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Private

Outstanding growth during uncertain times

50 Technology Fast 50
2021 UK

CONTENTS

Foreword

Despite another challenging year for us all, the UK's emerging technology sector continues to provide not just a beacon of economic hope but a platform to solve some of society's most challenging problems. As digitisation accelerates across almost every industry sector, much of the technology behind it is built here in the UK. The Deloitte UK Technology Fast 50 programme celebrates the achievements of the UK's fastest-growing technology businesses.

The stories of innovation, ingenuity, and resilience this community shares each year continues to inspire, and we are as proud as ever to champion this programme and the UK's high growth technology ecosystem. I want to congratulate every one of this year's winners on their outstanding performances. The average growth of the 2021 winners comes to an exceptional 3,337%, generating around £2.92bn in total annual revenues during 2020-1 and employing some 19,320 people from across the UK and abroad, highlighting the outstanding contribution that the Fast 50 winners make towards the UK's technology sector and the broader economy.

Special praise goes to the winner *ClearBank*, a Fintech whose astounding growth rate of 21,569% made them the clear front runner. They continue to push the boundaries of digital banking for consumers and businesses alike and have achieved fantastic employee and revenue growth over the last year.

In this 24th edition of the programme, our report explores different avenues that have contributed to the growth of the Fast 50, such as how innovation and new product development have helped the Fast 50 achieve outstanding growth despite the challenges posed by the pandemic.

We also looked at how data plays a vital role in plotting their growth strategy in a constantly evolving business landscape. We investigated the mechanisms the Fast 50 use to retain and attract the best talent as competition increases. Lastly, we also look at how understanding customer behaviour helped fuel further innovation and growth for the Fast 50.

Our findings draw on information provided by 151 entrants, including survey responses, one-to-one interviews with CEOs and insights from the broader tech ecosystem. We want to thank all the entrants for their time and effort in supporting the programme.

As seen in this report, the stories of remarkable growth achieved by the Fast 50 are a testament to how they have taken on the challenge of the new normal, adapted quickly and used technology and data to evolve and develop new strategies that give them an edge in this era of the pandemic. While we need to continue celebrating the success of these companies and the pioneers behind them, we also need to acknowledge that others have not fared so well during these troubled times. Here's to a time when we can all get back on our feet and put this dark period behind us.

Duncan Down

Duncan Down
Deloitte UK Technology Fast 50 Programme Lead

FULL LIST OF WINNERS

Rank	Company	Growth	Region	Sector
1	ClearBank	21569%	London	Fintech
2	Airtime Rewards	16907%	North West	Fintech
3	Paysend	14498%	London	Fintech
4	Touchlight	11421%	London	Health Care
5	Wonde	10792%	South East	Software
6	Huma	9584%	London	Health Care
7	Zencargo	5697%	London	Software
8	Cera	5382%	London	Software
9	Popsa	4650%	London	Software
10	Cognism	4341%	London	Software
11	Zego	3460%	London	Fintech
12	Second Nature	3225%	London	Software
13	OneTrust	2988%	London	Software
14	Soldo	2634%	London	Software
15	Fidel	2466%	London	Fintech
16	HungryPanda	2435%	London	Software
17	Napier	2268%	London	Fintech
18	EO Charging	2201%	South East	Software
19	Salary Finance	2131%	London	Fintech
20	Inflo	1983%	North East	Software
21	Blockchain.com	1897%	London	Fintech
22	iProov	1889%	London	Software
23	VYNTELLIGENCE	1843%	London	Software
24	Tessian	1703%	London	Software
25	Revolut	1631%	London	Fintech
26	Elvie	1561%	London	Health Care

Rank	Company	Growth	Region	Sector
27	Patch	1538%	London	Media & Entertainment
28	Multiverse	1471%	London	Software
29	Octopus Energy Group	1455%	London	Environmental Technology
30	Motorway	1421%	London	Media & Entertainment
31	TG0	1364%	London	Hardware
32	Distributed	1343%	London	Software
33	AccountancyManager	1281%	Midlands	Software
34	Qmee Limited	1268%	South East	Software
35	Beamery	1263%	London	Software
36	Tractable	1254%	London	Software
37	Dayshape	1251%	Scotland	Software
38	Omnisend	1171%	London	Media & Entertainment
39	QStory	1080%	South East	Software
40	Salunda Limited	1079%	Midlands	Hardware
41	Solidatus	932%	London	Software
42	Modulr	915%	Scotland	Fintech
43	Rematch Credit	871%	North West	Fintech
44	Thunderhead	822%	London	Software
45	Moneybox	807%	London	Fintech
46	Moteefe	792%	London	Media & Entertainment
47	Gophr Ltd	792%	London	Software
48	A Million Ads	763%	London	Media & Entertainment
49	Paddle	756%	London	Software
50	Bluewater Bio	728%	London	Environmental Technology

