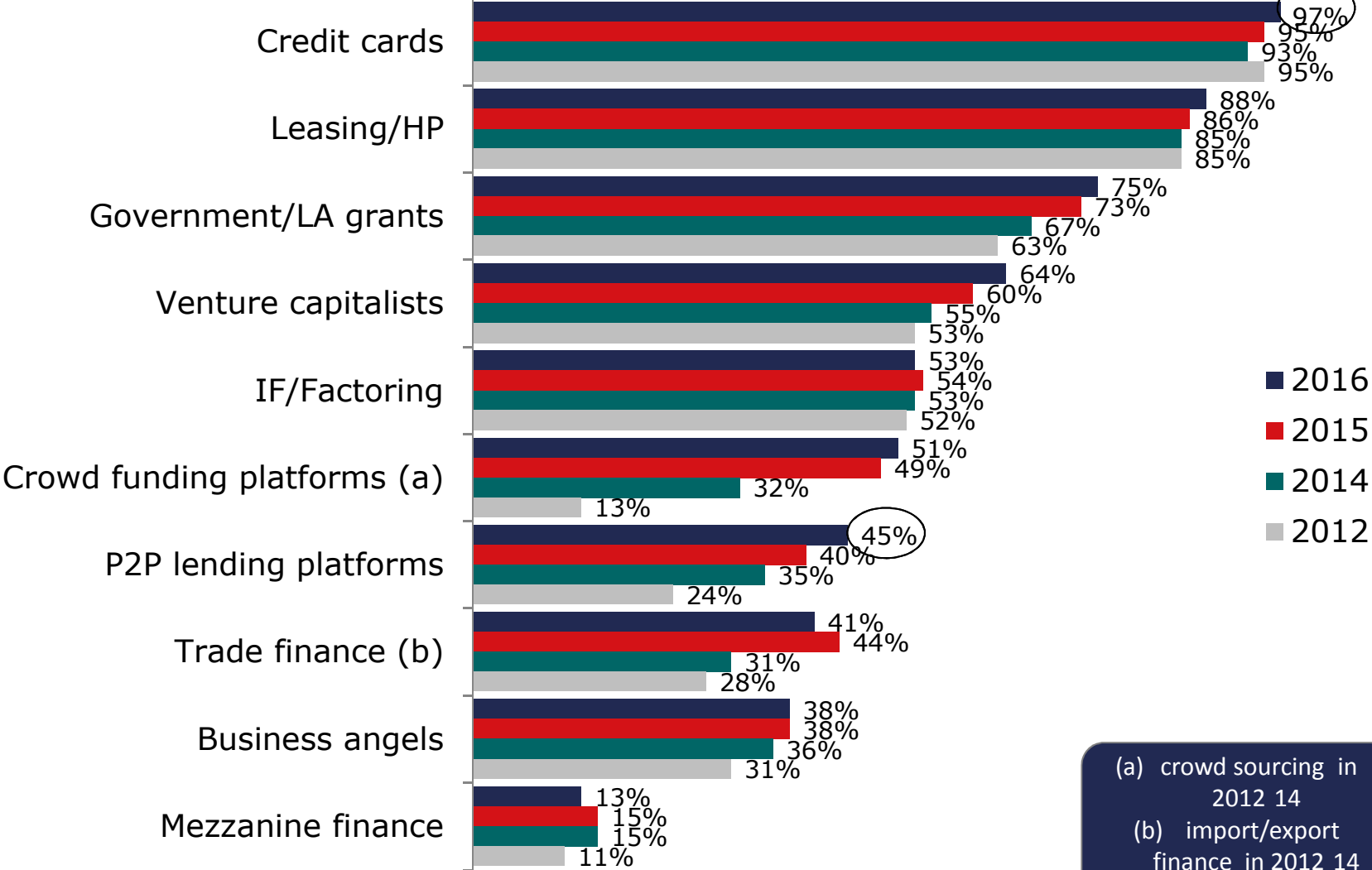
Survey Methodology

- 1,535 CATI interviews conducted between 25th October and 22nd November 2016 with average interview length of 23 minutes
- SMEs defined as businesses having 0 to 249 employees
- Quotas set by employment size and sector
- Interviews with person responsible for managing business finances
- Data weighted to BIS's Business Population Estimates 2016 (BPE) by size and sector:
 - 468 with no employees interviewed (weighted to 76%)
 - 583 micros (1-9) interviewed (weighted to 20%)
 - 312 small (10-49) interviewed (weighted to 4%)
 - 172 medium (50-249) interviewed (weighted to 1%)
- Throughout this report we analyse findings by three British Business Bank segments: 'Start up' – SMEs less than five years old; 'Scale up' – SMEs trading for five years or more and aiming to grow in next 12 months; and 'Stay ahead' – trading for five years or more and any other growth outcome

Awareness of different types of finance

Awareness of P2P lending and credit cards continues to grow

Awareness of forms of external finance 2012-2016

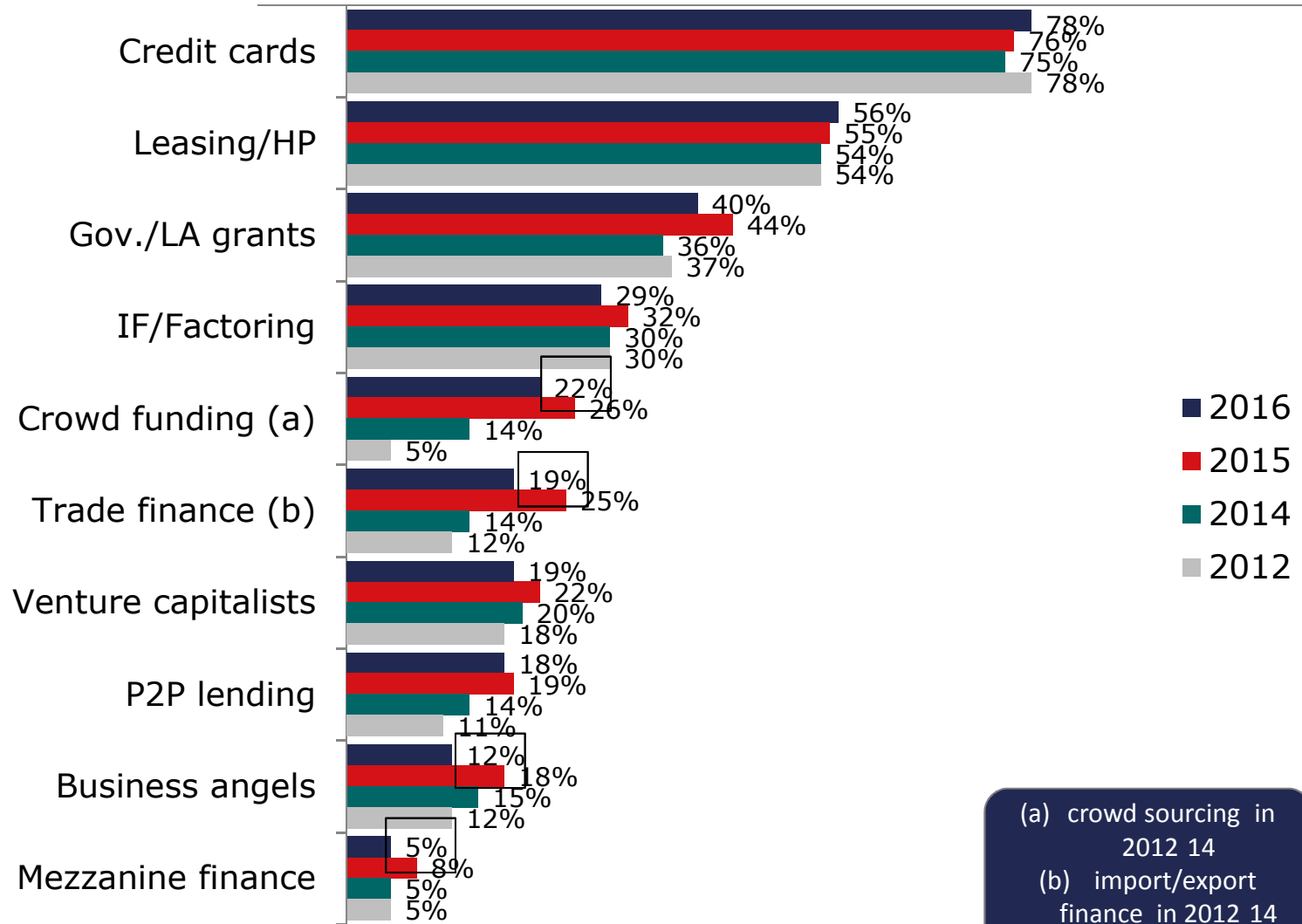


(a) crowd sourcing in 2012 14
 (b) import/export finance in 2012 14

Base = all SMEs (n=1,535 in 2016/ n=1,608 in 2015/ n=1,000 in 2014/ n=1,508 in 2012). Question A1 (multi code, prompted)

Awareness of who to approach is plateauing, and for some products it has fallen

Aware of who to approach for forms of external finance 2012-2016

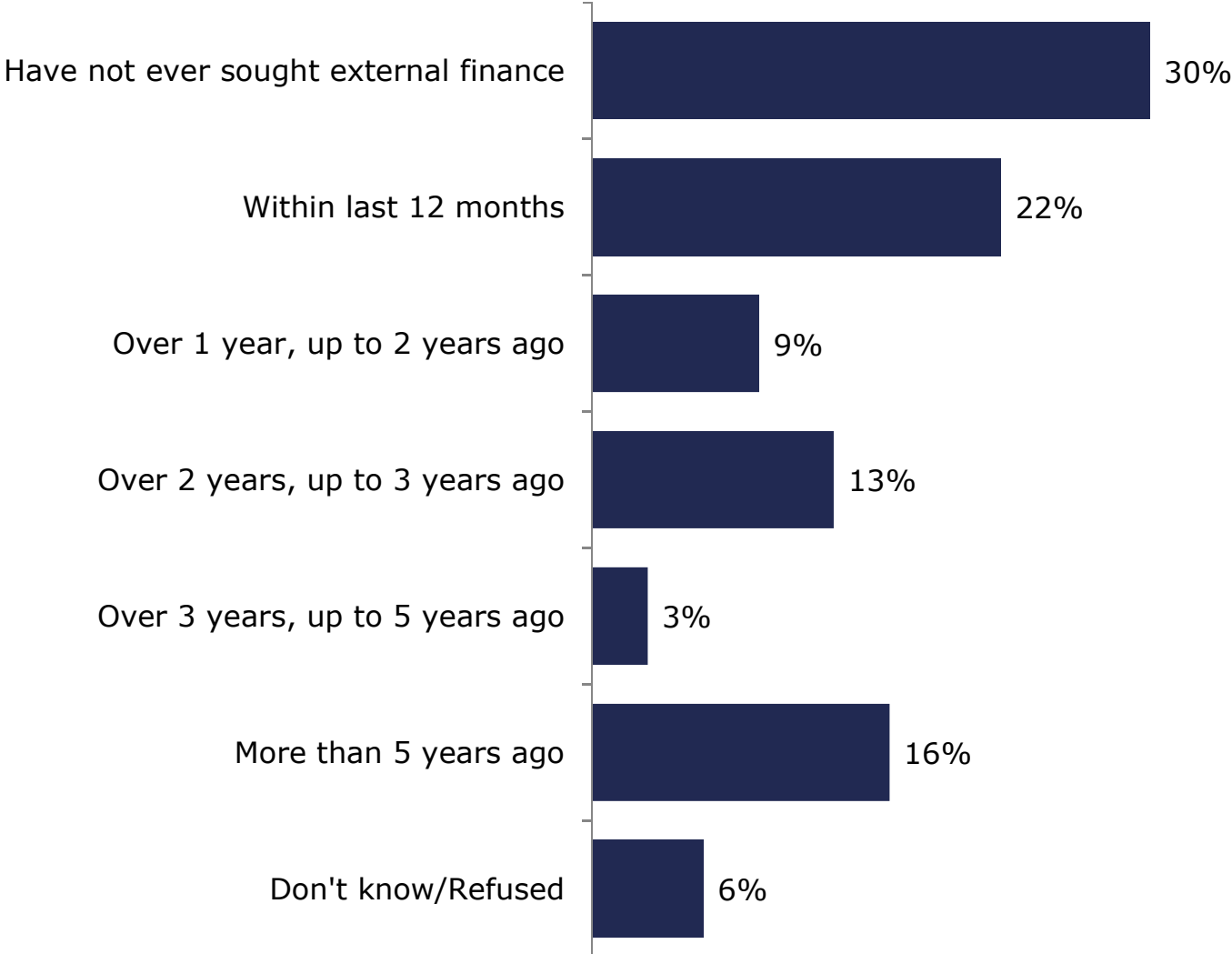


Base = all SMEs (n=1,535 in 2016/n=1,608 in 2015/n=1,000 in 2014/n=1,508 in 2012). Question A2 (multi code, prompted)

Finance usage and application

Around two in three SMEs had ever sought external finance. One in five had sought it in the last 12 months

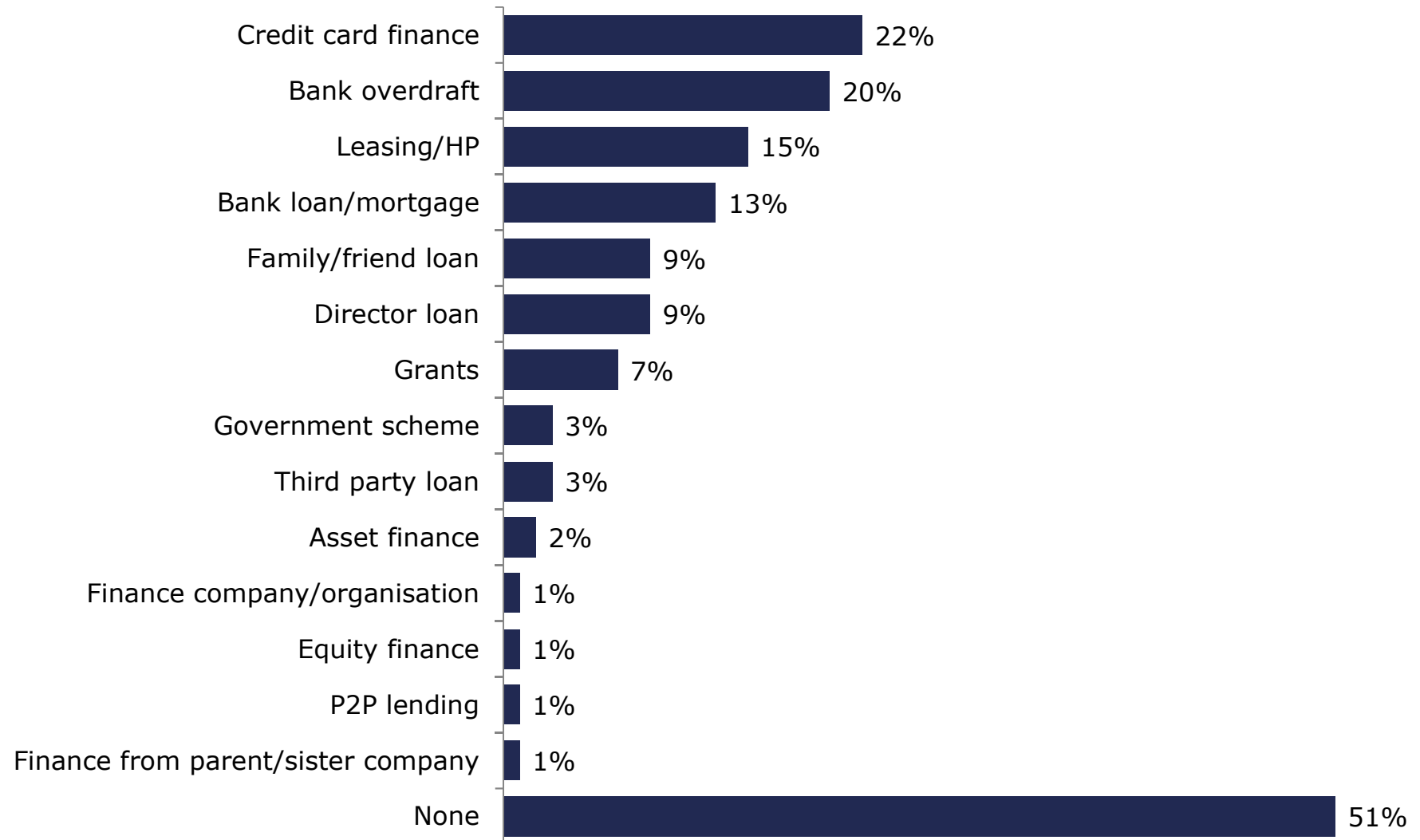
When last sought external finance



Base = all SMEs (n=1,535 in 2016). Question A11a (single code, prompted).

Half have sought external finance in last three years – credit cards, overdrafts and leasing/HP most common

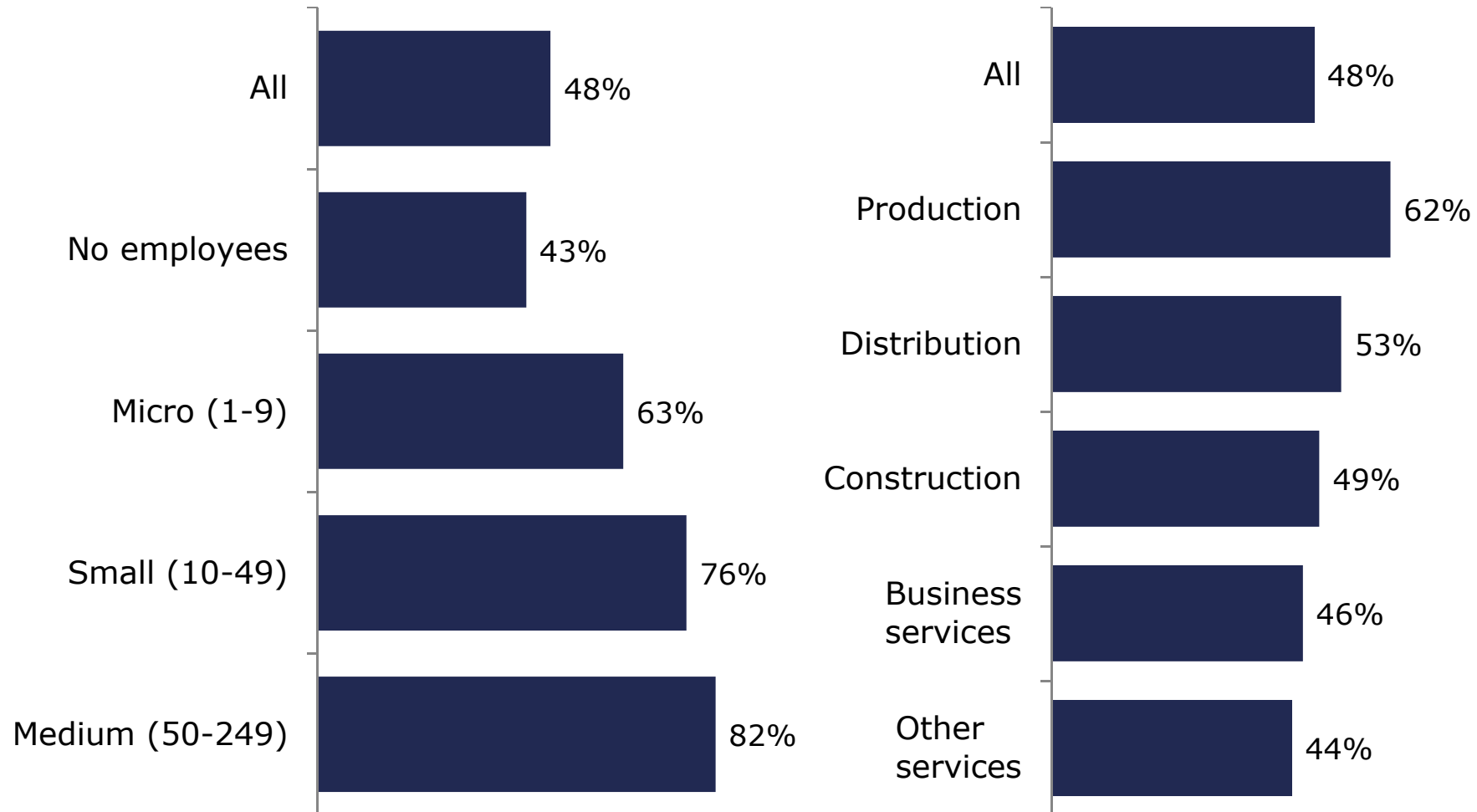
Products sought in previous three years



Base = all SMEs (n=1,535 in 2016). Question A6a (multi code, prompted). Those not shown less than 1%.

Larger businesses more likely to have sought external finance. Also most common in production sector

Sought external finance in the previous three years - by employee size and sector



Base = all SMEs (n=1,535 in 2016). A6a (single code, prompted)

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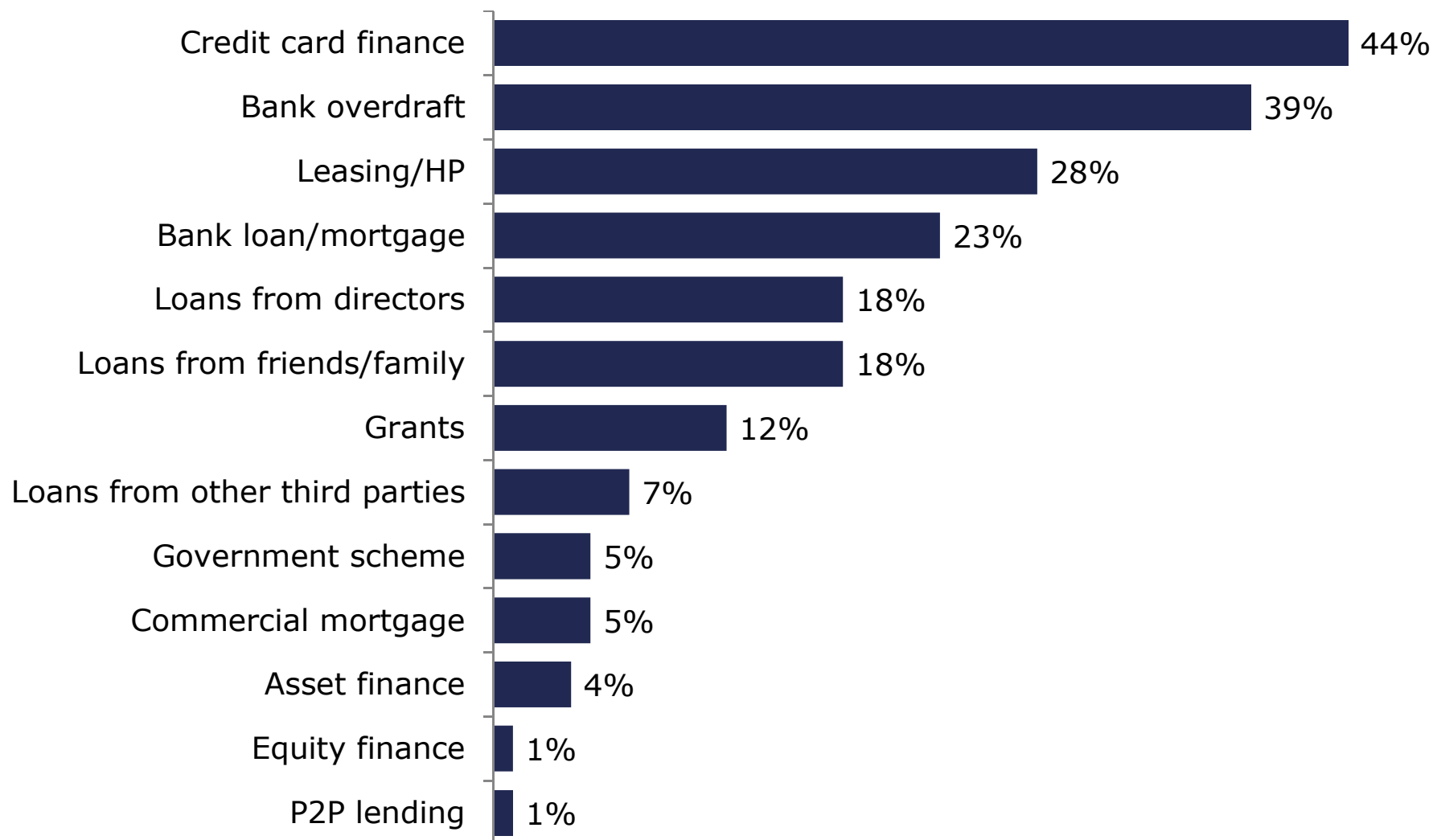
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Credit card finance, overdrafts and leasing/HP most commonly obtained in last three years

Forms of finance obtained in the previous three years



Base = all SMEs that mentioned a finance type sought in the last 3 years (n=953 in 2016). Question A6b (multi code, prompted). Those not shown less than 1%.

