

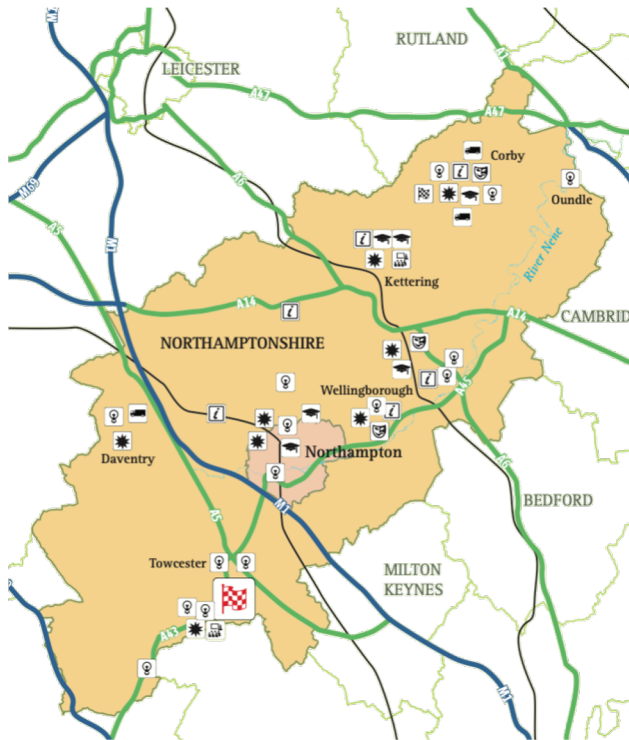


# Northamptonshire Innovation Ecosystem Analysis Proposal

January 2022

# Introduction

## A proposal for an ecosystem analysis of the innovation capabilities and resources required to support the development and growth of the business community in Northamptonshire and surrounding areas.



- The purpose of this document is to stimulate discussions about innovation and its role in supporting the development and growth of firms in Northamptonshire and surrounding areas.
- Whitecap Consulting and the University of Northampton recently hosted a webinar on the culture of innovation sponsored by North Northamptonshire Council, West Northamptonshire Council, Northamptonshire Chamber of Commerce and HCR Hewitsons. The webinar captured the innovation success stories of local firms Pallite and Medigold Health – one of the key lessons learnt is the important role of collaboration within firms, and externally with business partners and supporting institutions.
- The county has one of the strongest rates of business start-ups in the UK, but there is a need to provide greater support to scale-up businesses. As firms in the county focus on their survival and recovery plans, developing the right skills and capabilities needed to take advantage of future opportunities presented by the fast-changing technological landscape will be crucial.
- We are proposing an ecosystem analysis that would be a freely available report. It includes a comprehensive exploration and analysis of the region's innovation capabilities and resources. The report would include a set of clear, evidenced and actionable recommendations.
- Whitecap Consulting has conducted similar regional ecosystem analyses in Leeds, Bristol & Bath, Greater Manchester, North-East, West Midlands, and Northern Ireland. Details can be found here: <https://www.whitecapconsulting.co.uk/publications/>.

Source: A Prosperity Plan for Northamptonshire, Oct. 2011 [Map]; UK Local Growth Dashboard – Enterprise Research Centre, 2018;



# Innovation Investments Can Support Economic Development and Growth

**Collaboration between businesses and supporting institutions is crucial for developing the right skills and capabilities needed in Northamptonshire to cope with the fast changing digital and technological landscape.**

