

West London Business

Business Sentiment Survey 2011

Summary Report of Key Findings

May 2011



**West
London
Business**



**WESTLONDON
PARTNERSHIP**



West London Business

Business Sentiment Survey 2011 - Summary Report of Key Findings

Prepared for:
West London Business
5th Floor, One Lampton Road
Hounslow
Middlesex TW3 1JB



Prepared by:
Vicky Whiting
BDRC Continental
229/231 High Holborn
London WC1V 7DY
t: 020 7490 9139
www.bdrc-continental.com

providing intelligence

Contents

| | Page No. |
|--|----------|
| 1. Executive Summary..... | 2 |
| 1.1 Key findings..... | 2 |
| 2. Background and objectives | 6 |
| 3. Methodology | 7 |
| 3.1 Sample overview | 8 |
| Main findings..... | 9 |
| 4.1 West London business environment | 9 |
| 4.2 Business performance..... | 12 |
| 4.3 Businesses exporting / innovating..... | 20 |
| 4.4 Heathrow importance / Transport initiatives..... | 23 |
| 4.5 Business support requirements | 26 |
| 5. Summary conclusions..... | 31 |
| 6. Technical appendices | 33 |
| 6.1 Fieldwork..... | 33 |
| 6.2 Response Rate..... | 33 |
| 6.3 Weighting | 34 |
| 6.4 Non response | 35 |
| 6.5 Sample profile..... | 36 |
| 7. Questionnaire..... | 38 |

1. Executive Summary

2011 marks the fourth consecutive year the West London Business Sentiment Survey (BSS) has been conducted. 262 respondents from varying sized businesses located in West London completed this year's survey between March 2nd and April 18th. Results were weighted to match the profile of businesses in the area by size and borough, matching the profile used in the 2010 BSS (detailed in the Appendices).

1.1 Key findings

There were improved perceptions of West London as a business location, with more businesses agreeing that remaining in West London will facilitate growth.

- The vast majority, 85 per cent, agreed that they have no plans to move out of West London. This figure rose to 88 per cent for the larger businesses (50+ employees)
- Similarly with last year, three quarters would recommend West London as a good location for new businesses
- The main reason to remain in West London was for good access to markets/clients, which had risen this year from 24 per cent to 28 per cent for all businesses
- 77 per cent of all businesses agreed that West London was a good location for businesses to grow; this was a significant increase from the 2010 figure (69 per cent).

Costs and prices were reported to have risen significantly from 2010 with further rises anticipated.

- As in 2010, sales and turnover levels were static while profitability had declined overall
- Costs increased significantly for businesses over the last 12 months moving from +36 per cent net balance reported in 2010 to +61 per cent this year and led 'Increasing running costs' to be reported as the main concern with 87 per cent of businesses concerned
- Over the past 12 months larger businesses have increased the level of investment in their business, whilst micros have experienced reduced levels of sales and profitability
- Looking ahead, +47 per cent balance of businesses expect prices to rise compared to +24 per cent balance in 2010, while +69 per cent balance foresee cost rises compared to +52 per cent balance reported in 2010.

Employment factors remained static while fewer businesses were looking to increase ‘spend on training’ and ‘employment of apprentices’ compared to last year.

- A net balance¹ +17 per cent of businesses expected an increase in the number of employees, compared to +18 per cent in 2010
- Micro businesses were more cautious in their approach to employment as they revealed concerns with the availability of candidates with relevant skill levels (reporting a significantly lower balance for 2010 and lower expectations for 2011 compared to small and mid-large businesses)
- Overall spend on training fell from +19 per cent balance in 2010 to +13 per cent in 2011
- Smaller businesses were more likely to increase employee numbers with +31 per cent increase, compared with just +5 per cent for larger businesses.

Almost half of all businesses were planning some form of change to their commercial premises in the next 12 months.

- 14 per cent of all businesses planned expansion whilst 12 per cent of all businesses plan to be downsizing in the next year
- A further fifth of businesses intended to refurbish during 2011, whilst 14 per cent were considering moving
- Over one third (35 per cent) of businesses that grew in the last 12 months were planning to expand their commercial premises next year.

The proportion of businesses exporting had risen significantly from 2010 with growing interest in Africa, Asia and North America.

- The percentage of businesses exporting increased significantly from 17 per cent in 2010 to 28 per cent this year
- The largest increases in exporting were to Africa and Asia (particularly China), whilst exporting to Europe remained static

Net balance

Note that the net balance is the percentage of respondents replying ‘increase’ minus the percentage replying ‘decrease’ and we ignore, for this purpose, the percentage replying ‘the same’

- North America was the region most businesses planned to increase exporting to, rising from 15 per cent in 2010 to 28 per cent
- Slightly more businesses were innovating, rising from 61 per cent in 2010 to 68 per cent in 2011.

Heathrow continues to be strongly recognised as an important factor to the West London economy, with larger businesses again most likely to consider Heathrow important to their own business.

- Just 8 per cent of all businesses consider the importance of Heathrow not important to the West London economy (showing no change from 2010)
- The importance of Heathrow to their own business was significantly greater for mid-large businesses this year (net 51 per cent important).

Transport initiatives increased in importance to West London businesses overall, with local bus services rating highest for the second consecutive year (59 per cent net important).

- Larger businesses were the most concerned about each transport initiative including local bus services, sustainable transport options, Crossrail and Airtrack
- Boroughs closer to Heathrow (Hillingdon, Hounslow and Ealing) rated transport initiatives such as Crossrail & Airtrack with a greater importance

Developing new contacts through networking' and 'Sales and marketing' were the top business support requirements

- Over two thirds (69 per cent) rated 'developing new contacts through networking' as the main business support requirement, driven mainly by mid-large businesses (76 per cent) and micro businesses (70 per cent)
- A third of all businesses (30 per cent) chose 'International trade / Exporting' as an area of the business that requires external support, increasing from 23 per cent in 2010
- Small businesses showed a significantly higher requirement for support when 'Dealing with staff issues/ Human resources' than micros or mid-large businesses.

Peers/colleagues were the most likely source of support, followed closely by professional advisers such as accountants, consultants etc.

- Larger businesses were significantly more likely to use professional advisers (net 47 per cent very likely) than small (34 per cent) and micro businesses (31 per cent)
- 1 in 10 were likely to use West London Business, representing no change from 2010

Optimism for own business prospects remained significantly higher than optimism in the wider economy. Although since 2010, businesses have developed an increasingly pessimistic outlook on the business climate for their own industry / sector.

- Micro businesses were driving this pessimism in their businesses industry/sector (-16 per cent net balance)
- Mid-large businesses maintained the higher level of optimism in their business prospects seen in 2010 compared to their smaller counterparts
- West London Business results were aligned with the BDRC Continental economic confidence tracker placed from our Business Omnibus. The results were similar, as there is typically a higher level of optimism in own trading prospects than the wider economy

2. Background and objectives

West London Business provides support and representation across businesses in the six West London boroughs: Brent, Ealing, Hammersmith & Fulham, Harrow, Hillingdon and Hounslow. Lobbying on behalf of these boroughs and representing the views of the business community, West London Business is well-placed to promote economic development and assist innovation and entrepreneurial activity in the area. West London is a large and dynamic economy, producing a large share of the Gross Added Value to the London economy.

The West London Business Sentiment Survey (BSS) had been conducted annually at the beginning of each year since 2008, tracking trends and identifying the latest issues among businesses operating in the West London area. The objectives of this latest research were to:

- understand the current business environment in the area;
- determine future challenges and potential for growth or decline;
- track trends over time;
- inform lobbying for resources from regional and national government; and
- inform the direction of WLB and support required by businesses in the area.

The results have been analysed over time since 2008, and by size across the following business size bands:

- Micro = 1–9 employees
- Small = 10–49 employees
- Mid-Large = 50+ employees

3. Methodology

The survey was consistent with the format of past West London Business Sentiment Surveys (BSS), although there were certain amendments made and additional questions incorporated following on from the 2010 wave. Businesses across West London were invited to participate in the online survey through a unique link sent via e-mail between March 1st and April 18th.

A combined total of 262 interviews were achieved in the 2011 sentiment survey. Telephone booster interviews were conducted between March 22nd and April 4th, prioritising larger businesses in West London. 25 interviews were completed via the open link which was publicised through the West London business website, as well as being sent via e-mail to several contacts not in the original sample file that were well-placed to answer the survey.

Potential respondents were incentivised to complete the survey with a prize draw. Those that had completed the 2010 BSS were invited to participate again this year, and this provided 100 completed questionnaires (yielding a response rate of 43 per cent). The overall response rate to the survey was 6 per cent.

All respondents were screened to ensure that their business was based within one of the six London boroughs in West London. The sample was weighted to match the profile of businesses in West London, by size and borough, according to the West London Economic Assessment statistics. The full weighting profile is detailed in the technical appendices. This was matched to the profile use for the 2010 BSS, enabling like-for-like comparisons to be made over time.

Any differences in results that are ²statistically significant over time have been circled: red for significant decrease, or green for significant increase. Significant differences between sub-groups, such as between varying sized businesses, are highlighted in this report with a black circle. For sub-groups where the base size is below 50, comparisons should be treated as 'indicative' rather than 'statistically robust'.

Net balance is the percentage remaining after all deductions have been made. It is calculated by subtracting those answering 'increase' minus those answering 'decrease'; we ignore those answering 'remained the same' for the purposes of this analysis.

² Statistical significance is calculated at the 95% confidence level, meaning that 95 times out of 100, the results between two data points will be significantly different.

3.1 Sample overview

The following chart shows the spread of interviews achieved between micro, small and mid-large businesses across each London borough. Micro sized businesses account for just under half of the total sample, with small and mid-large corporates comprising the remaining 53 per cent (unweighted).

Figure 3.1.1 – 2011 Interviews completed by size and borough

| | Micro (1-9) | Small (10-49) | Mid-Large (50+) | Total |
|---------------------------------|--------------------|----------------------|------------------------|-------------------|
| Brent | 10 | 10 | 6 | 26 |
| Ealing | 25 | 13 | 12 | 50 |
| Hammersmith & Fulham | 9 | 8 | 4 | 21 |
| Harrow | 21 | 7 | 3 | 31 |
| Hillingdon | 26 | 10 | 26 | 62 |
| Hounslow | 31 | 13 | 26 | 70 |
| TOTAL | 122 | 61 | 77 | 260 (262*) |

** 2 'Don't Know / Prefer not to say' responses for size*

A large majority of businesses surveyed were considered 'long-term', with 182 businesses operating in West London for over 10 years, whilst 21 interviews were achieved with businesses that had been based in the area for less than three years. 89 respondents were existing members of West London Business, whilst 71 of the total were from minority ownership businesses.

The BSS was answered by businesses in a spectrum of industry sectors, including: finance & business services, retail & wholesale, information & communications technology, construction, transport & distribution, education and healthcare amongst others. The full breakdown of interviews achieved by sector is detailed in the Appendices.

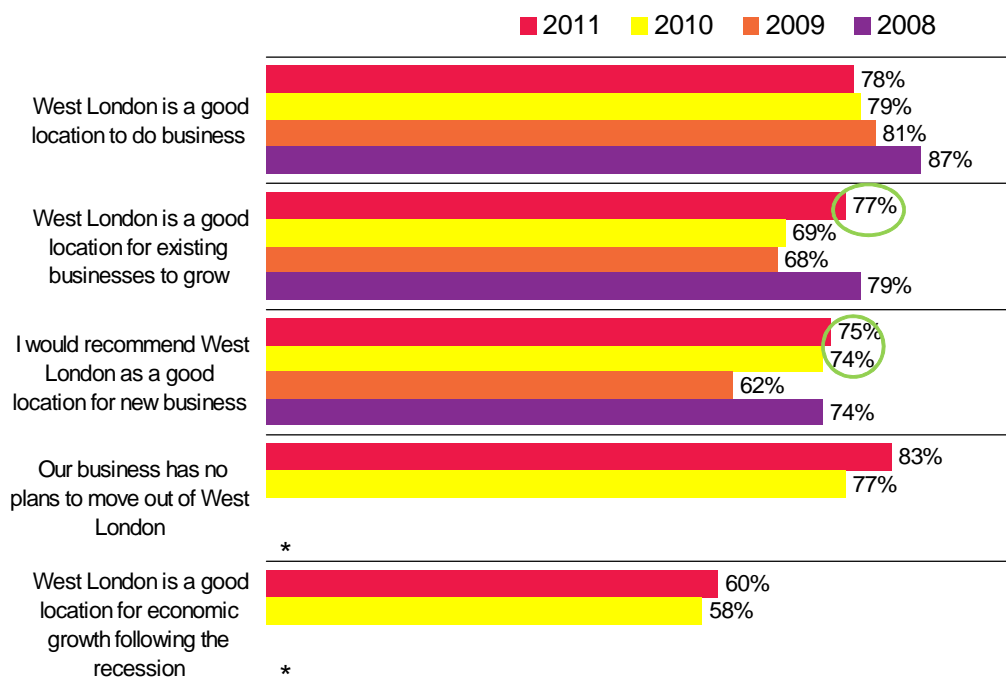
4. Main findings

4.1 West London business environment

A positive feeling towards West London has continued this year with almost 4 out of 5 businesses agreed that West London is a good location to do business; this figure was similar to previous years, although there had been a 9 per cent decline over a four year period since the survey commenced in 2008. On a positive note, businesses that would recommend West London had risen for the second consecutive year to 75 per cent - a significant increase when compared to 2009 (62 per cent).

Businesses agreeing that West London is a good location for growth following the recession increased significantly in 2011 to 77 per cent, driven mostly by small businesses (10-49 employees). More respondents agreed that they have no plans to move out of West London (83 per cent), which was highest among mid-large businesses (88 per cent for businesses with 50+ employees).

Figure 4.1.1 – Net agreement with statements to describe West London



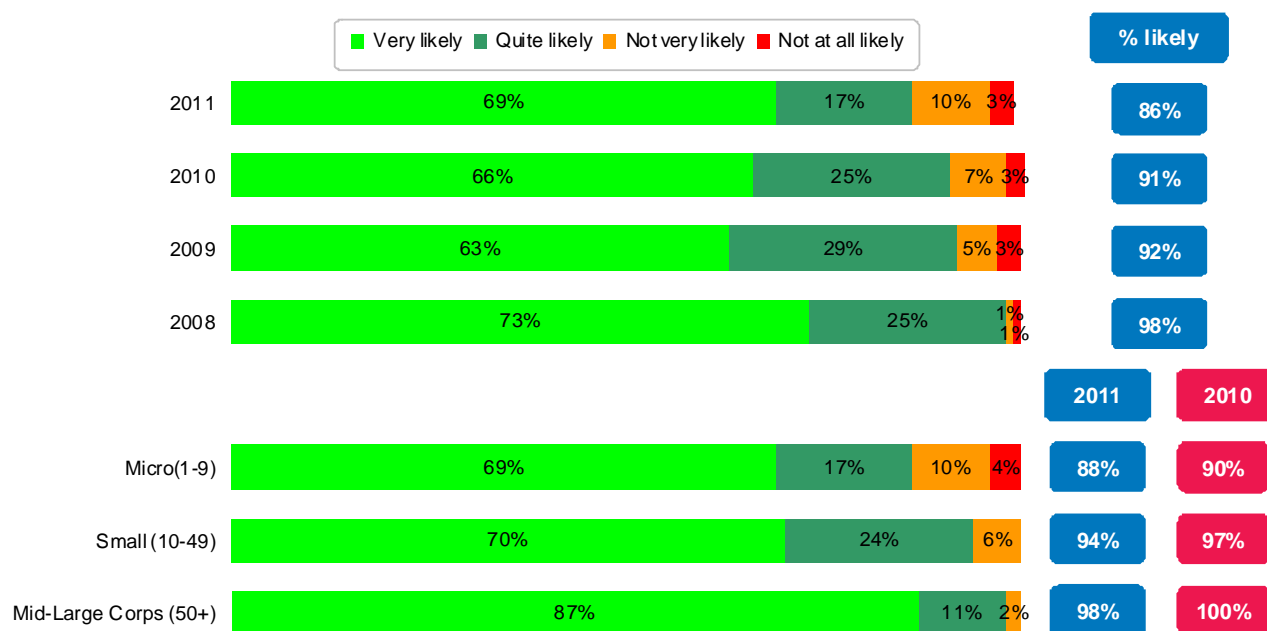
Q.5 Please state whether or not you agree with the following statements about West London - Summary on Agrees

Base : All respondents 262 / 334 / 450 / 242

* Question not asked on the 2008/09 survey

Likelihood to remain in West London for the next three years had dropped slightly to 86 per cent, from 91 per cent in 2010 and 98 per cent of the sample in 2008. However, slightly more businesses were 'very likely' to remain in West London, than reported in 2010. Particularly the mid-large businesses, with 87 per cent very likely, compared to 69 and 70 per cent for micro and small businesses respectively. This was the same trend as reported in 2010, although the 'very likely' figure was lower for large businesses then at 79 per cent. The proportion stating 'not at all likely' to remain in West London has steadily increased over time, from 1 per cent in 2008 to 10 per cent in 2010. Transport congestion and quality of life / environment were among the key reasons businesses were considering leaving their West London location. Fewer businesses stated 'increasing costs of commercial premises this year' but an increased number cited 'quality of business support available'.