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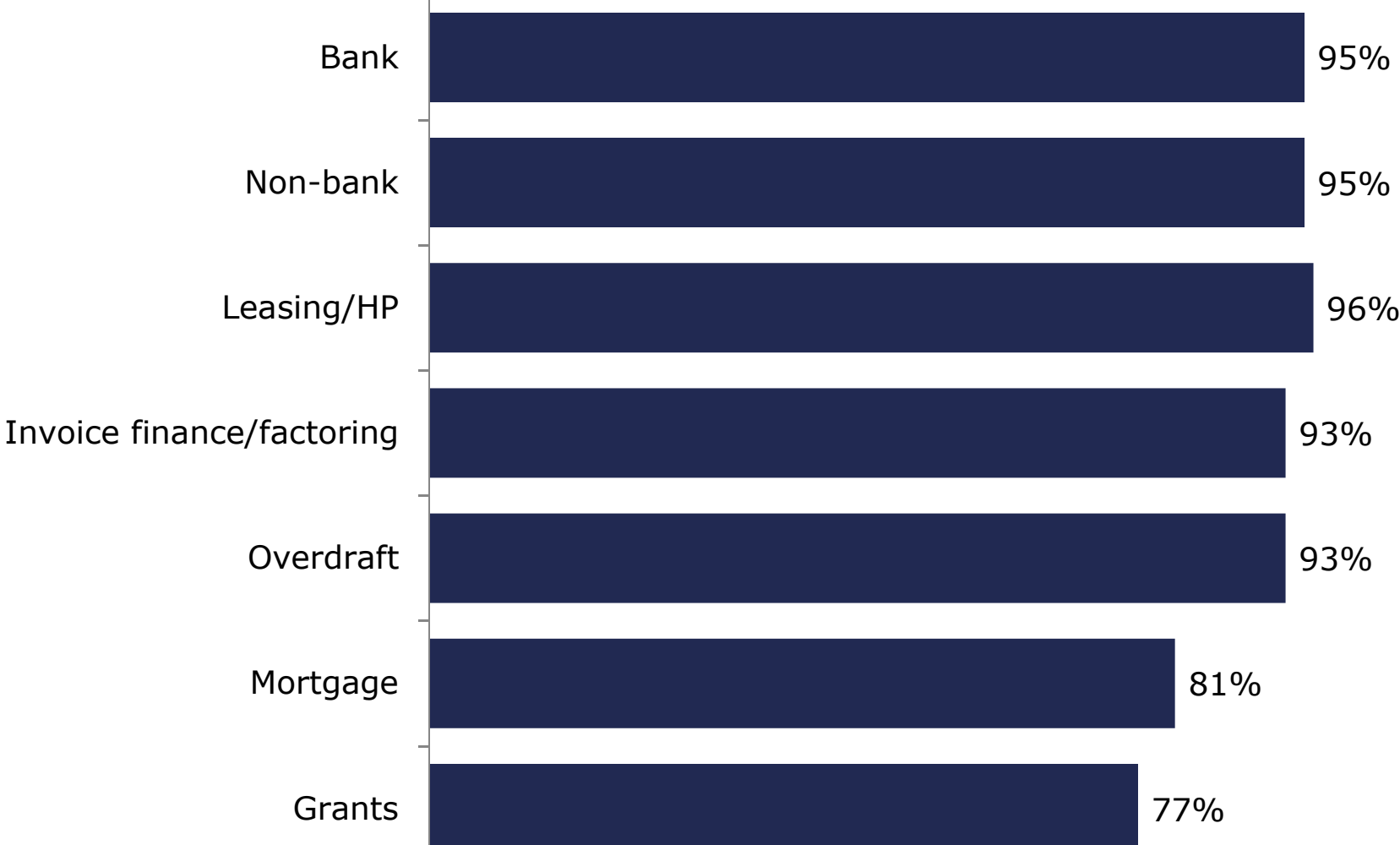
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Almost all who have sought finance types have been successful at least once - lower success with grants and mortgages

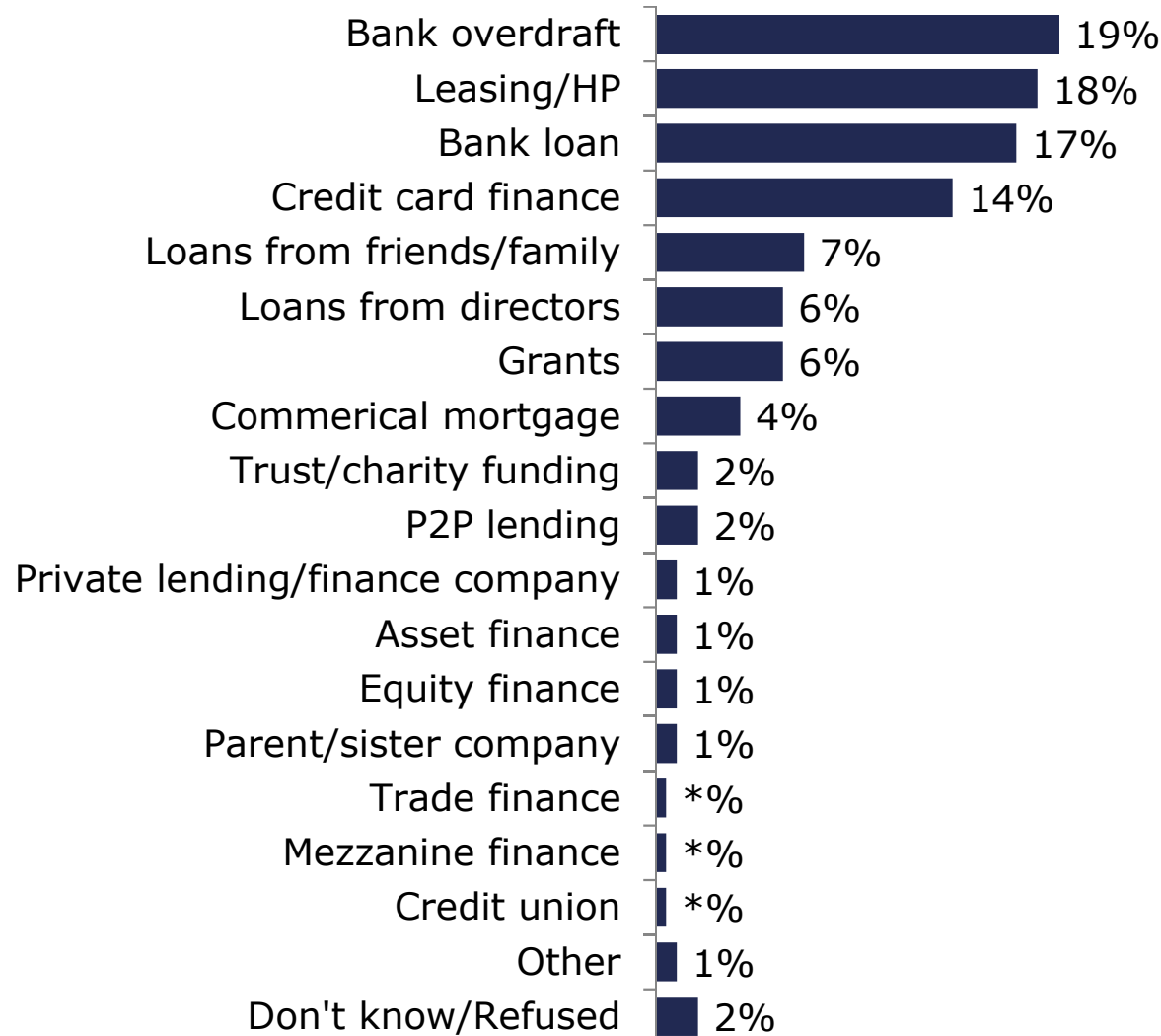
Forms of finance obtained in the previous three years – among those who sought each



Base = all SMEs that have sought that type of finance in the last 3 years (Bank n=725; Non-bank n=749; Mortgage n=90; Overdraft n=420; Grant n=228; Leasing/HP n=445; Invoice finance/factoring n=103). Question A6a/A6b (multi code, prompted)

Overdrafts, leasing/HP, loans and credit card finance also most commonly sought on last occasion

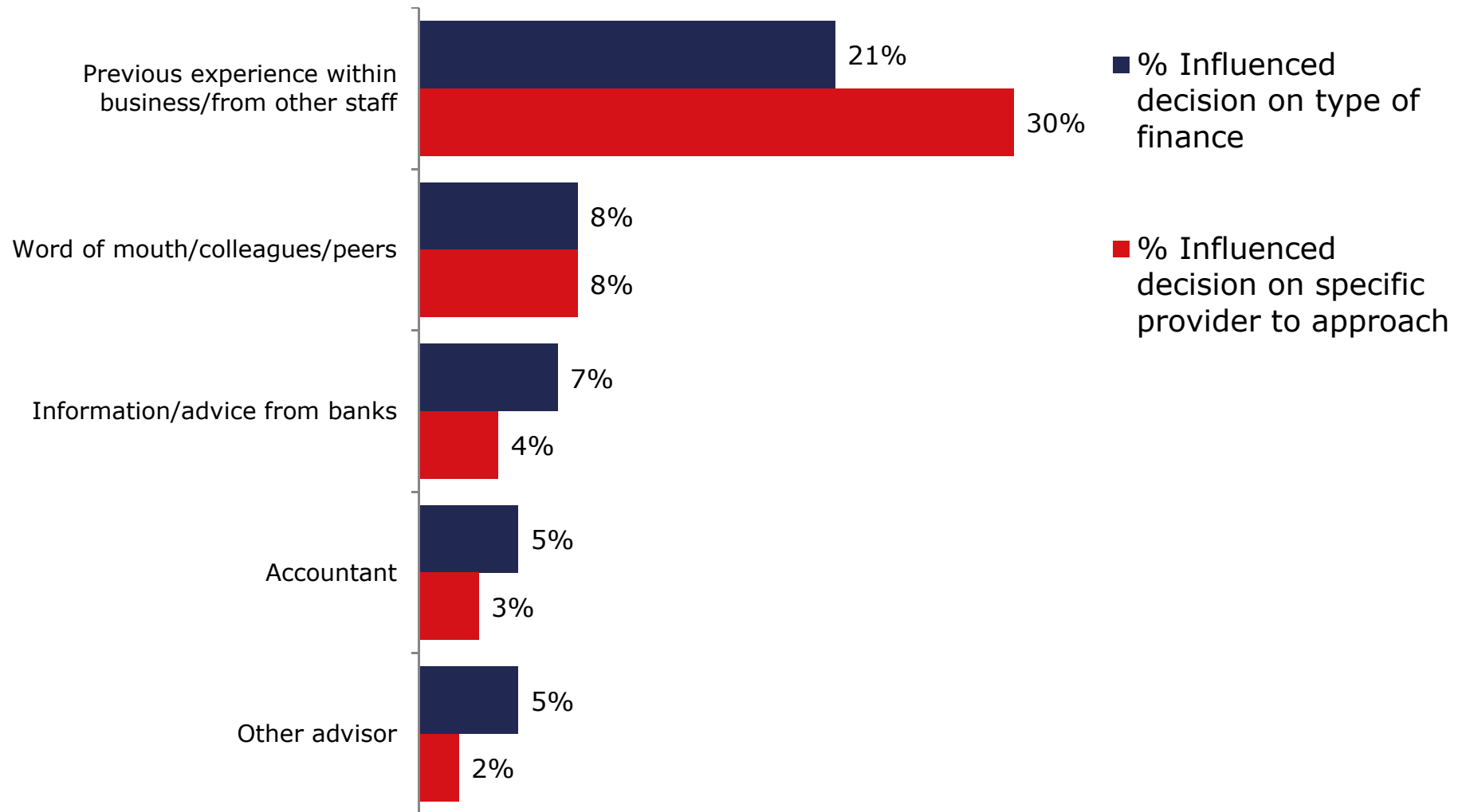
Product sought on the last occasion



Base = all SMEs that have sought finance in the last 3 years (n=886 in 2016). Question A11b (single code, unprompted)

Experience and word of mouth much more common information sources than external advice from banks

Sources of information that influenced decision



Base = all SMEs that sought finance in the last 3 years (n=886 in 2016). Question A16/A19 (single code, prompted). Only top five sources for influence on finance type shown.
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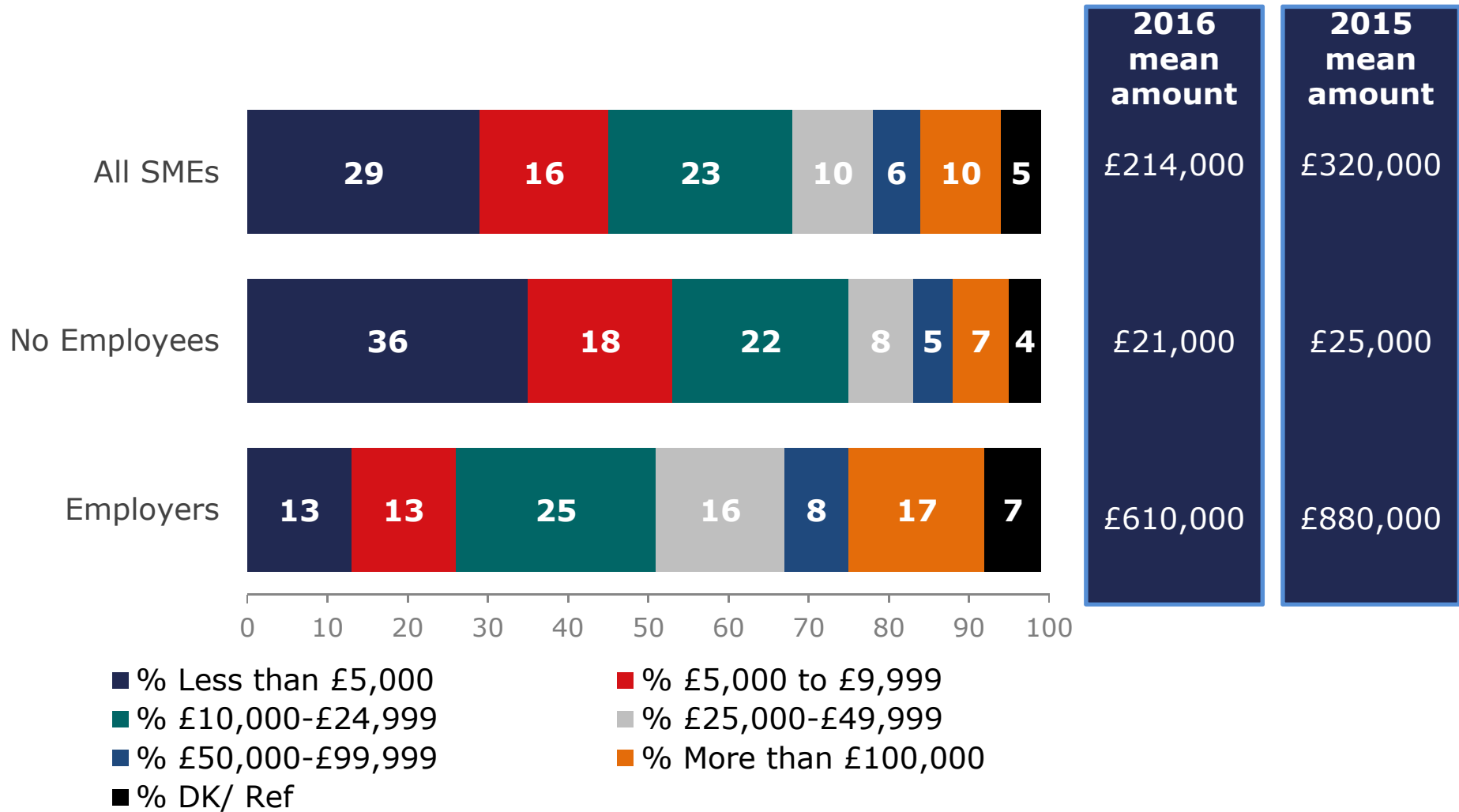


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Seven in ten SMEs sought less than £25,000 of external finance on the last occasion

Amount of finance sought on last occasion by employee size

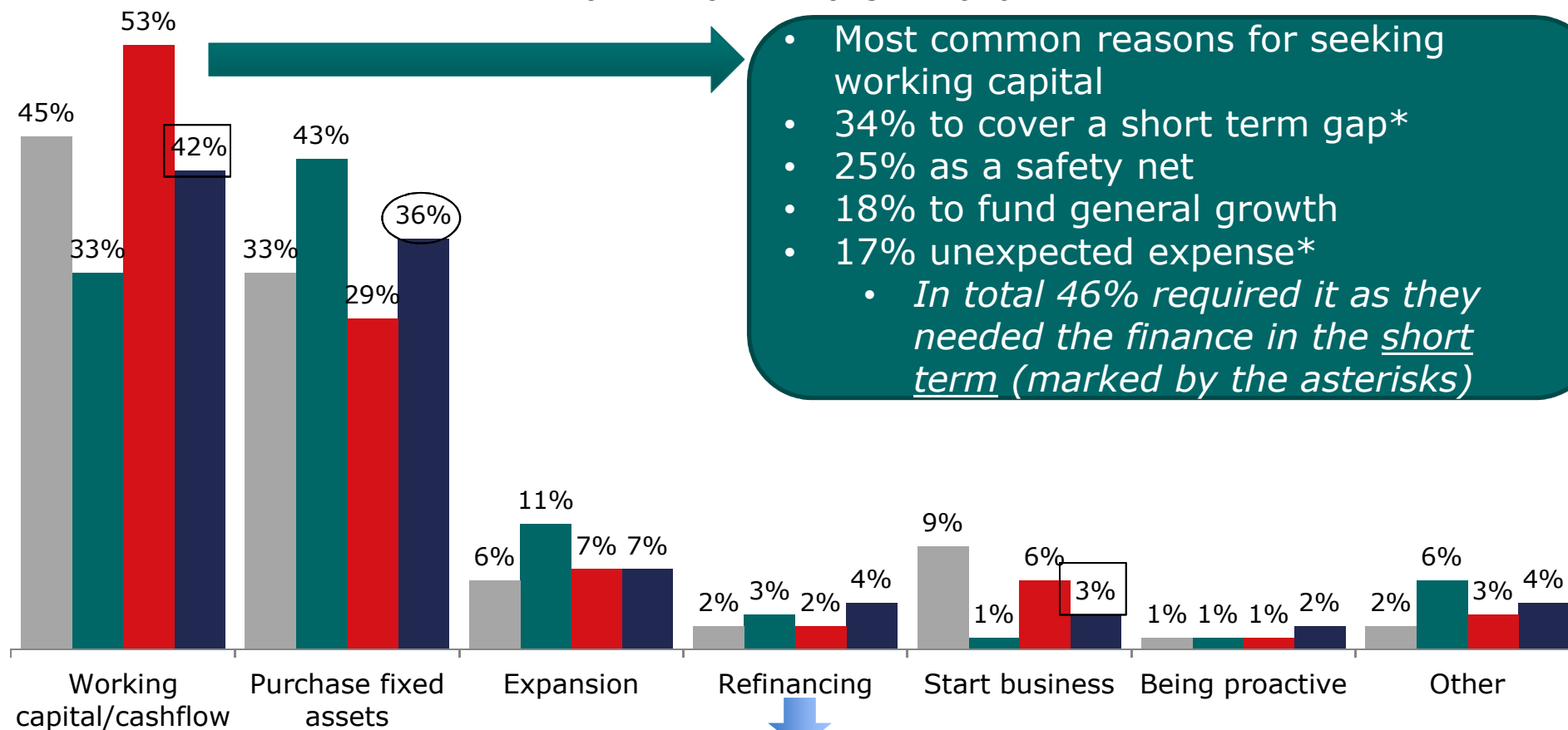


Base = all SMEs that sought finance in the last 3 years (n=886 in 2016). Question A28/A29 (single code, unprompted)

Main reason for seeking finance continues to be working capital followed by finance to purchase fixed assets

Main reason for seeking finance 2012-16 - last occasion in last three years

■ 2012 ■ 2014 ■ 2015 ■ 2016



- Most common reasons for seeking working capital
- 34% to cover a short term gap*
- 25% as a safety net
- 18% to fund general growth
- 17% unexpected expense*
 - *In total 46% required it as they needed the finance in the short term (marked by the asterisks)*

Around half of those refinancing were looking for a better deal

Base = all SMEs that sought finance in the last 3 years (n=886 in 2016/n=715 in 2015/n=325 in 2014/n=588 in 2012).

Question A13/A14 (single code, prompted)

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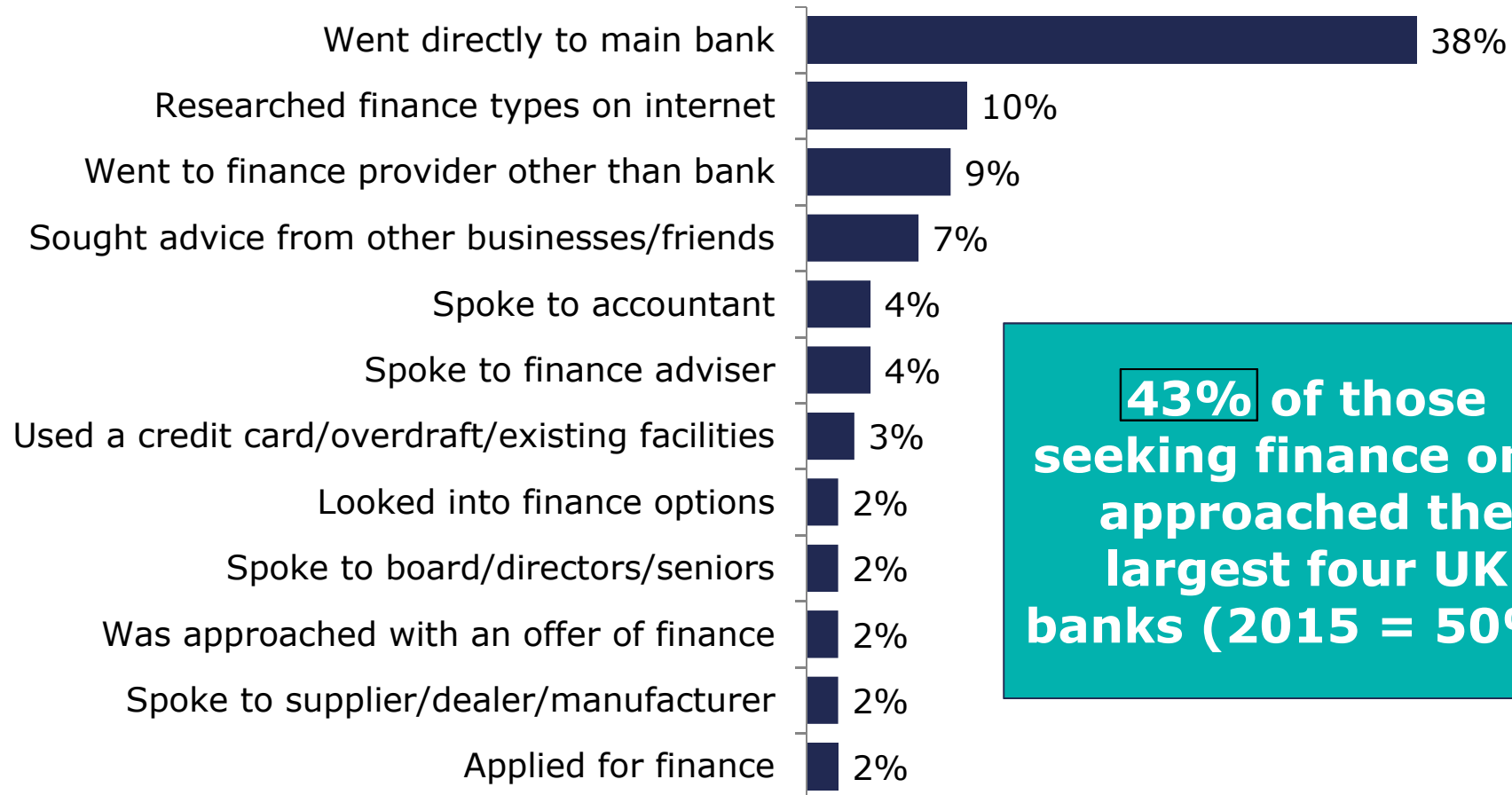
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SMEs are most likely to go to their main bank when they need finance - internet searches are done by one in ten

Who spoke to first when finance need identified



43% of those seeking finance only approached the largest four UK banks (2015 = 50%)

Base = all SMEs that sought finance for reasons other than being proactive in the last 3 years (n=858 in 2016). Question A18 (single code, unprompted). Those not shown 1% or less.

