The Creative Economy – a growing force: How small creative businesses are redefining the world of work

- A £3.6 billion industry setting its own work/life agenda
- World of work is changing as record numbers of self-employed and two-parent working families eschew traditional ‘9 to 5’ roles
- Greater life satisfaction: 90% of creative entrepreneurs have greater happiness and enjoyment of life since founding their own business
- More women setting up their own businesses

A new report by notonthehighstreet.com and Oxford Economics has shown that the changing world of work is seeing more people than ever before turn away from traditional ‘9 to 5’ roles in favour of more flexible and independent ways of working. This is resulting in increased labour force participation rates, particularly among women, and a 27% increase in self-employment over the last ten years, bringing current numbers of self-employed workers to 4.8 million. The 50% increase in self-employed women is particularly notable, now standing at 1.5m.

Today there are 134,000 small creative businesses in the UK, employing 192,000 people and contributing £3.6 billion gross value added to the UK economy. One in 40 UK businesses is a small creative business.

A ‘creative attitude’ to work has also emerged. In the last ten years, more and more people are finding their own way to make work ‘work’ for them. They are seeking choice and freedom and thousands are building successful businesses and setting their own work/life agendas as a result. With a record number of two-parent working households, which now stands at 3.6m, people want flexibility.

The findings of the report reveal that two thirds of creative entrepreneurs are benefitting from greater flexibility and freedom, with nearly half citing this as the main motivation for starting their own business. 95% of those surveyed feel a greater sense of achievement and 90% enjoy life more and feel happier as a result of starting their own business.

A ticket back into the world of work for mums
The shift to a different way of working is particularly empowering women entrepreneurs and parents with children living at home. In fact, for one in ten of the notonthehighstreet.com Partners surveyed, starting their own business was their ticket back into the world of work after a period of unpaid leave to care for young children. This movement is happening nationwide with small creative businesses driving prosperity and economic growth in every single region of the UK.

These new ways of working are being driven by a number of macroeconomic changes:

- an increasingly connected and online world where physical location is no longer a barrier to the reach and success of a business
- advances in technology enabling more of life’s functions to be carried out digitally, at any time and in any location (e.g. shopping on the move and outside ‘9 to 5’ hours)
- post-financial crisis environment forcing people to re-evaluate their careers and working lives
- the increasing numbers of two-parent, or carer, working families looking for ways to juggle work and life, and the reluctance of many workplaces to adapt to this change
- the refusal by many to fit their increasingly diverse lives around traditional work structures which, because of the above changes, are no longer deemed fit for purpose

Simon Belsham, CEO of notonthehighstreet.com, said: “In the last ten years, thousands of small creative businesses have emerged all over the UK, creating jobs, driving wealth creation and contributing significantly to the economy. Perhaps most importantly, however, these businesses are highlighting the huge change underway in the UK workforce; a transformation that is seeing more women in work and more people turning to self-employment and flexible working as they shun the traditional 9 to 5 model.

“Our hyper-connected world and advances in technology are allowing more people to find greater autonomy over working lives and fulfilment through work. This is a real gift of our time, and our nation of creative entrepreneurs is leading the way, demonstrating what it is possible to achieve both economically and socially, for these businesses and society as a whole.”

John Kampfner, Chief Executive of the Creative Industries Federation, said: “As this report demonstrates, small creative businesses form an increasingly valuable part of the British economy. Although there are giant global brands in the UK’s creative sector, the typical creative business employs 3.3 people and it is these small companies who are the backbone of a sector currently contributing £84bn gross value added to the British economy.”

Other report findings:

Positive impact of running own creative business

When notonthehighstreet.com Partners were asked to compare how they feel now relative to how they felt before starting their business:

- 95% now feel a greater sense of achievement
- 90% enjoy life more and feel happier
- 88% feel the industry they contribute to is worthwhile
- 87% feel more fulfilled when they wake up in the morning
- 80% enjoy the responsibilities that come with running a business
- 52% of the Partners surveyed were employed by another business before setting up on their own, and nearly three quarters of those have undergone an entire career change in order to start their own creative business

**Empowering women**

Small creative businesses are more likely to be owned by women. 27% in the UK are female-owned compared with the UK average of 21% for female small business ownership. Some 89% of notonthehighstreet.com Partner businesses are female owned. Small creative businesses are retaining women in the workforce and encouraging other women back into it; 10% of the notonthehighstreet.com Partners surveyed were looking after children at home and were not in paid work before they founded their business.

**Empowering parents**

55% of creative entrepreneurs working with notonthehighstreet.com have children living at home, compared with 41% of working households nationally. When considering the rise in the number of two-parent working families - up 14% in the decade to 2016 - and the need to work flexibly around childcare, it is not surprising that this industry is attractive to, and supportive of, working parents, particularly as we know that two thirds of notonthehighstreet.com Partners work from home, meaning no time or cost is spent commuting. Nine out of ten Partners with children at home ranked freedom and flexibility in the top benefits of starting their own business.

**Employment on the rise**

Total UK employment has risen 9% from 29.1m ten years ago to 31.7m today. UK employment for women has risen by 1.4m to 15m over the last decade.

**Self-employment on the rise**

4.8m people were registered self-employed in 2016, compared with 3.7m ten years ago; an increase of 27%. The increase in self-employment amongst women is even greater, growing by 50% over the same period, from 1m to 1.5m. Male self-employment has risen from 2.7m to 3.2m in the last ten years.

