

Unlocking the digital potential of rural areas



The Challenge

Unlocking rural digital potential is vital for the UK, and digital connectivity has the potential to address many of the challenges that rural businesses face. To date most attention has focused on rural businesses' access to mobile and broadband infrastructure rather than take-up and use of digital technologies by rural businesses. The latter formed the focus of this project.

Policy Implication

1. Create a portal for digital advice and directories for digital service providers
2. Establish digital enterprise hubs in rural towns which businesses can use for better connectivity, start-up workspace and digital training
3. Smarter collaboration between businesses and HE/FE and training providers
4. Encourage rural businesses using superfast broadband to champion it to their peers and provide mentoring
5. Use existing policies and strategies to target rural areas to ensure that all businesses benefit from their implementation.

Research

Based on 807 responses from businesses across the UK, the following were considered:

1. Better understand the ways in which rural businesses currently use digital technologies
2. Consider the benefits that accrue;
3. Identify any key constraints to digital take-up
4. Assess the digital potential within the rural economy
5. Recommend actions that would unlock that potential.

Results

Rural businesses use digital for a wide variety of applications, including email and internet browsing, online business banking and submitting business returns. A majority of businesses use digital to promote their products or services. 22% are online sellers and cloud computing is used by 62% of respondents.

Key benefits were: remote working (30%), access to customers/suppliers (29%) and business efficiency (28%). 30% reported difficulty in finding external digital support, while 13-14% of respondents struggled to access digital training for their workforce and recruit people with appropriate skills.

At a national level, business turnover in rural areas of the UK could increase by £15 billion per year. Leading to a UK GVA increase of at least £12 billion each year if digital constraints were overcome.

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About

The Land Economy, Environment and Society (LEES) Research Group is one of the largest groupings of economists and social scientists working in the rural, agricultural and land based sectors in the UK. Our vision is to be recognised as one of the leading centres for agricultural and wider rural economic and social research globally, benefiting the land use sector, the environment and rural communities.

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