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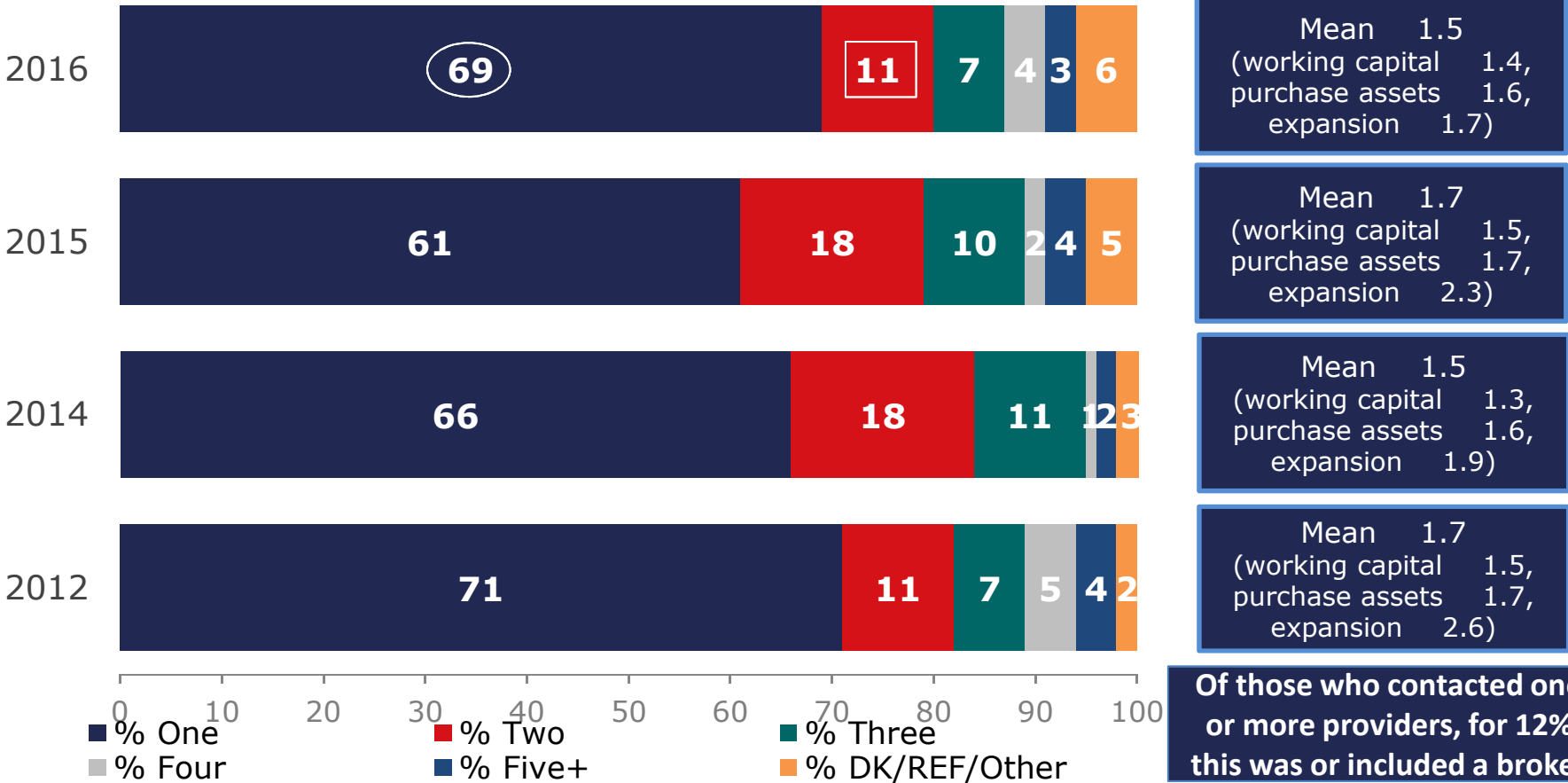


Seven in ten SMEs contacted only one supplier when they last needed finance – an increase from 2015

Number of providers contacted 2012-2016

Those without employees more likely contact only one provider (74% vs. 60% with employees) only contacted one provider

47% of those who contacted just one provider only contacted a 'big four bank'*



Base = all SMEs that sought finance in the last 3 years (n=886 in 2016/n=715 in 2015/n=325 in 2014/n=588 in 2012). Question A23 (single code, unprompted)
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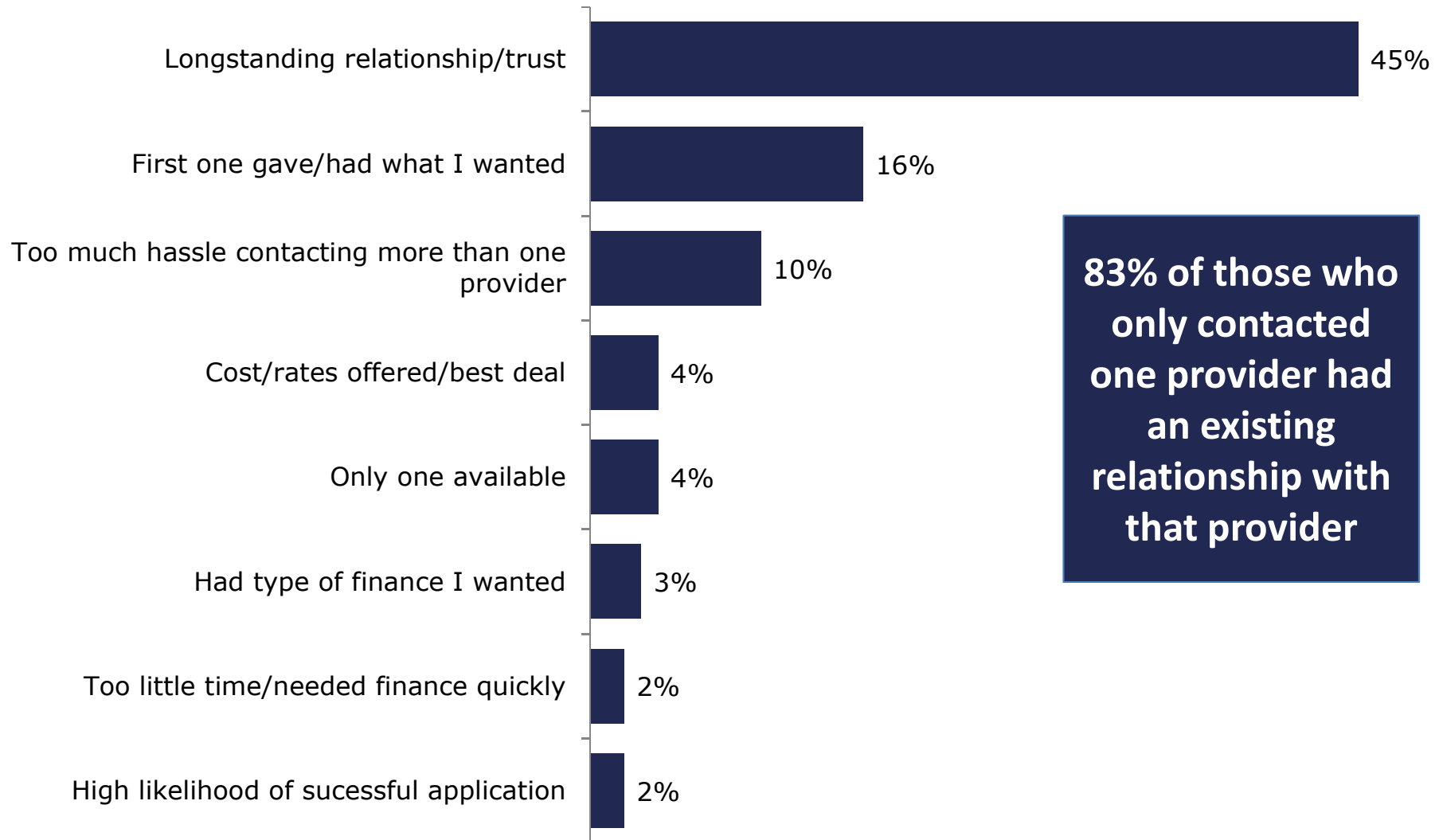


*Not a significant difference from the overall 43% presented on slide 18



Having a longstanding relationship is the most common reason for contacting only one provider

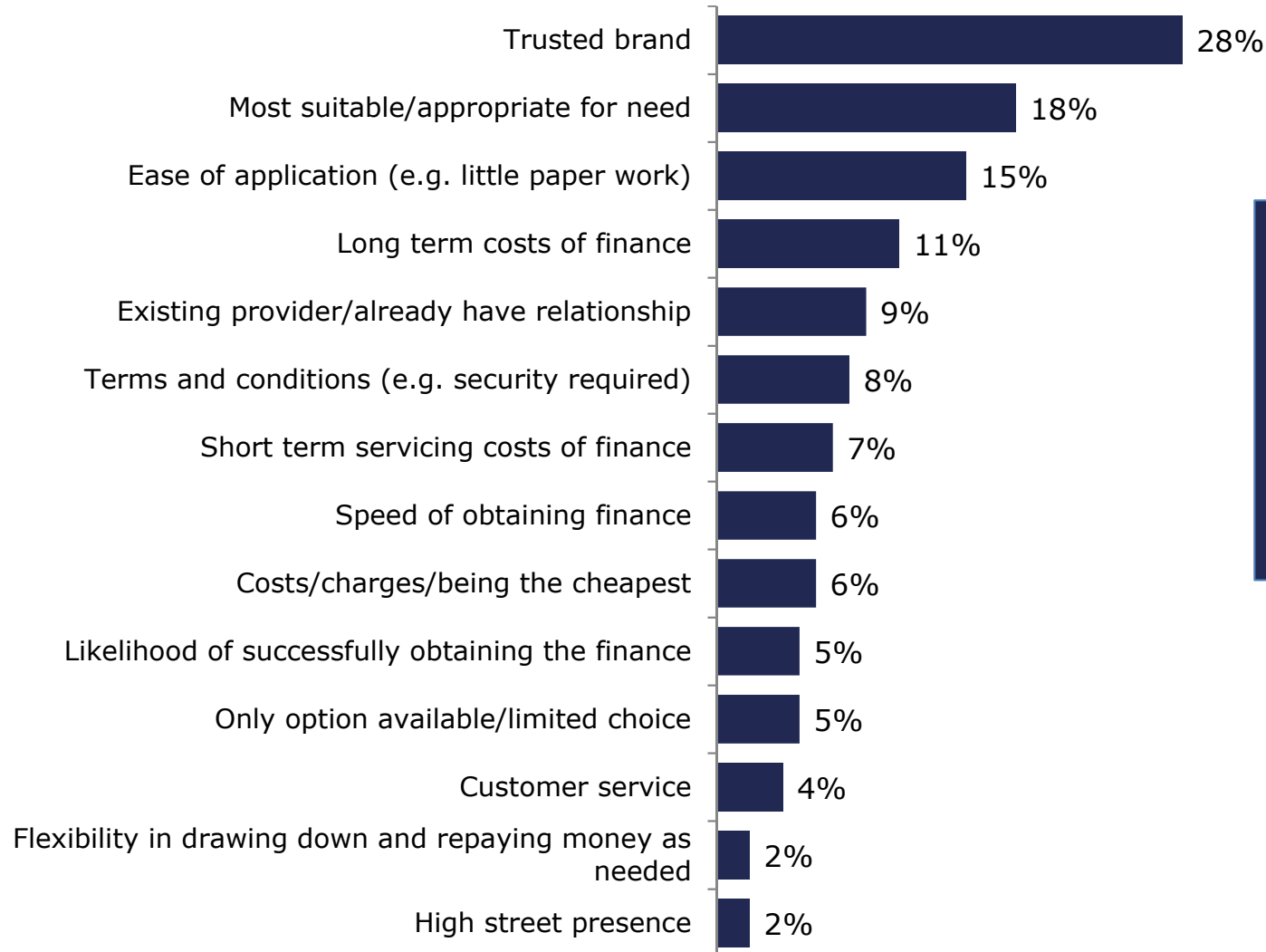
Reasons for only approaching one provider on last occasion



Base = all SMEs that contacted only one provider (n=461 in 2016). Question A26 (multi code, unprompted). Those not shown 1% or less.

Having a trusted brand, followed by suitability and ease, are the most common reasons for choosing a provider

Reasons for choosing provider



Trusted brand also the most common single main reason, with 21%

Base = all SMEs that sought external finance in the last 3 years (n=886 in 2016). Question A20 (multi code, unprompted). Those not shown less than 1%.

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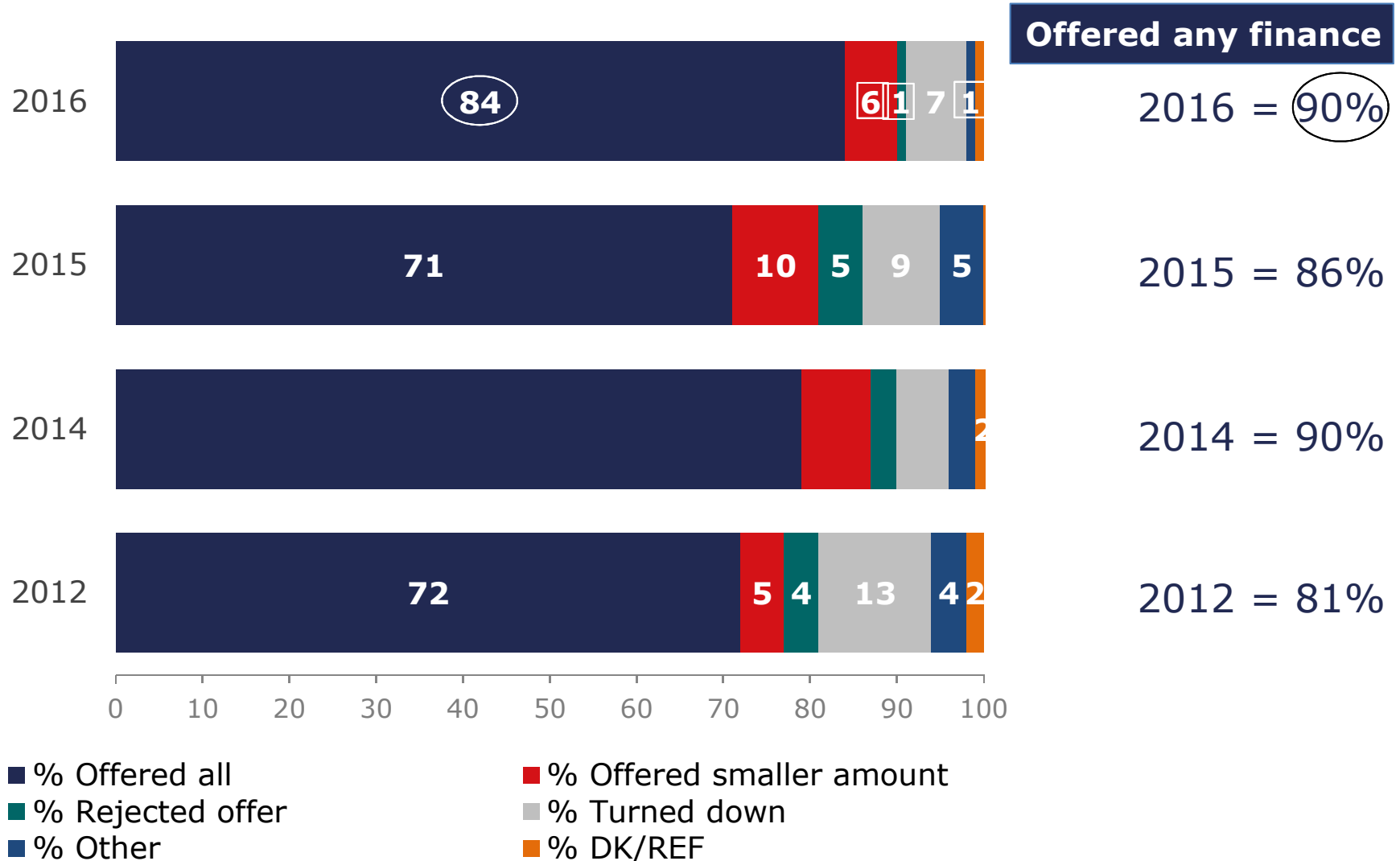
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Number of suppliers contacted may be related to increase in proportion of SMEs getting all the finance needed from first one

Whether successful in obtaining finance from first provider 2012-2016



Base = all SMEs that sought finance in the last 3 years (n=886 in 2016/n=715 in 2015/n=325 in 2014/n=588 in 2012).
 Question A30 (single code, prompted)
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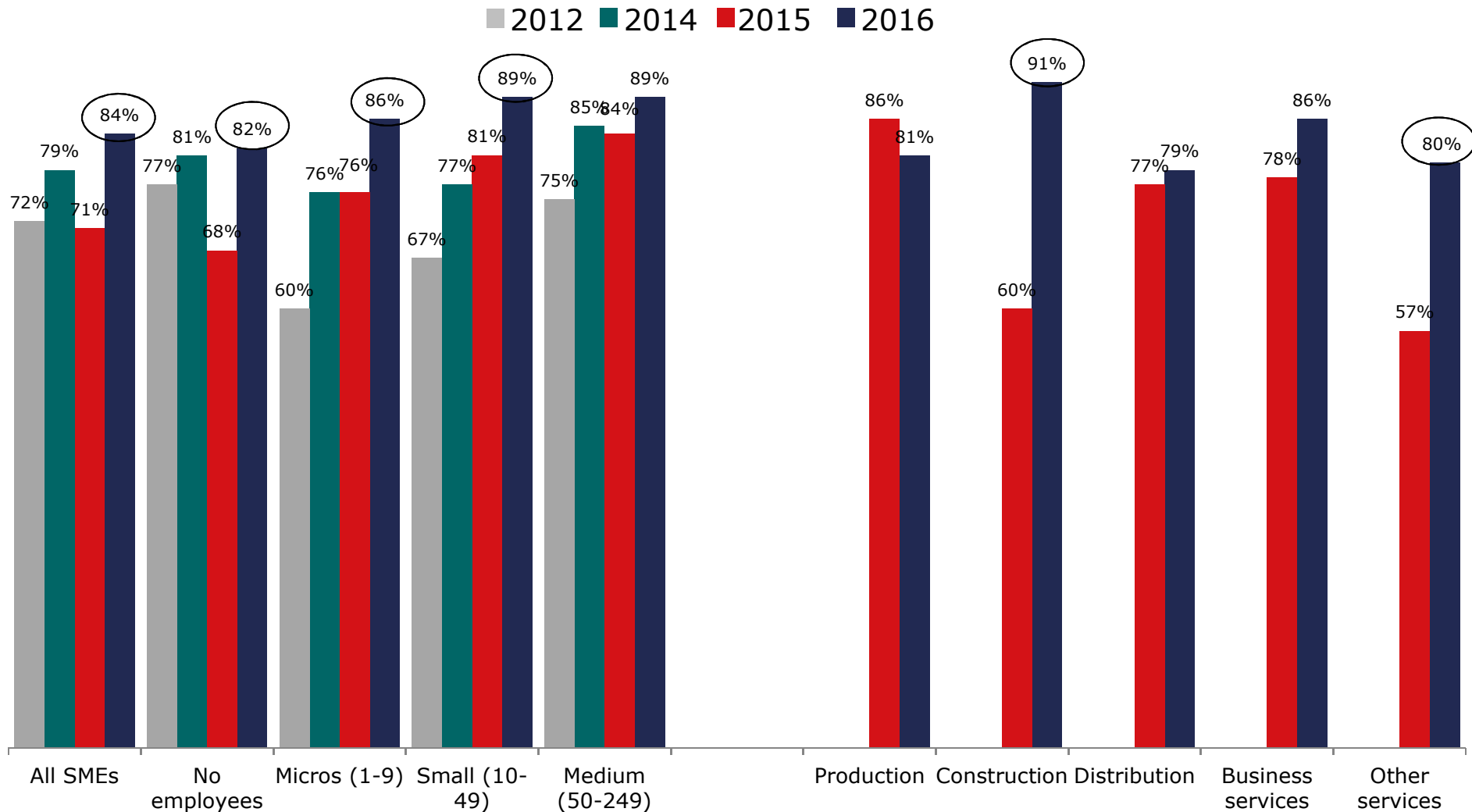


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This increase in success rate in obtaining finance is evident across different size bands and sectors (though not for production)

Successful getting all they wanted – by size and age of business 2012-2016



Base = all SMEs that sought external finance in the last 3 years (n=886 in 2016/n=715 in 2015/n=325 in 2014/n=588 in 2012). Question A30 (single code, unprompted)
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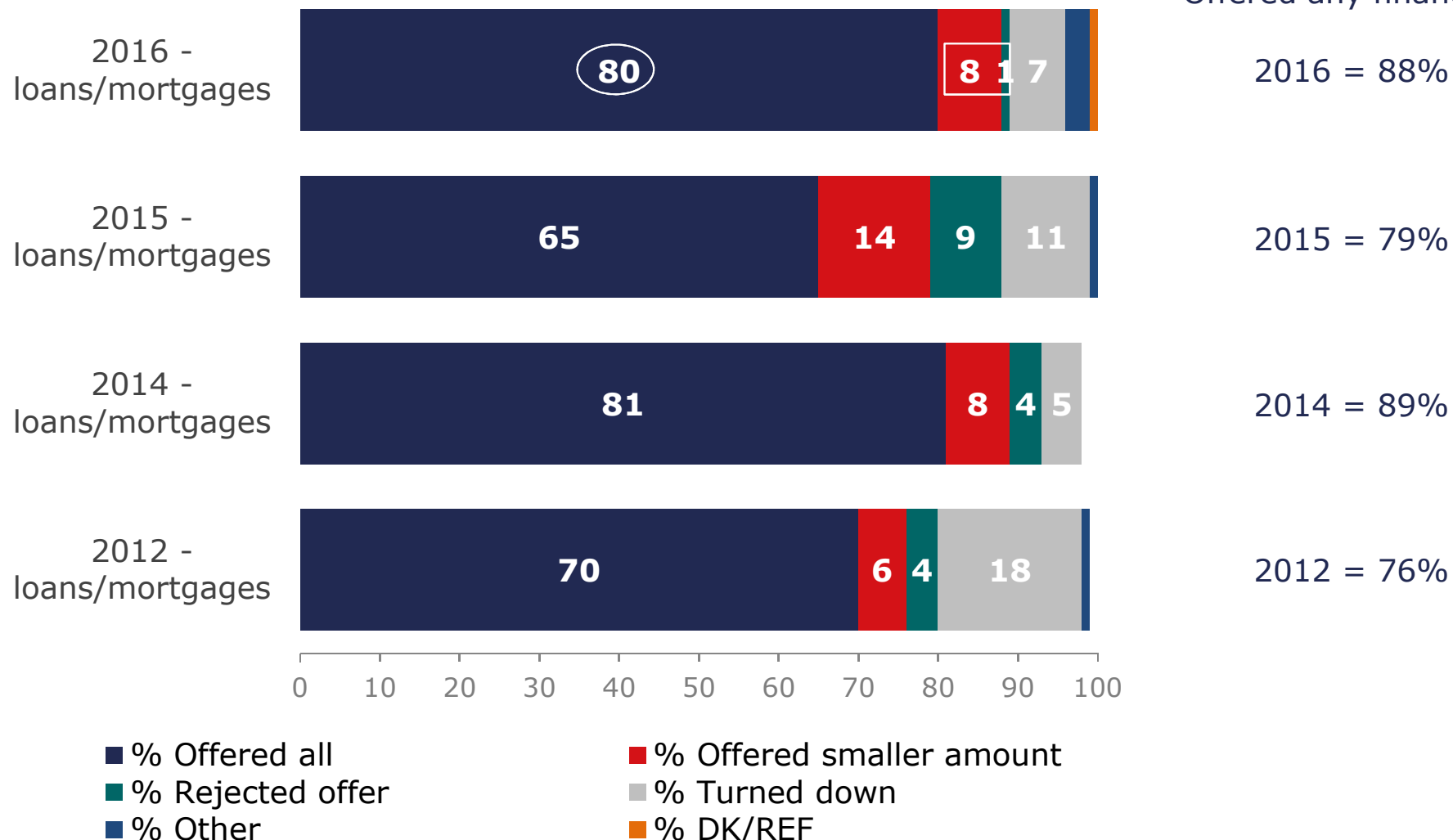
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The increase in success rate is evident when looking at those seeking bank loans/mortgages

Whether successful in obtaining finance from first provider 2012-2016

Offered any finance



Base = all SMEs that sought bank loans/mortgages in the last 3 years (n=168 in 2016/n= 208 in 2015/n=112 in 2014/n=185 in 2012). Question A30 (single code, prompted)
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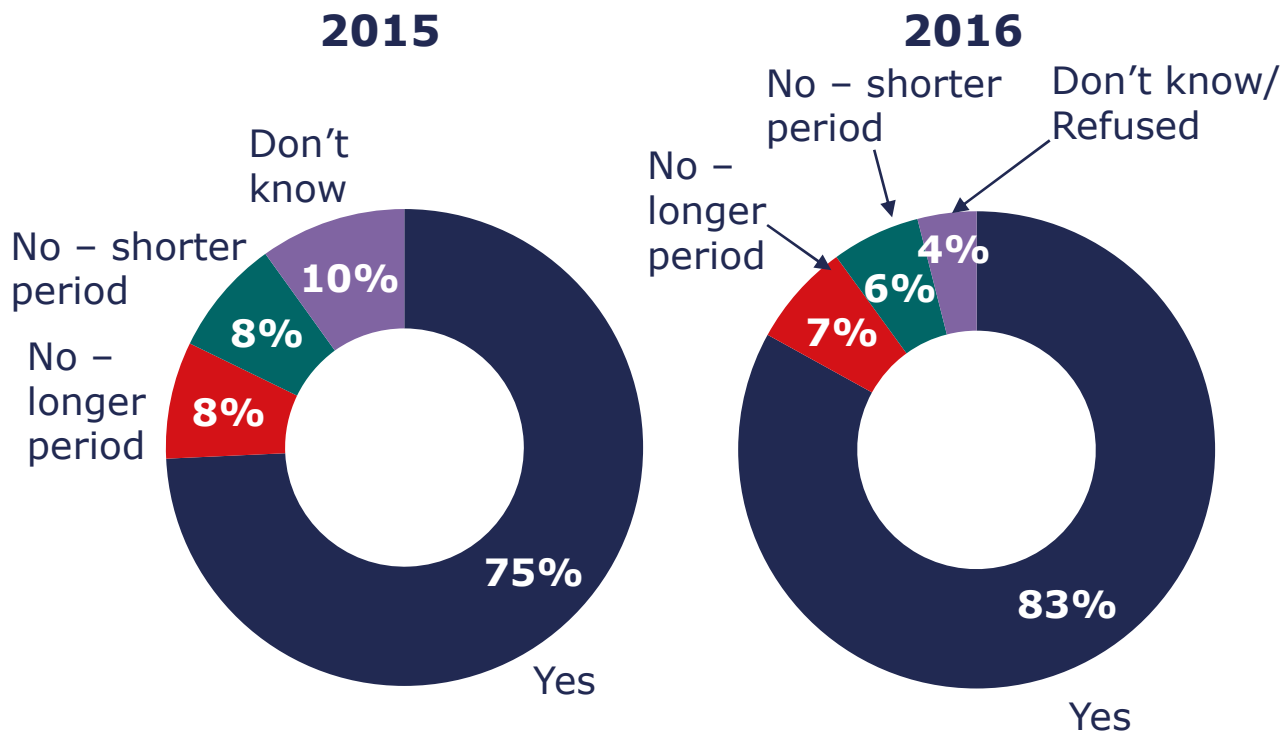


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Higher proportion are granted bank loans/mortgages at the tenor period requested by the SME

Whether bank loan/mortgage obtained was for the same tenor period requested



Reasons for getting a mortgage/loan for a different period:

"The bank did not want to spread risk over that long"