The role of innovation and R&D in the growth of the Fast 50

THE ROLE OF INNOVATION AND R&D IN THE GROWTH OF THE FAST 50

Challenging times often force faster innovation, something the Fast 50 found true this last year. Most have seen staggering growth, in part down to their recently developed innovations. Government incentive programmes and tax relief measures have helped boost their R&D investment, which has enabled them to create new products and services, improve existing market offerings, and use new channel strategies to engage with their customers.

The Fast 50's ability to develop these strategies has been a significant driver of their impressive growth – achieving average revenue growth of 3,337% over the last three years. By doing this, they have rapidly gained competitive advantages, becoming some of the fastest-growing companies in the country.

This report focuses on the importance of supporting R&D spending, and the impact public tax incentive programmes have on these decisions.

High R&D spending to innovate

This commitment to R&D spending has seen them invest over three times more on R&D as a percentage of revenue (average of 15%), compared to an S&P 500 company (average of 4%) (Figure 1). At the top end, 34% of them invest more than 20% of their revenue in R&D.

The differences in total revenue and scale partly explain the divergence in the R&D spending ratio between the Fast 50 and S&P 500 companies. However, it's worth noting that 88% of the Fast 50 expect to maintain or increase their spending on R&D as they continue to grow.

The ratio of R&D to total revenue is one helpful metric but is not necessarily the most relevant for the Fast 50. Instead, high-growth companies often look to apportion a percentage of capital raised to R&D expenditure – this may differ across raises, depending on product development timelines, immediate business objectives, and burn rate. For instance, the biotech and healthcare sectors traditionally have higher funding spend on R&D to support long product lifecycles. Made evident by Touchlight Genetics (4th place overall, with a three year growth rate of 11,441%), where Jonny Ohlson, CEO, says, "R&D investment is paramount to the success of Touchlight, in our first 10 years all the capital raised went into R&D. We remain committed to investing heavily on research as it is essential to fuel our continued growth and maintain market leadership."

Many of the Fast 50 believe digitisation, artificial intelligence, and regulation changes will provide significant opportunities for further R&D investment.

Specific industries have different agenda themes – like sustainable alternatives in mobility, eCommerce in retail, and open banking in financial services. For example, Airtime Rewards, a Fintech that tailors loyalty/rewards programmes using customer spending behaviour and 2nd overall with a three year growth rate of 16,907%, use Open Banking to learn more about consumer habit trends.

R&D spending aims to maximise long term profitability through researching innovation opportunities, as opposed to optimising for shorter-term profits. The Fast 50's high R&D spending demonstrates their commitment towards future innovation and longer-term growth.

The value of R&D tax incentives and how they could change in the future

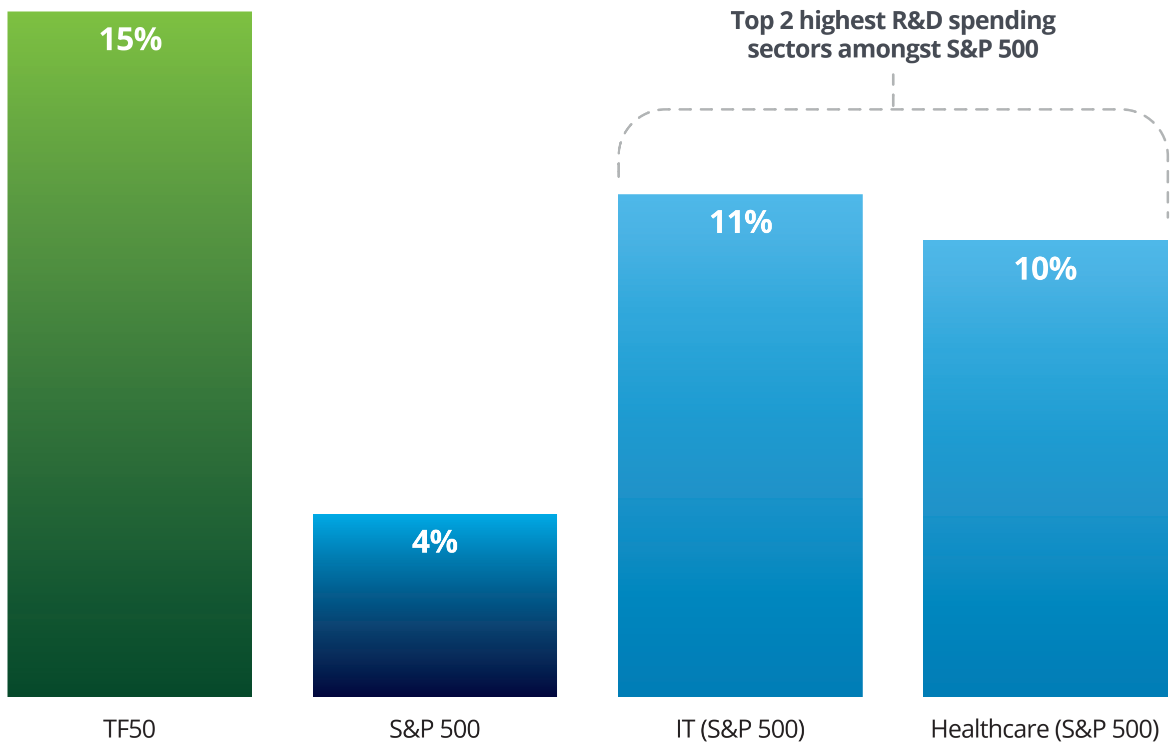
The UK government provides a range of incentives to support investment into R&D. R&D tax relief, capital allowances, grants, and the patent box tax regimes are the most common reliefs that are accessed.