**Flexible working**

In the ten years to 2016 part-time work has increased from 24.9% to 26.4% of all employment, and full-time work has decreased from 75.1% to 73.6%. The majority of notonthehighstreet.com Partners work full-time but flexibly, fitting working hours around personal life and other commitments.

**Case studies**
After struggling to get back into work after having children, Dani Bolser realised that the options available didn’t allow her to be ‘mum first.’ In reality, a traditional full-time job meant that she would have to work all hours, arriving early or working late, which presented problems for picking up her children from school. With part-time work not proving financially viable, Dani eventually founded Deluxe Blooms. Dani said: “My husband encouraged me to take the plunge and put my skills to use and be my own boss. I’ve always been creative and had a passion for flowers. By selecting the finest faux flowers around and using my artistic flair, I’ve created some wonderful floral designs for people to enjoy all year round and I really enjoy it! I get to be creative, earn money and still do the school run!”

Another notonthehighstreet.com Partner who is taking advantage of a more flexible working arrangement is Thisisnessie. Based on a dairy farm on the northern edge of West Sussex, husband and wife team, Thisisnessie, set up their illustrations and prints business following the birth of their first child. Nessie, who previously worked in fashion design for a major fashion label and Duncan, who was a journalist, today turnover more than £1m a year with the online marketplace, employing 11 permanent staff (almost all mothers) at their home workshop. Nessie said: “When I had my first child I very quickly realised that the fashion world was no longer going to work for me with a family. I knew I wanted to work, doing something that kept me occupied but that I could pick up, put down and scale according to how much free time I had around the children.”

Nessie added: “While being in charge of the destiny of the business does lead to some pressure, I wouldn’t have it any other way. I love the autonomy it affords us and with no commute - our biggest commuting decision is whether to leave the house by the front or back door – we can be there for the school run every day.”

Edinburgh based Twenty-Seven was started by Emma Tulloch when she was 27 and after she was made redundant from her job as an art director in an agency. Emma began to create wedding stationary for her friends who were getting married. Whilst initially joking she could do it for a business, a plan started to form and two months later Twenty-Seven was up and running. Emma said: “The turning point for us was when we joined notonthehighstreet.com in 2012. In our first year we took just £900 but we grew rapidly from there, increasing our sales by 6000% the following year, and we are on course to hit £1m in sales this year. Trading on notonthehighstreet.com has enabled us to expand far more quickly than we could have done on our own. We are now a team of eight, many of them mums I met at the school gates who were looking for work that worked around their family commitments. With three children under ten of my own, I understand first-hand how hard it can be to juggle a career with family. Running your own business gives you huge amounts of flexibility in this respect – there’s no answering to anyone if you have to head off early for a school play.”

Dust and Things: The pull of doing something more creative and rewarding prompted Caerphilly-based Dust and Things to set up their design-led gifting business in 2013. Speaking about the business, co-founder Mike Chamberlain said: “I'd always had a passion for building and design but lacked a creative outlet in my finance position. When Sian-Louise completed her environmental degree we decided to take a leap of faith and establish a business that allowed us to be creative and personally fulfilled. Running your own business is not without its stresses - it's unpredictable at times
and there are always challenges, but to know that we are in control of an ever-changing and always progressing 'thing' is also really exciting.” In just four years Dust and Things has grown rapidly and now employs a team of 13 in an area that is challenging for employment and where there are few prospects for creative jobs otherwise.

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Notes to Editors

For a full copy of the report, infographic and regional versions of the press release, please go to: www.notonthehighstreet.com/workthatworks

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Photos of case studies listed also available here.

Available for interview:
• Simon Belsham, CEO, notonthehighstreet.com
• Andy Logan, Associate Director, Oxford Economics
• Ian Saxon, Senior Economist, Oxford Economics
• Ella D’Amato, Chief Commercial and Partner Officer, notonthehighstreet.com
• Any of the case studies mentioned above. Other case studies also available.

About notonthehighstreet.com

Notonthehighstreet.com is the leading curated modern marketplace connecting the best small creative businesses, with the world. The brand has gained the trust and loyalty of its customers through offering an alternative to the High Street: a curated product selection with unique designs, high-quality craftsmanship and inspiring stories behind the people that make them.

Customers choose to support small creative businesses and therefore contribute to building the great creative talent and community of artisans across the United Kingdom. Shopping with Notonthehighstreet.com is an opportunity for customers to be a conscious consumer, bringing human values back into retail and enabling the things they buy to say something about who they are.

Founded in 2006 by Holly Tucker MBE and Sophie Cornish MBE, the brand has experienced exceptional growth with gross sales (TTV) in 2016 reaching £158 million and delivering a compound growth rate of 135% since launch. Under the leadership of newly appointed CEO Simon Belsham, there is renewed energy and focus on building a brand that will captivate customers for decades to come by supporting Partners’ growth and innovation.
With a team of over 200 at its headquarters in Silicon Upon Thames, South West London, Notonthehighstreet.com is Chaired by retail veteran Darren Shapland and backed by media and technology company, Hubert Burda Media and venture capitalists including Index Ventures, Industry Ventures and Eight Roads Ventures.

About Oxford Economics

Oxford Economics was founded in 1981 as a commercial venture with Oxford University’s business college to provide economic forecasting and modelling to UK companies and financial institutions expanding abroad. Since then, they have become one of the world’s foremost independent global advisory firms, providing reports, forecasts and analytical tools on 200 countries, 100 industrial sectors and over 3,000 cities.