"They told us that 'it would help us' to have it over a shorter period, we had no choice but to accept it even though it hasn't helped"

"I changed my mind about what would be best during the process"

"Because of market forces within the bank industry. They were very gung ho at the start and then tightened up as the process continued"

Base = all SMEs that obtained a bank loan/mortgage in the last 3 years (n=152 in 2016/n=184 in 2015). Question A33 (single code, prompted)

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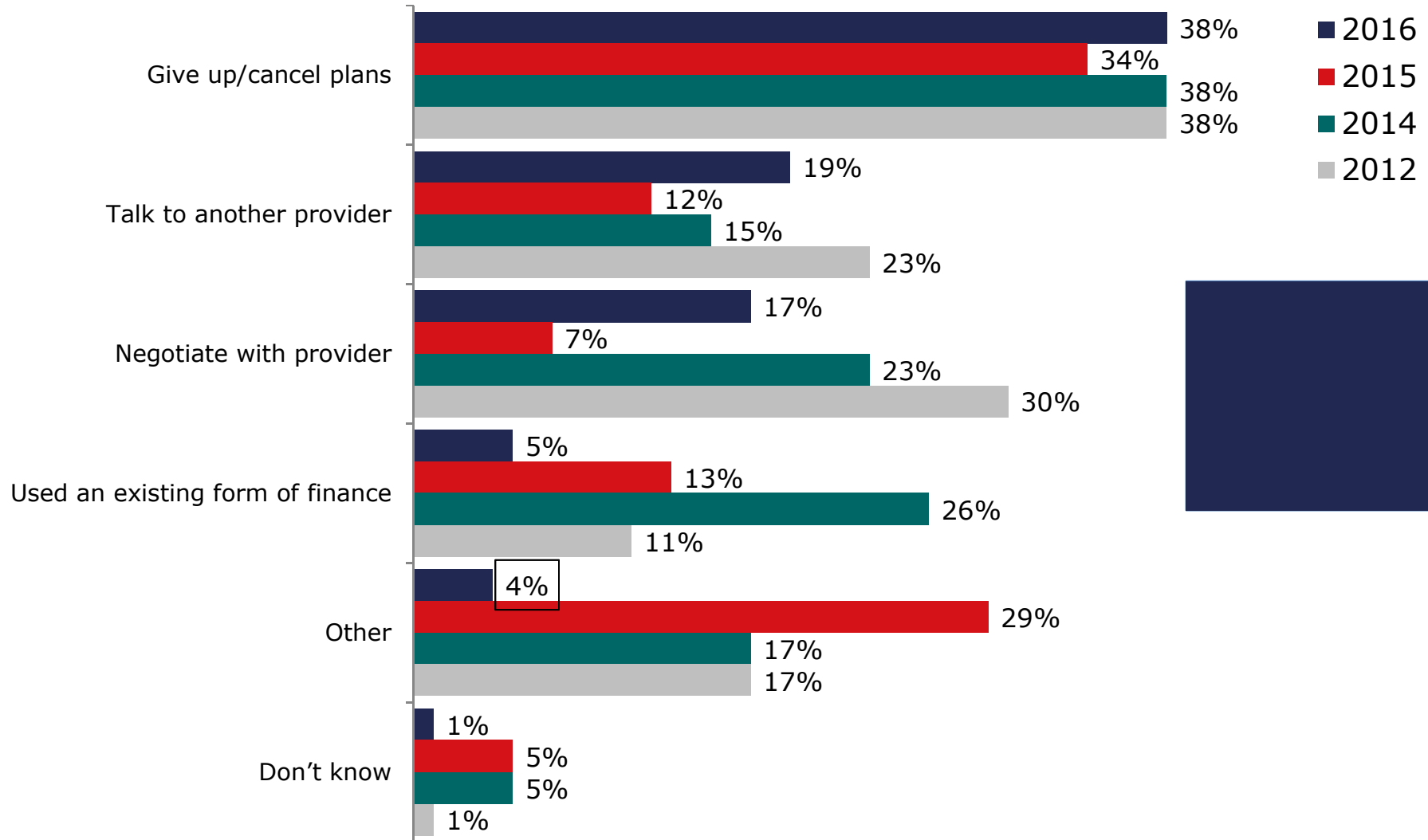
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Giving up if not offered full amount remains most common, though more are negotiating or looking elsewhere than 2015

What was done next if not offered full amount – 2012 -2016



Base = offered smaller amount/worse terms/turned down/didn't accept finance (n=82 in 2016/n=109 in 2015/n=52 in 2014/n=154 in 2012). Question A32 (single code, prompted)
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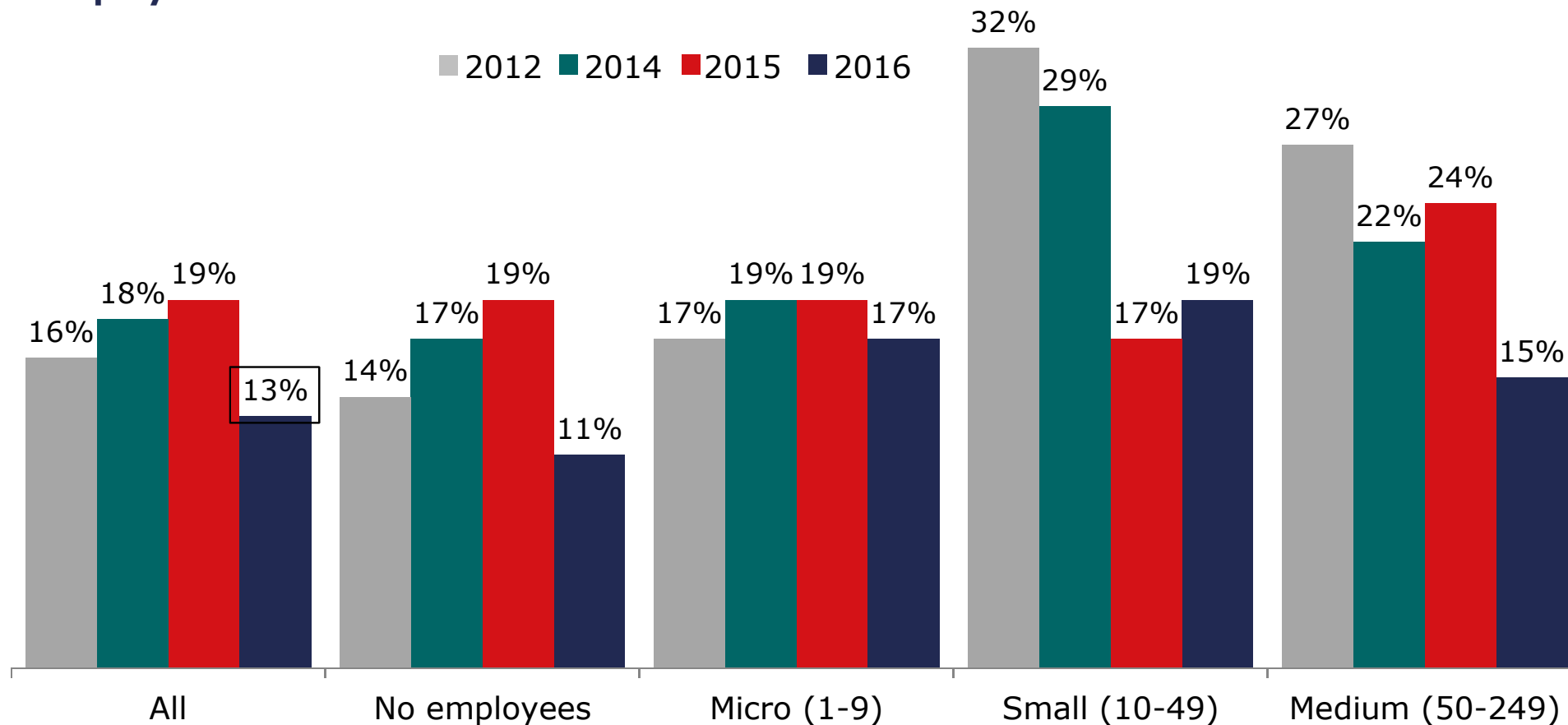
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The proportion of SMEs overall using advice when seeking finance has declined, and is fairly consistent by size

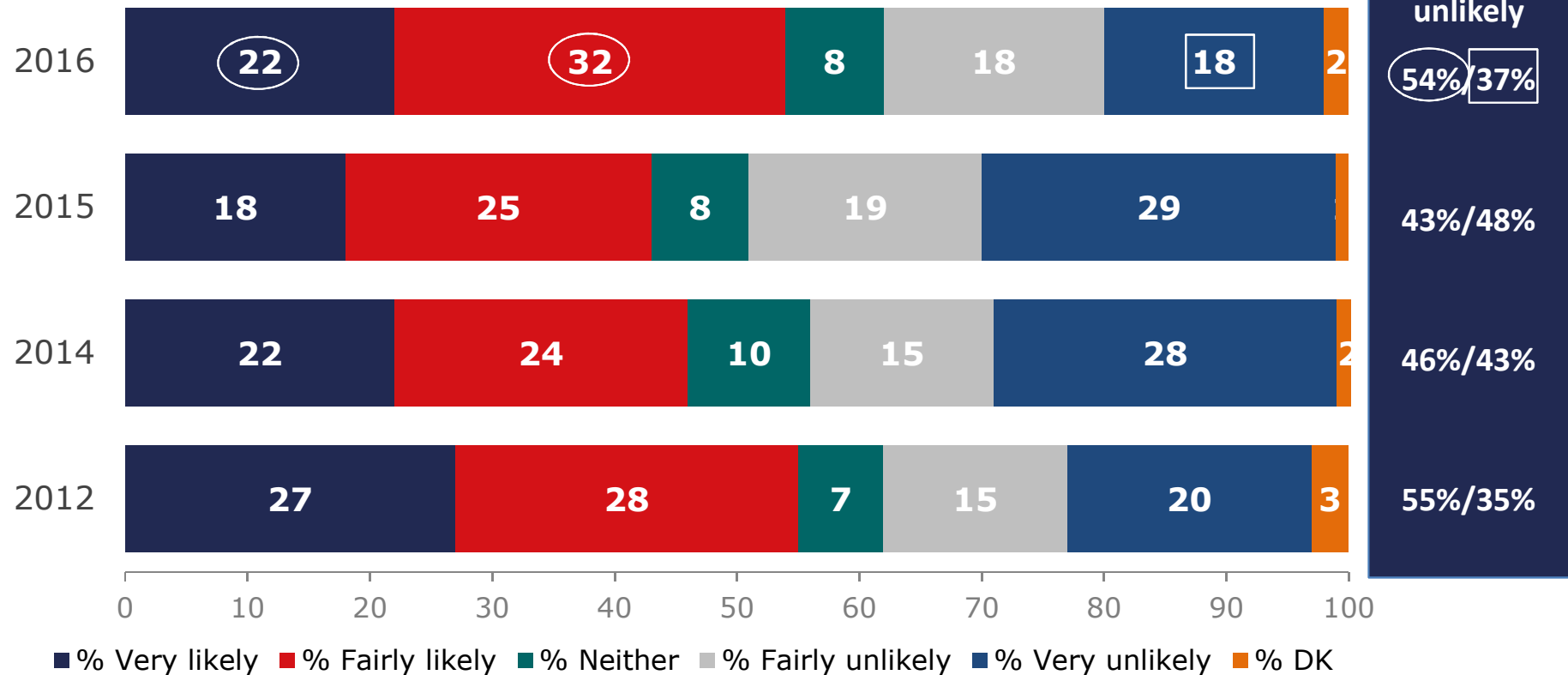
Sought external advice when applying for finance on last occasion - 2012-16 - by employee size



Base = all SMEs that sought finance in the last 3 years (2016=886/2015=715/2014=325/2012=588). A36 (single code, unprompted)

SMEs are however more inclined to want to seek external advice than in 2015

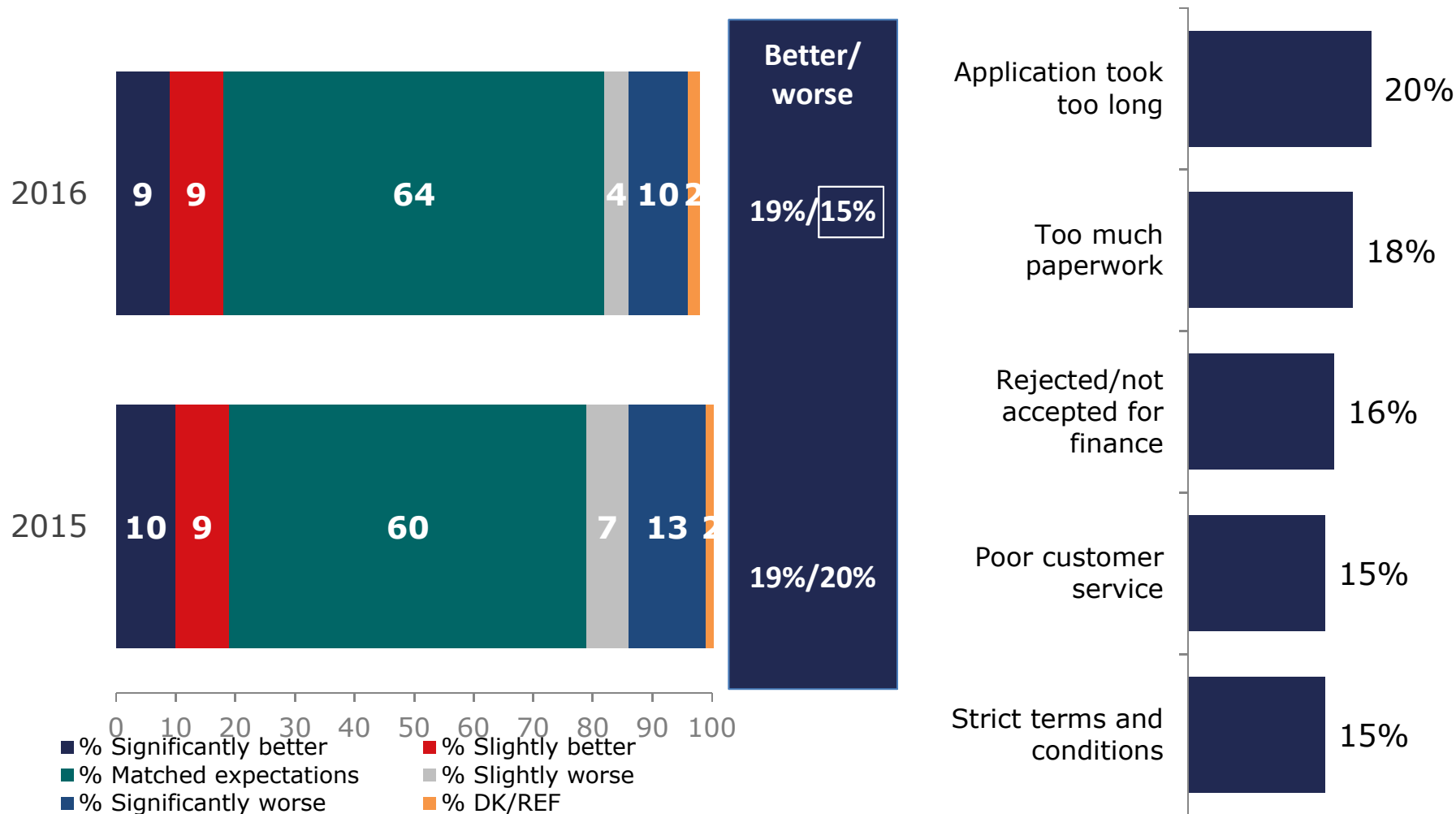
Likelihood of seeking external advice if had difficulties obtaining finance – 2012-2016



43% of those that would take advice willing to pay for it (52% in 2015)

For most SMEs the experience of raising finance met expectations. Fewer thought it worse than in 2015

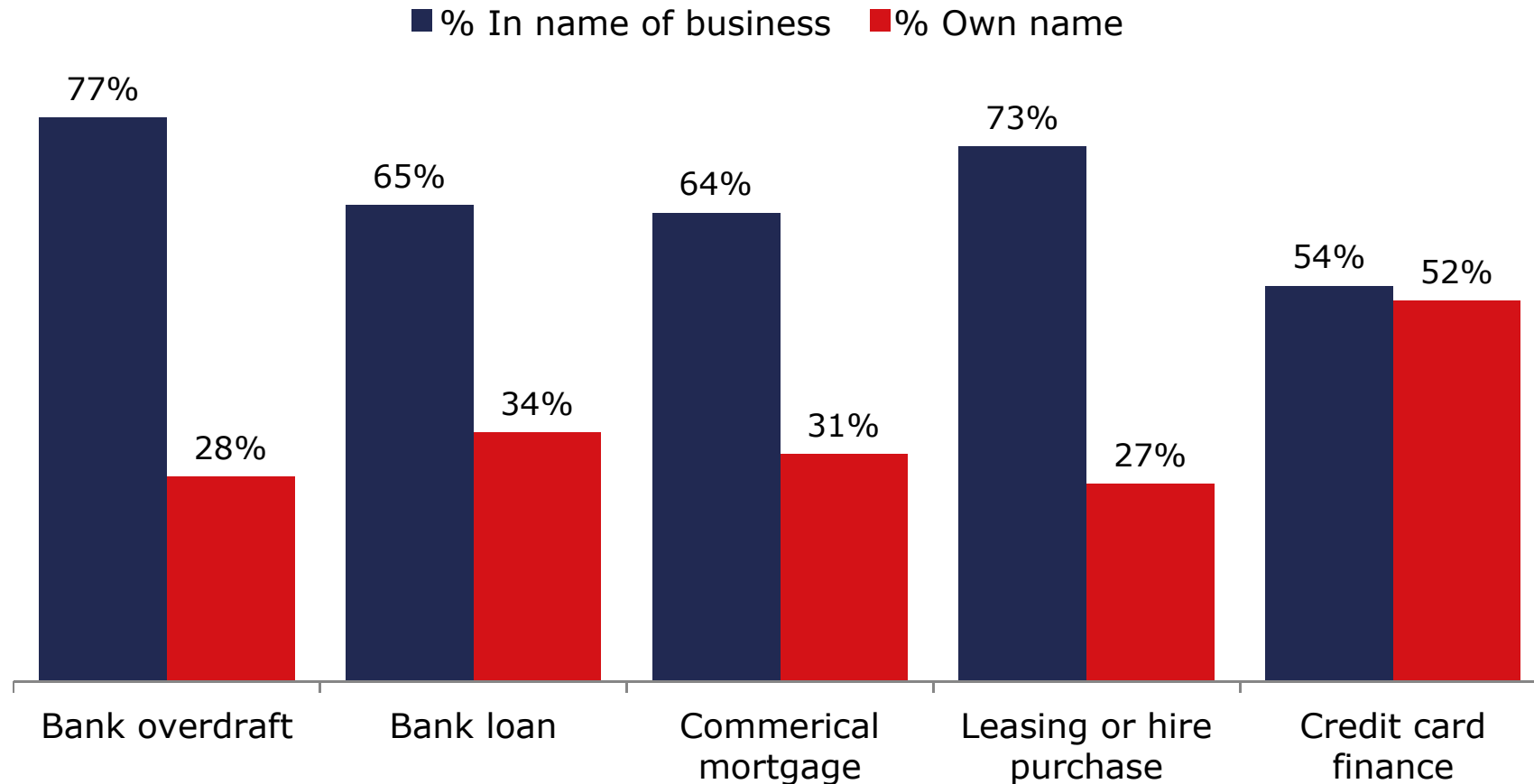
Experience of raising finance vs. expectations, why was worse than expected 2015-2016



Base = all SMEs that sought finance in the last 3 years (n=886 in 2016/n=715 in 2015), Base = all for whom experience of raising finance was worse than expected (n=122 in 2016). Question A37 (single code, unprompted), A38 (multi code, unprompted). Top five answers shown only for why it was worse.

SMEs are more likely to take finance out in business' name than own name, though with credit cards it is split

Taking out finance in own name vs. business's name



Base = all SMEs who obtained each form of finance (n=391 for bank overdraft/n=247 for bank loan/n=79 for commercial mortgage/n=435 for leasing or hire purchase/n=439 for credit card finance). Question A10 (single code, prompted)

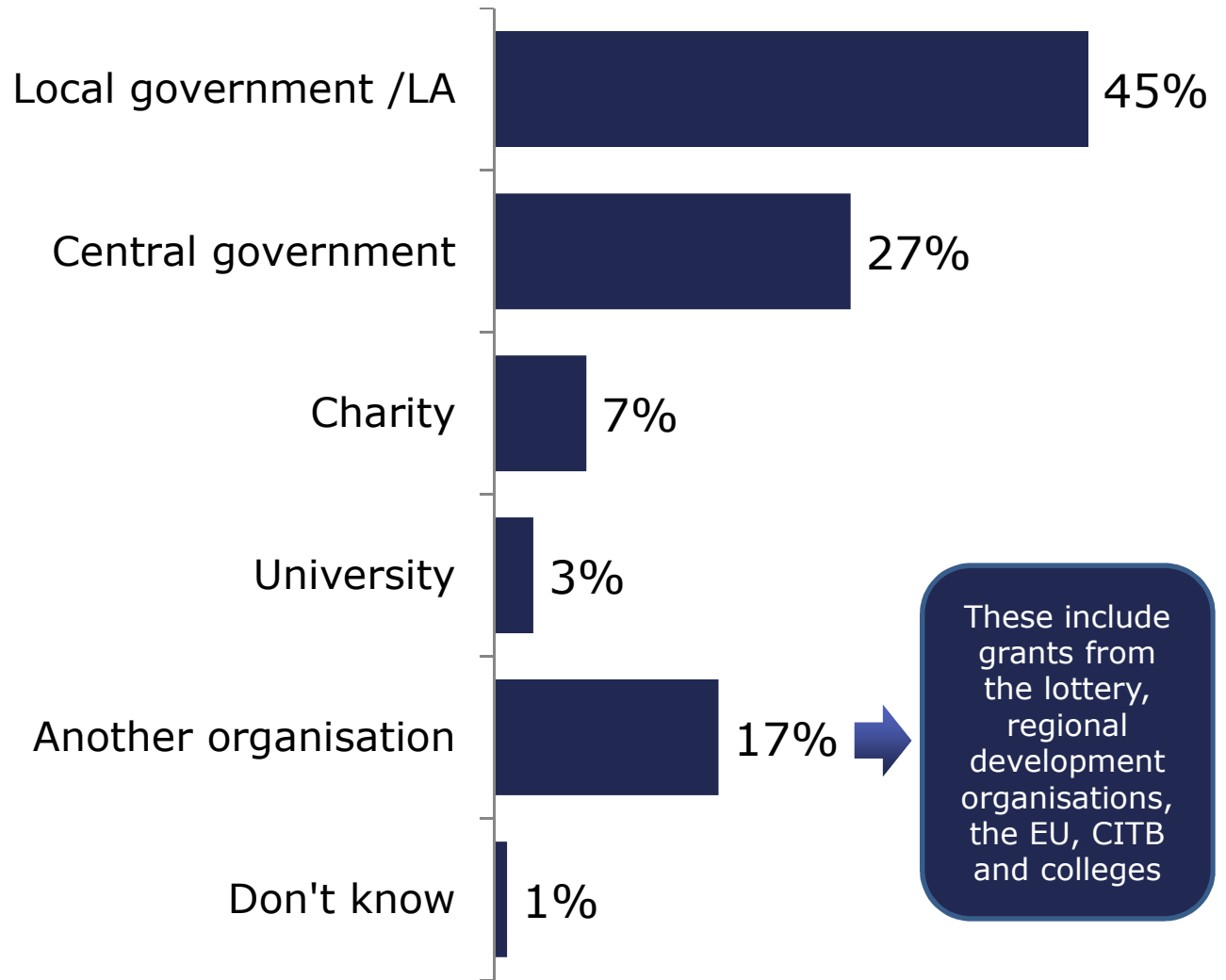
Grant funding

One in ten SMEs has obtained grant funding in the last decade, most commonly from local government

When received grant funding and where from

In total 10% of SMEs have obtained grant funding in the last ten years – there are no significant differences by age of business

Around a third of these (32% of them) had received this grant in the previous year

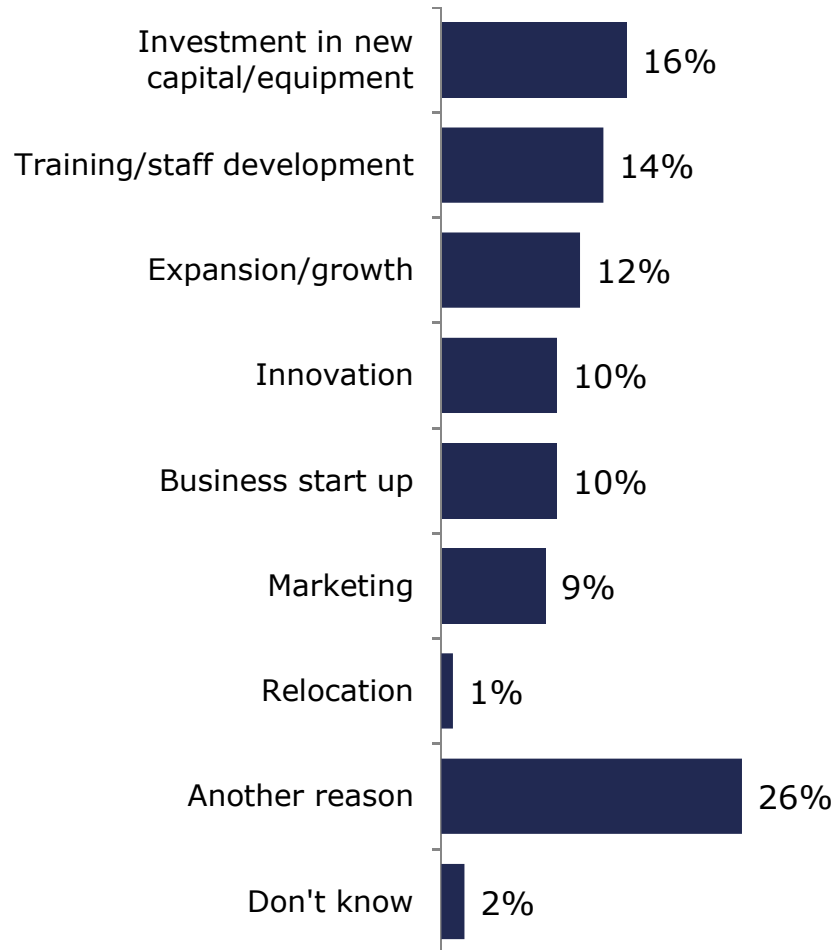


Base = all SMEs that received grant funding in the last 10 years (n=291 in 2016). D3 (multi code, unprompted)