- In a recent survey about what is needed to facilitate greater innovation in the county, the word “**collaboration**” was mentioned most frequently. This refers to collaboration internally within firms, and externally with suppliers, partners, and other stakeholders (such as LEPs, academic institutions, and local government entities). An effective partnership example is “Made in Northamptonshire” food group<sup>1</sup>, set up in 2011 by The Mallows Company.
- As firms in the region focus on their recovery, SEMLEP and its local partners are maintaining their ambitions to build on the unique strengths of the local economy. Priorities include innovation & commercialisation excellence; employer-led skills; energy, digital & transport infrastructure; provision of commercial premises consistent with business needs; wider business support; and high-quality place-making.
- Future trends studies indicate that digital-native companies and key technologies (such as sensors, sustainable/green tech, biotech, advanced & functional materials, and ICT) will transform the industrial landscape across UK regions.
- This will have a positive economic impact in the county but will lead to significant changes in workforce skills.
- A recent BCG study highlights some key “how” questions that will be at the top of CEO agendas:
  - How do we build a new set of capabilities to harness digital innovation and create new competitive advantage in our core business?
  - How do we push innovation out of the lab and into the hands of our frontline teams?
  - How do we adopt new ways of working that enable us to move at digital speed?
  - How do we attract and retain the next generation of digital-native talent?
  - How do we drive and sustain innovation velocity across our entire organisation?
- They are also critical questions for all stakeholders interested in the economic development & growth of Northamptonshire.

(1) MiN is a countywide food group, offering members the chance to gain access to grants and other financial support, receive free advice & information, and expertise.

Source: SEMLEP Local Industrial Strategy, 2018; SEMLEP Economic Recovery Strategy, Jun. 2021 Update; BCG Powering the Innovation Flywheel in the Digital Era, Mar. 2021; Whitecap Analysis



# Key Stakeholder Groups – For Illustration Purposes Only

A wide range of stakeholders will be engaged as part of the project. Through detailed analysis, a comprehensive ecosystem map will be created.



# Proposed Objectives

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## Key Requirements

1. Map the current types of firms and their innovation capabilities/activity by sector, with examples of best practices observed in Northamptonshire and surrounding areas.
2. Engage with all the key stakeholders to obtain qualitative input and insights.
3. Analyse the capabilities, strengths, weaknesses, and investment opportunities for innovation in Northamptonshire and surrounding areas.
4. Understand where the areas of current and potential future competitive advantage lie for firms across Northamptonshire.
5. Provide clear recommendations as to how the region can collectively develop and capitalise on these areas of competitive advantage and opportunity.
6. Provide recommendations on how the businesses across sectors in Northamptonshire and surrounding areas can collaborate, leveraging opportunities for innovation and growth.

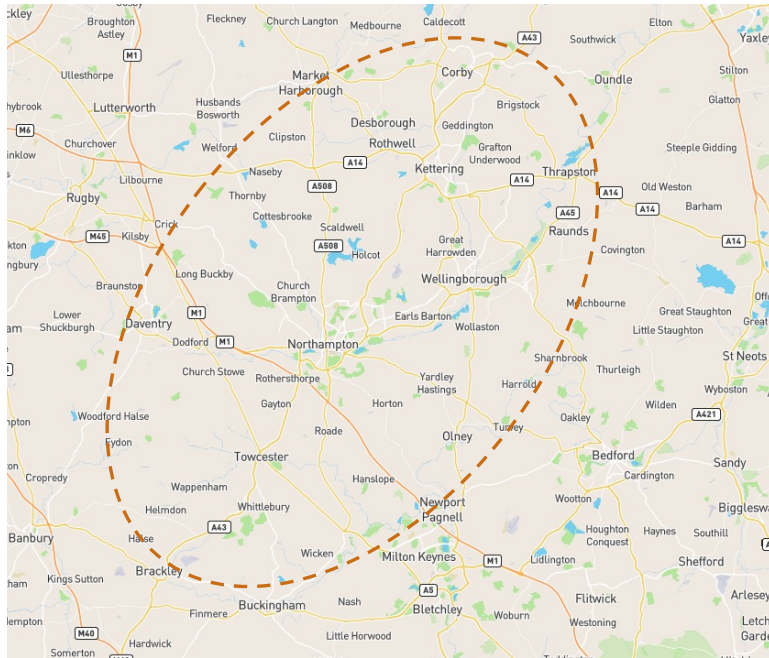
## Key Inputs

- We would need to ensure that we utilise and build upon any regional market mapping already undertaken – this would become evident as we engage key stakeholders.