Figure 4.1.2 – Likelihood to remain in West London



Q.10 How likely is it that your business will remain in your current West London location for the next 3 years?

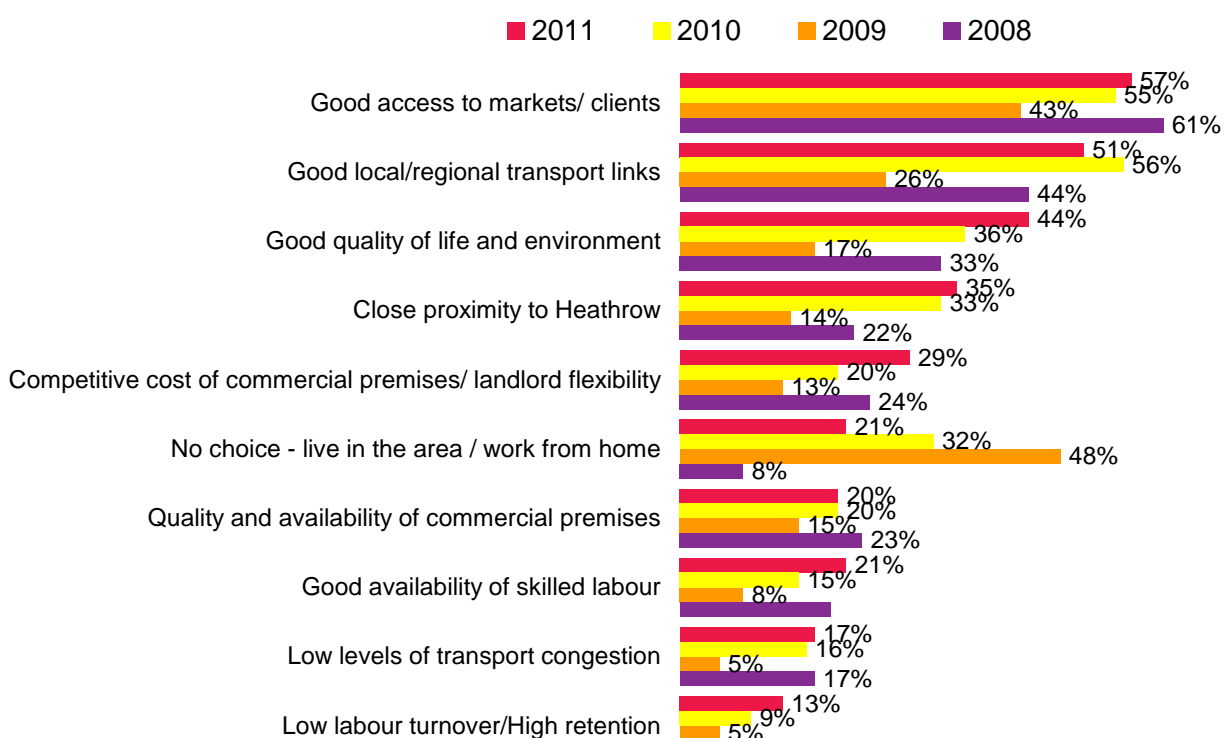
Base : All respondents 262 / 334 / 450 / 242 – 122 / 61 / 77

Of the 203 businesses that agreed their business had no plans to move from West London, the main factor keeping them there was 'good access to markets / clients' with 57 per cent. Good local / regional transport links was another important incentive to remain as 51 per cent of businesses gave this reason, although this had decreased slightly from 56 per cent in 2010.

Fewer respondents stated 'No choice / live in the area / work from home'; which is a reflection of the reduced number of micro businesses that were interviewed this year, as they are typically the most likely to select this reason.

Commercial premises was often cited as a reason to remain in West London, with 29 per cent of businesses highlighting the competitive cost, increasing from 20 per cent in 2010. 20 per cent of the 2011 sample also felt there was sufficient quality and availability of commercial premises in West London.

Figure 4.1.3 – Reasons why businesses remain in West London

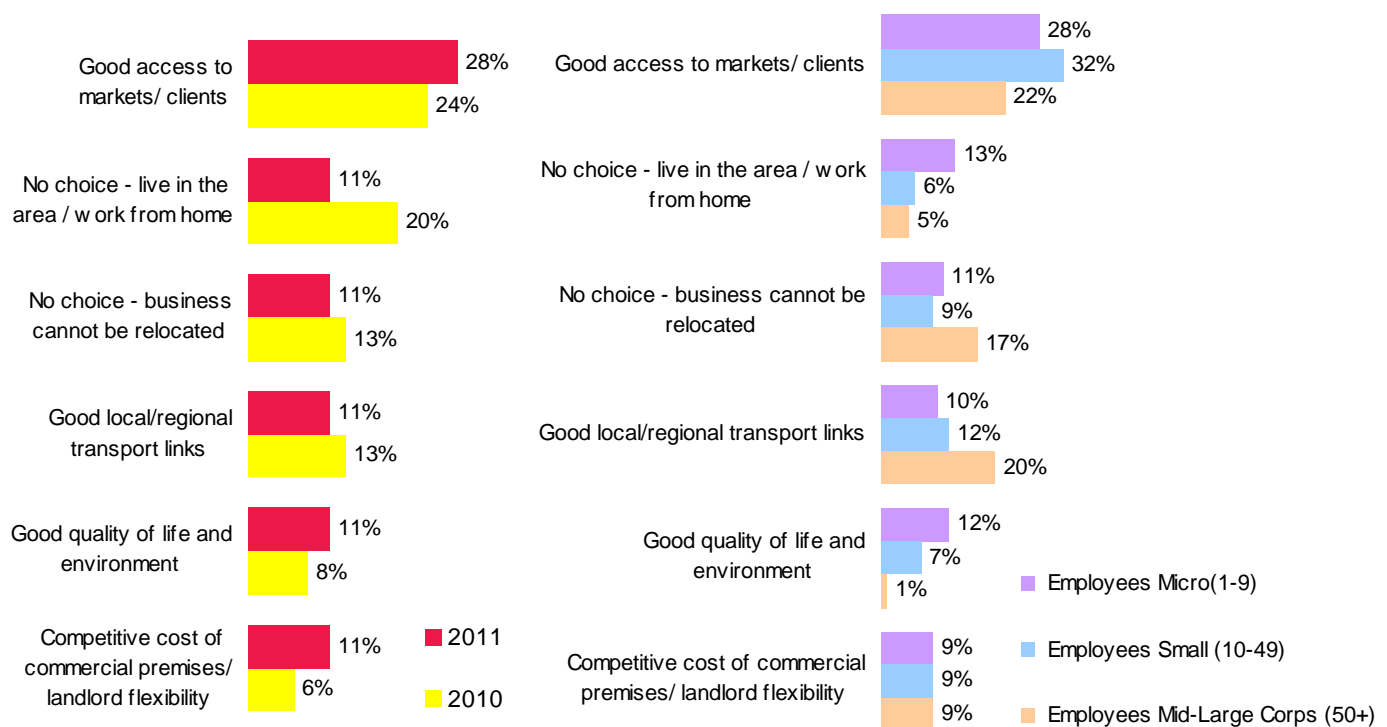


Q.5a Why do you expect to remain in West London?

Base: All who agree with 'Our business has no plans to move out of West London' and have been in West London more than 3 years (or will remain in West London in 2008/2009 survey) 203 / 252 / 414 / 233

Of all the options as to why businesses expect to remain in West London, respondents were then asked to select the most important factor. Good access to markets / clients was again reported as the most important, by 28 per cent of all businesses, whilst all other main reasons (charted in Figure 4.1.4) scored equally with 11 per cent. The good local / regional transport links reason was considered far more important to mid-large businesses (20 per cent) than to micro and small sized businesses (10 and 12 per cent respectively).

Figure 4.1.4 – Main reason why businesses remain in West London



Q.5b And which of the following is the MOST important factor?

Base : All who agree with 'Our business has no plans to move out of West London' and have been in West London more than 3 years: 203 / 252 - 86 / 50 / 66

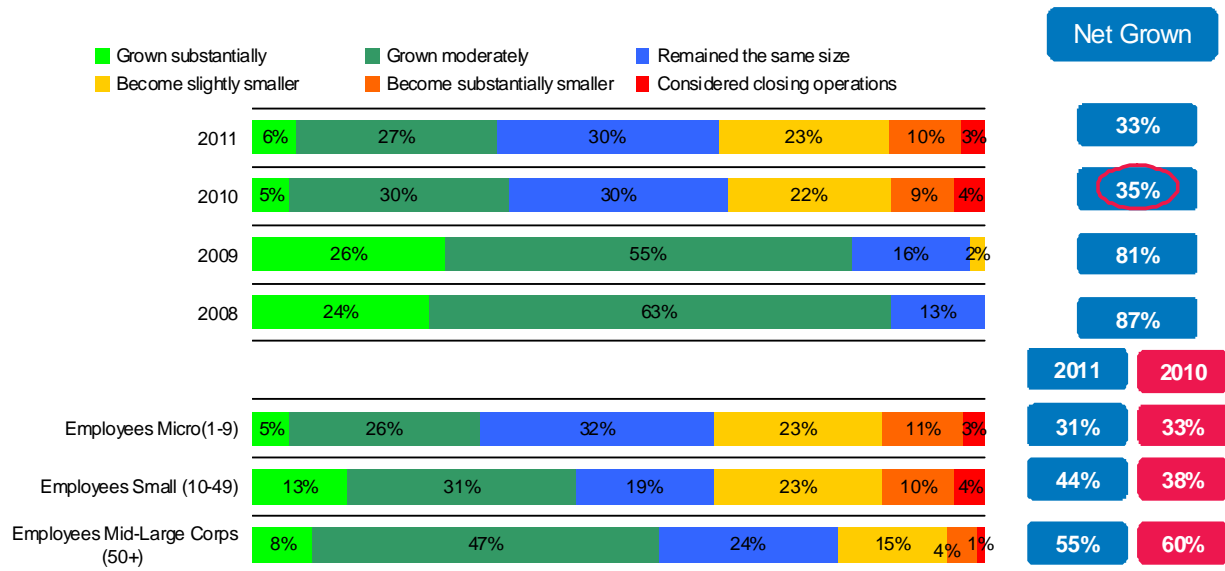
4.2 Business performance

Following a significant downturn in performance in 2010 as businesses were impacted by the effects of the recession, the results this year indicated that businesses continued to experience tentative growth. With just 33 per cent grown in the past 12 months and 35 per cent in 2010, these figures were significantly down on the highs of 2008 / 2009 (87 per cent / 81 per cent). Over the past year, businesses overall had remained relatively static in terms of performance, with almost equal proportions showing growth (33 per cent), as there was contracting (36 per cent).

Business performance also had a different impact depending on the size of the business, as mid-large businesses were most likely to report growth (55 per cent), whilst only 31 per cent of micros have grown in the past 12 months. The same size differences were seen in 2010, when

there was a wider gap for the proportions growing between the different size bands. Similarly, the proportion that had contracted increased for micro and small businesses, whilst a smaller proportion of mid-large businesses contracted, reducing from 24 per cent in 2010 to 20 per cent this year

Figure 4.2.1 – Business performance over past 12 months



Q.6 Thinking about your business performance over the past 12 months. Overall, has your business...

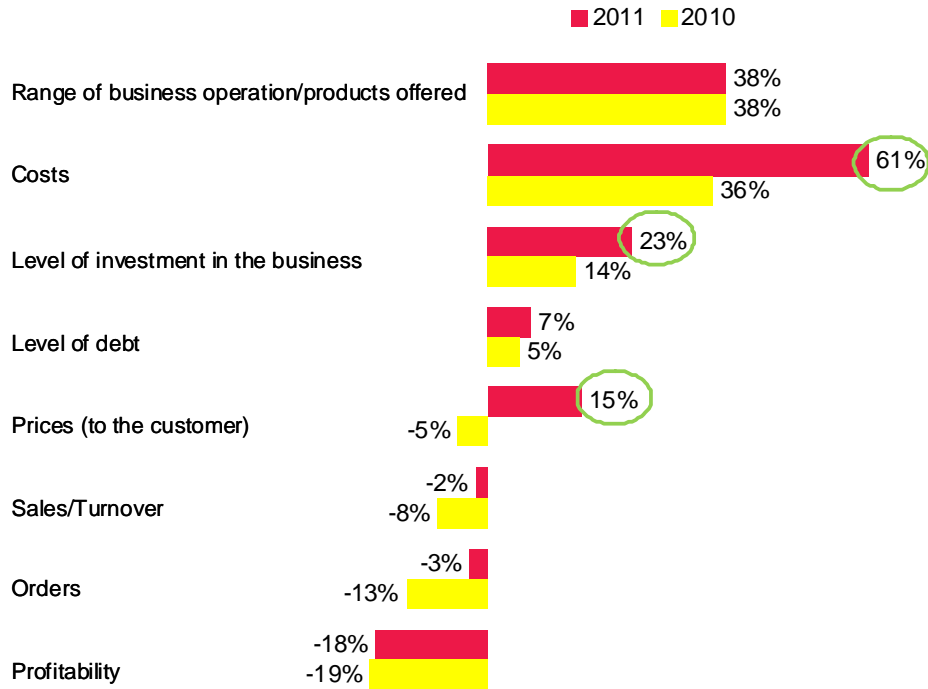
Base : All respondents: 262 / 334 / 450 / 242 – 122 / 61 / 77

Analysing the business trends over the past 12 months, there was a significant increase in costs, moving from net balance³ of +36 per cent in 2010 to +61 per cent in 2011. Similarly with prices to the customer, this had increased significantly from -5 per cent balance in 2010, to +15 per cent between 2010 and 2011.