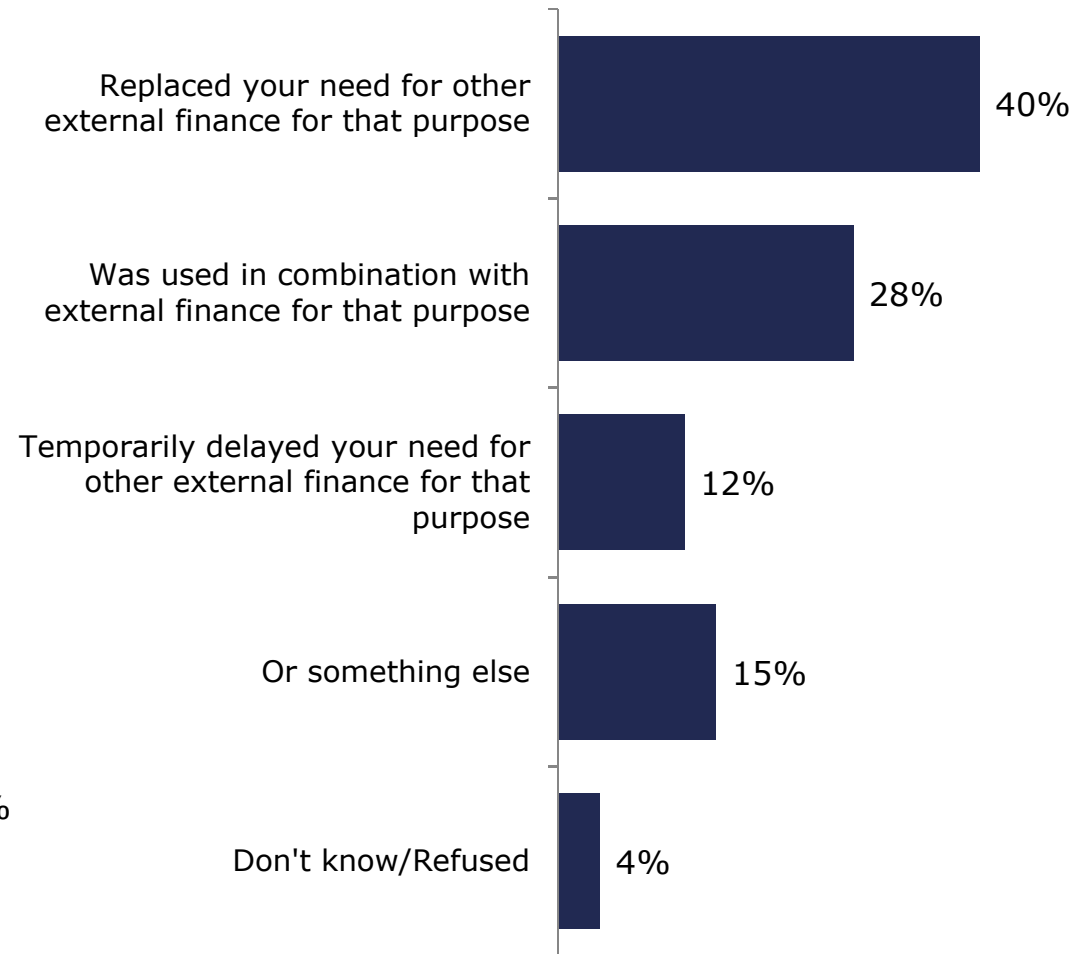
Grant funding was used for a variety of reasons, and most commonly replaced other external finance

What grant funding was for and its use

What grant funding was for



Use of grant funding



Base = all SMEs that received grant funding in the last 10 years (n=291 in 2016). D4 (single code, prompted), D5 (single code, prompted)

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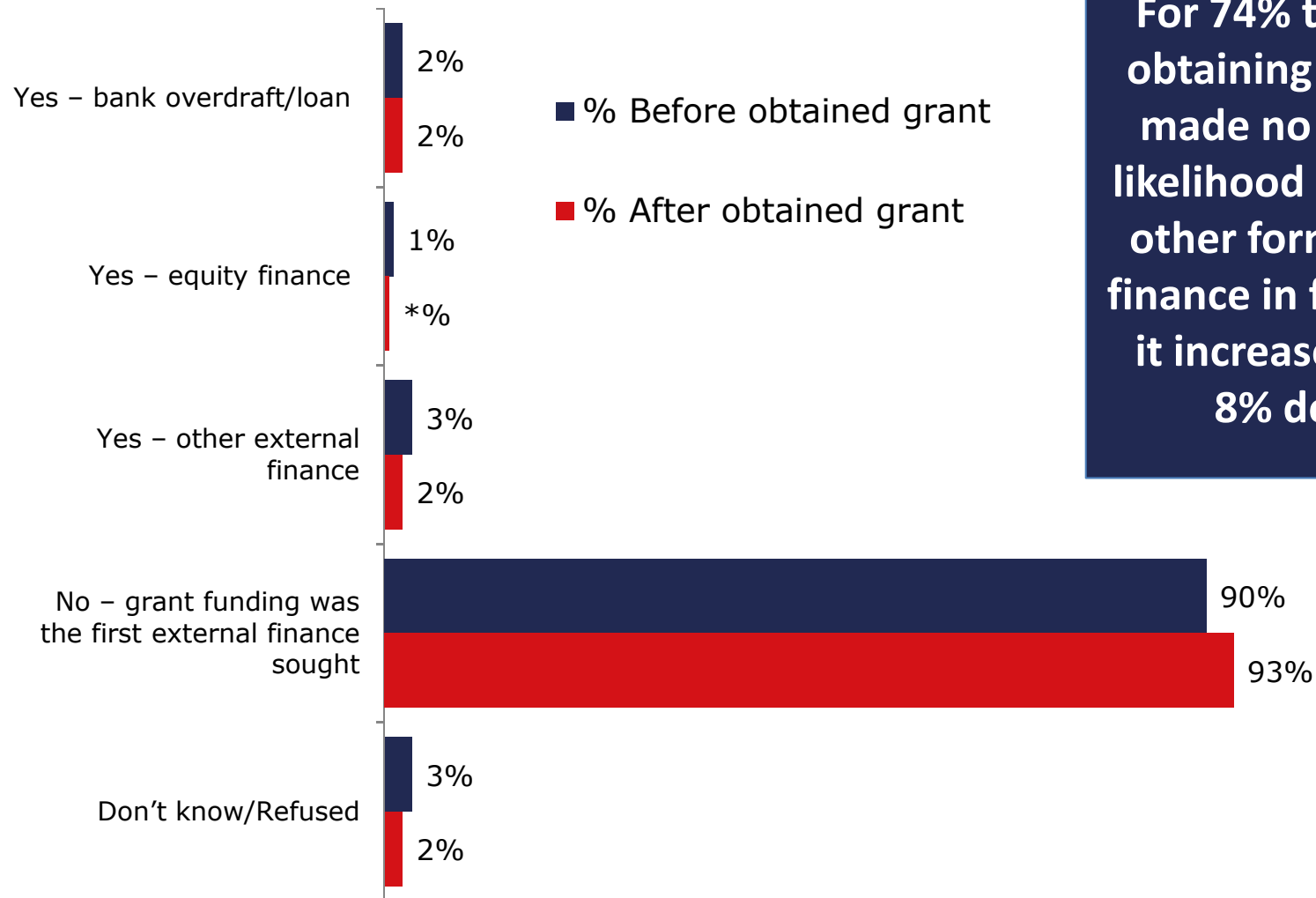
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In most cases SMEs did not seek other forms of finance for the project where grant funding was used

Use of other forms of external finance for that project



For 74% the process of obtaining grant funding made no difference to likelihood of applying for other forms of external finance in future (for 17% it increased likelihood; 8% decreased)

Base = all SMEs that received grant funding in the last 10 years (n=291 in 2016). D6 (multi code, prompted), D8 (multi code, prompted), D10 (single code, prompted)
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Grant funding seen as time consuming and difficult to obtain, though SMEs confident about where to get information

Net agree/disagree

Attitudes to grant funding

Confident I know where to obtain information on grants/specific providers



50%/35%

More time consuming to obtain than traditional bank finance



49%/7%

Do not consider grant funding as unlikely to obtain it



41%/31%

Will consider grant funding when thinking about future financing needs



24%/57%

Easier to obtain than traditional bank finance



12%/36%

■ % Strongly agree ■ % Slightly agree ■ % Neither/nor
 ■ % Slightly disagree ■ % Strongly disagree ■ % Don't know

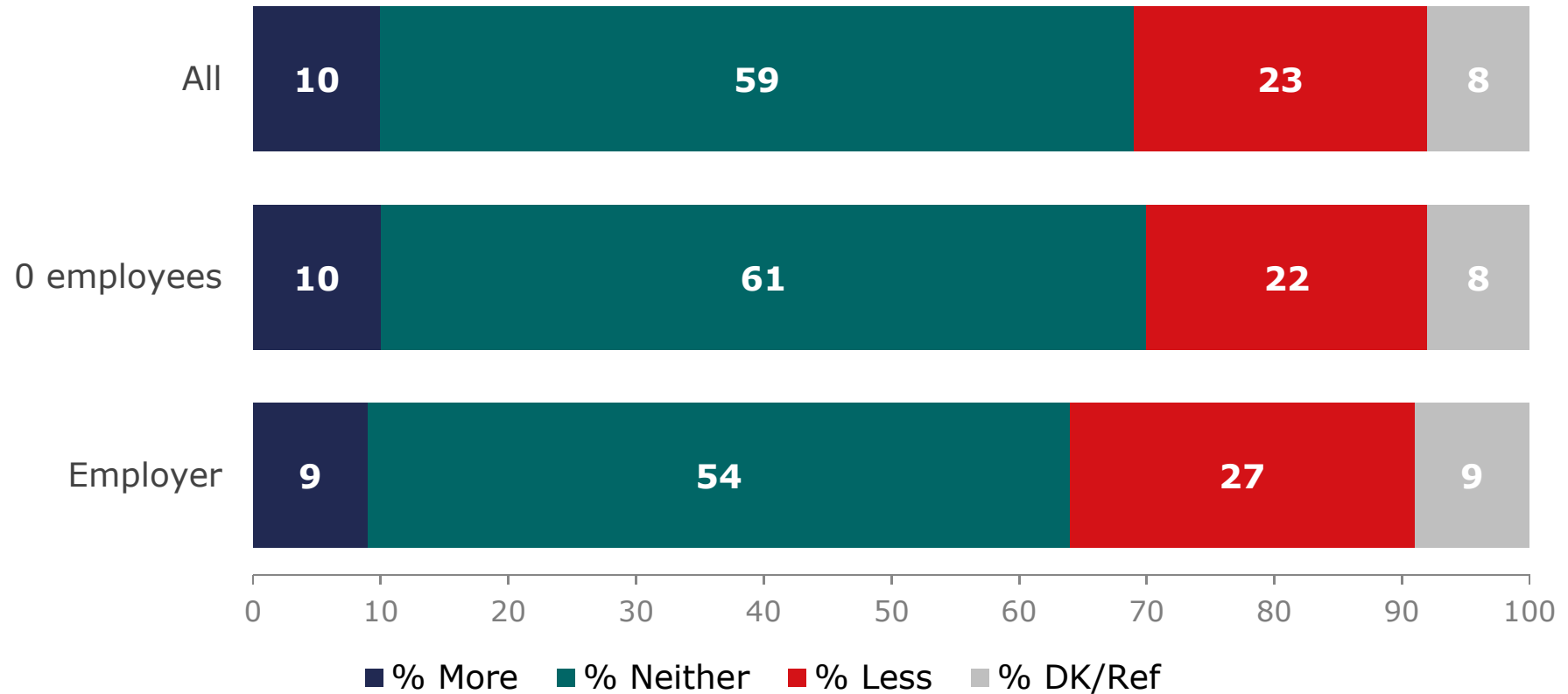
Base = all SMEs that are aware of or have obtained grant funding in the last 10 years (n=1,225 in 2016). D11 (single code, prompted)
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Impact of the EU referendum

A majority of SMEs expect no impact from referendum result, but balance of view is that they will grow less

Grow more/less as result of referendum - by number of employees

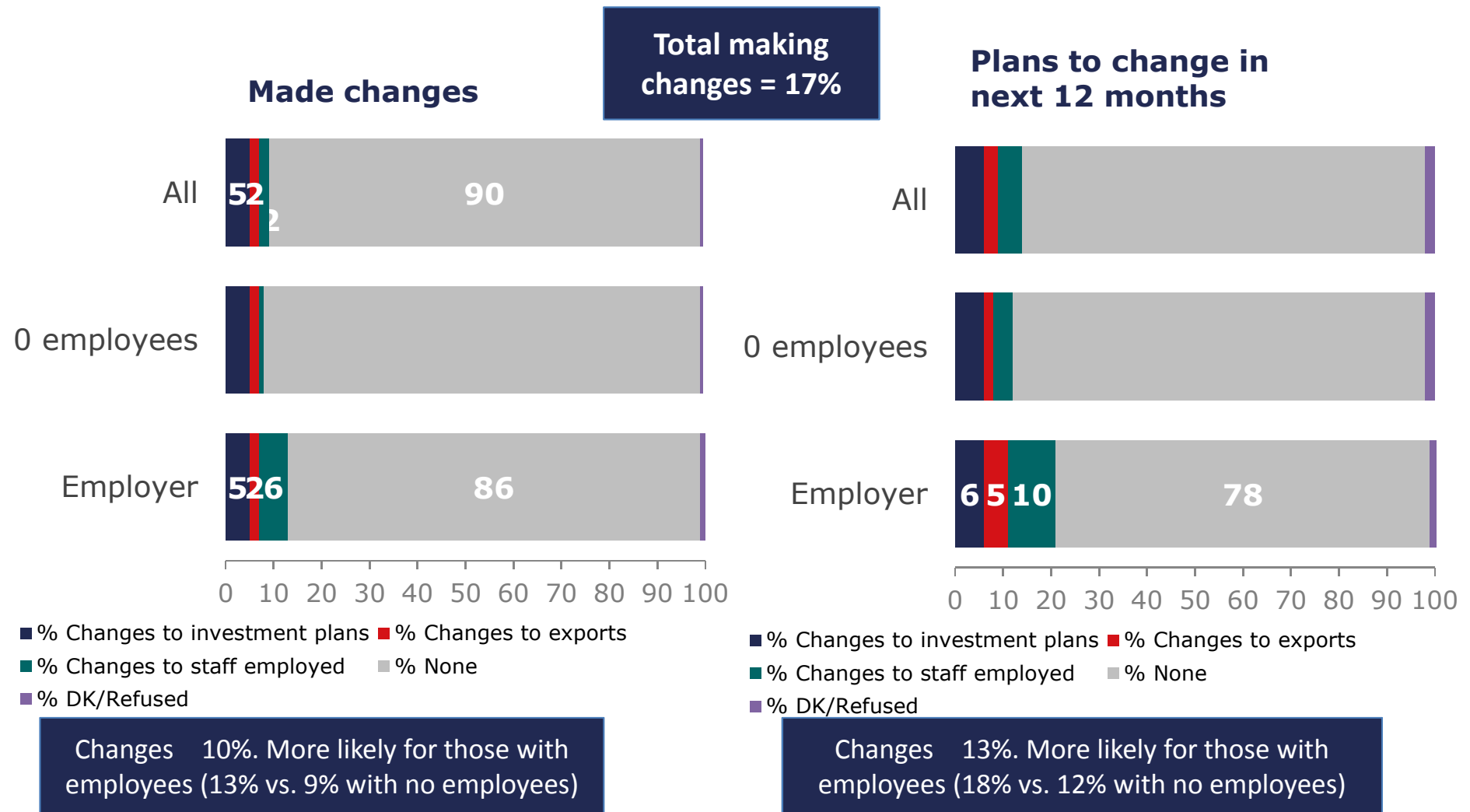


Expecting less growth most common in distribution sector (30%). Those in construction (15%) more likely to expect growth.

Base = all SMEs (n=1,535 In 2016). Question C6 (single code, prompted)

However more than four in five are not making changes as a result of the referendum result

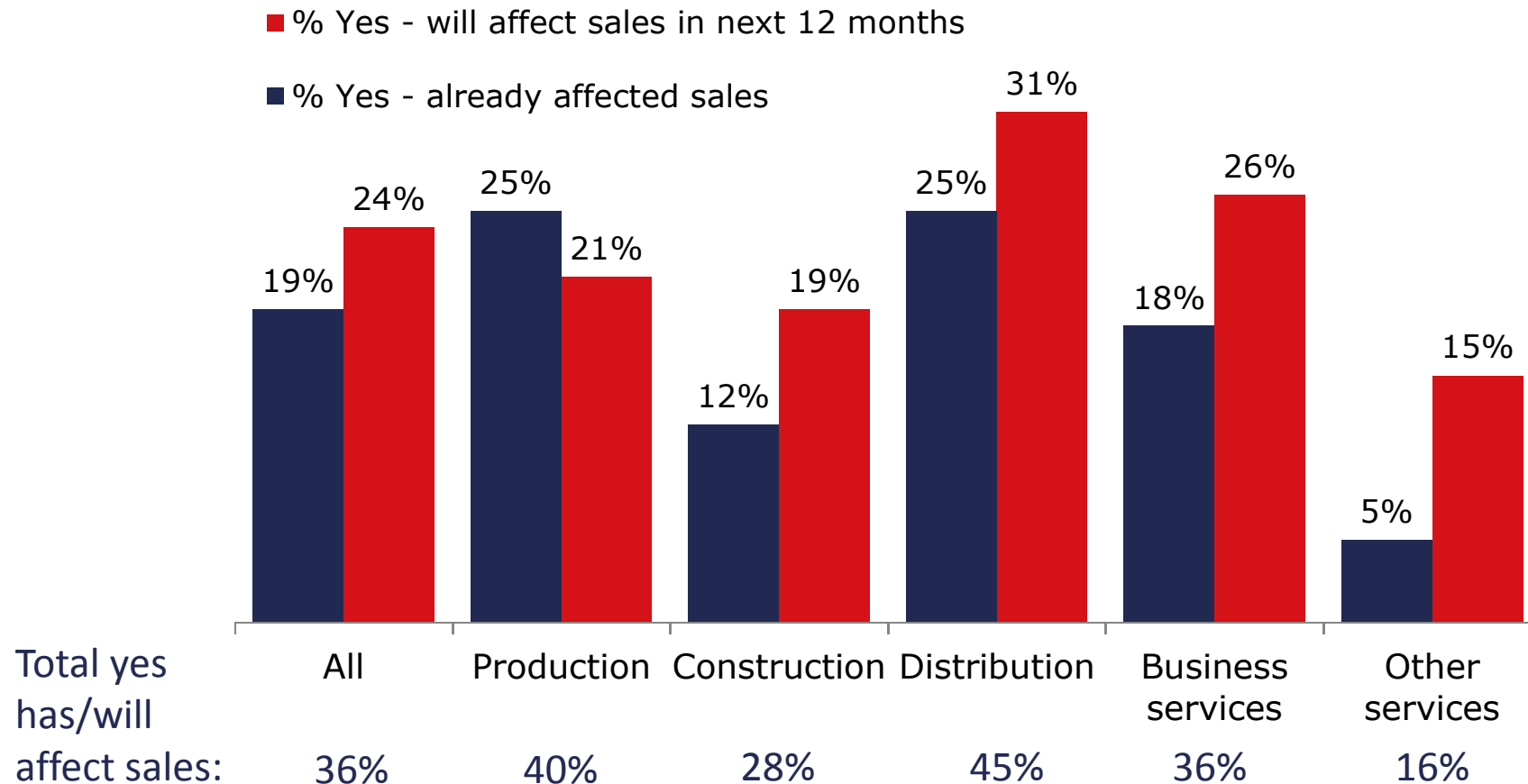
Changes/planned changes as result of referendum - by number of employees



Base = all SMEs (n=1,535 In 2016). Question C7/C8 (single code, prompted)

Employers in distribution are most likely to experience or expect a sales impact, those in other services are least

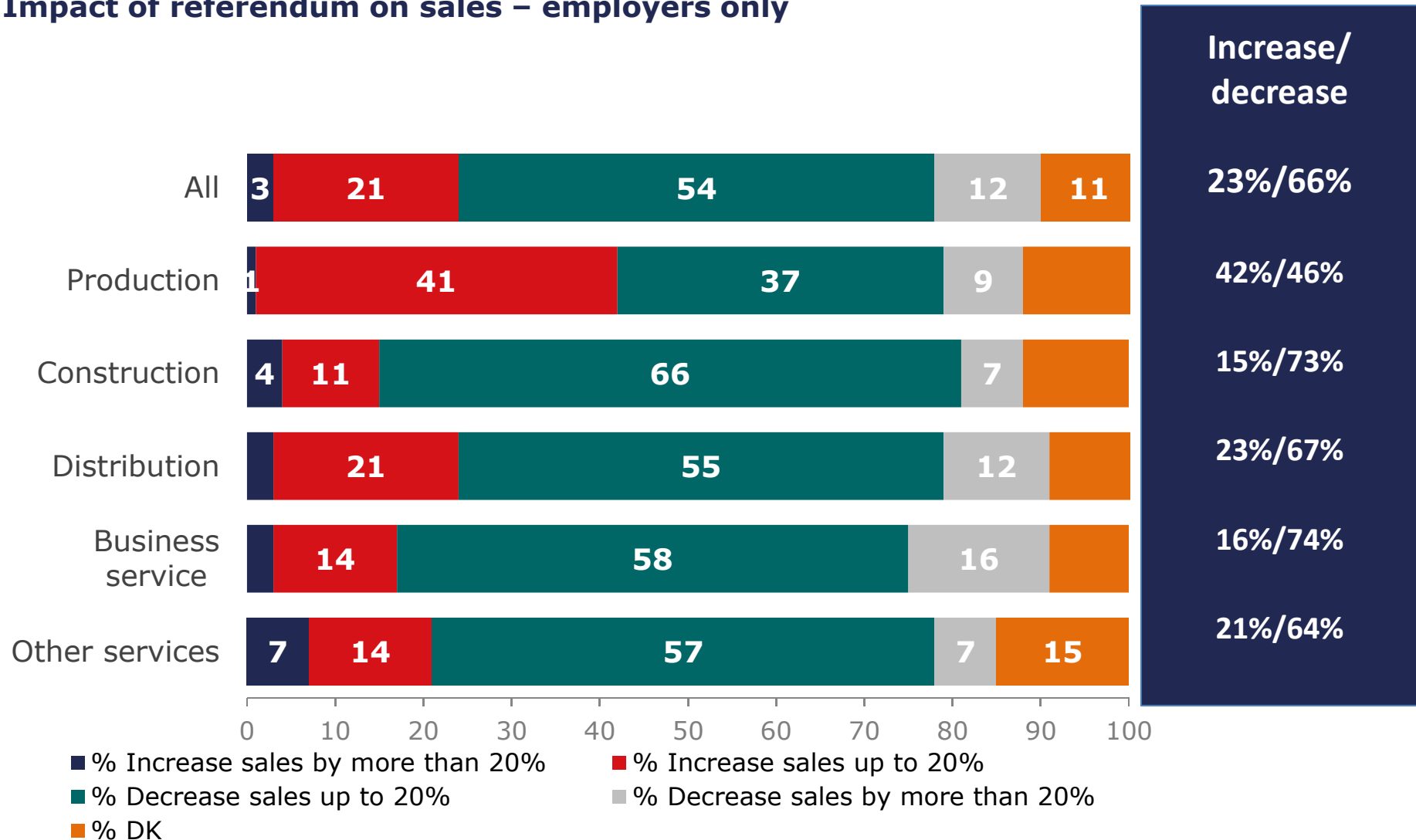
Impact of referendum on sales – employers only



Base = all SMEs with employees (n=1,067 in 2016). Question C11 (multi code, prompted)

Employers who expect a change to sales are more likely to expect a decrease – but those in production are split

Impact of referendum on sales – employers only



Base = all SMEs with employees that have or expect changes to sales as a result of referendum result (n=359 in 2016). Question C12 (single code, prompted)

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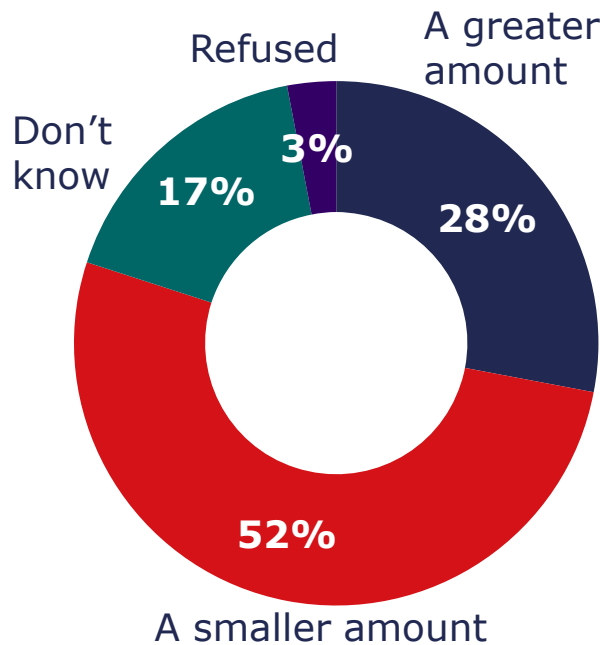
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Expected employers' changes to investment and staff are more negative, though with exports they are positive

