

# Small Business Overview - UK - November 2019

Report Price: £1495 | \$1995 | €1800

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

## This report looks at the following areas:

- The clouds are clearing the way for SMEs
- The under-used e-commerce opportunity

Small businesses are a hugely important element of the UK economy, and their role has increased in the last few years partly as a consequence of a faltering of larger company development in the light of economic uncertainties caused by Brexit, and partly as a result of greater numbers of self-employed individuals and the so-called gig economy.



“The small business sector is hugely diverse. While elements of the sector will grow and develop into medium/large businesses, this is not the sole objective of all small businesses. Economic marketing to the sector can be difficult partly because of the fragmentation and partly because the diverse objectives need to be recognised.”

– Terry Leggett, Senior Analyst

### Buy this report now

Visit [store.mintel.com](https://store.mintel.com)

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100

Report Price: £1495 | \$1995 | €1800

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

## Table of Contents

### OVERVIEW

- **What you need to know**
- **Covered in this Report**  
Figure 1: Definition of company sizes (number of staff and millions of euros for turnover or balance sheet)

### EXECUTIVE SUMMARY

- **The market**
- **Small businesses outperform other companies**  
Figure 2: Comparison of turnover development of small businesses, and medium and large enterprises, 2015-19  
Figure 3: Turnover analysis of small businesses, by size of company, 2015-19
- **Strong position in the non-profit sector**
- **Major turnover from wholesale/retail and construction**  
Figure 4: Breakdown of small business turnover, by sector, 2019
- **Highest market penetration in agriculture**  
Figure 5: Sector penetration of small businesses, by sector, 2019
- **London, the major regional market**  
Figure 6: Regional breakdown of small business turnover in the private sector, by region, 2019
- **Highest penetration is in Northern Ireland**  
Figure 7: economic penetration of regions by small businesses in the private sector, 2019
- **Companies and brands**
- **Hugely fragmented sector**  
Figure 8: Analysis of the small business sector, by number of companies, 2019  
Figure 9: Analysis of legal status of small businesses, 2019 (number)
- **What we think**

### ISSUES AND INSIGHTS

- **The clouds are clearing the way for SMEs**
- **The facts**
- **The implications**
- **The under-used e-commerce opportunity**
- **The facts**
- **The implications**

### What's included

- Executive Summary
- Full Report PDF
- Infographic Overview
- Powerpoint Presentation
- Interactive Databook
- Previous editions

### Did you know?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

### Buy this report now

Visit	store.mintel.com
EMEA	+44 (0) 20 7606 4533
Brazil	0800 095 9094
Americas	+1 (312) 943 5250
China	+86 (21) 6032 7300
APAC	+61 (0) 2 8284 8100

Report Price: £1495 | \$1995 | €1800

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

THE MARKET – WHAT YOU NEED TO KNOW

- **An important sector to the economy**
- **Very diverse sector involvement**
- **Geographically diverse too**

MARKET SIZE

- **Small businesses bounce back**  
Figure 10: Turnover development of small businesses, 2015-19
- **Small businesses outperforming the market in the medium term**  
Figure 11: Comparison of turnover development of small businesses, and medium and large enterprises, 2015-19
- **The role of the small business**  
Figure 12: The role of the small business, 2019

MARKET SEGMENTATION BY SIZE OF COMPANY

- **Micro companies fuel turnover growth**  
Figure 13: Turnover analysis of small businesses, by size of company, 2015-19
- **Private sector dominates activity**

MARKET SEGMENTATION BY INDUSTRY

- **Overview**  
Figure 14: Breakdown of small business turnover, by sector, 2019  
Figure 15: Sector penetration of small businesses, by sector, 2019
- **The role of the sole trader**  
Figure 16: Sector penetration of sole traders, by sector, 2019
- **Other micro businesses**  
Figure 17: Sector penetration of other micro companies, by sector, 2019
- **Other small businesses**  
Figure 18: Sector penetration of other small companies, by sector, 2019
- **Agriculture, forestry and fishing**  
Figure 19: Breakdown of the agriculture, forestry and fishing sector turnover, by size of company, 2019 (£ billion)
- **Mining and quarrying, utilities and waste**  
Figure 20: Breakdown of the mining and quarrying, utilities and waste sector turnover, by size of company, 2019 (£ billion)
- **Manufacturing**

What's included

- Executive Summary
- Full Report PDF
- Infographic Overview
- Powerpoint Presentation
- Interactive Databook
- Previous editions