³ Net balance

Note that the net balance is the percentage of respondents replying 'increase' minus the percentage replying 'decrease' and we ignore, for this purpose, the percentage replying 'the same'

Figure 4.2.2 – Business trends over the past 12 months

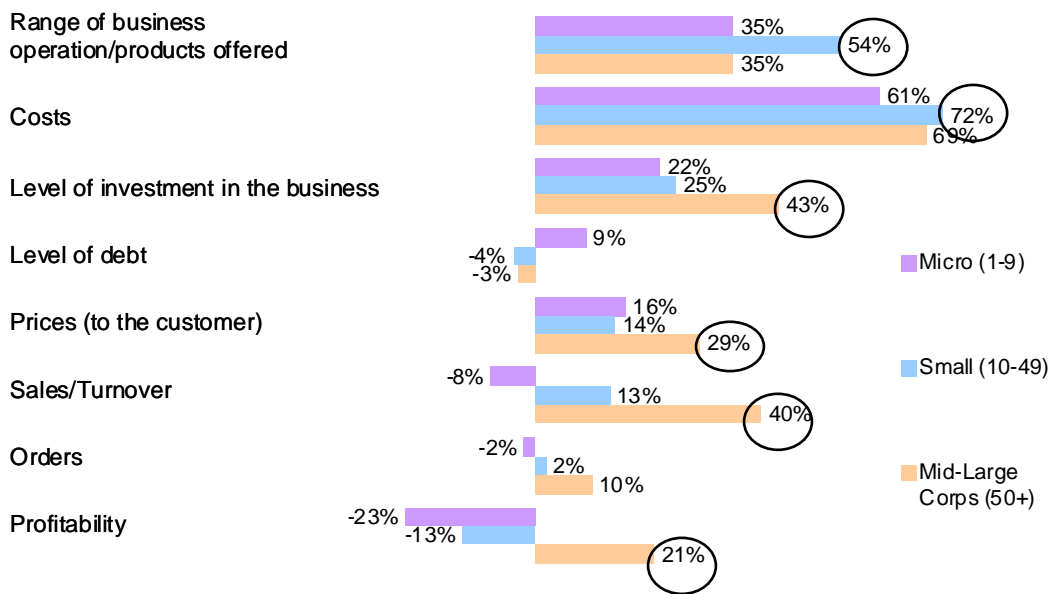


Q.7 Excluding seasonal variations, over the past 12 months what has been the trend in your business for each of the following? - Summary on Increase-Decrease

Base : All respondents 262 / 334

Sales and turnover continued to remain in the negative with -2 per cent net balance; although this was an improvement on the -8 per cent reported in 2010. The negative sales and turnover balance was mainly driven by the micro businesses, whilst mid-large businesses were far more positive with a significantly higher net balance of +40 per cent. Similarly, more mid-large businesses experienced profitability rises than micro and smaller sized businesses, which indicated that they had been better equipped to handle the rising costs that impacted all businesses throughout 2010. Prices also saw a significant overall rise from 2010, with mid-large corporates the most likely to report price rises.

Figure 4.2.3 – Business trends over the past 12 months by size of business

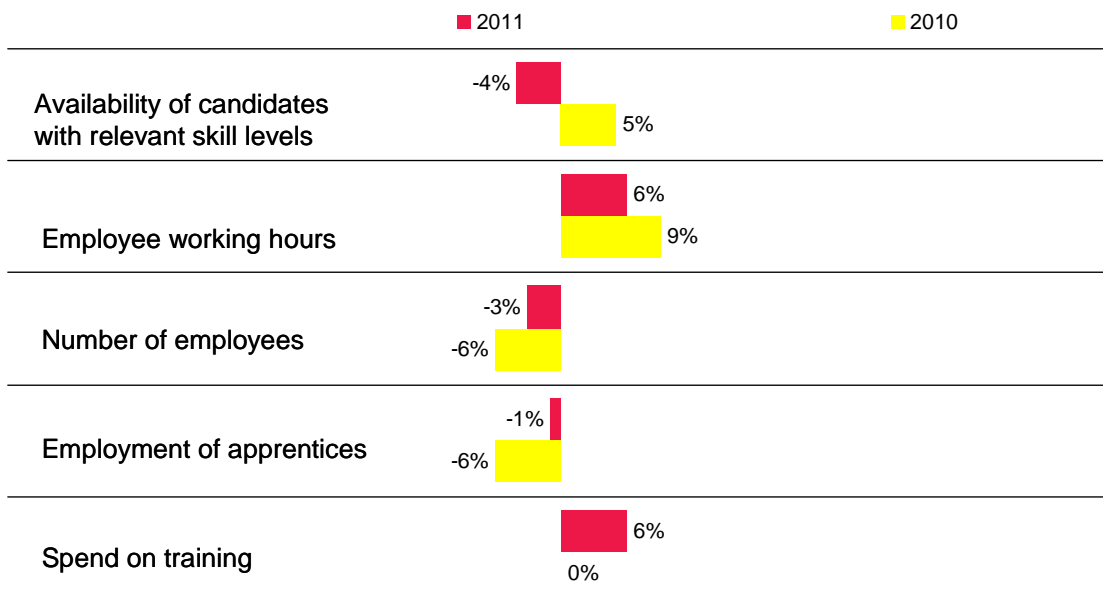


Q.7 Excluding seasonal variations, over the past 12 months what has been the trend in your business for each of the following? - Summary on Increase-Decrease

Base : All respondents: 122 / 61 / 77

Overall, there was very little change reported in employment levels between 2010 and 2011, with the balance number of employees slightly in the negative at -3 per cent, although this represented a marginal improvement from the -6 per cent reported in 2010. There was greater variation by size of business, with micro businesses most likely to identify skills shortage and to be spending less on training and apprenticeships. While small and mid-large businesses reported a positive net balance for candidate availability, employment of apprentices and spend on training. All businesses reported an overall rise in employee working hours, with a balance that increased with size of business.

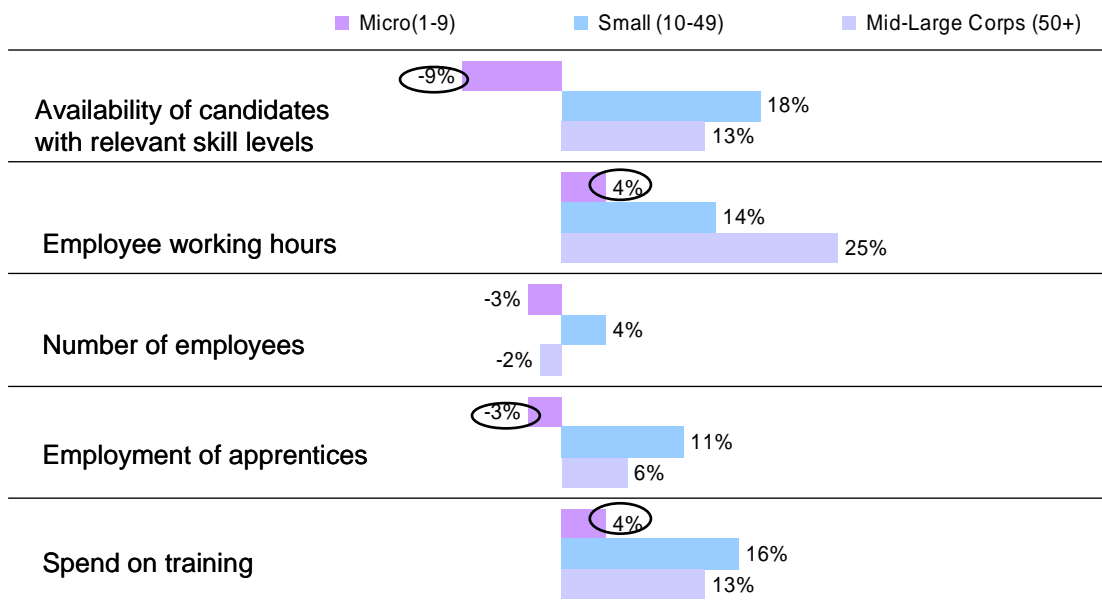
Figure 4.2.4 – Employment trends over the past 12 months, 2010-2011



Q.7a. Now thinking about the staffing of your businesses, can you indicate the trends over the past 12 months for each of the following? Summary on increase-decrease

Base: All with at least 1 employee: 231 / 277

Figure 4.2.5 – Employment trends over the past 12 months by size of business

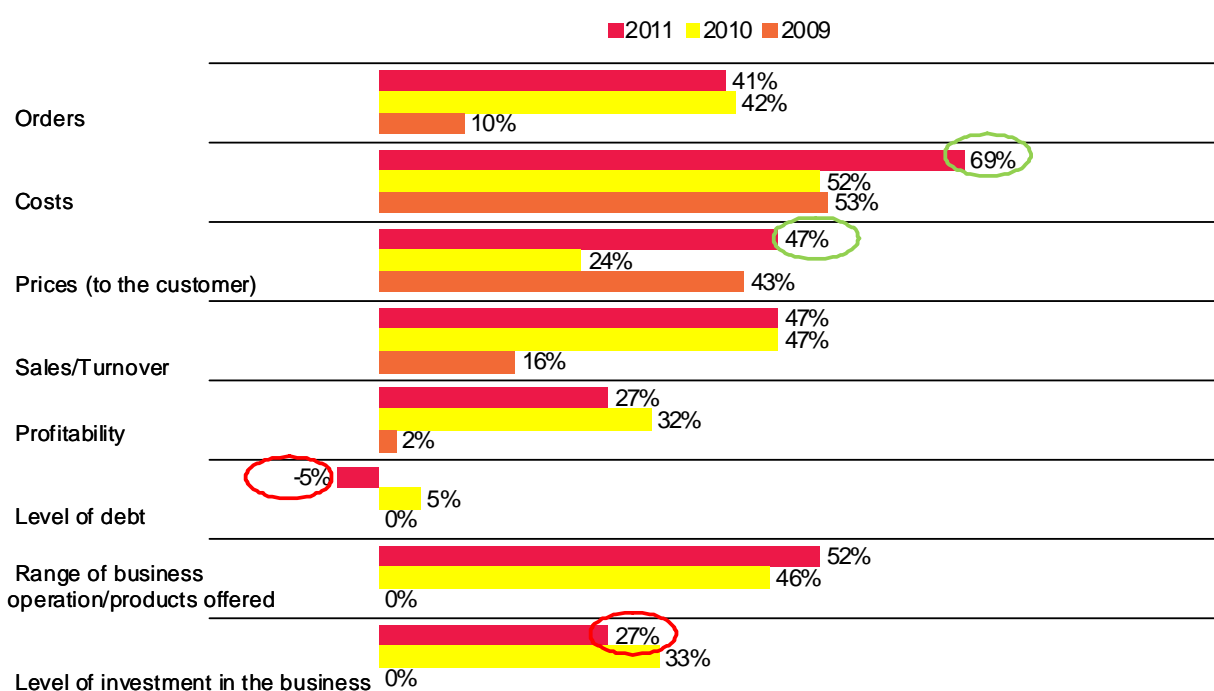


Q.7a Now thinking about the staffing of your businesses, can you indicate the trends over the past 12 months for each of the following? - Summary on increase-decrease

Base : All with at least 1 employee: 91 / 61 / 77

Looking ahead, businesses expect costs to continue to increase, moving significantly from a net balance of +52 per cent in 2010, to +69 per cent this year. Following the rise in costs reported over the past 12 months, prices look set to increase even further in the next year (+47 per cent net balance). Positively, businesses expected levels of debt to reduce throughout the next 12 months, as this balance moved into the negative at -5 per cent. Trends such as sales/turnover and profitability remained consistent with last year overall, and analysis by business size again revealed the micros were significantly less optimistic than their larger counterparts for these issues.

Figure 4.2.6 – Business trends over the next 12 months



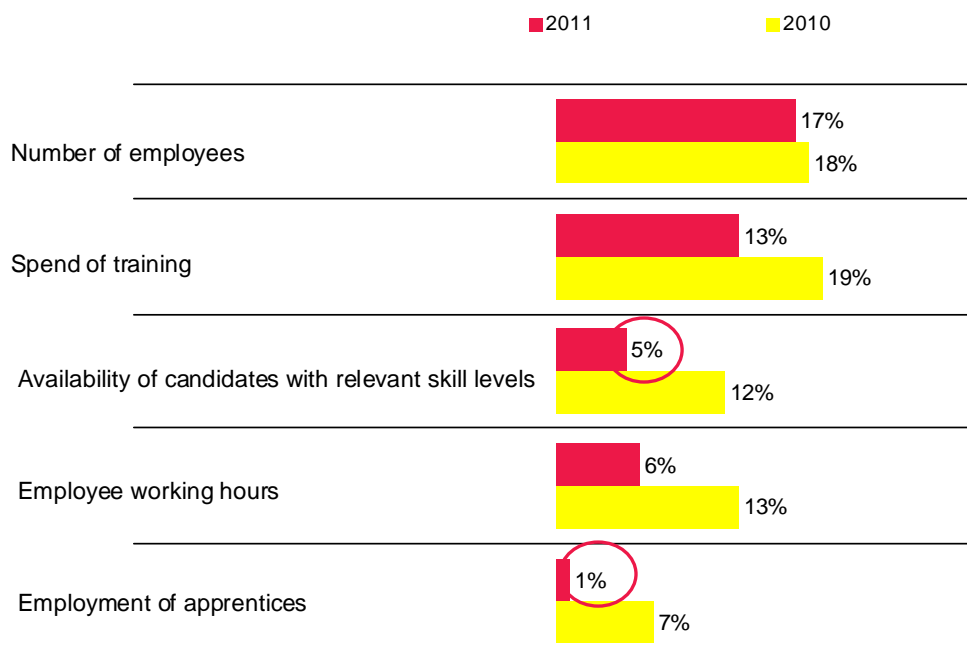
Q.9 And in the next 12 months what do you expect the trend in your business to be for the following aspects? - Summary on Increase-Decrease

Base : All respondents 262 / 334 / 450 / 242

Future employment trends continued to look positive, particularly with the number of employees remaining static at +17 per cent net balance, a rise in employment in West London is therefore expected for 2011. However, a similar increase had been anticipated in 2010 but not played out in this year's survey results, suggesting businesses can be overly optimistic when predicting employment trends.

The net balance declined significantly for the outlook on certain employment factors, such as the availability of candidates with relevant skill levels (moving from +12 per cent to +5 per cent net balance) and employment of apprentices (falling from +7 per cent to +1 per cent net balance). The micros were driving this decline for both these factors, whilst the mid-large corporates more likely to anticipate an increase. Small businesses were most likely to expect an increase in the number of employees in the next year, with a +31 per cent net balance compared to +5 per cent reported by mid-large businesses.