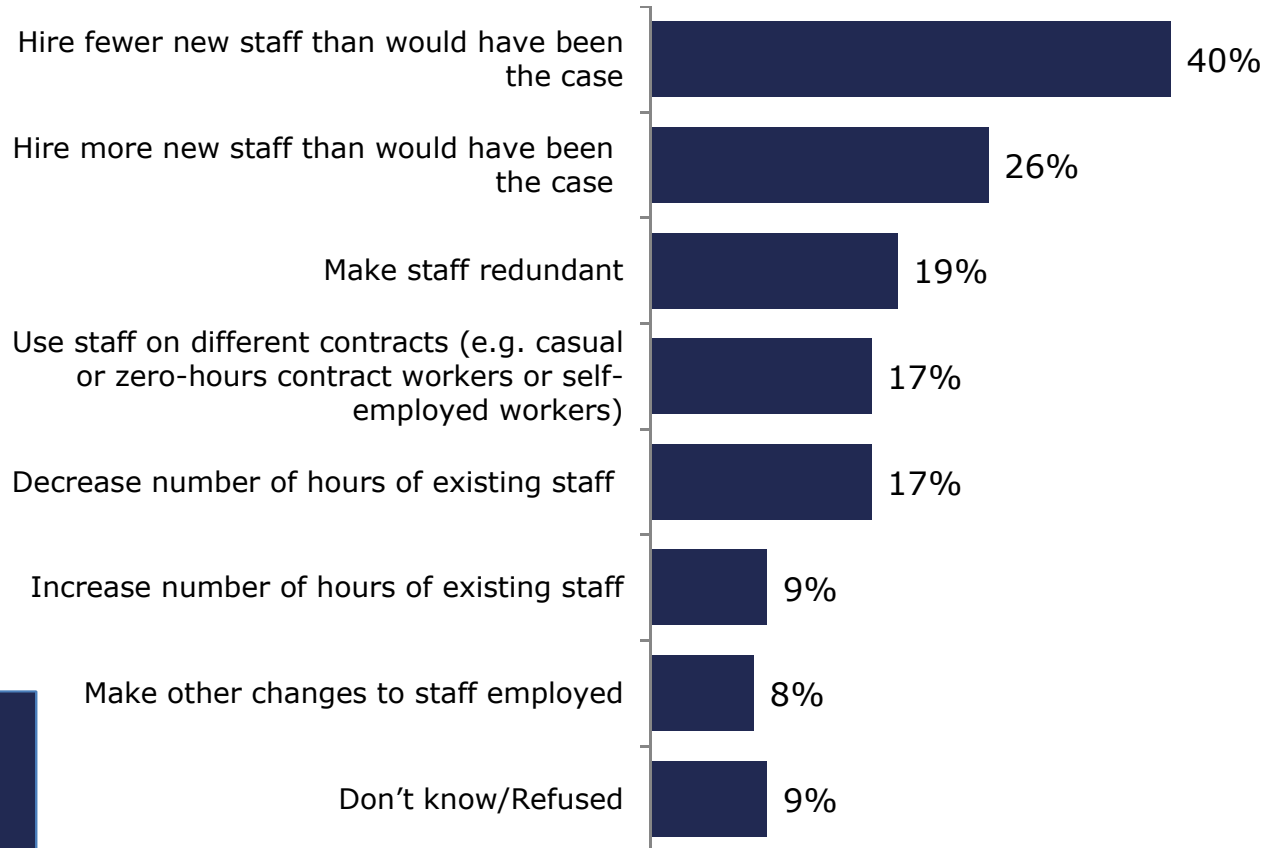
Changes to investment, staff and exports as a result of the EU referendum – employers only

Changes to investment



Among those who have/plan to change exports, 45% expect an increase and 31% a decrease

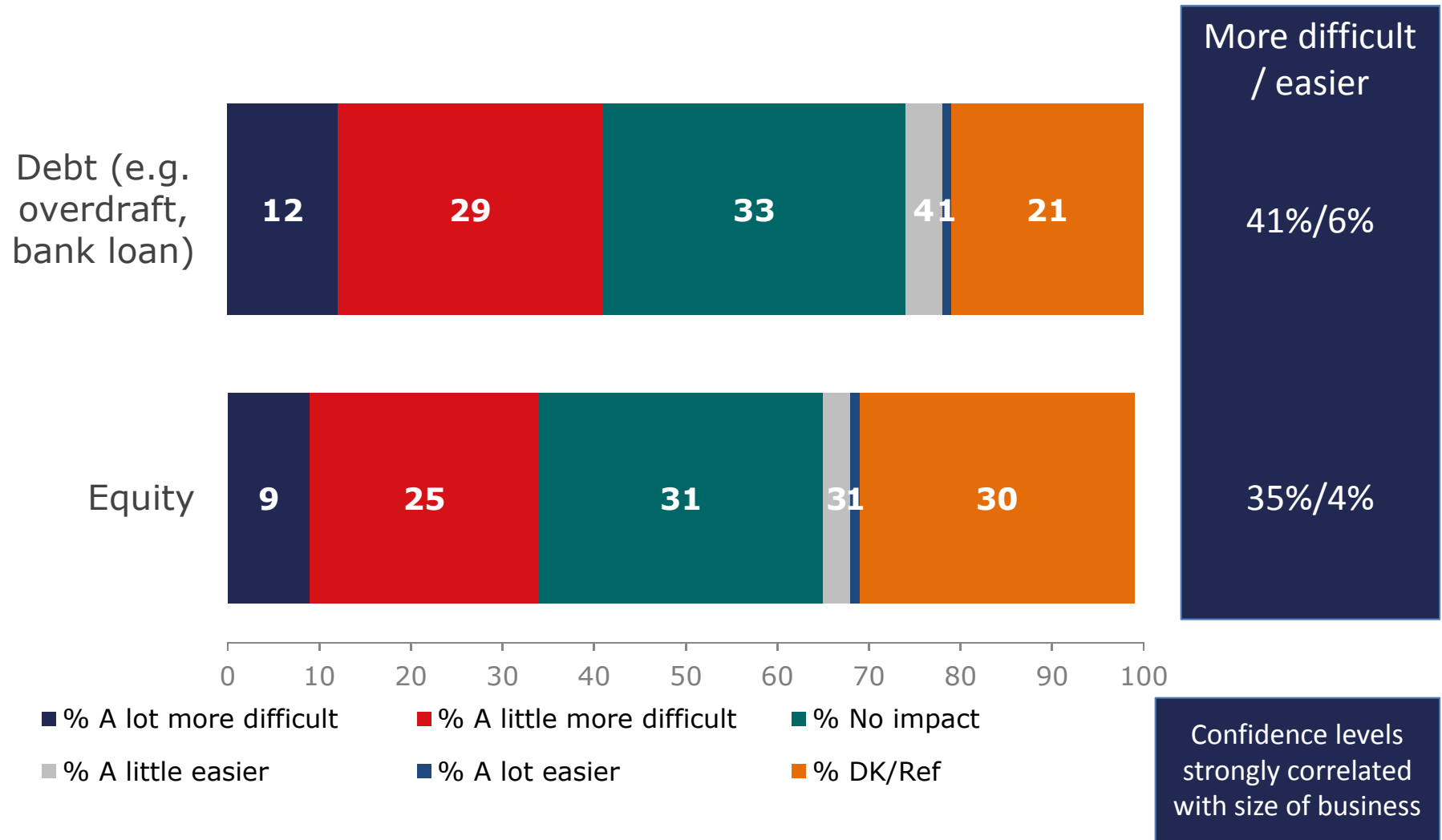
Changes to staff



Base = all with employees who have already made or plan to make changes to investment (n=93 in 2016), all with employees who have already made or plan to make changes to staff employed (n=134 in 2016), all with employees who have already made or plan to make changes to exports (n=59 in 2016). Question C9 (single code, prompted), C10 (multi code, unprompted) and C13 (single code, prompted).

On balance more employers think obtaining equity or debt finance will be more difficult as a result of the referendum

Impact of referendum on obtaining debt and equity – employers only

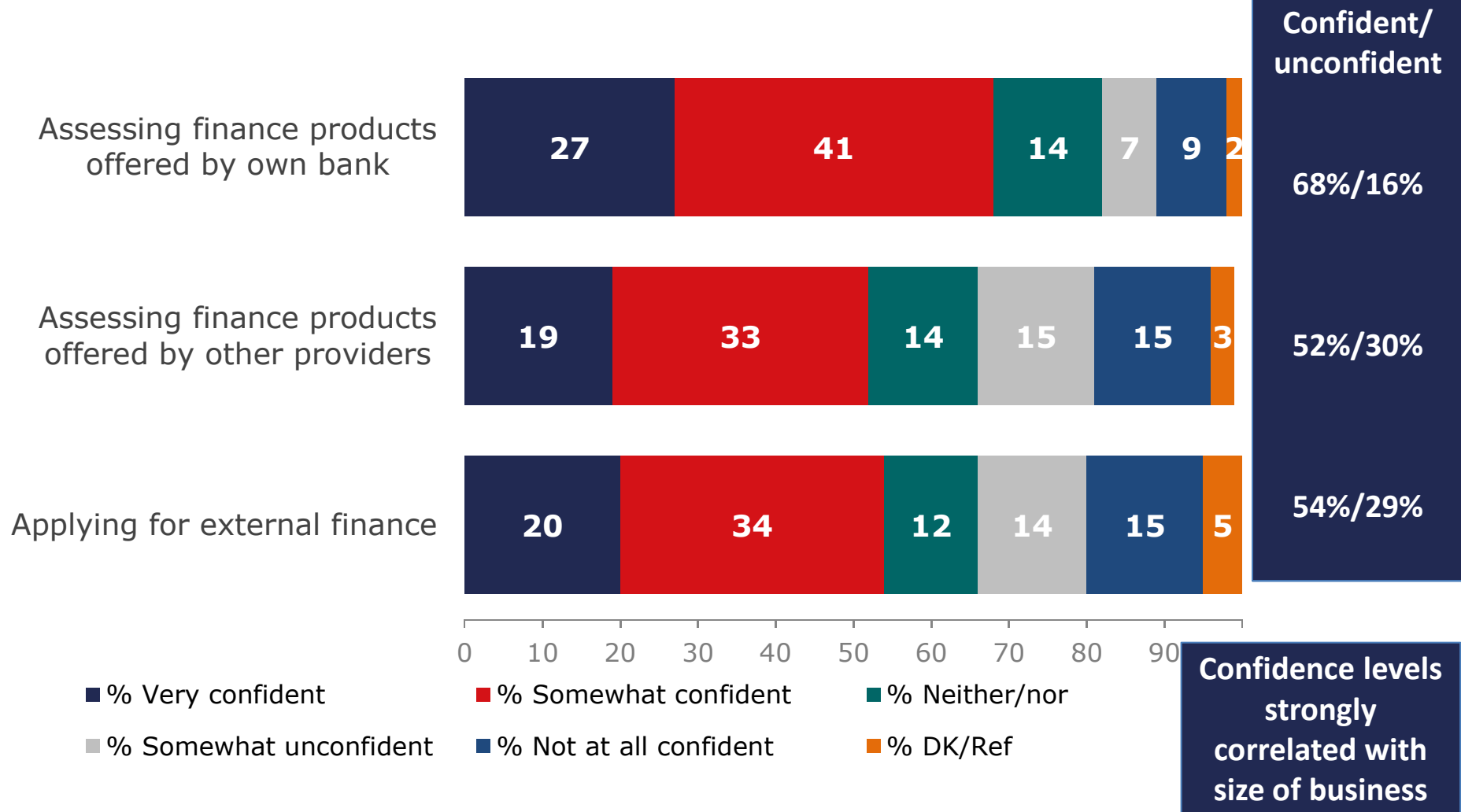


Base = all SMEs with employees (n=1,067 in 2016). Question C14 (single code, prompted)

Perceptions of raising finance and future use

The majority of SMEs are confident about assessing finance products, from own bank and from other banks

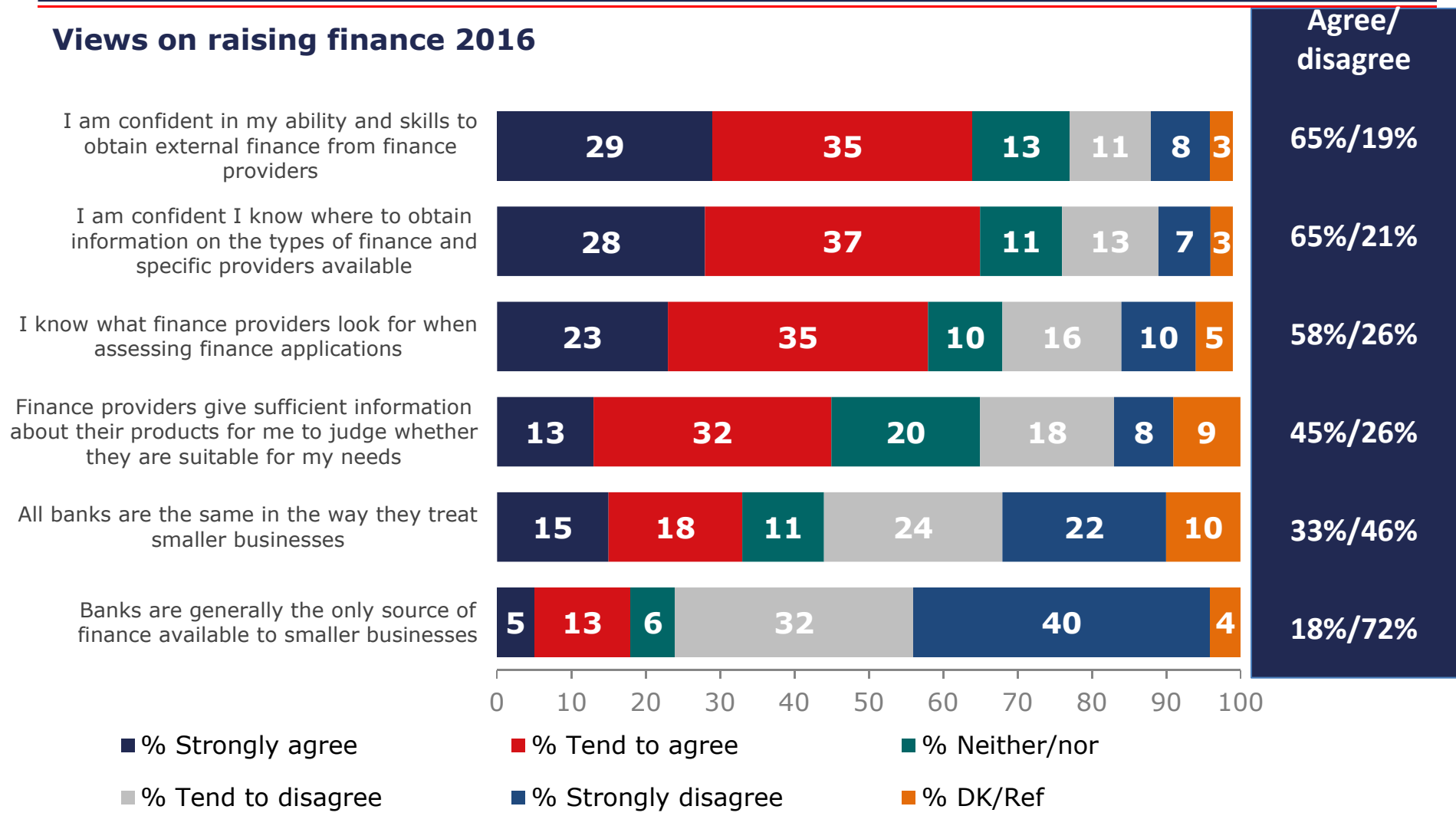
Confidence in ability to raise finance 2016



Base = all SMEs (n=1,535 in 2016). Question A4 (single code, prompted)

SMEs also confident in ability to obtain finance, though feel small businesses not treated the same

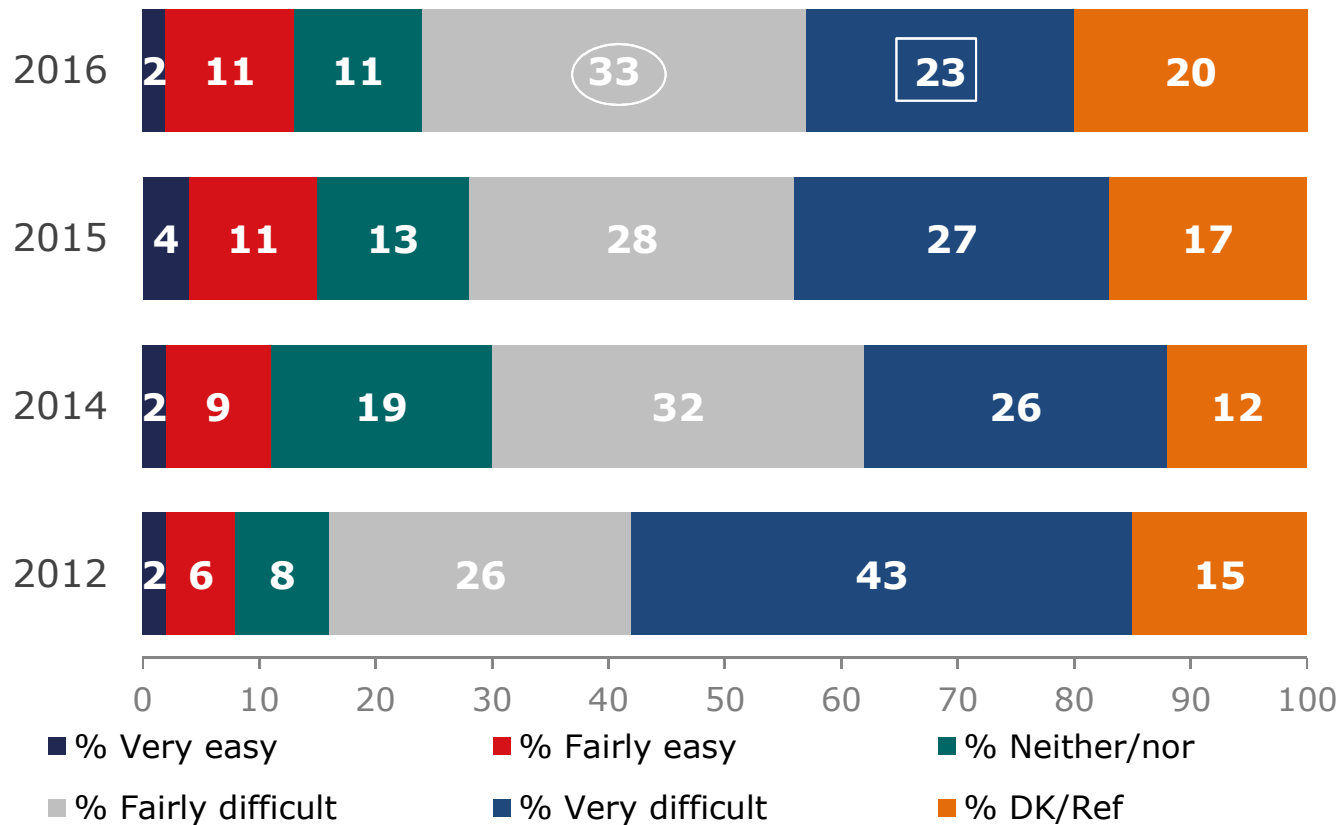
Views on raising finance 2016



Base = all SMEs (n=1,535 in 2016). Question A5 (single code, prompted)

The perception remains among SMEs that gaining finance is difficult

Perceptions of how easy/difficult it is to gain finance 2012-2016



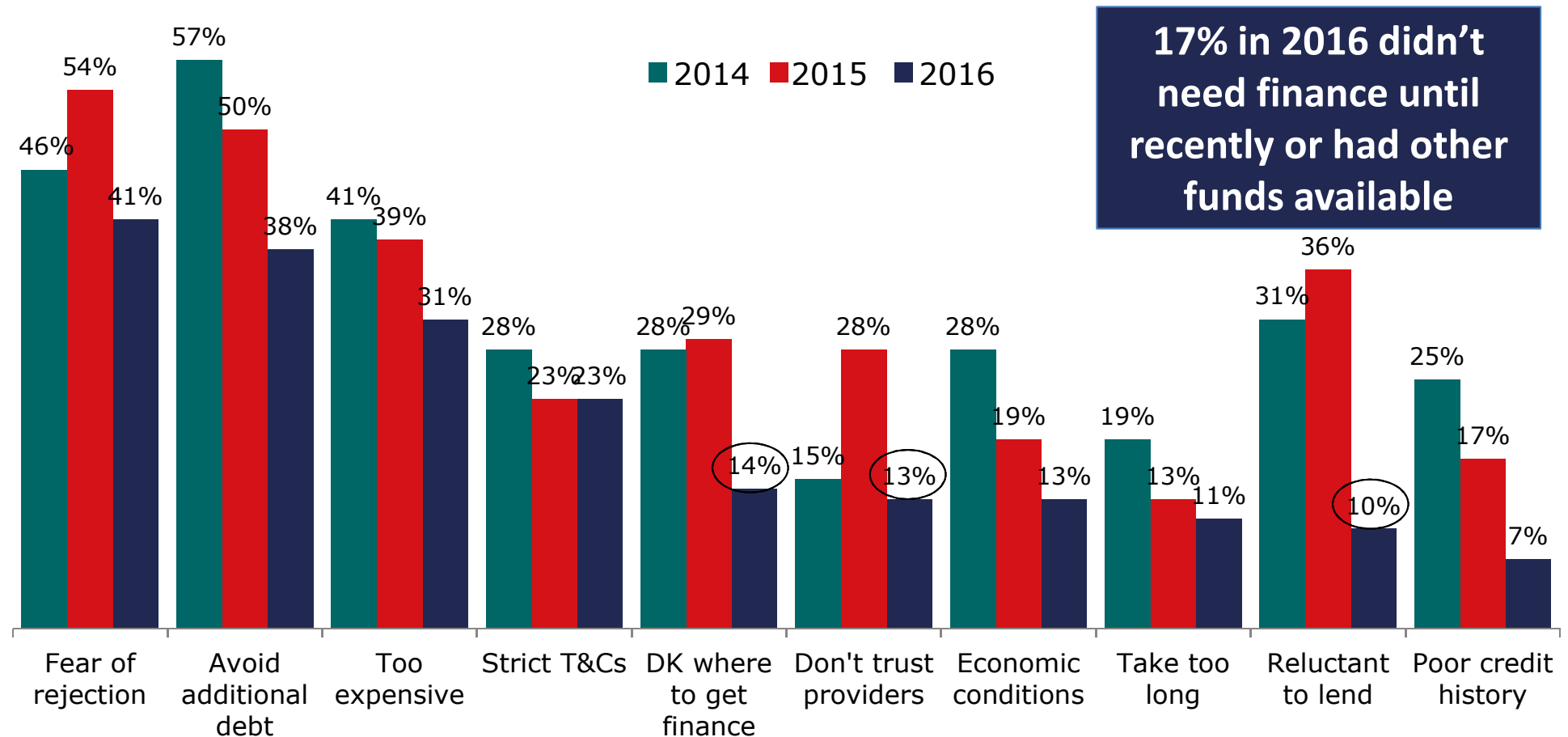
Easy/ difficult
13%/56%
15%/55%
11%/58%
8%/69%

In 2016 SMEs perceive that (on average) 41% of those that apply for bank finance succeed in getting it (2015 = 38%; 2014 = 42%; 2012 = 32%)

Base = all SMEs (n=1,535 in 2016/1,608 in 2015/n=1,000 in 2014/n=1,508 in 2012). Question A39 (single code, prompted)

Fear of rejection, avoiding debt and expense remain the most common reasons for not applying for finance

