

**Embargoed until 11.00 AM, Wed June 27<sup>th</sup>, 2018**

**NEW RESEARCH DEMONSTRATES THE GROWTH,  
INNOVATION AND EXPORT POTENTIAL OF CREATIVE  
BUSINESSES TO STRENGTHEN THE UK ECONOMY**

The research report, commissioned by the Creative Industries Council and conducted by BDRC with support from Creative England, explores the challenges and opportunities of creative businesses as they look to grow and develop their business, focusing on their experience of accessing finance to support their ambitions.

The UK's creative industries are a global success story, contributing £92bn to the UK economy in 2016, accounting for an estimated 284,000 enterprises – almost one in eight of all UK firms – and almost 2m UK jobs. This research outlines the opportunity for creative business to contribute even further, with the right access to finance being a key factor in their future growth.

Key findings from the research include:

- Creative businesses are ambitious with 75% planning to grow in the next 12 months, compared to half of SMEs overall (based on data from the SME Finance Monitor, see below\*)
- 80% of business demonstrated innovation in the last 3 years, compared to 46% of SMEs overall, with 75% developing a new product or service
- Creative businesses show a significant reliance on informal sources of funding from friends and family, with 27% of businesses using this source as opposed to 9% of businesses generally
- 61% are happy to use external finance to fuel business growth and development
- 67% believe that financiers found their sector hard to understand, and only 15% felt that they had always been able to access the funding they needed
- 67% of creative SMEs would welcome more information about preparing to attract external finance and 55% knew they needed to develop their management and financial skills in order to grow their business

The report also explains that creative businesses are often small and young, with 65% trading for 5 years or less and half of those owning or running a creative business aged under 45, 29% of which are run by women. Creative businesses are less likely to plan than SMEs generally – only 38% had a business plan - but are keen to access advice and support.

The full CIC ACCESS TO FINANCE research report can be found [here](#):

**Minister for Digital and the Creative Industries, Margot James, said:**

*“Britain’s creative industries are an economic and cultural powerhouse and it’s vital they can access the finance to allow them to grow and compete on the global stage.*

*“Through our modern Industrial Strategy we are creating investment and trade opportunities to boost the number of businesses exporting so more people can enjoy our world-class artistic and cultural output.”*

**Tim Davie CBE, Industry Co-Chair of the Creative Industries Council & Chief Executive of BBC Studios said:**

*“This research makes an important contribution to the creative industries growth agenda. It shows we are a sector dominated by ambitious, innovative, international businesses with the potential to deliver even greater value for the UK.*

*As we work to implement the Creative Industries Sector Deal, industry, government and the finance community must continue to work in partnership to make sure barriers to investment are removed so creative businesses and entrepreneurs across the country can reach their full potential.”*

**Caroline Norbury MBE, Chair of the Finance for Growth Group, Creative Industries Council & Chief Executive, Creative England said:**

*“This report confirms what experience has taught those of us working day to day in support of creative business across the country – that businesses in our sector are undercapitalised. Perhaps most powerfully, it demonstrates that creative businesses have something that no amount of support services can seek to instill – ambition.*

*Industry, government and the financial sector need to work together better to make sure those ambitious businesses have the right skills to attract the right investment to support their ambitions for growth, and in doing so the UK’s ambitions for growth in creative clusters up and down the UK.”*

\*Where possible, results from this survey have been compared to those of the SME population more broadly by drawing on the results from the SME Finance Monitor. The SME Finance Monitor figures quoted are for SMEs with employees, as most creative businesses have employees.

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## About the Creative Industries

The UK's creative industries are a global success story, contributing **£91.8bn\*** in Gross Value Added to the UK economy in 2016.

Creative industries account for an estimated **248,800** enterprises – or almost one in eight of all UK firms – and almost **2m UK jobs\*\***.

The creative industries exported **£21.2bn of services** and **£14.7bn of goods** in 2015\*\*\*, growing faster than exports in the rest of the UK economy.

For more statistics, visit [www.thecreativeindustries.co.uk](http://www.thecreativeindustries.co.uk)

\* Source: DCMS Sectors Economic Estimates 2016, GVA Report, November 2017

\*\* Sources: DCMS Economic Estimates, Employment, July 2017; DCMS Sectors Economic Estimates, Business Demographics, February 2018.

\*\*\* Source: DCMS Sectors Economic Estimates, Employment and Trade, July 2017

## About the Creative Industries Council

The council focuses on areas where there are barriers to growth facing creative sectors. Council members are leading figures drawn from across the creative and digital industries. Visit [this page](#) for more information.

To ensure Britain's world-leading creative industries remain a global creative powerhouse, government and the Creative Industries Council agreed a groundbreaking new Industrial Strategy deal. Read more here: [www.gov.uk/government/publications/creative-industries-sector-deal](http://www.gov.uk/government/publications/creative-industries-sector-deal)

## About Creative England

Creative England invests in and supports creative ideas, talent and businesses in film, TV, games and digital media. We aim to grow the brightest, the best, and those with the most promise so that individuals and businesses can achieve their full creative and commercial potential. We help identify future opportunities to grow the economy and generate jobs. [creativeengland.co.uk](http://creativeengland.co.uk)

## About BDRC

Founded in 1991 and headquartered in London, BDRC Group is a multi-award winning international consumer insight consultancy, conducting research in over 90 countries, with annual revenues of more than £25m and 170 staff. BDRC Group's businesses cover the full



range of research services, from data collection through to consultancy. Common to all is the mission to deliver clear insights that place the customer at the heart of our clients' strategic decisions.

In May 2018 BDRC Group became a member of the BVA Group. Paris-based BVA is a fast-growing challenger in the Consulting & Market Research global landscape, operating in 50 countries with more than 800 staff. With worldwide turnover of €190m, the Paris-based BVA Group also has offices in eleven global centres: New York, Chicago, London, Shanghai, Hong Kong, Frankfurt, Hamburg, Milan, Rome, Singapore and Geneva.