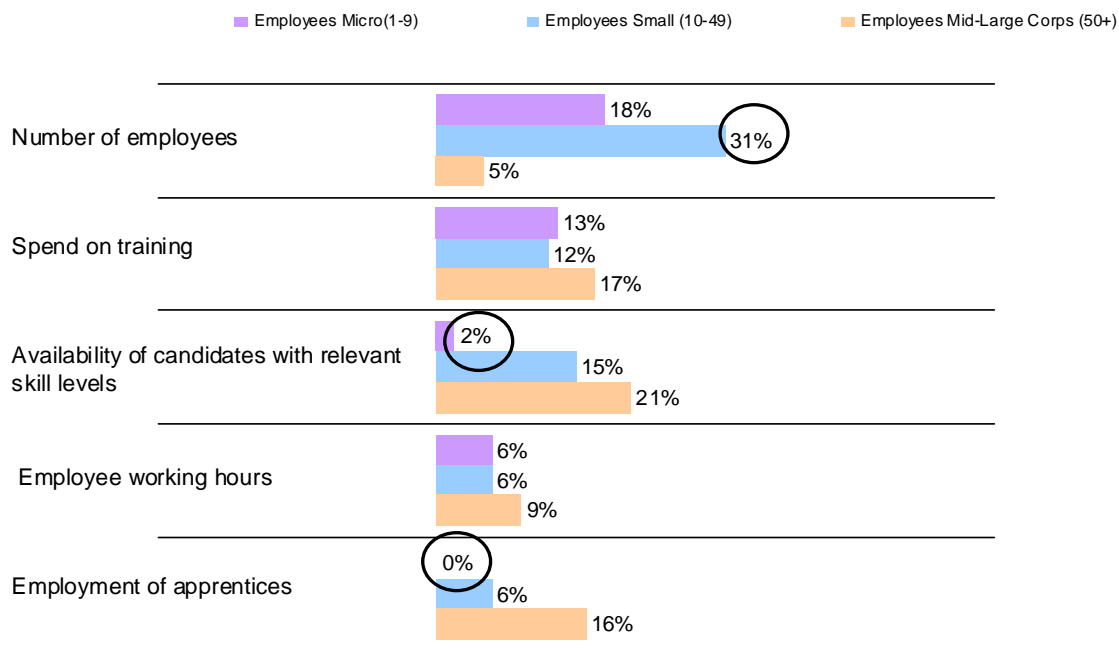
Figure 4.2.7 – Employment trends over the next 12 months



Q.9b And do you expect to increase or decrease any of these employment factors over the next 12 months? - Summary on Increase-Decrease

Base : All with more than 1 employee 231 / 277

Figure 4.2.8 – Employment trends over the next 12 months

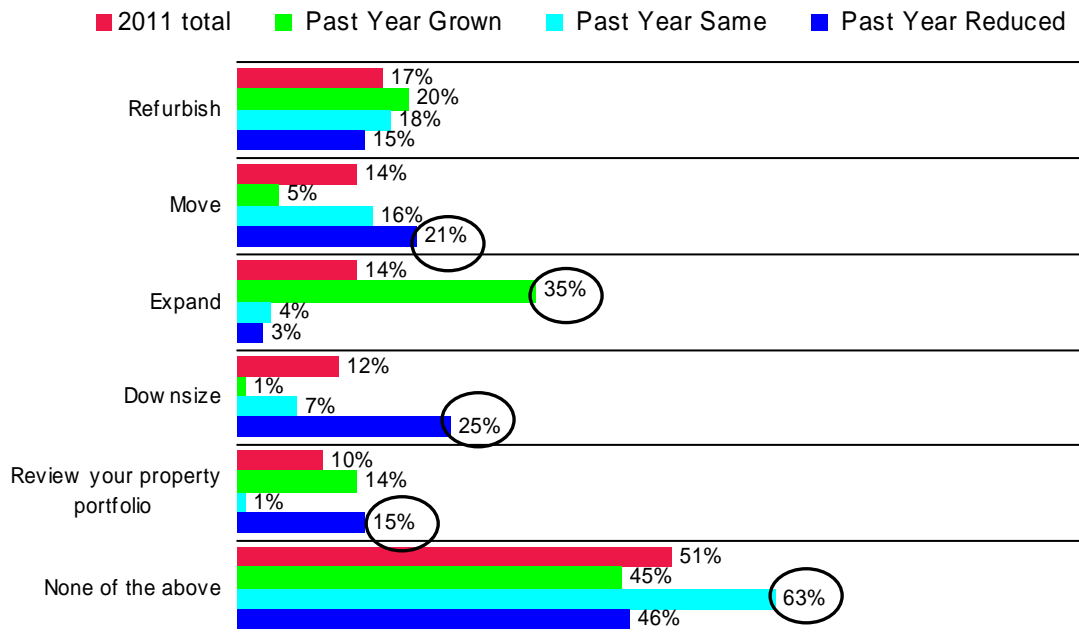


Q.9b And do you expect to increase or decrease any of these employment factors over the next 12 months? - Summary on Increase-Decrease

Base : All with more than 1 employee: 91 / 61 / 77 / 85 / 107

This year a new question established whether businesses have any plans to review an aspect of their commercial premises in the next 12 months. Whilst this data cannot be tracked on past BSS studies, the results indicated that a substantial proportion of businesses (49 per cent) were planning some form of change. 35 per cent of those businesses who were reported to have grown in the last year were looking to expand the commercial premises in the next 12 months, while those businesses that had contracted during 2010 were more likely to downsize in the next year (25 per cent), followed closely by planning to move premises altogether (21 per cent). Almost a fifth of all businesses (17 per cent) were planning to refurbish during the next year.

Figure 4.2.9 – Business trends over the next 12 months



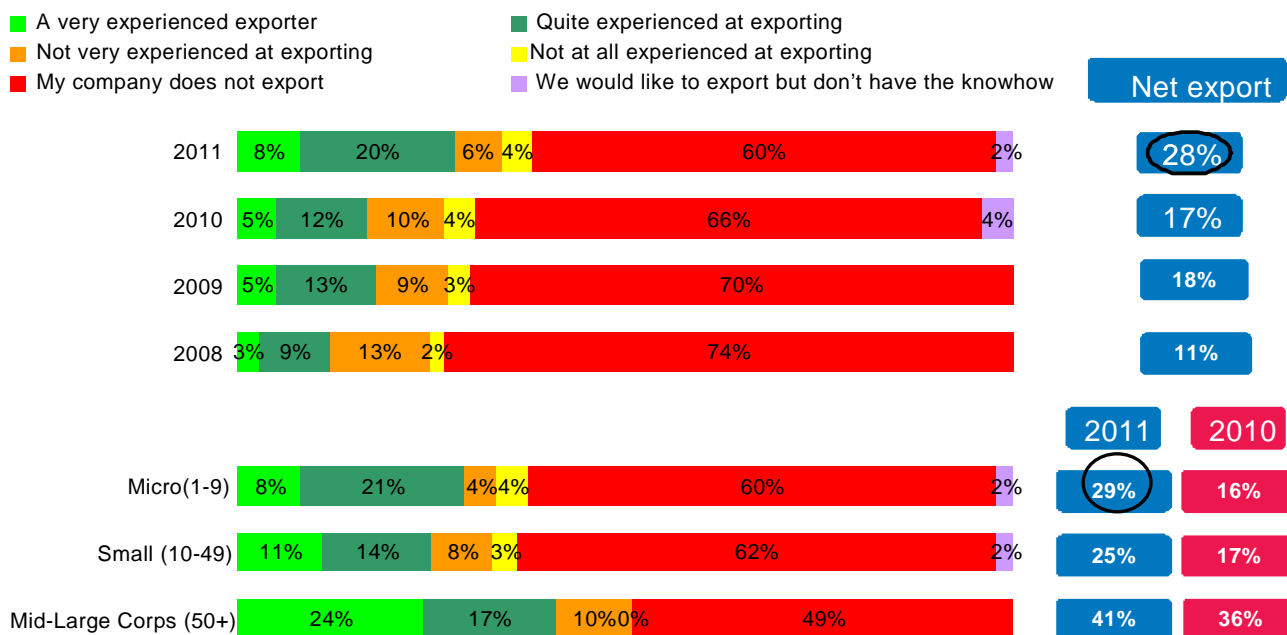
Q.35 And thinking about your business' commercial premises, do you plan to do any of the following in the next 12 months?

Base: All respondents 262 / 112 / 66 / 84

4.3 Businesses exporting / innovating

Businesses reported a significant increase in exporting, with 28 per cent exporting – the highest figure since the BSS began. Much of this exporting was due to the mid-large sized businesses, with a quarter (24 per cent) of these claiming to be very experienced in exporting, compared to just 8 per cent and 11 per cent for micro and small businesses respectively. More businesses of all sizes were exporting, with the greatest rise reported for micros, moving from 16 per cent exporting in the 2010 survey, to 29 per cent this year. The proportion of businesses stating their company does not export has fallen progressively year by year since the survey began, with now just 60 per cent of all businesses selecting this response compared to 74 per cent in 2008.

Figure 4.3.1 – Exporting experience



Q.18 Now thinking about exporting, would you say your company is.....

Base : All respondents 262 / 334 / 450 / 242 / 122 / 61 / 77

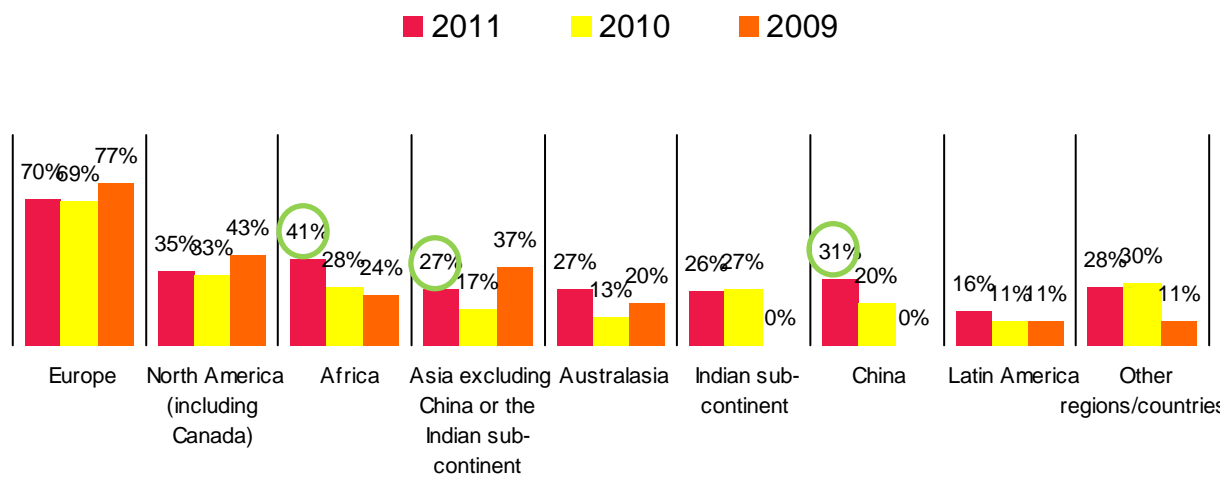
Of those businesses who were exporting, over two thirds (70 per cent) were active in Europe, and 43 per cent exported or imported to North America, both declining from 2009 but comparable with 2010. There had been considerable increase in businesses trading with Africa and Asia (notably China), with all three regions showing significant increases since 2010.

North America stood out as the region most businesses trading internationally, were planning to expand into, almost doubling since last year from 15 per cent to 28 per cent. Europe was down slightly since last year, falling from 29 per cent to 22 per cent, mainly due to a reduced interest from micro and small businesses.

Of those that do *not* currently export, a high proportion (82 per cent) stated they have no plans to expand into regions outside the UK. Of the remaining 18 per cent that do have plans, almost half stated Europe as the region they may expand into. This was driven largely by micro businesses (8 per cent).

A greater proportion of businesses were innovating, by introducing new products or services or becoming more efficient over the past three years (68 per cent). This result was an increase from 2010, where only 61 per cent of businesses claimed to be innovating, when a higher amount of respondents claimed to be 'planning' to innovate. This tendency was backed up by a lower level of investment in the business predicted for the next 12 months, as seen in Figure 4.2.6.

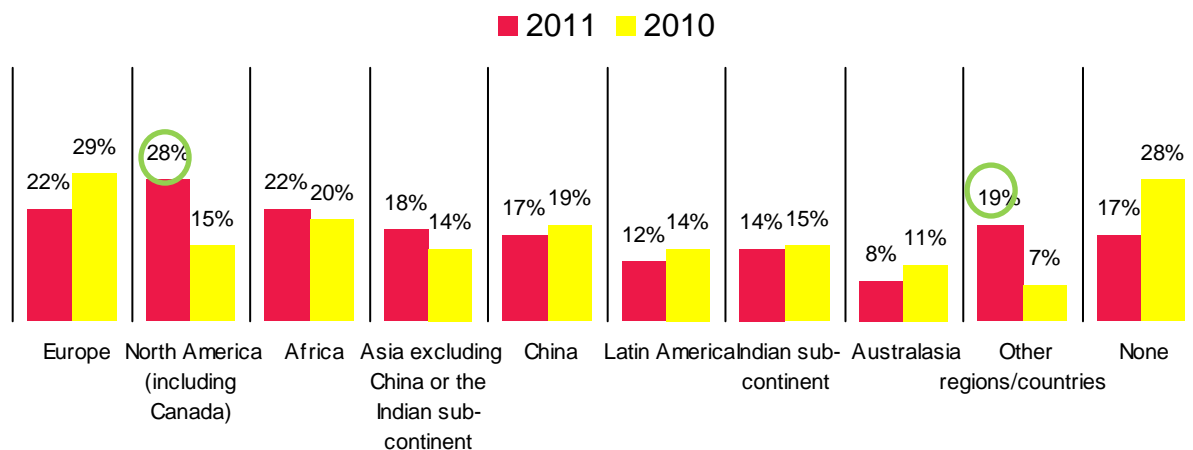
Figure 4.3.2 – Locations exporting businesses operate within



Q.18bi Which business regions outside the United Kingdom do you currently operate in, export to or import from?

Base: All who export: 99 / 102 / 129

Figure 4.3.3 – Locations for planned expansion



Q.18bii Which business regions outside the United Kingdom do you plan to expand into?

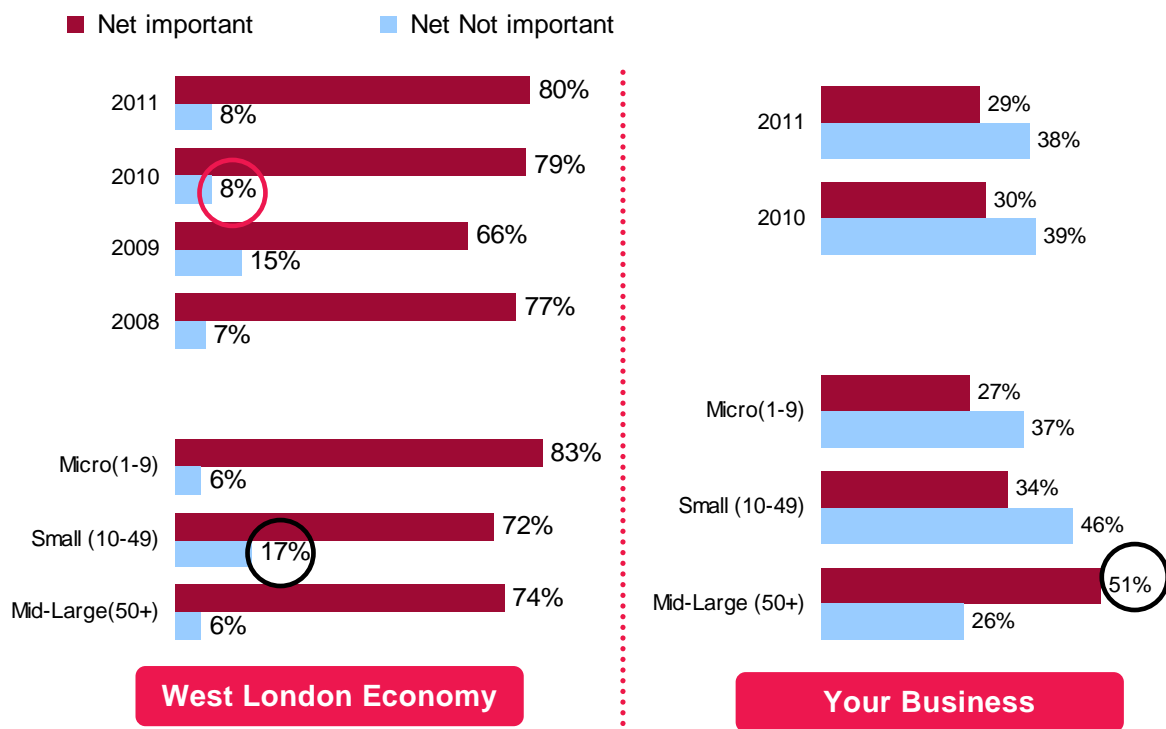
Base : All who export: 99 / 102

4.4 Heathrow importance / Transport initiatives

This survey has been tracking the perceived importance of Heathrow airport to the West London economy since 2008. Four fifths of businesses rated Heathrow either extremely or quite important to the West London economy – the highest figure since the survey began. This attitude was comparable over all sized businesses, with the micro businesses stressing the value of Heathrow slightly more than the others.