# Proposed Scope

## Geographic Scope

- The proposed scope covers Northamptonshire and surrounding areas, including Silverstone Technology Cluster.



## Functional Scope

- This includes the key industrial sectors that Northamptonshire businesses operate, including:
  - Innovation & High-Performance Technology
    - Connected and Autonomous Vehicles
    - Next Generation Transportation
  - Manufacturing & Advanced Technology
    - Material and Prototype Testing
    - Food and Drink
    - Footwear
  - Logistics & Supply-Chain
    - Distribution Centres
    - Wholesalers
  - Creative & Cultural
    - High-Tech & Digital; Media
- A focus on skills, capabilities and resources required for innovation and the culture of innovation to flourish and thrive in Northamptonshire and surrounding areas.



Source: The Evolution of the High-Performance Technology and Motorsport Cluster Summary Report, 2016; Open Street Map

# Project Approach & Methodology

## 3 Key Project Phases

### 1. Market Mapping

- Desk research & analysis
- Analysis and evaluation of existing data and materials
- Evaluation of the region's innovation capabilities and resources
- Consider benchmarking against a specific UK city/region

### 2. Stakeholder Insight Research

- Key stakeholder validation and endorsement
- Qualitative interviews with representative sample of key stakeholders
- Estimated 40 interviews required
- Use of quantitative survey methods

### 3. Report & Recommendations

- Data analysis and summarisation
- Summary report and evaluation
- Executive summary presentation
- Single page infographic summarising the key project findings



# Phase 1: Market Mapping

## Desk Research & Analysis

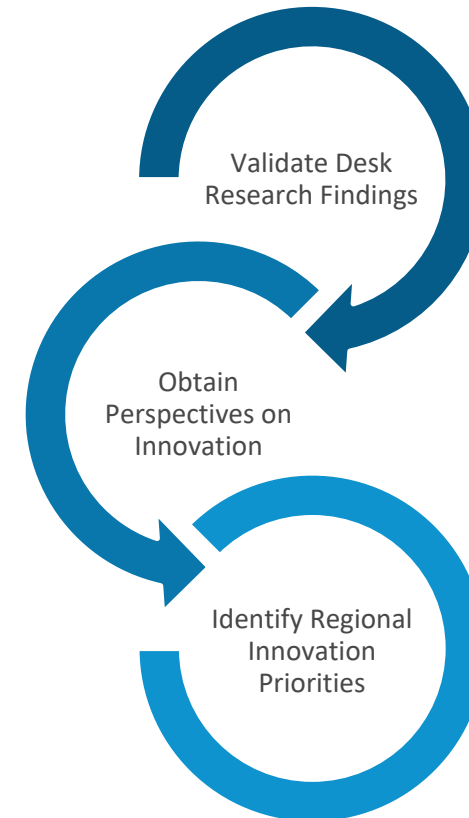
- Through desk research and analysis, develop a detailed mapping of the key stakeholder organisations in the region capturing key information including:
  - Segments (which segment of the “ecosystem” do they belong to?).
  - Interdependencies (how do the stakeholder organisations fit with each other?) .
  - Key People (who are the key people and what are their roles?).
  - Innovation Capabilities and Investment Flows (what are the innovation capabilities/resources and funding/investment flows?).
  - + any other considerations identified before the project starts.



# Phase 2: Stakeholder Insight Research

## Primary Research – Qualitative & Quantitative Methods

- Through face to face stakeholder interviews (estimated 40 interviews) gain deep insight including:
  - Validation of conclusions developed from the Market Mapping stage
  - Key perspectives on the opportunities for growth and competitive advantage through innovation efforts
  - Assess innovation opportunities and threats
  - Key objectives and priorities for the individual organisations, and development an initial recommendation for the region's innovation priorities
- Supported by an open quantitative online survey using a similar question set, which can generate data to supplement the analysis.