Did you know?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit	store.mintel.com
EMEA	+44 (0) 20 7606 4533
Brazil	0800 095 9094
Americas	+1 (312) 943 5250
China	+86 (21) 6032 7300
APAC	+61 (0) 2 8284 8100

Report Price: £1495 | \$1995 | €1800

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 21: Breakdown of the manufacturing sector turnover, by size of company, 2019 (£ billion)

- Construction**

Figure 22: Breakdown of the construction sector turnover, by size of company, 2019 (£ billion)

- Wholesale and retail**

Figure 23: Breakdown of the wholesale and retail sector turnover, by size of company, 2019 (£ billion)

- Transportation and storage**

Figure 24: Breakdown of the transportation and storage sector turnover, by size of company, 2019 (£ billion)

- Accommodation and food services**

Figure 25: Breakdown of the accommodation and food service sector turnover, by size of company, 2019 (£ billion)

- Information and communication**

Figure 26: Breakdown of the information and communication sector turnover, by size of company, 2019 (£ billion)

- Financial and insurance activities**

- Real estate**

Figure 27: Breakdown of the real estate sector turnover, by size of company, 2019 (£ billion)

- Professional, scientific and technical activities**

Figure 28: Breakdown of the professional, scientific and technical activities sector turnover, by size of company, 2019 (£ billion)

- Administrative and support services**

Figure 29: Breakdown of the administrative and support services sector turnover, by size of company, 2019 (£ billion)

- Education**

Figure 30: Breakdown of the education sector turnover, by size of company, 2019 (£ billion)

- Human health and social work activities**

Figure 31: Breakdown of the human health and social work sector turnover, by size of company, 2019 (£ billion)

- Arts, entertainment and recreation**

Figure 32: Breakdown of the arts, entertainment and recreation sector turnover, by size of company, 2019 (£ billion)

- Other service activities**

Figure 33: Breakdown of the other service activities sector turnover, by size of company, 2019 (£ billion)

### What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

### Did you know?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

### Buy this report now

Visit [store.mintel.com](https://store.mintel.com)

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100



Report Price: £1495 | \$1995 | €1800

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

MARKET SEGMENTATION BY REGION

- Overview**

Figure 34: Regional breakdown of small business turnover in the private sector, by region, 2019

Figure 35: economic penetration of regions by small businesses in the private sector, 2019
- Sole traders**

Figure 36: economic penetration of regions by sole traders in the private sector, 2019
- Other micro businesses**

Figure 37: economic penetration of regions by other micro businesses in the private sector, 2019
- Other small businesses**

Figure 38: economic penetration of regions by other small businesses in the private sector, 2019
- North East**

Figure 39: Breakdown of the North East economy, by size of company, 2019
- North West**

Figure 40: Breakdown of the North West economy, by size of company, 2019 (£ billion)
- Yorkshire and the Humber**

Figure 41: Breakdown of the Yorkshire and the Humber economy, by size of company, 2019 (£ billion)
- East Midlands**

Figure 42: Breakdown of the East Midlands economy, by size of company, 2019 (£ billion)
- West Midlands**

Figure 43: Breakdown of the West Midlands economy, by size of company, 2019 (£ billion)
- East of England**

Figure 44: Breakdown of the East of England economy, by size of company, 2019 (£ billion)
- London**

Figure 45: Breakdown of the London economy, by size of company, 2019 (£ billion)
- South East**

Figure 46: Breakdown of the South East economy, by size of company, 2019 (£ billion)
- South West**

Figure 47: Breakdown of the South West economy, by size of company, 2019 (£ billion)
- Wales**

**What's included**

- Executive Summary

---

- Full Report PDF

---

- Infographic Overview

---

- Powerpoint Presentation

---

- Interactive Databook

---

- Previous editions

---

**Did you know?**

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

**Buy this report now**

Visit	store.mintel.com
EMEA	+44 (0) 20 7606 4533
Brazil	0800 095 9094
Americas	+1 (312) 943 5250
China	+86 (21) 6032 7300
APAC	+61 (0) 2 8284 8100

Report Price: £1495 | \$1995 | €1800

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 48: Breakdown of the Wales economy, by size of company, 2019 (£ billion)

- Scotland**

Figure 49: Breakdown of the Scotland economy, by size of company, 2019 (£ billion)

- Northern Ireland**

Figure 50: Breakdown of the Northern Ireland economy, by size of company, 2019 (£ billion)