For the last two years, businesses have also been asked the importance of Heathrow to their business. This figure was significantly lower when compared to the importance of Heathrow to the economy. However, the mid-large corporates considered Heathrow the most important to their business with +51 per cent. Meanwhile, the small businesses had the highest *not* important rating with 46 per cent. Almost one third (30 per cent) of all businesses rated Heathrow important to their business, a similar figure as reported in 2010.

Figure 4.4.1 – Importance of Heathrow to the economy and businesses



Q.12 How would you rate the importance of Heathrow Airport to the economy in West London?

Base: All respondents: 262 / 334 / 450 / 242 / 122 / 61 / 77

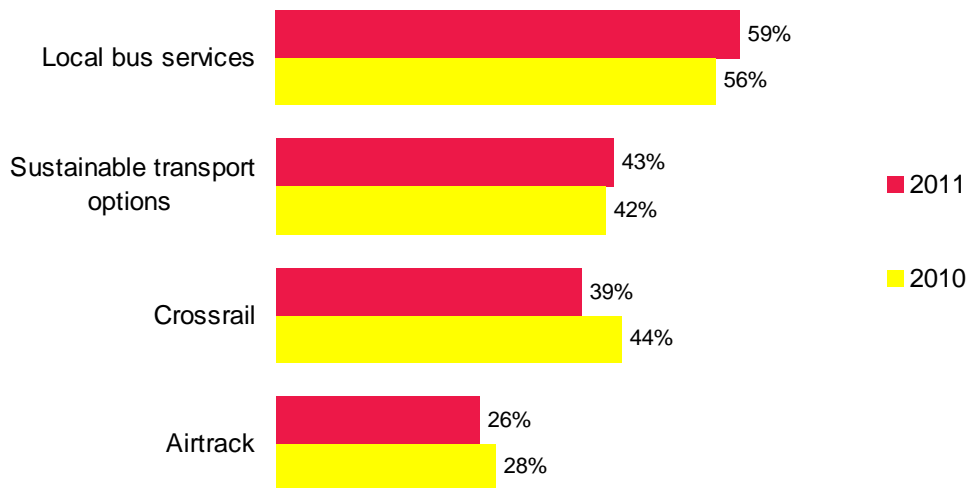
Q.13 How would you rate the importance of Heathrow Airport to your business?

Base: All respondents: 262 / 334 / 122 / 61 / 77

The importance of transport initiatives remained largely the same as last year, with only modest increases to the importance of local bus services (from 56 per cent to 59 per cent). For the second consecutive year, Airtrack was the least important transport initiative for all sized businesses, although the recent announcement that the initiative had been suspended may have impacted these results.

Each transport option: bus services, sustainable transport, Crossrail and Airtrack had been rated of higher importance by mid-large businesses compared to micro and small sizes. Crossrail (60 per cent) and Airtrack (42 per cent) in particular, were of significantly more importance to mid-large businesses, owing to a greater need to facilitate a larger workforce.

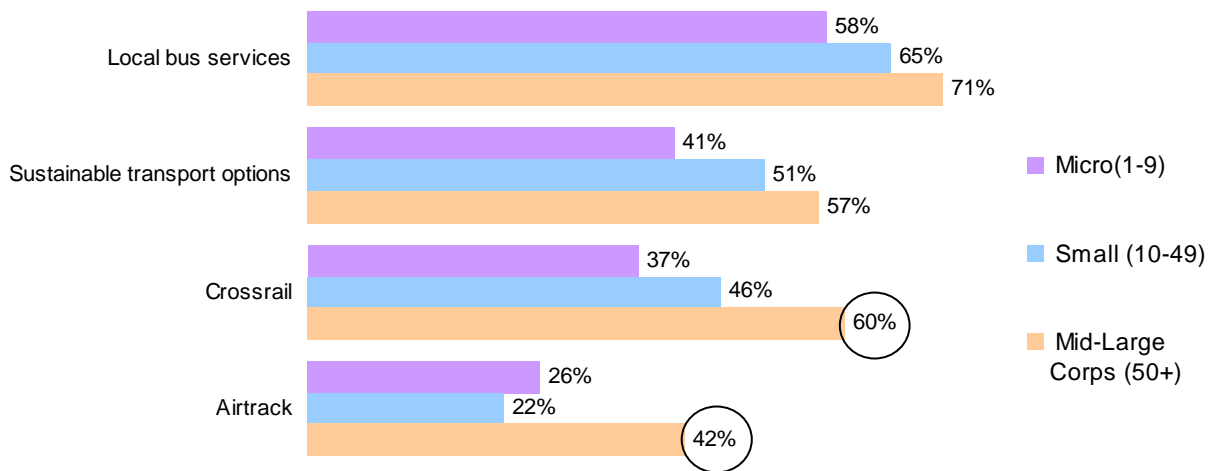
Figure 4.4.2 – Importance of transport initiatives by size



Q.14 Please rate how important each of the following transport initiatives is to your business. Summary on important

Base: All respondents 262 / 334

Figure 4.4.3 – Importance of transport initiatives by size



Q.14 Please rate how important each of the following transport initiatives is to your business. - Summary on important

Base: All respondents 122 / 61 / 77

4.5 Business support requirements

Developing new contacts through networking was a new support requirement to be added to this year's survey and proved to be the most important to businesses with 69 per cent claiming to need support in this area. This meant that *sales and marketing* fell to second most important area for support, despite an 8 per cent rise since last year with 64 per cent needing support.

Overall, each factor for support need increased this year compared to 2010, indicating that businesses of all sizes were acknowledging the greater need for external help in tackling various issues affecting their business.

Dealing with staff issues / human resources was significantly more of a support requirement for small businesses (58 per cent) than it was for micro (28 per cent) and mid-large corporates (36 per cent). Small businesses also rated highest for support concerning *access to finance* as well as *international trade / exporting* but were less concerned with issues regarding Corporate Social Responsibility which was understandably led by the larger businesses.

Figure 4.5.1 – Areas of business that require support



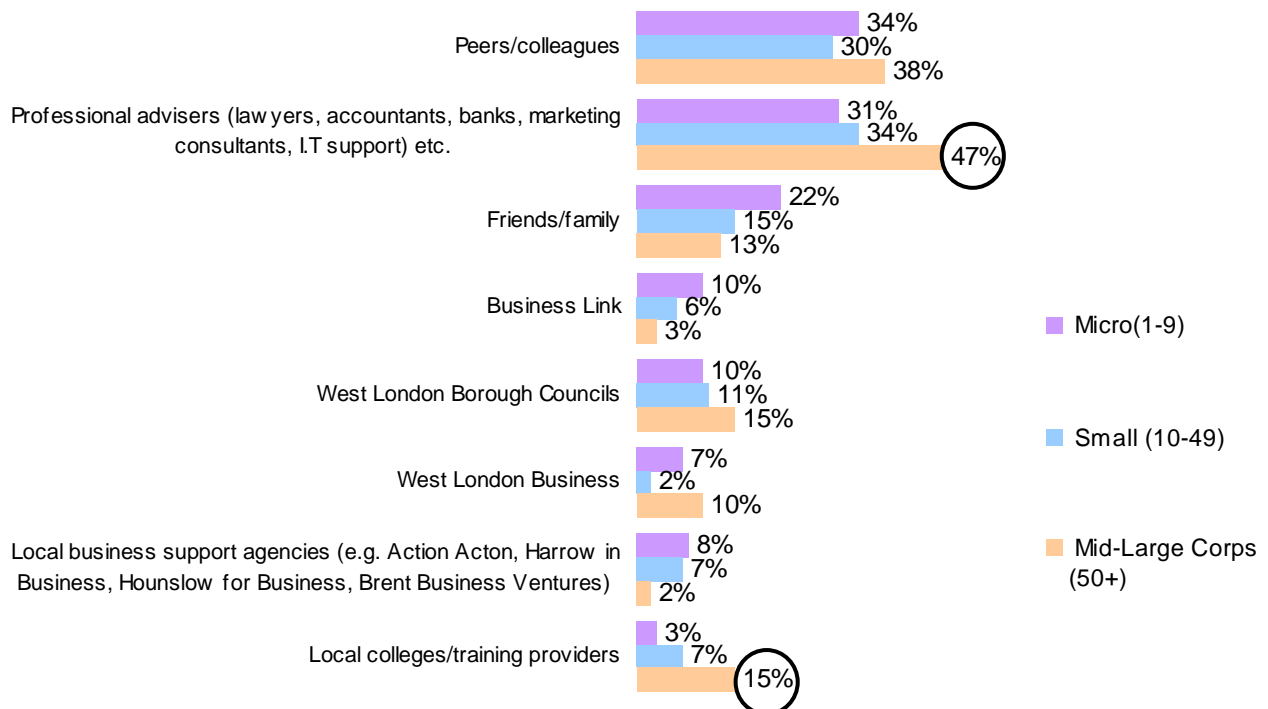
Q.16b Now thinking about the external help and support your business may require, please rate how much your business needs support. - Summary on need support

Base: All respondents 262 / 334

* New question for 2011 so unable to provide comparison over time

In terms of where businesses seek support from, *peers / colleagues* was the most popular choice with 34 per cent of all businesses very likely to use. Analysing by size, the larger businesses were significantly more likely to use professional advisers with almost half claiming to be very likely (47 per cent) – the same figure reported in 2010. West London Business was more likely to be used by the micros (7 per cent very likely) and mid-large corporates (10 per cent), whilst small businesses were just 2 per cent very likely.

Figure 4.5.2 – Likelihood to use different support services, by size

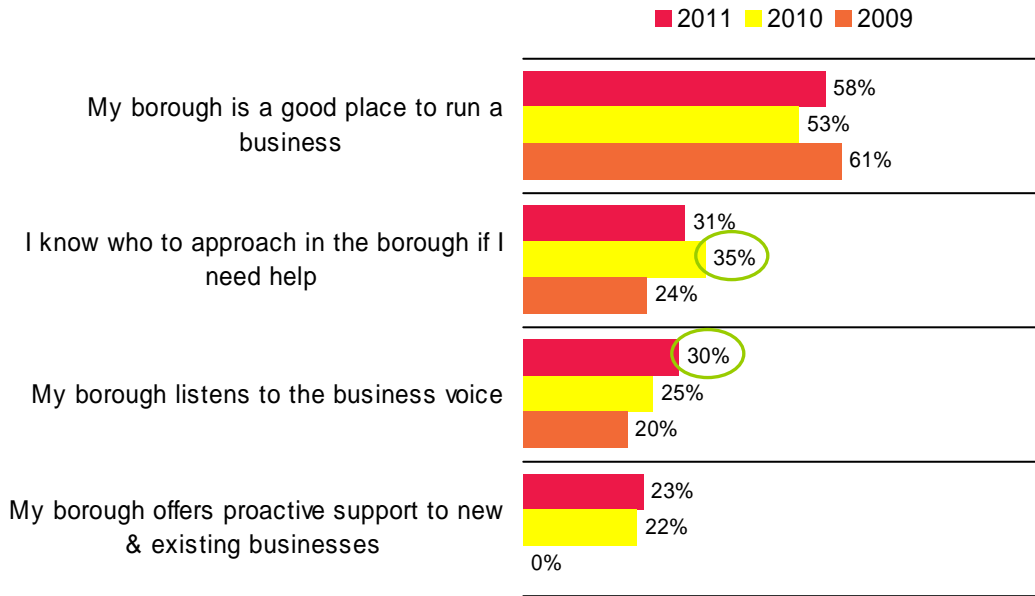


Q.19a How likely are you to use the following support services in the next 12 months? - Summary on very likely

Base: All respondents: 122 / 61 / 77

Over half of respondents agreed that their borough is a good place to run a business (58 per cent), increasing slightly from last year's decline to 53 per cent. The renewed confidence in their borough was driven mainly by the micro and small businesses, while larger businesses were the most confident that they knew who to approach in the borough if they needed help, (42 per cent agreed). Small businesses were the least confident that their borough listens to the business voice (20 per cent agreed), as well as offering proactive support to new and existing businesses (16 per cent agreed), whilst the micros were the *most* positive business size for these statements concerning their borough.

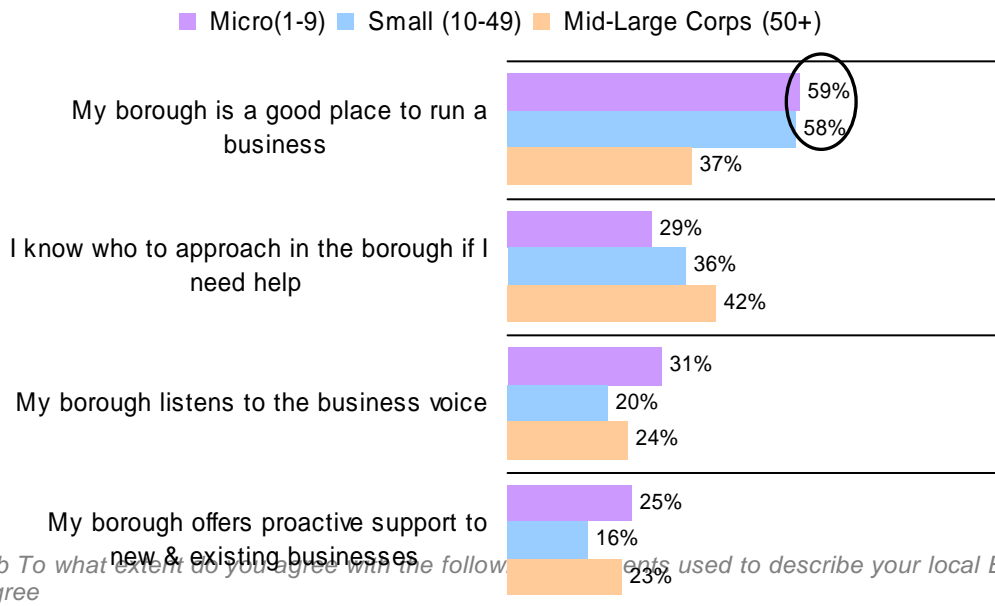
Figure 4.5.3 – Perceptions of business support in borough



Q.19b To what extent do you agree with the following statements used to describe your local Borough? - Summary on agree

Base: All respondents 262 / 334 / 450

Figure 4.5.4 – Perceptions of business support in borough, by size



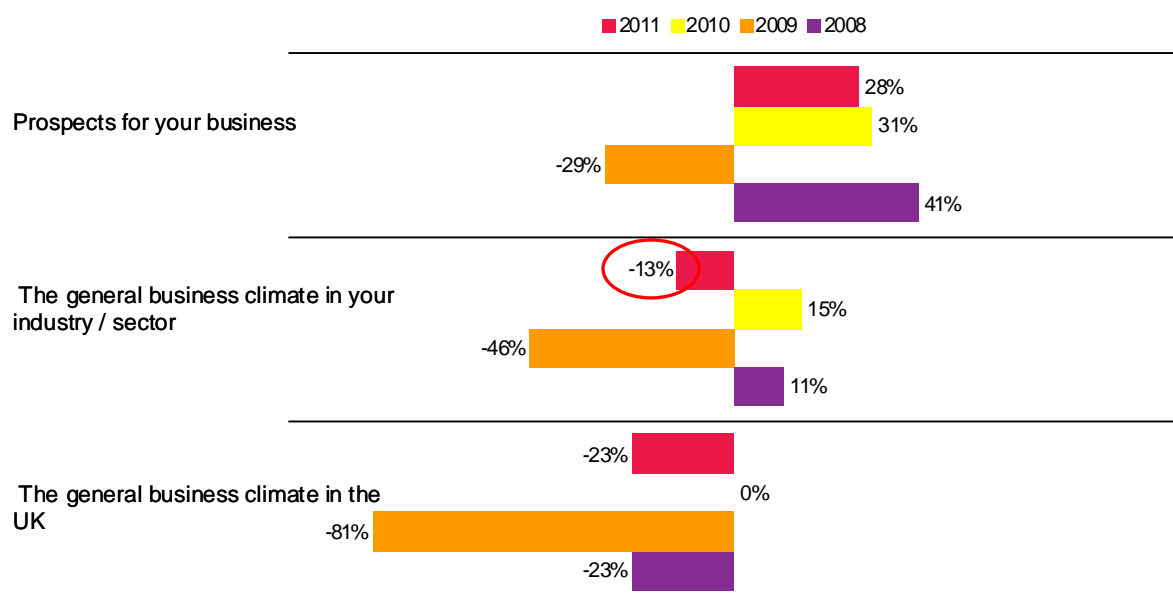
Q.19b To what extent do you agree with the following statements used to describe your local Borough? - Summary on agree

Base: All respondents: 122 / 61 / 77

Looking ahead, business prospects overall have dropped slightly from 31 per cent optimistic in 2010 to 28 per cent now. Although this figure is comparatively positive when compared to businesses optimism in their industry / sector or the business climate generally, both of which made a notable decline. The mid-large businesses were the most confident considering prospects for their own business, with 45 per cent optimistic.