# Phase 3: Report & Recommendations

## Project Outputs & Next Steps

- The output will be a report combining the key findings from the Desk Research and Stakeholder Insight stages.
- Prior to external publication, and using the data collected as an input, we will facilitate a discussion with key stakeholders to debate and validate the findings.
- The findings will be summarised, and clear actionable recommendations will be given as to how the sector can address the challenges and opportunities identified, to ensure it can remain relevant and create competitive advantage.
- Infographics and other visuals will be used throughout the report, ensuring the output is engaging and suitable for social media and other promotional activity.
- The report will be openly available at no cost.
- Based on experience producing similar projects, it should take 3-5 months to complete and publish.



<https://www.whitecapconsulting.co.uk/publications/>

# Project Funding Options

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## Crowdfunded Approach

- Although a single sponsor/client approach is an option, we propose to ‘crowdfund’ the project via contributions from key stakeholders in Northamptonshire including:
  - Local businesses in public, private, and not-for-profit sectors
  - Business support institutions, inc. LEPs
  - Local government authorities
  - Professional services firms
  - Other service providers to the region
- Based on the standard Whitecap engagement model, the project would cost circa £60k.
- We propose to start the work on the project if we can secure funding to cover a minimum of 70% of the project value.

## Sponsorship Opportunities

### £10,000 – “Key Sponsor”

- Integrated into the process of developing research
- Logo on front cover of report
- Case study within report

### £5,000 – “Primary Sponsor”

- Logo on front cover of report

### £2,500 – “Sponsor”

- Logo in report

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## Whitecap Credentials & Case Studies





# Case Study – York Business Accelerator Analysis



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Whitecap conducted comprehensive analysis to better understand the York innovation ecosystem. The project was designed to analyse whether a York Accelerator would be beneficial to York, and to understand how to develop a relevant vision and operating model for such an accelerator. The report was published to wide praise.

The analysis included:

- 50 stakeholder interviews from 40 different York Stakeholder organisations.
- An online survey with several further participants stakeholder organisations from across the York region.
- Extensive desk research conducted over a 4-month period.
- Insights gathered from numerous meetings and discussions during the period within which the report was compiled.

The analysis was supported and funded by:



# Case Study – York Business Accelerator Report



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# Business Accelerator Analysis

## YORK 2020



© Whitecap Consulting

## Areas requiring most attention over next 2-3 years

### Ecosystem

**Ecosystem** - Creating a strong and successful ecosystem will help drive growth of tech and innovation in York. It will require communication between startups, scaleups and large organisations as well as the universities in order to facilitate peer to peer support for everyone in the tech community. This will allow for the sharing of knowledge and experiences which is likely to lead to more innovation and inward investment. An integrated ecosystem is more attractive to startups and investors which would position York strongly within the Northern Powerhouse.



### Civic leadership

**Civic leadership** - Ensuring City of York Council shares the vision of the York Accelerator is also likely to contribute to the growth of tech and innovation as it has access to funding via the UK government and LEPs as well as the ability to influence the York Central Project. The council also has the most influence on the building of low-cost and affordable housing which would attract more startups, entrepreneurs to the city. Placing an innovation hub in the city centre would attract people from other cities who are willing to commute as the transport links in and out of York are efficient from most major UK cities.



### Strategic vision

**Strategic vision** - In order to make the York Accelerator a lasting success, it needs a coherent and joined-up strategic plan, supported by a strong narrative, ambition and use case articulation. This requires central leadership, creating a vision with the council as a facilitator and enabler.

Building the ecosystem is not just a branding exercise but links the city to the world, showcasing its capabilities. It would require the capability to interpret the startup culture and provide a shared environment to act more innovatively, e.g. safe sandboxes, and to build a bridge between the startup and corporate world that allows large businesses in York to be involved and to embrace tech innovation.



### Physical innovation hubs

**Physical innovation hubs** - Tech hubs, incubators and accelerators for both startups and scaleups will help to drive the growth of tech and innovation in York. It is important that startups see an opportunity for growth and see successful scaleups in the city in order to encourage them to stay.



### Biggest challenges for growth of tech and innovation in York

#### Start-up and scaleup community

York does not have a strong startup and scaleup community. It is common in innovation focused cities to see startup incubators and accelerators backed by financial services and as York does not have the presence of big banks, this may be one of the reasons why the startup community has suffered.