**THE IMPACT OF THE ECONOMY**

- GDP**

Figure 51: Quarterly GDP development, Q1 2015–Q2 2019

Figure 52: GDP quarterly development, by sector, 2004–19

Figure 53: Forecast GDP development, 2019–23

**MARKET TRENDS**

- Business churn**

Figure 54: Business births and deaths, 2012–17

Figure 55: Business start-ups in the UK, by sector, 2015–17 (000s)

Figure 56: Business deaths in the UK, by sector, 2017

Figure 57: Business start-ups in the UK, by Region, 2013–17

- Employment costs**

- National Minimum Wage and National Living Wage**

Figure 58: The development of the NMW and NLW, 1999–2019 (£s per hour rate)

- Workplace pensions**

Figure 59: Composition and progression of workplace pension contributions, 2012–19 (% of earnings)

- Apprenticeship Levy**

- Other costs – business rates**

- Remote working**

Figure 60: Number of homeworkers in the UK, 2012–18

**MARKET DRIVERS**

- The Brexit issues**

Figure 61: SME expected impact of Brexit, 2019

Figure 62: Proportion of SMEs with international staff, by company size, 2019

Figure 63: Proportion of companies exporting, by company size, 2019

- Access to finance**

Figure 64: Proportion of small companies reporting a funding need, by size of company and quarter, 2018–19

**What's included**

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

**Did you know?**

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

**Buy this report now**

Visit [store.mintel.com](https://store.mintel.com)

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100

Report Price: £1495 | \$1995 | €1800

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 65: Reasons for small business funding need, year ending Q2 2019 (% of companies with funding need)  
 Figure 66: Likely funding requirement of small businesses with a need for funding, year ending Q2 2019 (% of companies with a funding need)  
 Figure 67: Steps taken by small businesses with a need for funding, year ending Q2 2019 (% of companies with a funding need)

- **Small business grants**
- **Digital developments**
- **Internet access and usage**

Figure 68: Worldwide Internet usage, BY region 2010-19 (Millions and %)

- **Broadband**

Figure 69: Proportion of businesses with Internet access and type of connection, by number of employees, 2013-17 (%)  
 Figure 70: Proportion of businesses by maximum contracted internet connection speed, by number of employees, 2013-17 (%)

- **Websites**

Figure 71: Proportion of companies operating a website, by size of company, 2017

- **Cloud computing**

Figure 72: Cloud services penetration, by company size, 2017

- **Serviced offices**

Figure 73: Market for serviced offices, 2014-18 actual and 2019-24 forecast

**INDUSTRY STRUCTURE**

- **Industry composition**

Figure 74: Analysis of the small business sector, by number of companies, 2019  
 Figure 75: Analysis of the small business sector, by employment, 2019 (000s employed)  
 Figure 76: Analysis of the small business sector, by turnover, 2019 (£ billion)

- **Activities**

Figure 77: Activity breakdown of small businesses, by sector, 2019

- **Regional activity**

Figure 78: Regional breakdown of small businesses, by region, 2019

- **Legal status**

**What's included**

- Executive Summary
- Full Report PDF
- Infographic Overview
- Powerpoint Presentation
- Interactive Databook
- Previous editions

**Did you know?**

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

**Buy this report now**

Visit	store.mintel.com
EMEA	+44 (0) 20 7606 4533
Brazil	0800 095 9094
Americas	+1 (312) 943 5250
China	+86 (21) 6032 7300
APAC	+61 (0) 2 8284 8100



Report Price: £1495 | \$1995 | €1800

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 79: Analysis of legal status of small businesses, 2019 (number)

APPENDIX – DATA SOURCES, ABBREVIATIONS AND SUPPORTING INFORMATION

- Abbreviations
- Methodology

What's included

- Executive Summary
- Full Report PDF
- Infographic Overview
- Powerpoint Presentation
- Interactive Databook
- Previous editions

Did you know?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit	store.mintel.com
EMEA	+44 (0) 20 7606 4533
Brazil	0800 095 9094
Americas	+1 (312) 943 5250
China	+86 (21) 6032 7300
APAC	+61 (0) 2 8284 8100



## About Mintel

Mintel is the **expert in what consumers want and why**. As the world's leading market intelligence agency, our analysis of consumers, markets, product innovation and competitive landscapes provides a unique perspective on global and local economies. Since 1972, our predictive analytics and expert recommendations have enabled our clients to make better business decisions faster

Our purpose is to help businesses and people grow. To find out how we do that, visit **[mintel.com](https://www.mintel.com)**.