Optimism in the general business climate for their industry / sector and the U.K. was reported at an overall net balance of -13 per cent optimistic, marking a return to the negative balance seen in 2009 (-46 per cent). This was mainly attributed to the micro businesses as they had the most pessimistic view of all sized businesses regarding their sector, with net -16 per cent optimistic. Similarly with their attitude to the general business climate in the UK, the micros were the least optimistic (-25 per cent).

Figure 4.5.5 – Optimism in business prospects and business climate in the industry and in the UK generally

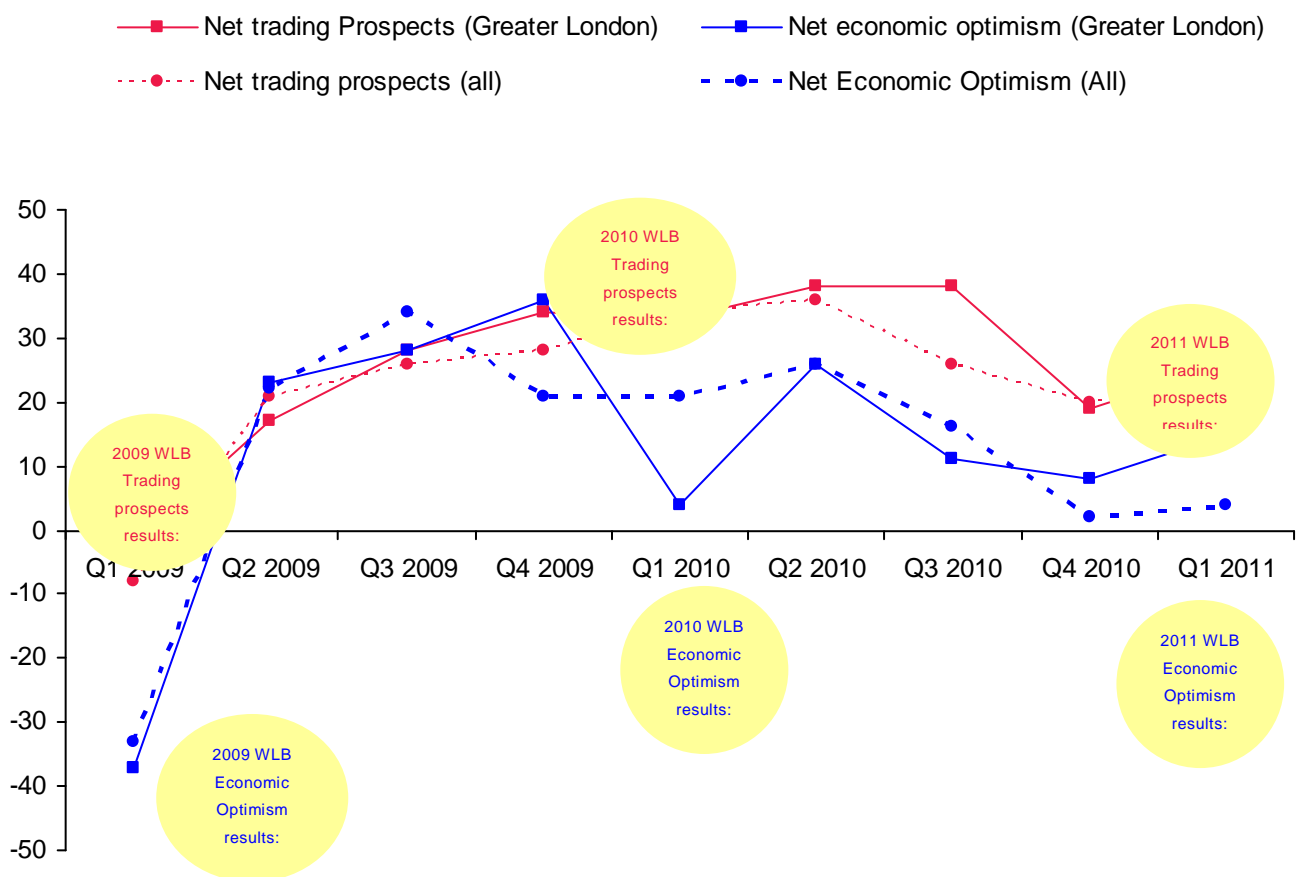


Q.15 Overall, how optimistic are you now about the following factors compared to 12 MONTHS ago? – Net balance optimistic - pessimistic

Base: All respondents: 262 / 334 / 450 / 242

Businesses perception of their trading prospects as well as their optimism in the economy was found to link closely to similar research on the BDRC Continental Business Opinion Omnibus. The latest BSS found trading prospects (net balance +28 per cent) to be considerably higher than economic optimism (net balance -23 per cent), a difference regularly seen on our Omnibus tracker. In Q1 2011, SMEs in Greater London reported +26 per cent for trading prospects and +15 per cent for optimism in the economy generally, and these Greater London businesses showed higher optimism in the wider economy than the rest of the UK businesses, whereas in 2010, Greater London businesses showed lower optimism than the rest of the U.K.

Figure 4.5.6 – Optimism in business prospects and business climate in the industry and in the UK generally



SME Optimism & Prospects tracker – Q1 Thinking about the trading prospects for your company in the next year, do you expect business activity to increase, decrease or stay the same as the past year? / Q2- And thinking about the economy generally, would you say you are more optimistic than three months ago, or more pessimistic?

Base: Approximately 900 per Quarter (All) , Greater London approximately 143 per quarter, (Q1 2011 154)

5. Summary conclusions

Perceptions of West London have improved this year, with businesses more likely to recommend the location as well as the majority claiming to have no intentions to move away. Whilst costs have risen dramatically and were considered by most businesses in West London to continue rising throughout 2011, trading prospects for most of these businesses remained positive.

Rising costs had been the stand-out concern from business this year, overtaking the economy / recession problem that dominated business issues in 2010. This seems to have had an impact on trends for the forthcoming year, with further prices hikes anticipated for the customer. Employment trends were relatively static compared to 2010, while opportunities for training, employment of apprentices and availability of appropriate candidates were seen as positive, it represented a slight decline from last year. With the micros perhaps not being able to invest as heavily in employment, there was concern amongst these businesses that the availability of candidates with the relevant skill levels will decrease.

Typically, it was the micro sized businesses (1-9 employees) that expressed greatest concern for the next 12 months, with a significantly lower balance for sales / turnover and profitability than small and larger businesses. However, businesses of all sizes did expect levels of debt to reduce and mid-large corporates in particular were focusing on increasing the level of investment in the business.

Exporting was an important positive finding to come from this year's survey. The proportion of businesses exporting increased significantly from 17 per cent to 28 per cent in the last 12 months, with the biggest increases noted for Africa and Asia (mainly China), while looking ahead, North America was reported to be the main region businesses were planning to expand into.

The importance of Heathrow to the West London economy was evident this year with four fifths of businesses answering either quite or extremely important. Far less felt that Heathrow was important to their own business, although the figure remains comparable with last year at just less than a third of businesses rating important (29 per cent). Boroughs closer to Heathrow rated transport initiatives such as Crossrail and Airtrack with a greater importance, although local bus services proved the most important transport option to businesses overall. The larger businesses with 50+ employees consistently rated each transport initiatives more important than the small or micro businesses, (significantly so for Crossrail and Airtrack).

Almost half of all businesses intended to make some form of change to their business premises over the next 12 months, with refurbishment featuring the highest at 17 per cent. 35 per cent of businesses that had grown in the last year were planning to expand and a quarter of businesses that had contracted were planning to downsize. Being the first year this question has been placed, it is difficult to assess whether this high figure for planned change to commercial premises is typical and it will be interesting to compare with next year's findings.

Businesses identified a range of support needs required, with 'developing new contacts through networking' featuring as the most important across all businesses. All support needs rose this year to some extent, suggesting that businesses were increasingly aware of the fact that support is required in certain areas. Support for International trade / exporting increased comparably across all business sizes (which is likely to be in part due to the increase in exporting found). Dealing with staff issues / human resources was more of a requirement for small businesses (with 10-49 employees).

Businesses optimism in own prospects significantly outweighed that of optimism in the economy, continuing a trend seen in past research. Mid-large corporates proved significantly more optimistic about their prospects than small and micro businesses as well as having a greater optimism in the business climate for their industry and for the UK in general. Respondent's attitude to the business climate in their industry / sector fell significantly this year to a balance of -13 per cent optimistic, declining from +15 per cent in 2010, as businesses revealed growing concern in the business climate they operate within.

6. Technical appendices

6.1 Fieldwork

Fieldwork on the 2011 West London Business sentiment survey commenced on March 2nd with an initial e-mail sent out to respondents from the WLB database, inviting them to take part. The e-mail contained a unique link for that respondent and highlighted the importance and legitimacy of the survey as well as incentivising respondents with entry to a prize draw upon completing the survey.

Reminder e-mails were sent out on a weekly basis until the closure of the survey on April 18th. The reminder e-mails were used to increase awareness and generate interest in the survey as well as an opportunity to inform respondents of the prizes available and some of last year's findings.

Telephone booster interviews were also used from the 22nd March – 4th April, when the online response rate began to waiver. These interviews were completed by interviewers using the respondent's unique links to access the online script. The telephone interviews ranged from 15 to 25 minutes, depending on the depth of response given to the open ended questions. The telephone booster surveys were focused mainly on larger businesses in order to achieve a robust sample in this segment, comparable with previous years.

All respondents were screened to ensure that their business is based within one of the six London boroughs in West London.

A minimum of 10 per cent of all interviews were back checked to ensure Interviewer Quality Control Standards (IQCS) were adhered to.

6.2 Response Rate

The initial invite to complete the survey was sent to the 4,648 respondents we had in our sample group, provided to us through the West London Business database. Of that amount, 3,577 e-mails were successfully delivered (the remaining 1,081 were filtered either by the e-mail being queued, e-mail address invalid, or non-delivery report being received). 262 interviews were completed in total, 25 of which were completed via open links publicised on the West London Business website, as well as being attached to e-mails to several suitable respondents not in the original sample file.

Those that had completed the 2010 BSS were invited to participate again, and these 're-contacts' provided the highest response rate with 100 completes (yielding a response rate of 42 per cent). The overall response rate to the survey was 7 per cent; calculated by taking the number of completes from the closed link (237 interviews), and dividing this by the number of e-mails successfully delivered (3,577) and reporting this figure as a percentage.

6.3 Weighting

The sample was weighted to match the profile of businesses in West London by size (number of employees) and borough. Past data for 2008/09/10 was re-weighted to the same profile, enabling like-for-like comparisons to be made over time. West London Economic Assessment statistics were used to obtain this profile, which is detailed below:

Figure 6.3.1 – Weighting profile

| | Micro (1-9) | Small (10-49) | Mid-Large corporates (50+) | Total |
|-------------------------------------|------------------------|--------------------------|---|--------------|
| Brent | 10,366 | 1,244 | 298 | 11,908 |
| Ealing | 12,025 | 1,589 | 361 | 13,975 |
| Hammersmith & Fulham | 10,090 | 1,313 | 344 | 11,747 |
| Harrow | 8,915 | 968 | 212 | 10,094 |
| Hillingdon | 8,984 | 1,520 | 527 | 11,031 |
| Hounslow | 8,639 | 1,313 | 398 | 10,350 |
| Total | 59,018 | 7,947 | 2,140 | 69,108 |

Source: Annual Business Inquiry, 2008

This profile resulted in a weighting efficiency⁴ of 45 per cent for the 2011 survey. The weighting efficiency for 2010 / 09 / 08 were 56 / 49 / 39 per cent respectively.

⁴ A weighting efficiency is also known as the research 'design effect'. It provides an estimate of the loss in efficiency of the profile required compared to the profile obtained through weighting.

6.4 Non response

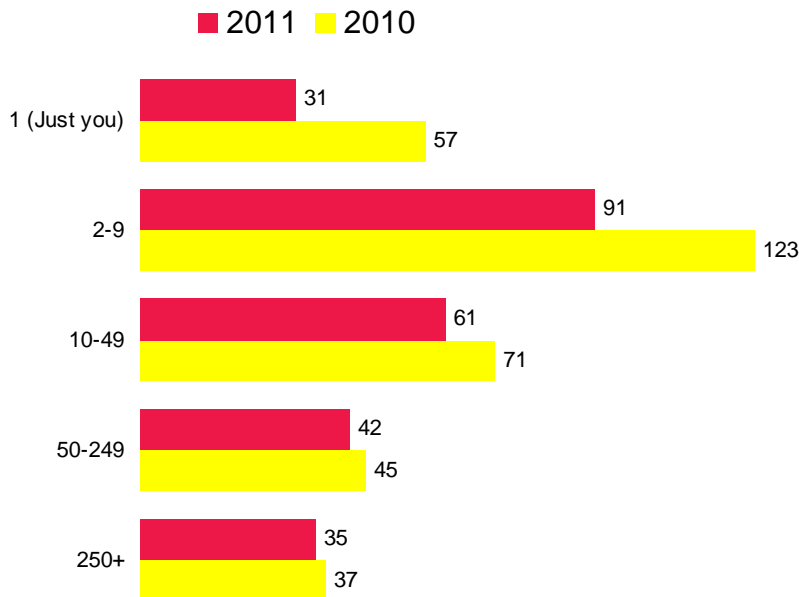
There was a high level of non response to the initial online invitation, and so further email reminders were sent, before follow up telephone calls were made. The response rate to the online survey after the first two weeks of fieldwork was 3 per cent, yielding a non response of 97 per cent. Following further electronic reminders and telephone calls, the response rate increased to 8 per cent.