There is also a lack of knowledge and awareness regarding funding availability in the city as well as limited experience on how to run an accelerator and what it needs to ensure it is successful.

#### Corporate collaboration

The relationship between startups and established businesses in York is weak and could be improved. Currently, there is a lack of communication and sharing of ideas which has created a fragmented environment where there are limited collaborations.

The collaborations that do occur come mostly from the universities, however some businesses in York have experienced initial exciting engagements with the universities which were then not followed through. This has resulted in businesses losing enthusiasm for projects with the universities as they do not see them as being proactive.

#### Innovation hubs

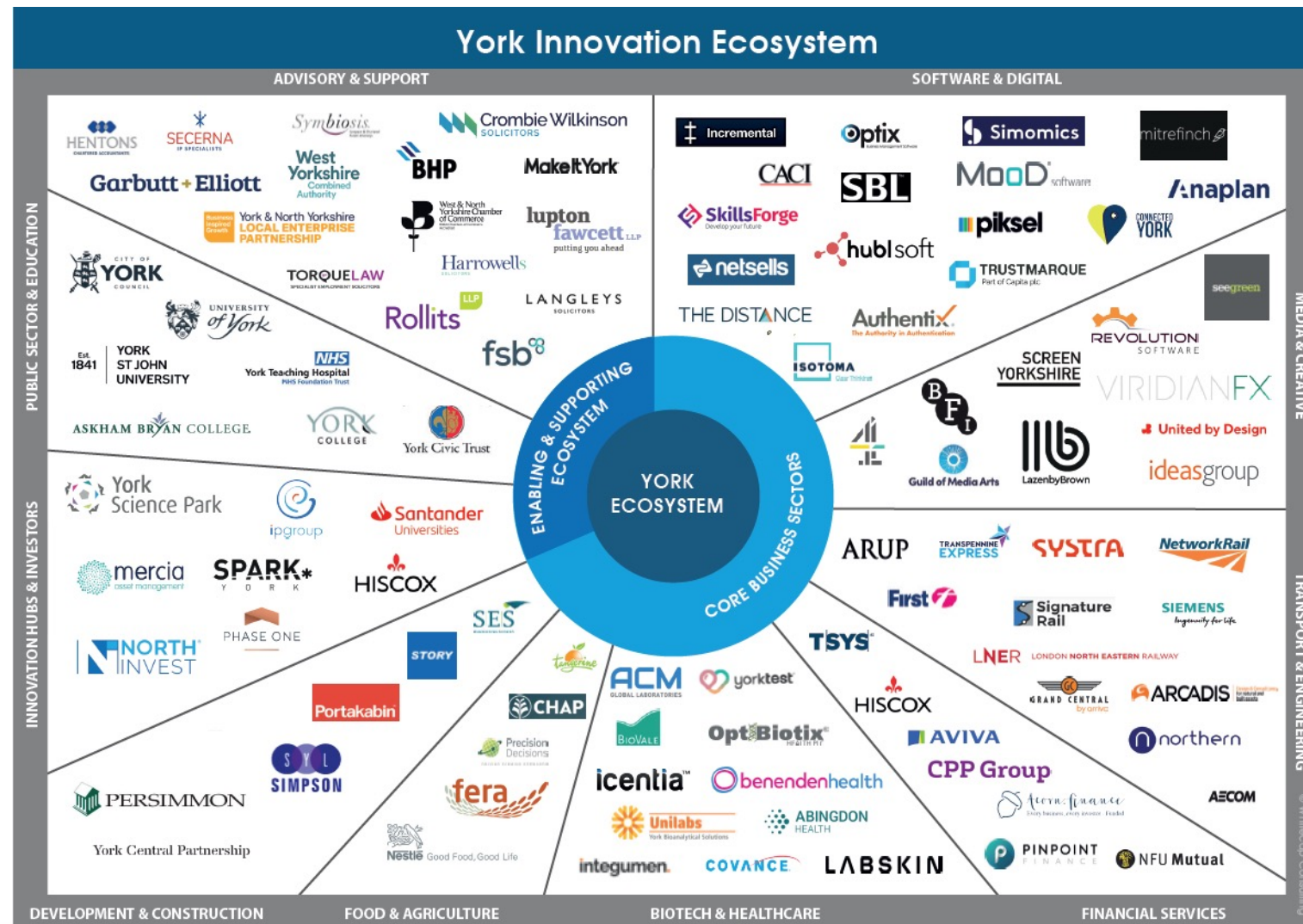
Collaboration offices are in increasing demand, however York is currently providing more academic centred spaces whereas Leeds or Manchester have seen the emergence of a large variety of co-working spaces, innovation hubs and commercial accelerators such as Barclays Eagle Labs.