Reasons for not applying for finance 2014-2016



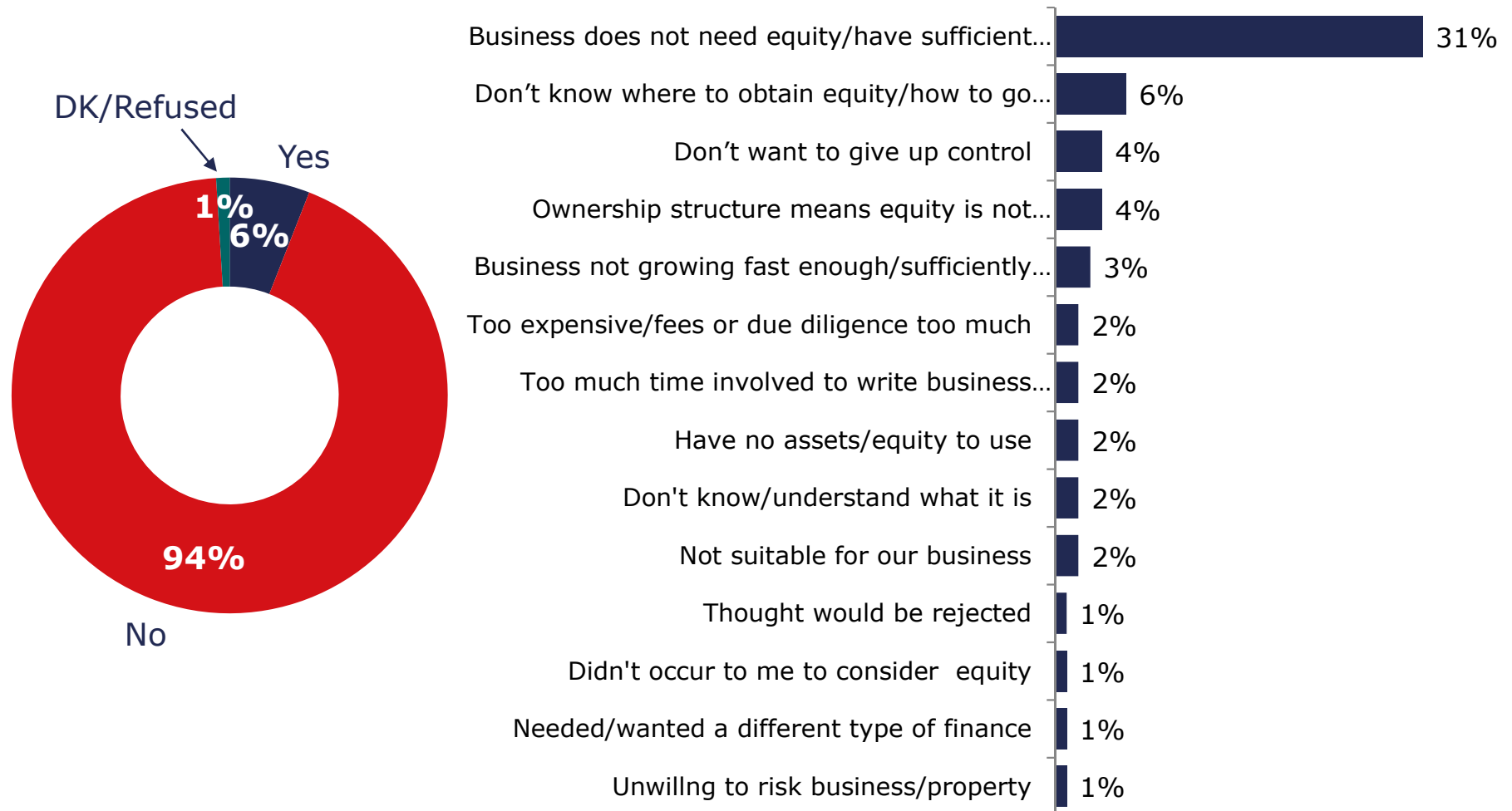
17% in 2016 didn't need finance until recently or had other funds available

Avoiding additional debt is the most common single main reason (said by 25%), followed by fear of rejection (19%)

Base = all SMEs that had a need for finance in the last 12 months but did not apply (n=62 in 2016/n=95 in 2015/n=63 in 2014). Question B2 (multi code, prompted)

Around one in ten have considered equity - most common reason for not considering/seeking it is lack of need

Whether considered equity finance and reasons for not considering or seeking it

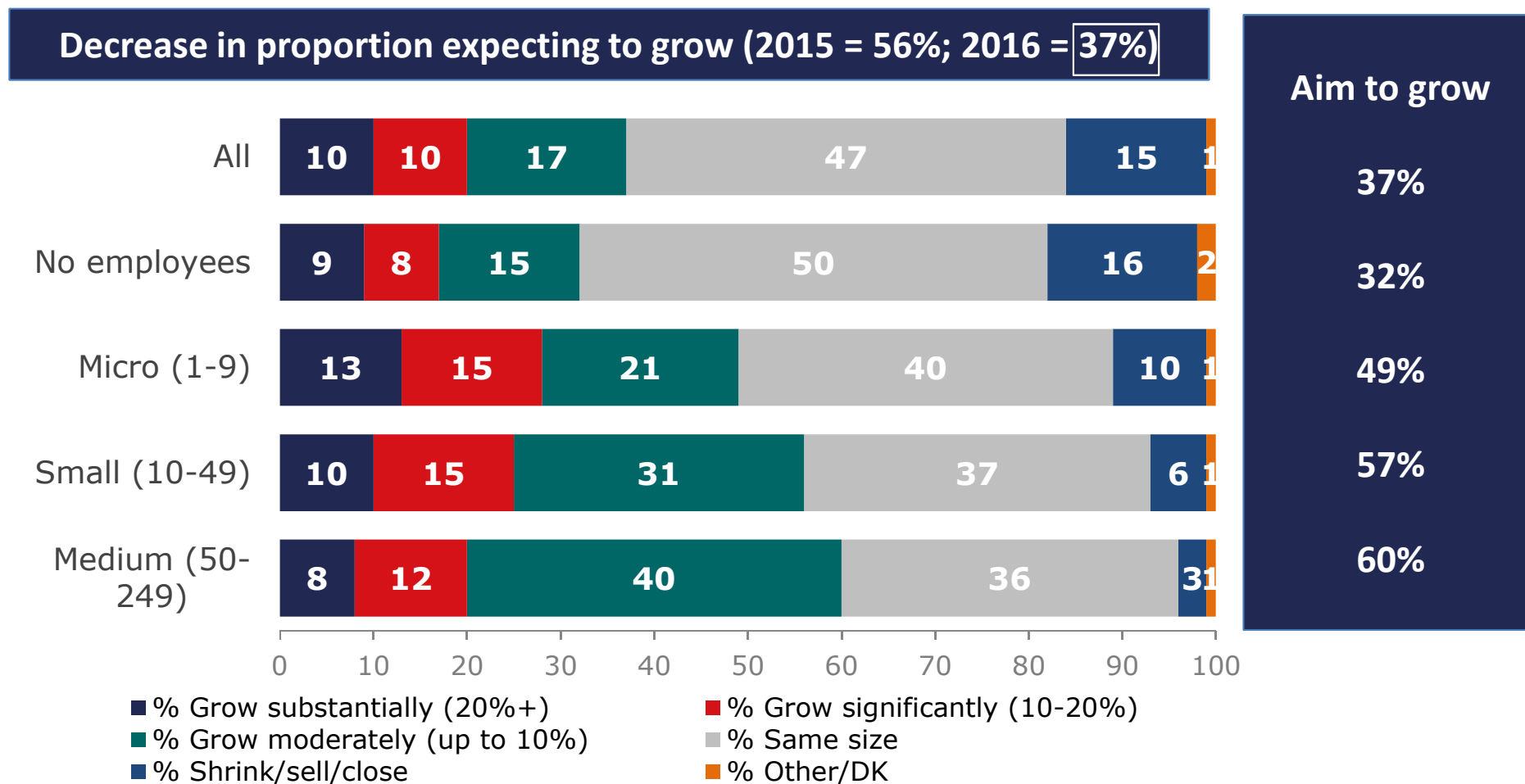


Base = all SMEs that are aware of equity and did not seek equity (n=1,160 in 2016), all who are aware of equity finance but did not seek it nor have not considered raising it (n=1,143 in 2016). Question A8 (single code, prompted) and A9 (multi code, unprompted). Those not shown less than 1%.

Business performance and innovation

Fewer SMEs are expecting to grow in next 12 months than was case in 2015, though this intent increases with size

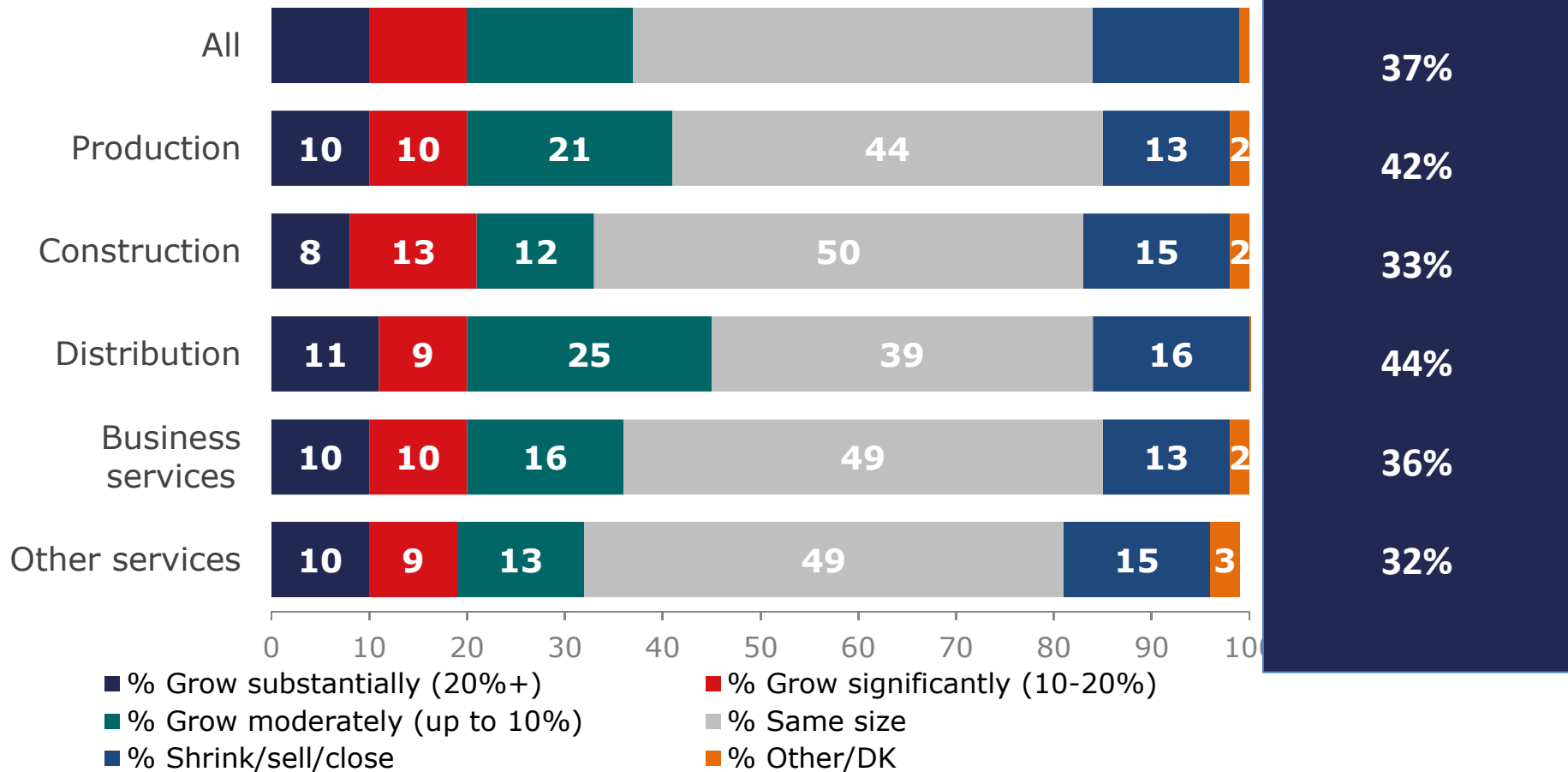
Growth objectives – by number of employees
(Increase turnover in next 12 months)



Base = all SMEs (n=1,535 In 2016). Question B4 (single code, prompted)

However growth expectations are fairly consistent by sector

**Growth objectives – by sector
(Increase turnover in next 12 months)**



Base = all SMEs (n=1,535 In 2016). Question B4 (single code, prompted)

Decline since 2015 in perception that trading conditions will get better

Whether trading conditions will be better or worse in the next 12 months

Overall decrease in the proportion thinking conditions will get better (2015 44%; 2016 27%)

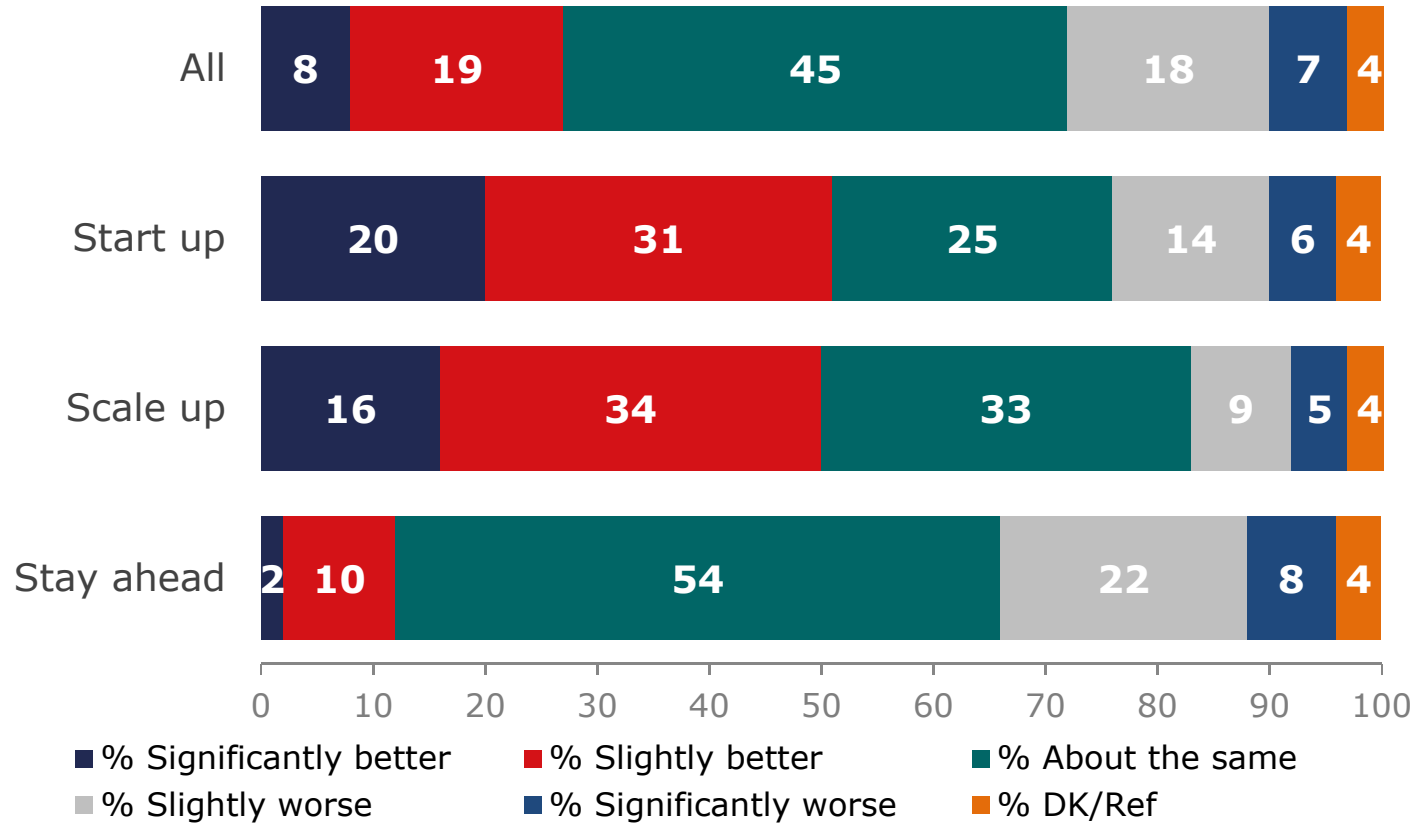
Better/ worse

27%/24%

51%/20%

49%/14%

11%/30%



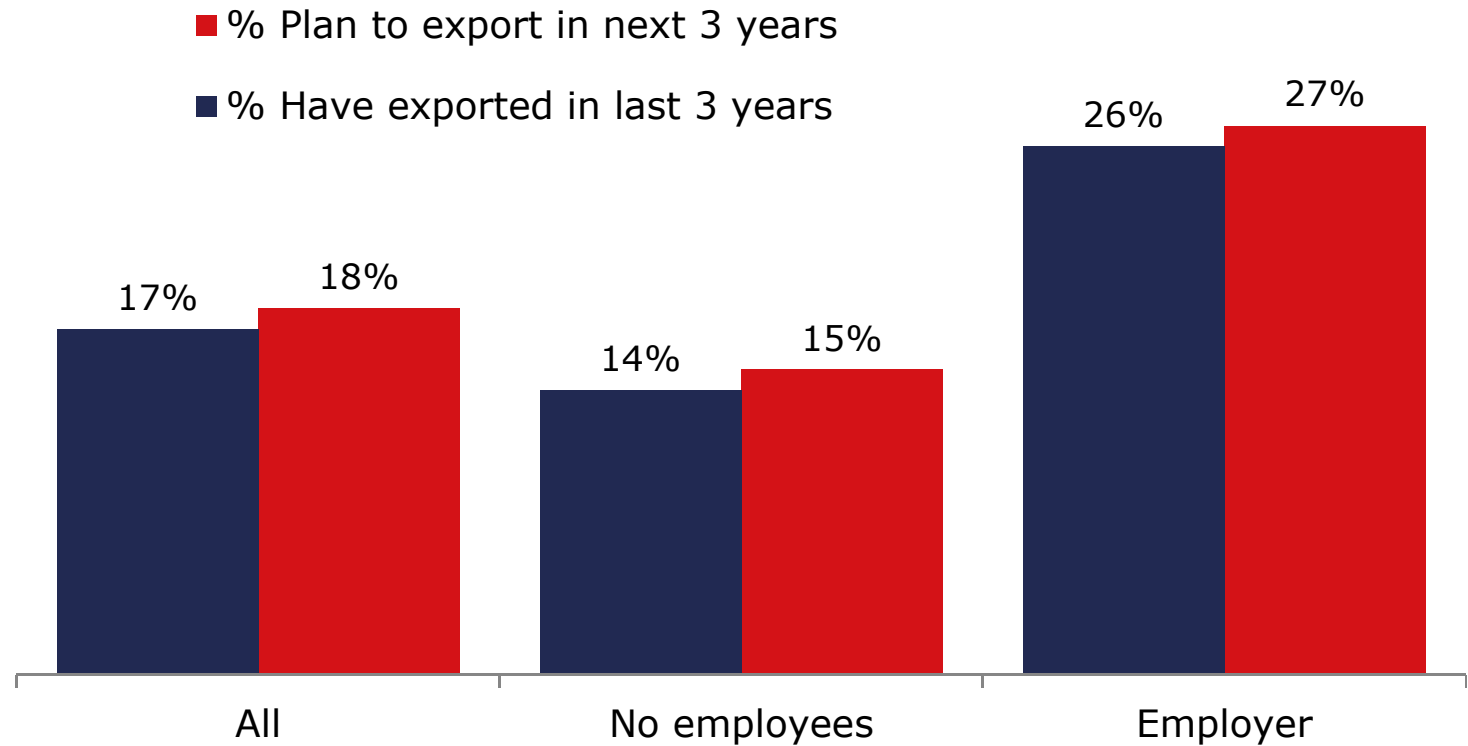
Start ups = less than 5 years old; Scale ups = 5+ years and planning to grow; Stay ahead = 5+ years and no plans to grow

Base = all SMEs (n=1,535 In 2016). Question B5 (single code, prompted)

One in five exports or plans to export in the next three years - more common among employers

Whether have exported or plan to export - by number of employees

Exporting most common in distribution (28%) and business service (26%) sectors. Less common in other services (15%) and construction (1%)

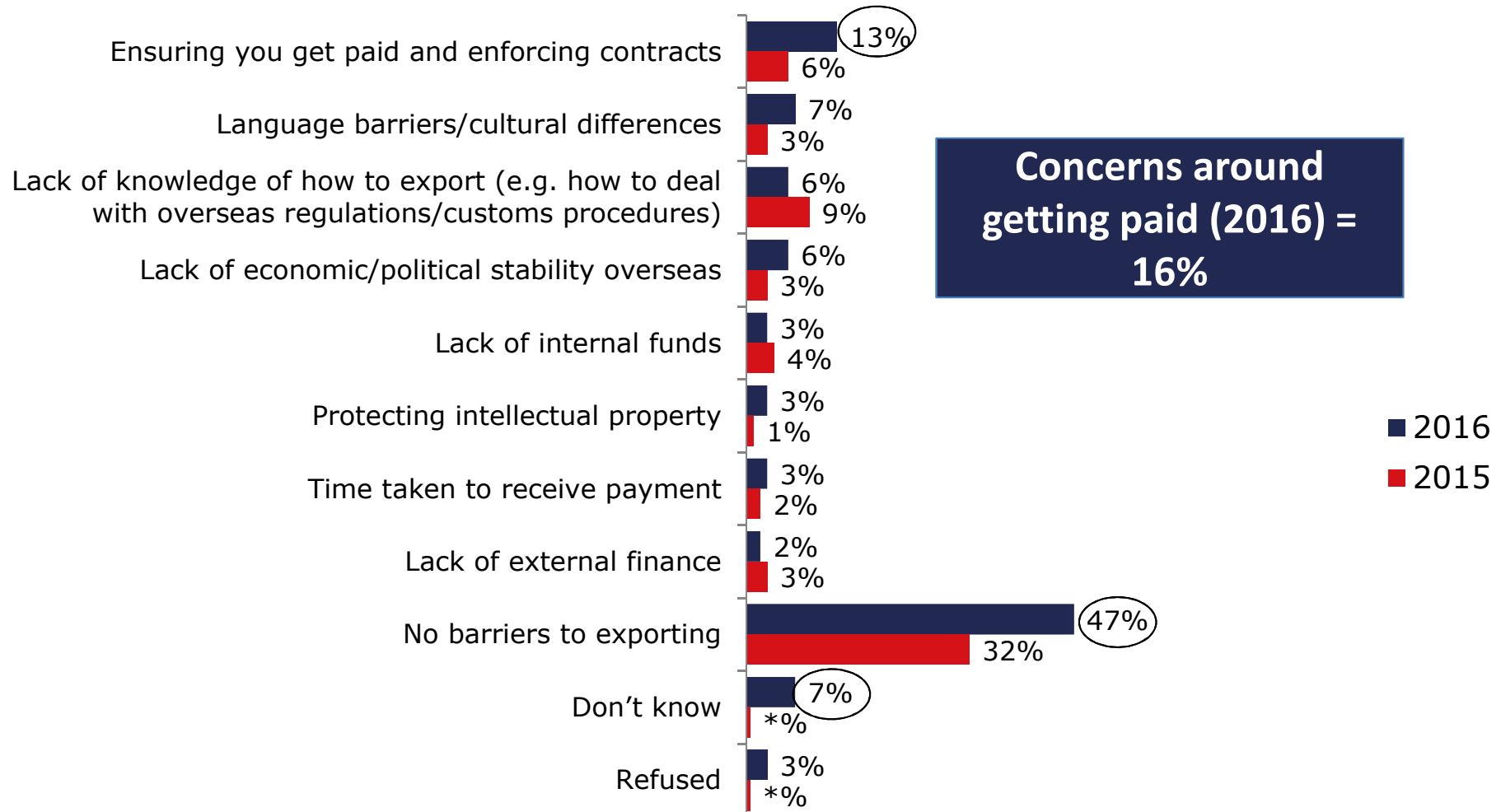


Total have/plan to export:	21%	18%	30%
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Base = all SMEs (n=1,535 In 2016). Question C1/C2 (single code, prompted)

Around half of exporters perceive no barriers - not getting paid is the greatest fear

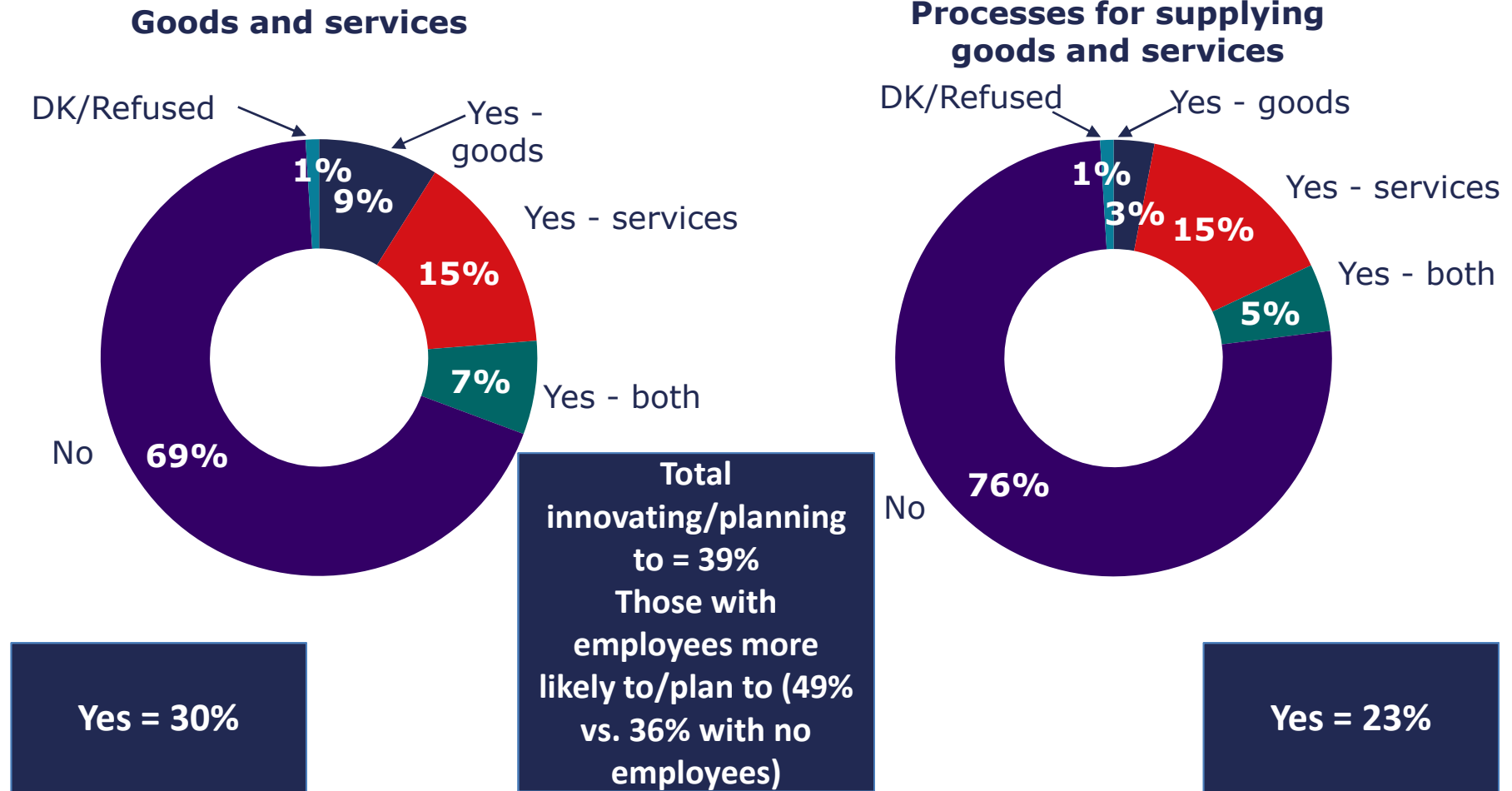
Main barrier to exporting – 2015-2016



Base = all SMEs that have exported in last three years or plan to export in next three years [base definition in 2015: all SME exporters and non-exporters with exportable products/services] (n=424 in 2016/n=707 in 2015). Question C3 (single code, prompted)