All questions in the survey were mandatory, with 'don't know' or 'not applicable' response options where necessary.

6.5 Sample profile

The following charts show the number of interviews achieved in 2011 by size of business, sector, ownership and time in West London.

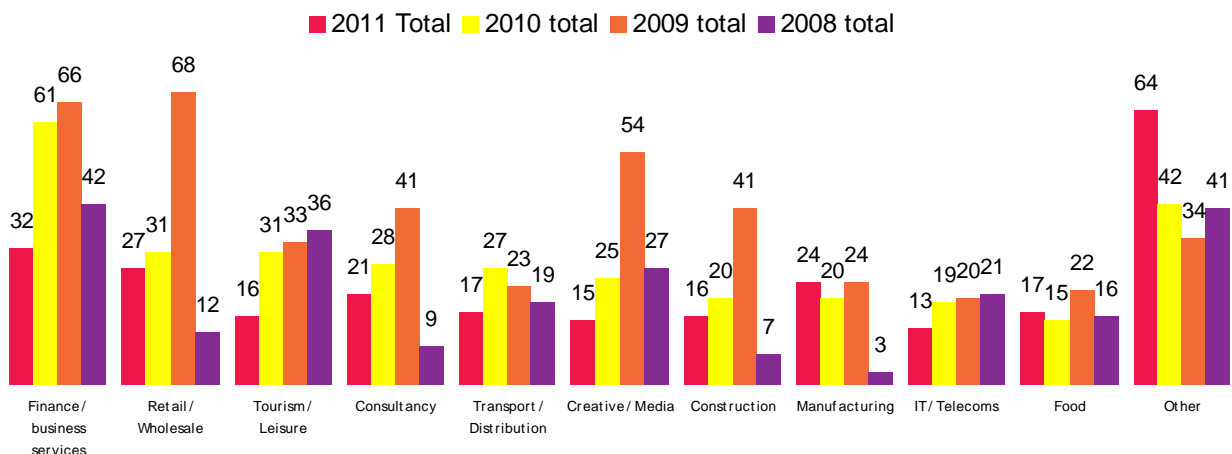
Figure 6.5.1 – Interviews completed by size, 2010-11



Q.23 In total (including yourself), how many people does your company employ?

Base: All respondents 262 / 334

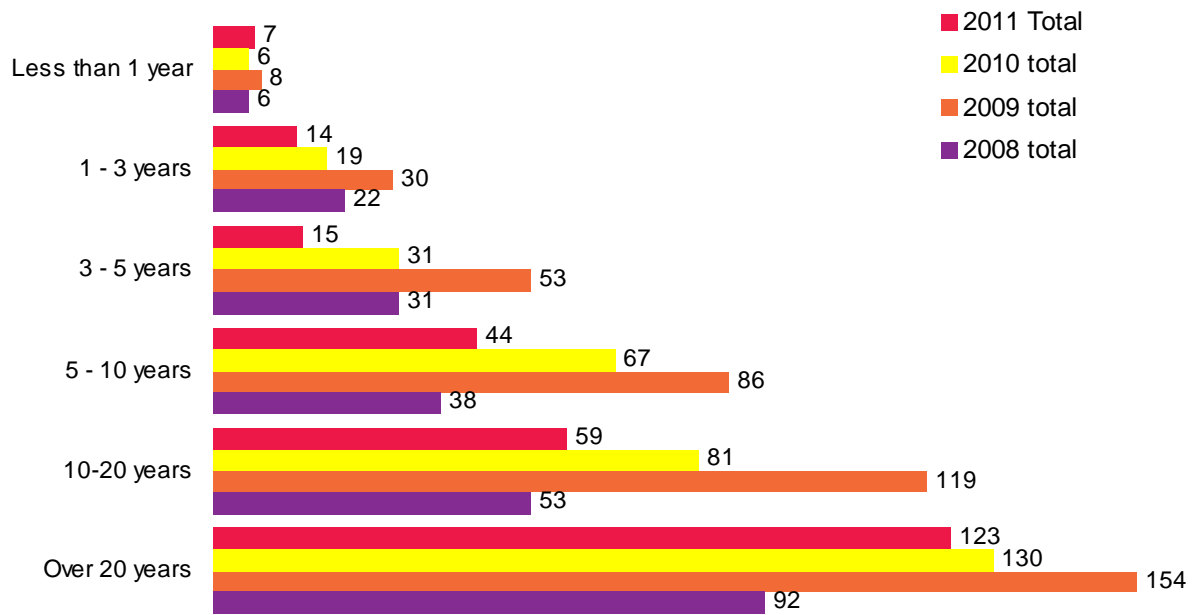
Figure 6.5.2 – Interviews completed by sector, 2008-11



Q20 Which of the following most closely matches your position in your business?

Base: All respondents: 262 / 334 / 242 / 450

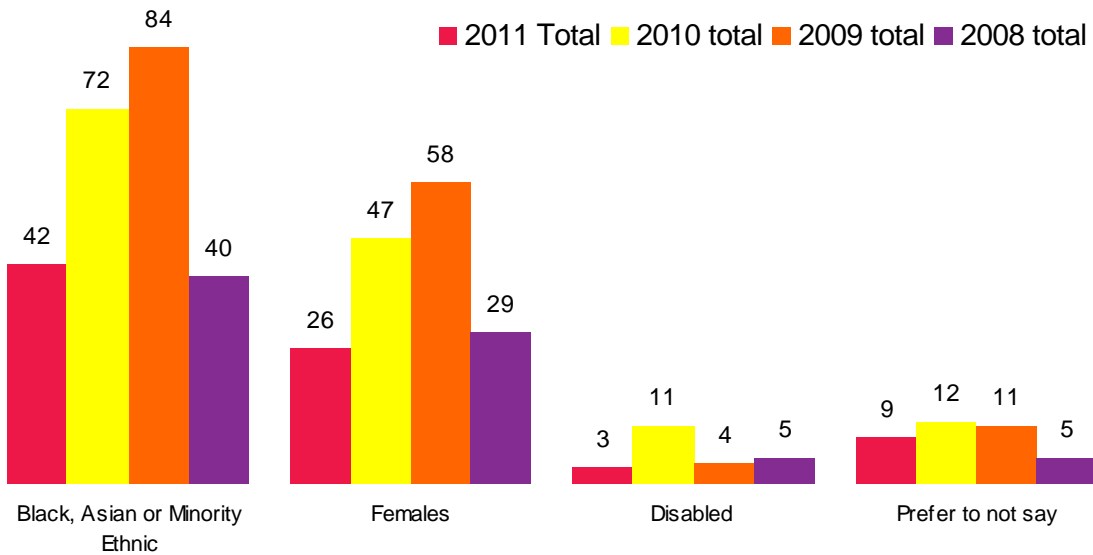
Figure 6.5.3 – Interviews completed by length of time based in West London, 2008-11



Q.2 And how long has your business been based in West London?

Base: All respondents 262 / 334 / 450 / 242

Figure 6.5.4 – Interviews completed by minority ownership, 2008-11



Q15. Would the majority ownership be...

Base: All with minority ownership: 71 / 110 / 131 / 63

7. Questionnaire

WEST LONDON BUSINESS SENTIMENT SURVEY 2011

(Changes and additions from 2010 questionnaire are highlighted in red)

ASK ALL

Q1) Firstly, can you confirm which of the following West London Boroughs your business is based in?

Q1b) – And which of these is the main borough your business operates in?

| | SELECT ALL THAT APPLY | SELECT ONE ONLY |
|----------------------|-----------------------|-----------------|
| Harrow | 1 | 1 |
| Hillingdon | 2 | 2 |
| Hounslow | 3 | 3 |
| Hammersmith & Fulham | 4 | 4 |
| Ealing | 5 | 5 |
| Brent | 6 | 6 |

ASK ALL

Q23) In total (including yourself), how many people does your company employ?

SELECT ONE ONLY

| | |
|-------------------------------|---|
| 1 (Just you) | 8 |
| 2-9 | 1 |
| 10-19 | 2 |
| 20-49 | 3 |
| 50-199 | 4 |
| 200-249 | 5 |
| 250+ | 6 |
| (CATI only) No answer/refused | 7 |

ASK ALL

Q2) And how long has your business been based in West London?

PLEASE SELECT ONE ONLY

| | |
|---------------------------|---|
| Less than 1 year | 1 |
| 1 year – up to 3 years | 2 |
| 3 years – up to 5 years | 3 |
| 5 years – up to 10 years | 4 |
| 10 years – up to 20 years | 5 |
| 20 years or more | 6 |

ASK THOSE THAT HAVE BEEN IN WEST LONDON LESS THAN 3 YEARS:

Q3) What factors FIRST attracted your business to West London?

| ROTATE ORDER | PLEASE SELECT ALL THAT APPLY |
|--|---|
| | Q3 – First attracted you to West London |
| Labour costs | 1 |
| Availability of skilled labour | 2 |
| Business support services | 3 |
| Access to markets/clients | 4 |
| Availability/location of suitable premises | 5 |
| Costs of commercial premises | 6 |
| Local or regional transport links | 7 |
| Proximity of Heathrow Airport | 8 |
| Availability of finance/credit | 9 |
| Live in area/work from home | 11 |
| Quality of life and environment | 12 |
| Quality of commercial premises | 13 |
| Low crime levels | 16 |
| Other (please specify) | 14 |

ASK ALL

Q5) Please state whether or not you agree with the following statements about West London:

PLEASE SELECT ONE OPTION ONLY FOR EACH STATEMENT

| ROTATE ORDER | Agree Strongly | Agree | Neither Agree Nor Disagree | Disagree | Disagree Strongly |
|--|----------------|-------|----------------------------|----------|-------------------|
| West London is a good location to do business | 1 | 2 | 3 | 4 | 5 |
| West London is a good location for existing businesses to grow | 1 | 2 | 3 | 4 | 5 |
| West London is a good location for economic growth following the recession | 1 | 2 | 3 | 4 | 5 |
| Our business has no plans to move out of West London | 1 | 2 | 3 | 4 | 5 |
| I would recommend West London as a good location for a new business | 1 | 2 | 3 | 4 | 5 |

ASK ALL

Q10) How likely is it that your business will remain in your current West London location for the next 3 years?

PLEASE SELECT ONE ONLY

| | |
|-------------------|---|
| Very likely | 1 |
| Quite likely | 2 |
| Not very likely | 3 |
| Not at all likely | 4 |

ASK THOSE THAT ANSWER AGREE at statement 4 'Our business has no plans to move out of West London' (Codes 1-2) AND NOT ANSWERING Q3:

Qnew.5a (old Q11). Why do you expect to remain in West London?

Qnew.5b) And which is the MOST important factor? (ONLY SHOW ANSWERS FROM Q5a)

| ROTATE ORDER | 5a. PLEASE SELECT ALL THAT APPLY | 5b. PLEASE SELECT JUST ONE RESPONSE |
|--|----------------------------------|-------------------------------------|
| Competitive labour costs | 1 | 1 |
| Low labour turnover/High retention | 2 | 2 |
| Good availability of skilled labour | 3 | 3 |
| Quality of business support available | 4 | 4 |
| Good access to markets/clients | 6 | 6 |
| Quality and availability of commercial premises | 7 | 7 |
| Competitive cost of commercial premises/landlord flexibility | 8 | 8 |

| | | |
|---|----|----|
| Good local/regional transport links | 9 | 9 |
| Low levels of transport congestion | 11 | 11 |
| Close proximity to Heathrow | 12 | 12 |
| Good quality of life and environment | 13 | 13 |
| Low crime levels | 14 | 14 |
| No choice – business cannot be relocated | 16 | 16 |
| No choice – live in the area / work from home | 17 | 17 |
| Other (please specify) | 18 | 18 |

ASK THOSE THAT ANSWER DISAGREE at statement 5 'Our business has no plans to move out of West London' (Codes 4-5) at Q5:

QNew5c (old Q12). Why is your business considering a move out of West London?

PLEASE SELECT ALL THAT APPLY

| ROTATE ORDER | 5c. PLEASE SELECT ALL THAT APPLY | 2010 codes (to net from) |
|--|----------------------------------|--------------------------|
| High & Increasing costs of Commercial Premises – lack of availability / poor quality | 1 | 7 & 8 |
| High costs of Labour – low retention / high turnover of staff | 2 | 1, 2 & 3 |
| Congestion / Poor transport links | 3 | 9 & 11 |
| Quality of business support available | 4 | 4 |

| | | |
|--------------------------------------|----|----|
| High/Increasing crime levels | 5 | 14 |
| Poor access to markets/clients | 6 | 6 |
| Poor quality of life and environment | 7 | 13 |
| Other (please specify) | 16 | 16 |

CURRENT BUSINESS PERFORMANCE

Now some questions about how your business has been performing and your prospects for the coming year.

ASK ALL

Q6) Thinking about your business performance as a whole, in the past 12 months, has your business...?

PLEASE SELECT ONE OPTION ONLY

| | |
|-------------------------------|---|
| Grown substantially | 1 |
| Grown moderately | 2 |
| Remained the same size | 3 |
| Become slightly smaller | 4 |
| Become substantially smaller | 5 |
| Considered closing operations | 6 |

ASK ALL

Q7) Excluding seasonal variations, over the past 12 months what has been the trend in your business for each of the following?

PLEASE SELECT ONE OPTION ONLY FOR EACH FACTOR

| | Increased Significantly/ 1 | Increased Slightly/ 2 | Remained the same 3 | Decreased Slightly 4 | Decreased Significantly 5 | N/A 6 |
|--|-------------------------------|--------------------------|------------------------|-------------------------|------------------------------|----------|
| Orders | 1 | 2 | 3 | 4 | 5 | 6 |
| Costs | 1 | 2 | 3 | 4 | 5 | 6 |
| Prices (to the customer) | 1 | 2 | 3 | 4 | 5 | 6 |
| Sales/Turnover | 1 | 2 | 3 | 4 | 5 | 6 |
| Profitability | 1 | 2 | 3 | 4 | 5 | 6 |
| Level of debt | 1 | 2 | 3 | 4 | 5 | 6 |
| Range of business operation/products offered | 1 | 2 | 3 | 4 | 5 | 6 |
| Level of investment in the business | 1 | 2 | 3 | 4 | 5 | 6 |

ASK ALL with at least 1 employee (not code 8 at Q23):

QNew.7a) Now thinking about the staffing of your businesses, can you indicate the trends over the past 12 months for each of the following?

PLEASE SELECT ONE ONLY

| | Increased | No change | Decreased |
|---|-----------|-----------|-----------|
| Number of employees | 1 | 2 | 3 |
| Employee working hours | 1 | 2 | 3 |
| Spend on training | 1 | 2 | 3 |
| Employment of apprentices | 1 | 2 | 3 |
| Availability of candidates with relevant skill levels | 1 | 2 | 3 |

THE FUTURE

And thinking now about the future...

Q7b) Thinking about the financing of your business over the coming year, how much of a concern are each of the following to you?