#### University collaboration

Overall, the level of interaction between universities and businesses in York could be improved as there is poor communication and a lack of long-term, strategic relationships.



# Case Study – York Business Accelerator Report, Ecosystem Overview



# Case Study – North East FinTech Ecosystem



*“Whitecap’s report was a major catalyst for the build-up of two new FinTech clusters in the North East – one based Tyneside and the other in Durham, which is class leading in the North. The report, also supported our thinking about how to position our Fintrust and Finclusion initiatives both regionally and nationally in alignment with the Kalifa review. A year on, the University is now bidding to win substantial funds for formal network projects and co-created programmes around digital ethics and FinTech initiatives of international significance.”*

**Dr Karen Elliott**

**Senior Lecturer (Associate Professor) in Enterprise & Innovation (FinTech), Newcastle University Business School.**

# Case Study : Bristol & Bath LegalTech Ecosystem



*“We were delighted to take part in Whitecap’s 2021 Bristol & Bath LegalTech report. We knew there was a local ecosystem but we didn’t know how big it was. The report really sheds light on that and brings together all the goings on of the region. And we have seen immediate benefit of being involved, thanks to Whitecap’s introduction to the University of the West of England. We were able to take part in UWE’s LegalTech Hackathon, and our connections have snowballed from there including as far as Australia.”*

**Neill Pemberton**  
Chief Operating Officer, Panache Software.



# Case Study : West Midlands FinTech Ecosystem



Commissioned by the Greater Birmingham & Solihull LEP, Whitecap Consulting conducted a detailed analysis of the West Midlands FinTech Ecosystem in 2019 / 2020. Whitecap undertook over 40 stakeholder interviews, conducted extensive stakeholder research, and held interactive round-table events to deliver up-to-the minute insights and table strategic options for the region. In so doing, Whitecap helped pull together an evolving cluster, and pave the way for the innovative SuperTech WM group, and recognition of the region in the UK Government Kalifa report.



*“GBSLEP commissioned Whitecap to learn more about our FinTech ecosystem in terms of the existing business base and also better understand how to support growth in this sector. The ensuing depth and reach of Whitecap’s enquiries was very pleasing and stimulated a community with a shared interest that persists today. As a foundational exercise for the West Midlands’ strategy, the report certainly advanced our thinking and accelerated the profile and interest in this vital sector.”*

Hilary Smyth-Allen, BPFS Sector & Modern Services Lead  
Greater Birmingham & Solihull Local Enterprise Partnership

# Case Study – Finexus Digital / Innovation Hub



FiNexus Lab was a multistakeholder initiative that aimed to build and fund a Leeds City Region based innovation laboratory and digital hub. The key strategic objectives for the FiNexus Lab were to leverage the UK's global leadership in FinTech building a counter-balance to London, and to create innovative and integrated e-government, SMART City & HealthTech solutions as well as wide-ranging digital transformation skills and solutions. Whitecap has been involved in shaping the vision and strategy for this exciting addition to the Leeds City Region.