The UK's tax system is comparatively generous when encouraging private R&D activity. In 2018, UK R&D tax reliefs were worth around 0.25% of national GDP, compared to an OECD average of 0.1%. R&D tax reliefs are available for start-ups and big corporates alike.

In 2020, the total UK government support through R&D tax relief was £7.4 billion, of which 58% went to small and medium entities.

In the Autumn 2021 Budget, the UK government announced measures to update the R&D tax incentives. Data and cloud computing costs will qualify as R&D expenditure from April 2023, meaning companies will be able to claim tax benefits on them. Evolving measures like this demonstrate the UK government's commitment to supporting innovation. Good news for the Fast 50, given much of their current and future innovations are based on cloud computing and data.

Figure 2. Comparison of average R&D spending



Source: TF50 2021 survey, EB investing 2021

It was also announced that from April 2023, R&D tax reliefs will be refocussed towards activities carried out in the UK to more effectively target their benefits at the UK economy. In 2019, overseas spending accounted for nearly half of the total R&D expenditure on claimed tax relief. As many Fast 50 companies also have activities outside of the UK or expect to have in the short to medium term, it is worth evaluating the potential economic impact of these future measures as soon as possible so that they can be considered as part of a company's overall R&D investment strategy.

Opportunity to invest beyond new products.

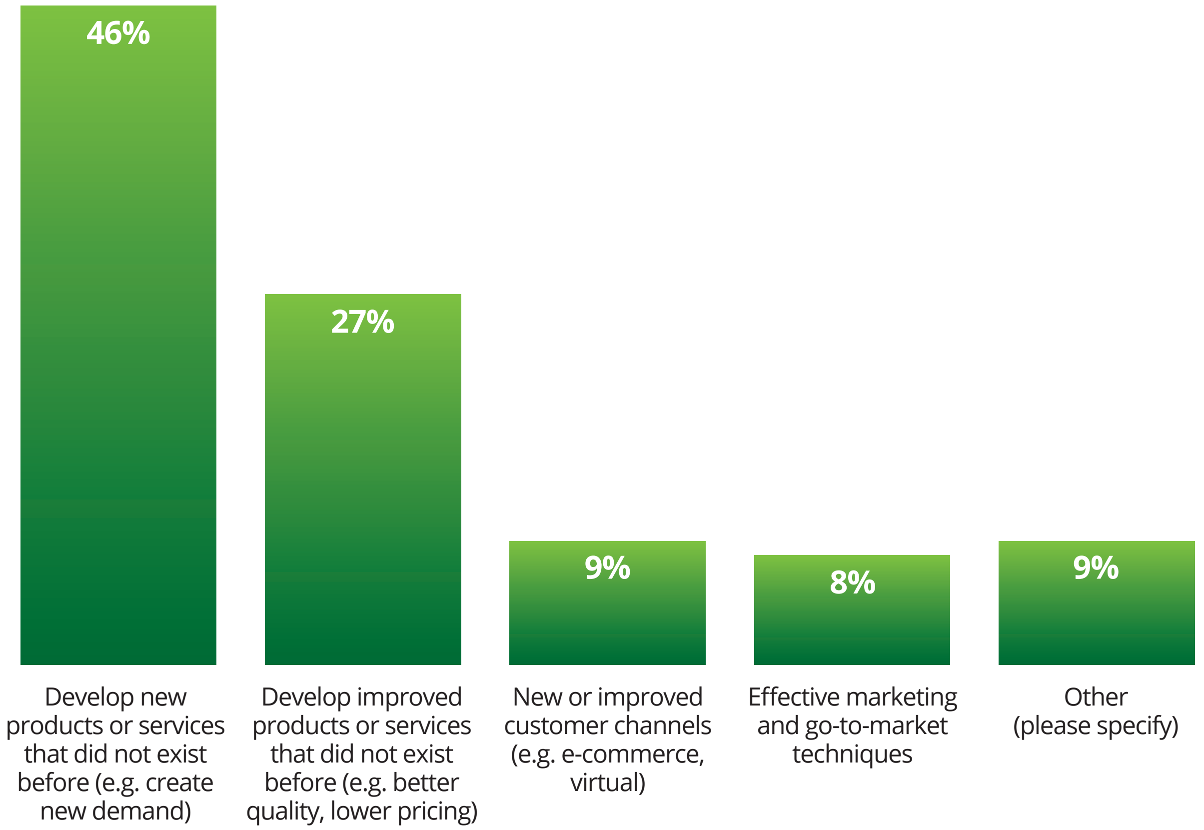
This year's Fast 50 listing have managed to grow on average 15% faster than the 2020 cohort (2,898% growth). Two factors that may have helped bring this to light are capital availability and market readiness for digital products.