SINGLE CODE EACH ROW

| ROTATE ORDER | Major Concern | Minor Concern | Not a concern |
|--|---------------|---------------|---------------|
| Managing cash flow | 1 | 2 | 3 |
| Arranging new or re-arranging existing finance | 1 | 2 | 3 |
| Receiving late payments for goods or services | 1 | 2 | 3 |
| Increasing running costs | 1 | 2 | 3 |

Q. new 35) And thinking about your business' commercial premises, do you plan to do any of the following in the next 12 months? (SELECT ALL THAT APPLY)

| | |
|-------------------------------|---|
| Review our property portfolio | 1 |
| Downsize | 2 |
| Refurbish | 3 |
| Move | 4 |
| Expand | 5 |

ASK ALL

Q8) Thinking about your business as a whole, would you say that in the future your business is likely to grow or contract? Firstly, please think about your projections for the next 12 months, and then the longer range forecast over the next 3 years.

| | PLEASE SELECT JUST ONE RESPONSE | PLEASE SELECT JUST ONE RESPONSE |
|------------------------------|---------------------------------|---------------------------------|
| | Q8a. Next 12 months | Q8b. Next 3 years |
| Grow substantially | 1 | 1 |
| Grow moderately | 2 | 2 |
| Remain the same size | 3 | 3 |
| Become slightly smaller | 4 | 4 |
| Become substantially smaller | 5 | 5 |
| Consider closing operations | 6 | 6 |

ASK ALL

Q9) And in the next 12 months what do you expect the trend in your business to be for the following aspects?

PLEASE SELECT ONE OPTION ONLY FOR EACH FACTOR

| | Increase Significantly | Increase Slightly | Stay The Same | Decrease Slightly | Decrease Significantly | N/A |
|--|------------------------|-------------------|---------------|-------------------|------------------------|-----|
| Orders | 1 | 2 | 3 | 4 | 5 | 6 |
| Costs | 1 | 2 | 3 | 4 | 5 | 6 |
| Prices (to the customer) | 1 | 2 | 3 | 4 | 5 | 6 |
| Sales/Turnover | 1 | 2 | 3 | 4 | 5 | 6 |
| Profitability | 1 | 2 | 3 | 4 | 5 | 6 |
| Level of debt | 1 | 2 | 3 | 4 | 5 | 6 |
| Range of business operation/products offered | 1 | 2 | 3 | 4 | 5 | 6 |
| Level of investment in the business | 1 | 2 | 3 | 4 | 5 | 6 |

ASK ALL with at least 1 employee (not code 8 at Q23):

QNew.9b) And do you expect to increase or decrease any of these employment factors over the next 12 months?

PLEASE SELECT ONE ONLY

| | Increase | No change | Decrease |
|---|----------|-----------|----------|
| Number of employees | 1 | 2 | 3 |
| Employee working hours | 1 | 2 | 3 |
| Spend on training | 1 | 2 | 3 |
| Employment of apprentices | 1 | 2 | 3 |
| Availability of candidates with relevant skill levels | 1 | 2 | 3 |

WEST LONDON TRANSPORT & PUBLIC FINANCES

Now some questions about the wider environment and how it affects you as a business

ASK ALL

Q12) How would you rate the importance of Heathrow Airport to the economy in West London?

Qnew13) And how would you rate the importance of Heathrow to your business?

| | Q12 – West London economy. (PLEASE SELECT ONE ONLY) | Q13 – Your business. (PLEASE SELECT ONE ONLY) |
|----------------------|---|---|
| Extremely important | 1 | 1 |
| Quite important | 2 | 2 |
| Neither/nor | 3 | 3 |
| Not very important | 4 | 4 |
| Not at all important | 5 | 5 |

There are a number of initiatives planned or being discussed that would impact on West London, including:

- Crossrail - high frequency railway planned for London and the South East, running from Maidenhead and Heathrow in the West to Shenfield and Abbey Wood in the East linking Heathrow Airport, the West End, the City of London and Canary Wharf
- Airtrack - new rail link between Heathrow Terminal 5 and the existing rail network to the South and West, including Reading, Guildford and London Waterloo
- Sustainable transport options – e.g. Company travel plans, cycling facilities, car sharing,
- Local bus services

Qnew.14) Please rate how important each of the following transport initiatives is to your business.

| ROTATE ORDER | Extremely important | Quite important | Neither | Not very important | Not at all important |
|-------------------------------|---------------------|-----------------|---------|--------------------|----------------------|
| Crossrail | 1 | 2 | 3 | 4 | 5 |
| Airtrack | 1 | 2 | 3 | 4 | 5 |
| Sustainable transport options | 1 | 2 | 3 | 4 | 5 |
| Local bus services | 1 | 2 | 3 | 4 | 5 |

Qnew.33) **Clearly a major priority of the Coalition Government** is to take measures to balance the public finances. Please rate the level of concern you have with the following potential measures?

| ROTATE ORDER | Extremely concerned | Very concerned | Quite concerned | Not very concerned | Not at all concerned | Don't know |
|--|---------------------|----------------|-----------------|--------------------|----------------------|------------|
| Increasing income tax and/or NI | 1 | 2 | 3 | 4 | 5 | 6 |
| Increasing VAT | 1 | 2 | 3 | 4 | 5 | 6 |
| Cuts to frontline public sector services | 1 | 2 | 3 | 4 | 5 | 6 |
| Reduced support for business) | 1 | 2 | 3 | 4 | 5 | 6 |
| Cuts to back-office public sector operations | 1 | 2 | 3 | 4 | 5 | 6 |
| Increasing Green taxes (e.g. carbon tax) | 1 | 2 | 3 | 4 | 5 | 6 |

Qnew.34) How important are the following measures in order to sustain the West London economy? SINGLE CODE, EACH ANSWER (Very / Quite / Not very / Not at all / DK)

| | Very important | Quite important | Not very important | Not at all important | Don't Know |
|--|----------------|-----------------|--------------------|----------------------|------------|
| Identifying key areas for concentrated hi-growth development / setting up enterprise zones | 1 | 2 | 3 | 4 | 5 |
| Creation of communication hubs to enable businesses to maximise advantages of fibre optic technology | 1 | 2 | 3 | 4 | 5 |
| Implementing flexible parking arrangements | 1 | 2 | 3 | 4 | 5 |

Qnew34a) Thinking about your business, are there any other possible government measures that concern you? (OPEN)

EXPORTING/INNOVATION

Now thinking about exporting, would you say your company is...

ASK ALL

Q18) As a company would you say you are...?

PLEASE SELECT ONE OPTION ONLY

| | |
|---|---|
| A very experienced exporter | 1 |
| Quite experienced at exporting | 2 |
| Not very experienced at exporting | 3 |
| Or not at all experienced at exporting | 4 |
| My company does not export | 5 |
| We would like to export but don't have the know-how | 6 |

IF DID NOT CODE 'MY COMPANY DOES NOT EXPORT' AT Q18 (NOT= CODE 5 or 6) ASK:

Q18b – Which business regions outside the United Kingdom do you:

i) currently operate in, export to or import from?

ii) plan to expand into?

IF CODED 'MY COMPANY DOES NOT EXPORT' AT Q18 (=CODE 5 or 6) ASK:

ii) Are you planning to expand into any business regions outside the UK?

PLEASE SELECT ALL THAT APPLY

| Business Region | Currently operate in, export to or import from | Planned expansion to |
|--|--|----------------------|
| Africa | 1 | 1 |
| China | 10 | 10 |
| Indian sub-continent | 11 | 11 |
| Asia excluding China or the Indian sub-continent | 2 | 2 |
| Australasia | 3 | 3 |
| Europe | 4 | 4 |
| Latin America | 5 | 5 |
| North America (including Canada) | 6 | 6 |
| Other regions/countries | 7 | 7 |
| None | 8 | 8 |
| Don't know | 9 | 9 |

Q16) Now thinking about innovation, has your company introduced any new products or services, or become more efficient (i.e. by improving systems and processes) over the last three years?

PLEASE SELECT ONE OPTION ONLY

| | |
|--|---|
| Yes | 1 |
| No | 2 |
| No but we do plan to | 3 |
| No but we would like to have done | 4 |
| No, we would like to but don't know how to go about it | 5 |

BUSINESS SUPPORT

Qnew.16b) Now thinking about the external help and support your business may require, please rate how much your business needs support for each of the following factors on a scale of 1-5 where 1 is definitely needs support and 5 is no support at all needed (or select N/A if this is not applicable to your business)

| ROTATE ORDER | Definitely need support | Greatly needs support | Some support needed | Support not really needed | No support needed | N/A |
|--|-------------------------|-----------------------|---------------------|---------------------------|-------------------|-----|
| Introducing new products or services | 1 | 2 | 3 | 4 | 5 | 6 |
| Sales & Marketing to find new or retain existing customers | 1 | 2 | 3 | 4 | 5 | 6 |
| International Trade/Exporting | 1 | 2 | 3 | 4 | 5 | 6 |
| Accessing finance | 1 | 2 | 3 | 4 | 5 | 6 |
| Dealing with staff issues / Human Resources | 1 | 2 | 3 | 4 | 5 | 6 |
| Developing new contacts through networking | | | | | | |
| Corporate Social Responsibility and sustainability | 1 | 2 | 3 | 4 | 5 | 6 |

ASK ALL:

QNew.19a) How likely are you to use the following support services in the next 12 months?

| ROTATE ORDER | Very likely | Quite likely | Not very likely | Not at all likely | Do not know who/how to reach |
|---|-------------|--------------|-----------------|-------------------|------------------------------|
| Professional advisers (lawyers, accountants, banks, marketing consultants, I.T support) etc. | 1 | 2 | 3 | 4 | 5 |
| West London Business | 1 | 2 | 3 | 4 | 5 |
| West London Borough (Local Authority) | 1 | 2 | 3 | 4 | 5 |
| Business Link | 1 | 2 | 3 | 4 | 5 |
| Local business support agencies (e.g. Action Acton, Harrow in Business, Hounslow for Business, Brent Business Ventures) | 1 | 2 | 3 | 4 | 5 |
| Local colleges/training providers | 1 | 2 | 3 | 4 | 5 |

| | | | | | |
|------------------|---|---|---|---|---|
| Friends/family | 1 | 2 | 3 | 4 | 5 |
| Peers/colleagues | 1 | 2 | 3 | 4 | 5 |

ASK ALL

Q19b) To what extent do you agree with the following statements used to describe your local Borough?

PLEASE SELECT ONE OPTION ONLY FOR EACH FACTOR

| ROTATE ORDER | Strongly agree | Agree | Neither/Nor | Disagree | Strongly disagree |
|--|----------------|-------|-------------|----------|-------------------|
| My borough is a good place to run a business | 1 | 2 | 3 | 4 | 5 |
| My borough listens to the business voice | 1 | 2 | 3 | 4 | 5 |
| My borough offers proactive support to new & existing businesses | 1 | 2 | 3 | 4 | 5 |
| I know who to approach in the borough if I need help | 1 | 2 | 3 | 4 | 5 |

ASK ALL

Qnew.19c) Have you accessed any business support from your local borough in the last 12 months?

- Yes 1
- No 2

ASK ALL

Qnew.19d) What kind of business support do you think the local borough should offer? (OPEN)

ASK ALL

Q15) Overall, how optimistic are you now about the following factors compared to 12 MONTHS ago?

PLEASE SELECT ONE OPTION ONLY FOR EACH FACTOR

| | A lot more optimistic | A little more optimistic | About the same | A little less optimistic | A lot less optimistic |
|--|-----------------------|--------------------------|----------------|--------------------------|-----------------------|
| Prospects for your business | 1 | 2 | 3 | 4 | 5 |
| The general business climate in your industry / sector | 1 | 2 | 3 | 4 | 5 |
| The general business climate in the UK | 1 | 2 | 3 | 4 | 5 |

ASK ALL

Q14) Finally, taking everything into consideration, what would you say is the one key issue that will have the greatest effect on West London businesses in the foreseeable future?

BUSINESS PROFILE

Now, please can you answer a few standard business classification questions – these are for analysis purposes only.

ASK ALL

Q20) Which of the following most closely matches your position in your business?

SELECT ONE ONLY

| | |
|-------------------------------|----|
| Director | 1 |
| CEO/Managing Director | 2 |
| Owner | 3 |
| Office/General Manager | 4 |
| Partner | 5 |
| Manager (non-specific) | 6 |
| Administrator | 7 |
| Consultant | 8 |
| Sales/Marketing Director | 9 |
| Company Secretary | 10 |
| Other specify | 12 |
| (CATI only) No answer/refused | 11 |

ASK ALL

Q21) Which of the following BEST describes your company sector?

SELECT ONE ONLY

| | |
|---|----|
| Finance/Business Services | 1 |
| Retail/Wholesale | 2 |
| Transport & Distribution/Logistics | 3 |
| Food | 4 |
| Creative & Media | 5 |
| Tourism & Leisure | 6 |
| Construction | 7 |
| Information & Communications Technology | 8 |
| Scientific (Biotech, Research etc.) | 9 |
| Education | 10 |
| Consultancy | 11 |
| Other Manufacturing | 12 |
| Other specify | 14 |
| (CATI only) No answer/refused | 13 |

ASK ALL

Q24) Into which of the following bands does your annual turnover fall?

SELECT ONE ONLY

| | |
|-------------------------------|---|
| £100,000 or less | 1 |
| £100,001 – up to £500,000 | 2 |
| £500,001 – up to £1million | 3 |
| £1 million – up to £2million | 4 |
| £2million – up to £10million | 5 |
| £10million – up to £50million | 6 |
| More than £50million | 7 |
| (CATI only) No answer/refused | 8 |

ASK ALL

Q25a) Do you consider that your organisation or business is minority-led? (that is, has a majority ownership - over 51% - comprising individuals from black and minority ethnic groups, women or disabled people)

| | |
|-------------------------------|---|
| Yes | 1 |
| No | 2 |
| (CATI only) No answer/Refused | 3 |

IF YES AT Q25A, ASK Q25B:

Q25b) Would the majority ownership be...?

SELECT ALL THAT APPLY

| | |
|---|---|
| Black, Asian or Minority Ethnic | 1 |
| Females | 2 |
| Disabled people | 3 |
| (CATI only) No answer/Refused/Prefer not to say | 4 |

ADDITIONAL INFORMATION

ASK ALL

Qnew28 (old Q28 & 30)

All the answers that you have provided in this survey will be treated in the strictest confidence and only aggregate responses will be analysed and published by BDRC Continental.

However, West London business would like to follow up this survey and is interested in the support you may require, the responses you have given today, and your participation again next year. This information would help them to get maximum benefit from the survey, but this is of course your decision. Would you be happy for West London to...

SELECT ONE OPTION FOR EACH ROW

| | Yes | No |
|---|-----|----|
| Put/update your contact details on its mailing list | 1 | 2 |
| Contact you about the services WLB offers (advice and business support) | 1 | 2 |
| See your responses to this survey (attributed to you) | 1 | 2 |
| Contact you to discuss the issues raised in this survey | 1 | 2 |
| Invite you to participate again next year | 1 | 2 |

IF YES AT ANY OF Q28 ASK (code 1):

Thanks, can you please complete the following details?

Company Website Address:

ASK ALL

Qnew.30) Are you an existing member of West London Business, or would you be interested in becoming a member?

| | |
|---------------------------------|---|
| Existing member | 1 |
| Interested in becoming a member | 2 |
| No – not interested | 3 |

Q31) If you would like to make any further comments about West London Business or this survey then please do so in the space below:

PLEASE TYPE IN SPACE BELOW:

IF NO AT Q28 (code 4), ASK:

Finally can I please take your name and company name for internal purposes only? Your information will remain strictly confidential and will not be passed on to West London Business.

Company Name

Company Address:

Postcode:

Your Name:

Job Title:

Telephone

Email:

Company Website Address:

END

Thank you for your time in completing this survey. All information will be treated in the strictest confidence and will not be passed on to organisations outside West London Business. The information will help West London Business and local boroughs to develop relevant services to assist local companies like yours and to influence the allocation of resources to West London by national and regional government organisations.

You will be e-mailed a link to the research findings on the West London Business website, once they have been published.

'SUBMIT SURVEY' BUTTON