*“Whitecap has been involved in shaping the vision and strategy for an exciting addition to the digital landscape in the Leeds City Region, which will play a key role in the development of the digital Northern Powerhouse.”*

**Dr Chris Sier, Director of FiNexus**

# Whitecap Project Team

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## **Lal Tawney** Director

- Lal is an experienced management consultant with background in strategy, product, marketing and change management in the education sector.
- Recent projects have been focused on strategy consultancy for education clients including The Open University, The British Council, and London South Bank University.
- Lal previously worked in senior roles for KPMG, Santander, Abbey, and Barclaycard in Northampton.
- Lal has lived in Milton Keynes since graduating from university, and is also Trustee of The Stables theatre.



## **Foluso Laguda** Strategy and Innovation Consultant

- Foluso has extensive experience gained from delivering business growth initiatives, and commercial due diligence engagements across multiple sectors: including technology, retail and food & drink.
- He has core competencies in areas such as: innovation strategy and management, market opportunity assessment; value proposition development; business model optimisation; development/review of business plan and economic models.
- Foluso's past engagements includes projects with leading brands such as Sony, Unilever, P&G and Nestle.

# Whitecap Project Team

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## **Julian Wells** Director & FinTech Practice Lead

- Julian is a board level strategist and marketer with proven commercial expertise across the financial services, FinTech and professional services industries.
- Julian's specialisms are B2B, Financial Services, FinTech, Lending, Professional Services, and Technology. He is heavily involved in [FinTech North](#), the regional FinTech initiative Whitecap co-founded in 2016.
- Has worked with building societies, mortgage lenders, tech providers and FinTechs.



## **Daniel Ryan** Junior Consultant

- Joined Whitecap in 2019 after graduating with First Class Honours in Business & Management from Leeds Business School.
- Supports the team across a broad range of projects with a significant focus on insight, research and reports. His work to date has included Whitecap's regional FinTech ecosystem project work.



## **Chloe Thompson** Junior Consultant

- Joined Whitecap in 2020, having completed an MSc in Management and International Business at Nottingham Trent University and subsequently taken on a role as Associate Lecturer on undergraduate business degrees.
- Since joining Whitecap Chloe has supported projects across different sectors, including cybersecurity, manufacturing, and a regionally based accelerator project for a university.



# University of Northampton Project Team

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## **Adrian Pryce** DL Associate Professor, Strategy & Society

- With a career spanning banking, travel & tourism, the food industry, academia and charities, Adrian brings a breadth of strategy and business development experience with executive and consulting roles in the private, public & third sectors.
- Adrian is an experienced NED and has served on the board of RCI EMEA (£100m turnover) and as Chairman of Scott Bader Commonwealth, the charitable holding company of a £230m multinational speciality chemicals business.
- His research interest lie in the area of cross-sector partnerships. A Fellow of the Higher Education Academy since 2010 and in 2021 he was appointed a Fellow of the Institute of Corporate Responsibility & Sustainability (FICRS) and the CSR Ambassador for the Institute of Directors in the SE Midlands.
- Adrian was appointed a Deputy Lieutenant of Northamptonshire fin 2017, for services to business and charity in the County.



## **Helen Miller** Assistant Director, Enterprise & Employability

- With a career spanning 25 years in private consultancy, Local Authorities, LEPs and Further Education Helen is an experienced strategist and practitioner in the field of economic development.
- She has a proven track record in the delivery of a wide range of economic development services and initiatives.
- Helen was responsible for the delivery of the Growth Hub service in Leicester and Leicestershire, during her time she saw the service through a period of a successful expansion and the challenges of COVID.
- She was recently involved in the innovation ecosystem mapping in Leicestershire through the MIT REAP Lite pilot.



# University of Northampton Project Team

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## **Dr. Tatiana Gherman** Senior Lecturer, Strategy & International Business

- An experienced academic, with more than a decade of teaching and research experience, and a recipient of various academic honours and awards.
- Proven track record of delivering written research reports and articles.
- Experienced in the application of a variety of qualitative and quantitative research methods.
- Currently researching how Machine Learning and Artificial Intelligence tools can support various business functions to help make business management practices more effective; with particular interest in how to design Artificial Intelligence techniques grounded in and informed by patterns of social interaction and communication.



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