Rural Businesses, Innovation and Newcastle Science City

Jane Atterton, Carmen Hubbard & Arthur Affleck

Newcastle Science City: Opportunities for Rural Businesses

16th November 2010
Presentation Outline

- Rationale for the project
- Main aims of the project
- Methodology and data collection
- Key findings
- Conclusions
Project Rationale

- The benefits of Newcastle Science City (NSC) are anticipated to extend across the region.

- Lack of research and evidence on innovation in rural areas.

- Work on the Scottish Innovation System (Roper et al. 2006).
Main Aims of the Project

- To explore the results from the 2009 Rural Business Survey in the North East of England to establish the kinds of innovation undertaken by rural businesses;

- To explore the extent to which, and ways in which, actors in the ‘regional innovation system’ currently work with rural businesses;

- To develop recommendations as to how rural businesses might engage better with NSC and other actors in the regional innovation system in future.
Methodology and Data Collection

- Literature and Policy Review
- Analysis of the Rural Business Survey 2009 database
- Interviews and Focus Groups
Key Findings –
Literature and Policy Review

- Limited geographical extent of knowledge spill-overs from urban-based actors and institutions in the innovation system
- UK innovation policy is ‘spatially blind’ (NESTA 2007)
- Rural businesses do engage in innovation, and indeed may be more innovative than their urban counterparts
- Innovation is not a linear process – more about shared learning
- Traditional approaches to defining innovation have tended to exclude much of the innovation that occurs in rural areas
- Considerable potential for rural areas to be important sources of innovation in future
Key Findings – Rural Business Survey 2009 Analysis

- 46% of respondents had introduced an innovation in the last 5 years; 15.4% had worked with an external organisation in doing so.

- 47.8% of newcomers reported introducing an innovation compared to 41.0% of locals.

- 29/957 (3%) businesses were identified as operating in the NSC themes; 51/957 (5.3%) had had a connection with a University.
Key Findings – Interviews and Focus Groups

- No urban-rural distinction in innovation policy (mainstreaming)
- Some reflection on the challenges of working with rural businesses but also recognition of the opportunities for generating innovation in rural locations
- Two Innovation Connectors (ICs) in rural locations – real opportunity
- Talk of the ICs working together but extent to which this has happened is more questionable
- NSC is an important actor, but rural businesses are not sufficiently aware of what it can offer them
Conclusions

- Need for rural proofing and genuine understanding of the characteristics of rural businesses, and the challenges they face
- Need for a broader approach to be taken to defining innovation (by all actors)
- Make the most of the fact that 2 ICs are in rural locations and that the NSC themes are very relevant to rural areas
- Raise awareness of the role of NSC and other ICs
- Improved information gathering about the businesses that are engaging with the ICs
A full report of the project can be downloaded at:
http://www.ncl.ac.uk/cre/publish/researchreports/

For more information, please contact:

- Carmen Hubbard: carmen.hubbard@ncl.ac.uk;
  Tel. 0191 222 8854

- Jane Atterton: jane.atterton@sac.ac.uk
  Tel. 0131 535 4256