Two in five SMEs are either innovating or plan to

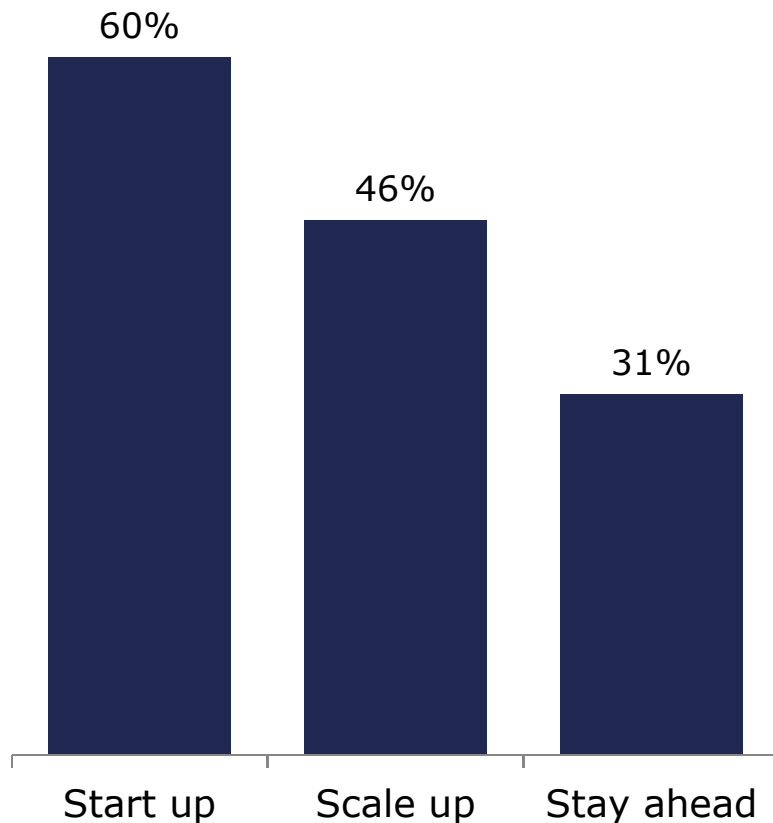
Introducing new or significant improved goods and services/processes for producing or supplying goods and services in last/next 3 years



Base = all SMEs (n=1,535 in 2016). Question C4/C5 (single code, prompted)

Innovators more common among start ups, and more likely to use multiple finance types and shop around

Introducing new or significantly improved goods and services/processes for producing or supplying goods and services in last/next 3 years



- **Start ups are most likely to innovate, while stay aheads are least likely to innovate**
- Those intending to **grow** are generally more likely to innovate (50% intending to grow are innovators vs. 32% not intending to grow)
- Innovators also are **more likely to have sought finance** in the last three years, and to have sought **several types** of finance
- Innovators also are more likely to have **'shopped around'** for finance – 57% of those who contacted three or more providers were innovators vs. 45% who approached just one or two
- Innovators comprised a higher proportion of those who sought the following finance types:
 - Grants (for example, 69% who sought a government grant are innovators)
 - Invoice finance/factoring (64%)
 - Loans from friends/family/directors (63%)

Base = all SMEs (n=1,535 in 2016). Question C4/C5 (single code, prompted)

Summing up

Summing up - 1

Awareness of different types of finance

- Awareness of certain types of non-bank finance, such as P2P lending, continues to grow
- Awareness of where to get types of finance is plateauing, and in some cases falling, after a number of years of growth

Finance use

- Half (48%) of SMES have sought finance in the last three years - credit card finance, bank loans and overdrafts and leasing/HP are the most commonly sought
- Fewer are seeking finance for working capital than in 2015 (42% vs. 53% in 2015) and more are seeking it for purchasing fixed assets (36% vs. 29% in 2015)
- The main bank is still the most likely first port of call when a finance need is identified and SMEs appear less likely to 'shop around' for finance than was the case 12 months ago

Summing up - 2

- This may be related to a high level of obtaining what they need first time - this has increased since 2015 (90% vs. 86%).
- It may also relate to the plateauing/falling awareness of where to get finance product types outlined - i.e. fewer SMEs are 'learning by doing'
- Those that didn't 'shop around' most commonly say it's because they have a longstanding or trusting relationship with that provider

Grant Funding

- Around one in ten SMEs recall obtaining grant funding in the last ten years
- This funding type is viewed as difficult and time-consuming to obtain, and therefore many SMEs do not consider it when they need finance

Summing up - 3

EU Referendum

- While many SMEs have not changed their approach as a result of the referendum result, a majority reported being unsure of the impact and the view on balance is that it will have a negative rather than positive impact on sales, growth and accessing finance
- Those in the production sector appear an exception however, in that they are more likely to think sales will increase than decrease as a result

Perceptions of raising finance and future use

- It remains the case that more SMEs perceive raising finance to be difficult rather than easy
- Most SMEs remain confident in their abilities to assess finance products offered by their own bank, other providers' products and applying for financing generally. Significant proportions are not confident though

Summing up - 4

Business performance and innovation

- Fewer SMEs are now expecting to grow (37% vs. 56% in 2015)
- There has been a similar decline in optimism in trading conditions over the next 12 months (27% expect conditions to improve vs. 44% in 2015) - possibly related to the EU referendum result
- One in five SMEs either exports or plans to in the next three years. Half of exporters perceive no main barrier to exporting though the most common concern is getting paid
- Two in five SMEs either are or are planning to innovate

Annex

Start up segment

Defined as SMEs less than 5 years old

- Start ups are more likely to have sought certain types of finance, such as grants, finance from Government schemes and loans from friends/family
- They are the segment most likely to consider equity funding (12% vs. 6% overall)
- Start ups are more likely to have sought only a small amount of external finance on the last occasion (47% had sought less than £5,000) and their finance is more likely to be sought for start up or expansion
- However, their attitude towards obtaining finance is more negative – they are more likely to think it is very difficult for small businesses to get finance (33%) and estimate fewer businesses are successful in obtaining finance
- They are generally optimistic that trading conditions will improve over the next 12 months (51% vs. 29% overall)
- Start ups are most likely to innovate and say they will make changes as a result of the EU referendum (60% and 29% respectively)

Scale up segment

Defined as SMEs 5+ years old and planning to grow

- This segment is the most knowledgeable about seeking and obtaining external finance - two in three (68%) are aware of at least six finance types or more
- Reflecting this, scale-ups are more likely to disagree that banks are the only source of external finance (78% disagree vs. 72% overall)
- They are more likely to have been successful in obtaining a larger number of finance types recently and more confident in their ability to assess and apply for finance. This group estimate more businesses are successful in obtaining finance
- Scale ups are more likely to seek loans from directors, third parties or via a P2P platform
- This segment is more optimistic about trading conditions over the next 12 months (49% expect conditions to improve vs. 27% overall)
- They are more likely than stay ahead businesses to export, innovate and to make changes as a result of the EU referendum (though aside from exporting, they are less likely than start ups to do these)

Stay ahead segment

Defined as SMEs 5+ years old and have no plans to grow

- The need and desire for external finance appears lowest in this segment. Stay aheads are more likely to have not considered raising external finance in the last five years (this was the case for 20% of them)
- They are less likely to have considered equity finance (96% have not), mainly on the grounds that they feel they do not need it
- These businesses are less likely to consider information on available finance forms as useful and less likely to seek external advice on finance
- Among those who have sought finance, this is more likely to be bank forms of finance such as an overdraft
- They are more negative about trading conditions over the next 12 months, but the least likely to make changes as a result of the EU referendum (86% have not and do not expect to make changes)
- Stay aheads are less likely to export (83% vs. 77% overall do not) or innovate (68% vs. 60% overall do not)

Devolved administrations

Scotland

- The banking landscape is different in Scotland to the rest of the UK, with SMEs there more likely to use RBS, Bank of Scotland and Clydesdale
- The finance products sought by Scotland-based SMEs differ in some ways too – they are more likely to have sought leasing/HP on the last occasion
- They are less likely to think banks treat small businesses the same as others (58% disagree vs. 46% overall) and more likely to strongly disagree that grant funding is easy to obtain (28% vs. 19% overall).

Wales

- SMEs based in Wales are more likely to agree that banks are the only source of external finance, and (perhaps related to this) more confident that they know where to obtain finance
- They are more likely to expect their turnover to stay about the same over the next 12 months (61% vs. 47% overall)
- Wales-based SMEs are less likely to export

N.B. While SMEs based in Northern Ireland were included in this study, separate analysis has not been possible due to the small number of interviews

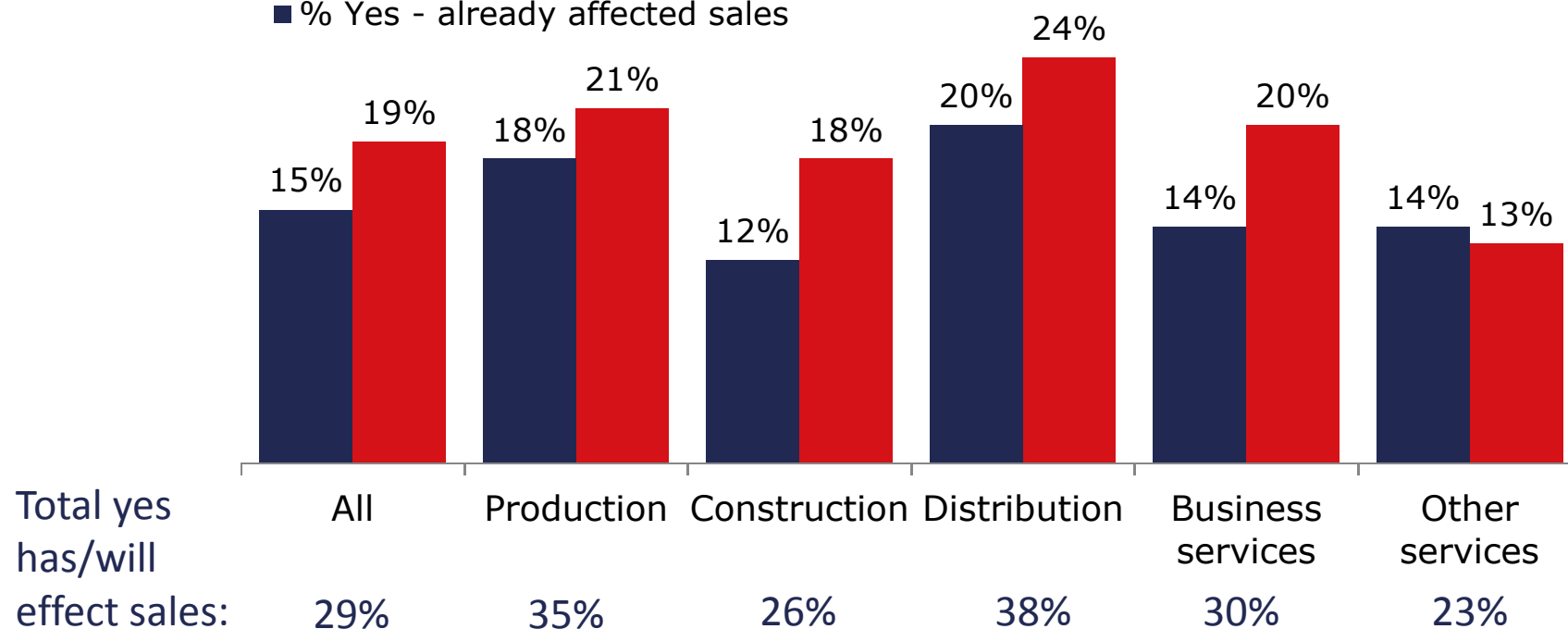
Those in distribution are most likely to experience or expect an impact on sales, those in other services are least likely

Impact of referendum on sales

Also impacting those with employees more
(Changes = 36% vs. 27% with no employees)

■ % Yes - will effect sales in next 12 months

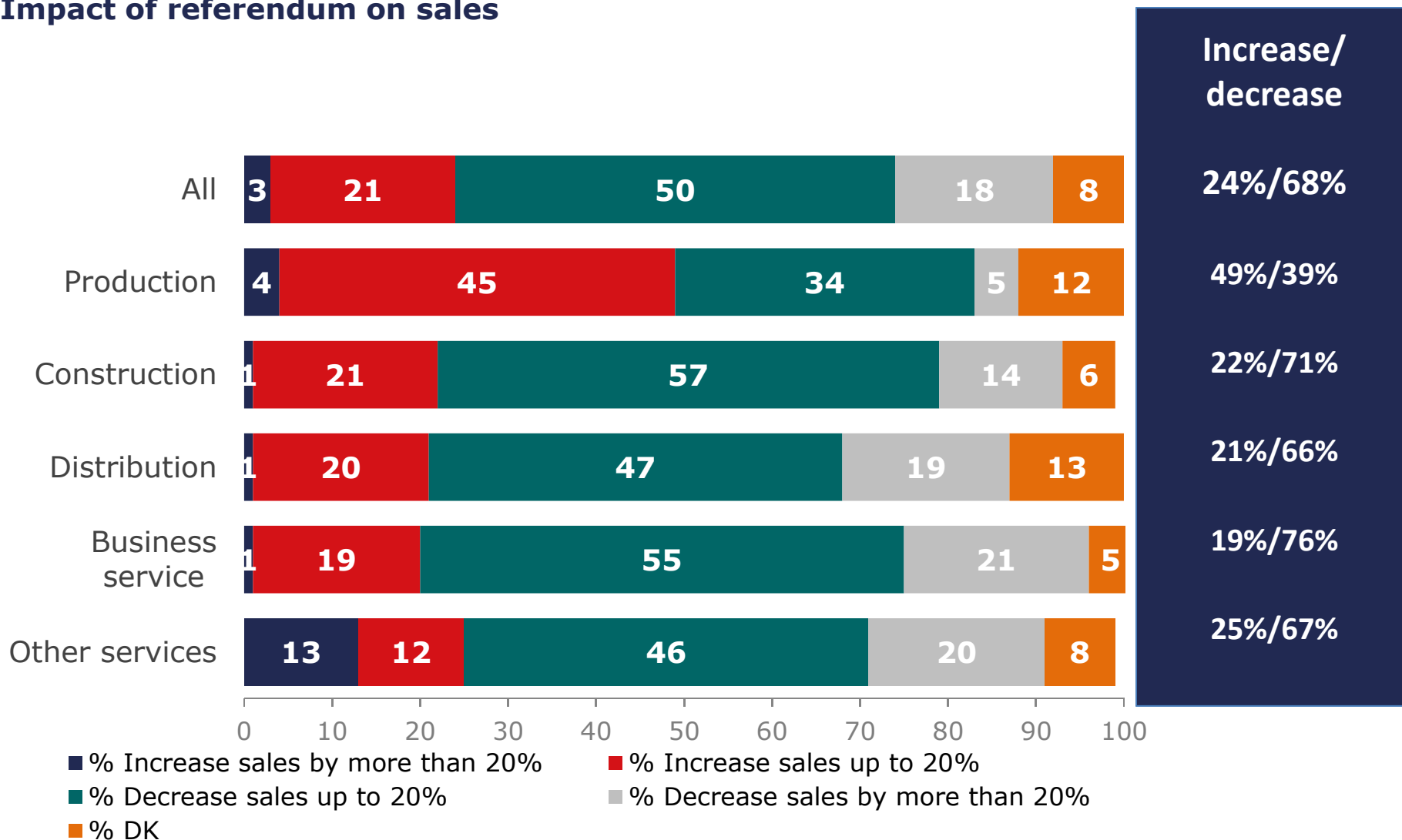
■ % Yes - already affected sales



Base = all SMEs (n=1,535 In 2016). Question C11 (multi code, prompted)

SMEs who expect a change to sales are more likely to expect a decrease – but those in production are positive

Impact of referendum on sales



Base = all SMEs that have or expect changes to sales as a result of referendum result (n=487 in 2016). Question C12 (single code, prompted)

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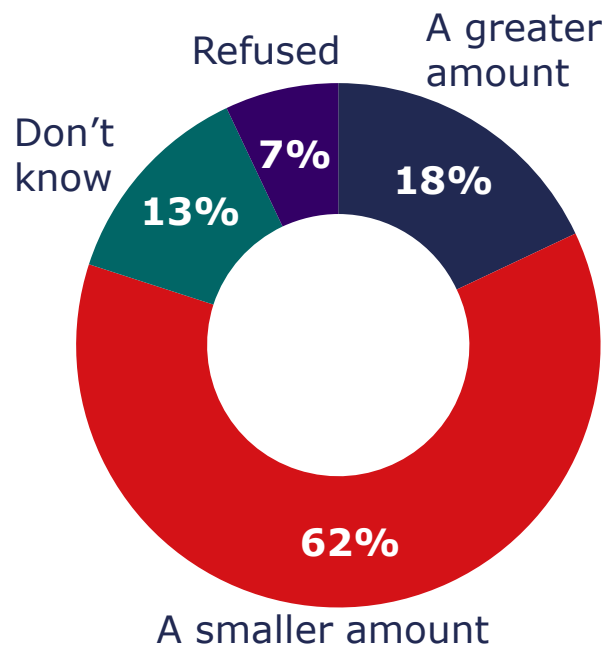
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Most expect to invest a smaller amount, but with staff and export changes the picture is more mixed

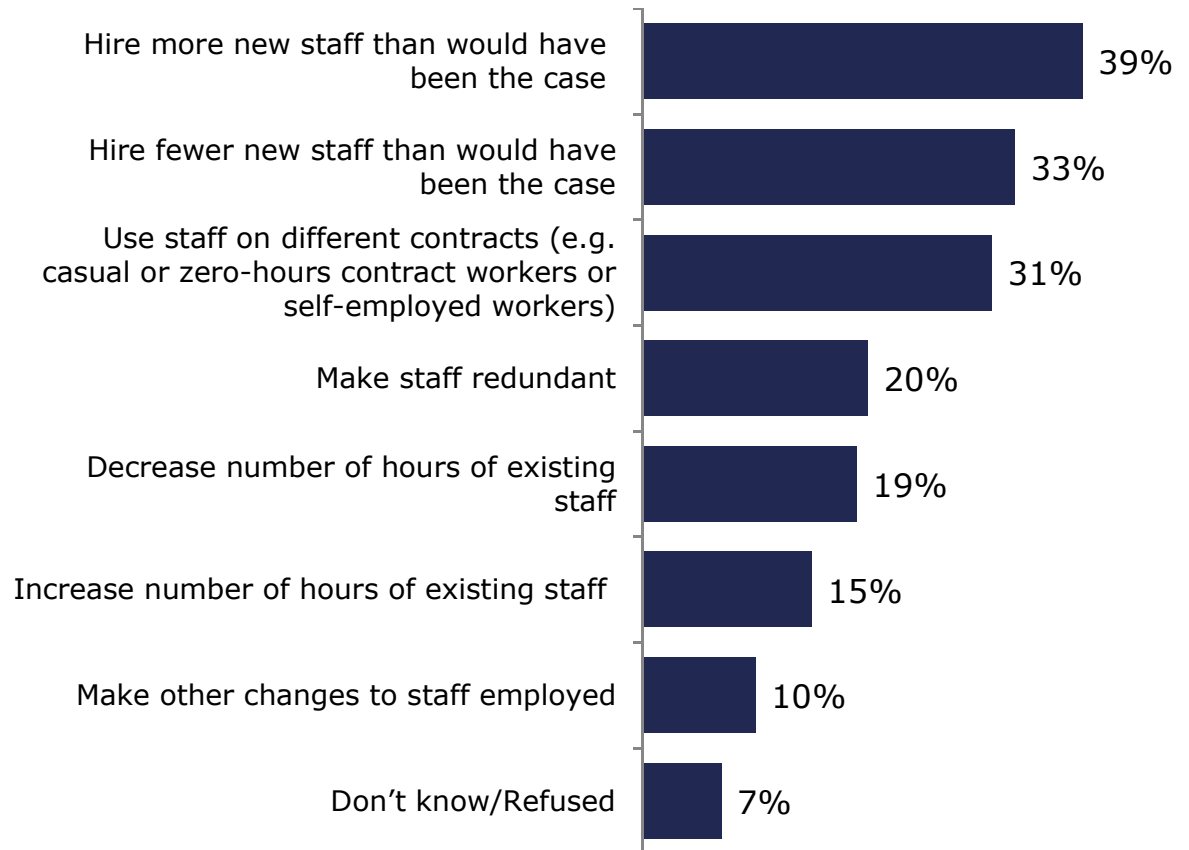
Changes to investment, staff and exports as a result of the EU referendum

Changes to investment



Among those who have/plan to change exports, 35% expect and increase and 45% a decrease

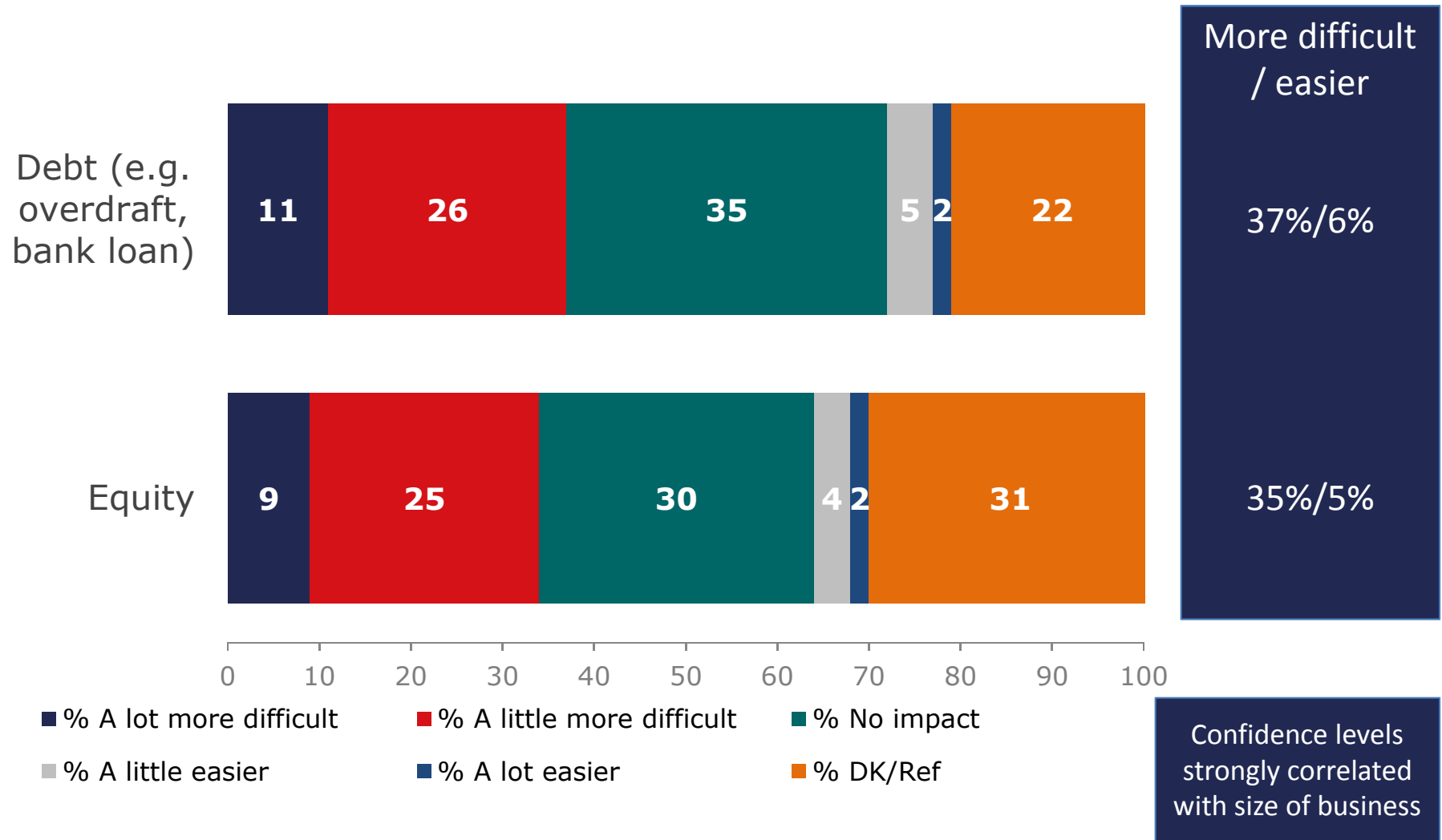
Changes to staff



Base = all who have already made or plan to make changes to investment (n=128 in 2016), all who have already made or plan to make changes to staff employed (n=153 in 2016), all who have already made or plan to make changes to exports (n=70 in 2016). Question C9 (single code, prompted), C10 (multi code, unprompted) and C13 (single code, prompted).

On balance more SMEs think obtaining equity or debt finance will be more difficult as a result of the referendum

Impact of referendum on obtaining debt and equity



Base = all SMEs (n=1,535 in 2016). Question C14 (single code, prompted)

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