Changing the Capital: Innovation in London’s Small Firms

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ABSTRACT

A considerable body of literature has emerged in recent years that has documented the increasing importance of innovative practices in UK small firms. Much of this literature has developed in response to reports of under-performance by UK firms in innovative practices compared with other countries. This paper asserts an inextricable link between innovation and marketing and seeks to generate a clearer picture of characteristics of both innovative owner-managers and businesses. Using a sample of 233 small and medium sized businesses in Greater London, original data is presented and archetypes of innovative entrepreneurs and businesses are developed. The typical innovative business owner is shown to be young to middle aged, risk taking and embracing of new technologies. The typical innovative business is shown to be young, in the start-up stage of business development and using current business plans and marketing plans. An understanding of these archetypes and concerns regarding the measurement and understanding of innovation and small firms are discussed.