Despite a decline during the pandemic, total invested capital per year for angel/seed to growth businesses increased between 2019 and 2020[1], driven by a strong recovery in activity towards the end of 2020.

This injection of capital has given start-ups more cash flow, increasing their ability to spend more on R&D. Secondly, market readiness for digital products increased as businesses adapted quickly to the new pandemic reality. Wonde, a company providing schools with a secure platform to manage and control their data (5th place overall, with a three year growth rate of 10,792% and South East winner), is clear about how the pandemic has impacted their business model.

Figure 1. TF50's main driver of revenue growth

What has been your main driver of revenue growth up to now?



[1] Crunchbase news 2021, Global VC Report 2020: Funding And Exits Blow Past 2019 Despite Pandemic Headwinds

Peter Dabrowa (CEO of Wonde) explained that "educating the market on the benefits of adopting our innovative technology solution had always been our biggest challenge, but when the pandemic started, education providers faced immense challenges; closures, absences, remote learning, growing division of attainment and a requirement to be versatile and present no matter what. A key enabler in meeting these challenges has been our technology and schools have never been more aware of this."

Successful innovation can take many forms, from identifying new customer demand and unique products to minor adaptations on existing products that better meet the customer's needs.

New product, or service innovation, has been the main driver of growth for 46% of the Fast 50 (Figure 2).

One example is Touchlight Genetics, a company specialising in discovering and developing DNA-based genetic medicines. Their invention of a novel synthetic DNA vector means they can produce DNA much faster and higher in quality than traditional processes.

The company believe the differentiating characteristics of this new way of creating DNA has already helped them gather interest from crucial customers in the pharmaceutical and healthcare industries.

However, differentiation does not always require inventing a new product/service. Opportunities to improve or modify existing products can also lead to high growth. Improving existing products or services has been the primary revenue driver for 27% of the Fast 50 (Figure 2). For instance, OnBuy (South West and Wales winner), an online retail marketplace, is looking to differentiate its offering by emphasising trust in its platform and products (e.g., PayPal protection, 30-day returns), promoting transparency, and regularly rewarding customers for their loyalty. For OnBuy and other companies, these improvements can help lower the barriers to trial – especially important for large incumbents.

The Fast 50 continue to demonstrate there are many ways to innovate that can lead to increased growth – from product development to sales channel usage and marketing. As they and other companies grow, having a broad perspective on the possibilities for innovation and investing in them should help them continually open up markets, create new markets and stand out from the competition.

Outstanding growth from customer understanding

OUTSTANDING GROWTH FROM CUSTOMER UNDERSTANDING

Understanding customers has played a pivotal role in driving innovation and growth for the Fast 50. Our survey respondents report using their deep consumer knowledge firstly to attract new customers, closely followed by increasing retention from their current client-base, then increasing share of wallet from existing customers, and finally cost optimisation. The Fast 50 regularly draw on various automated data channels to drive purchaser interactions to help profile their customers. And as they continue to grow, they are looking to understand customers' broader behaviours and preferences, which fuels further innovation.

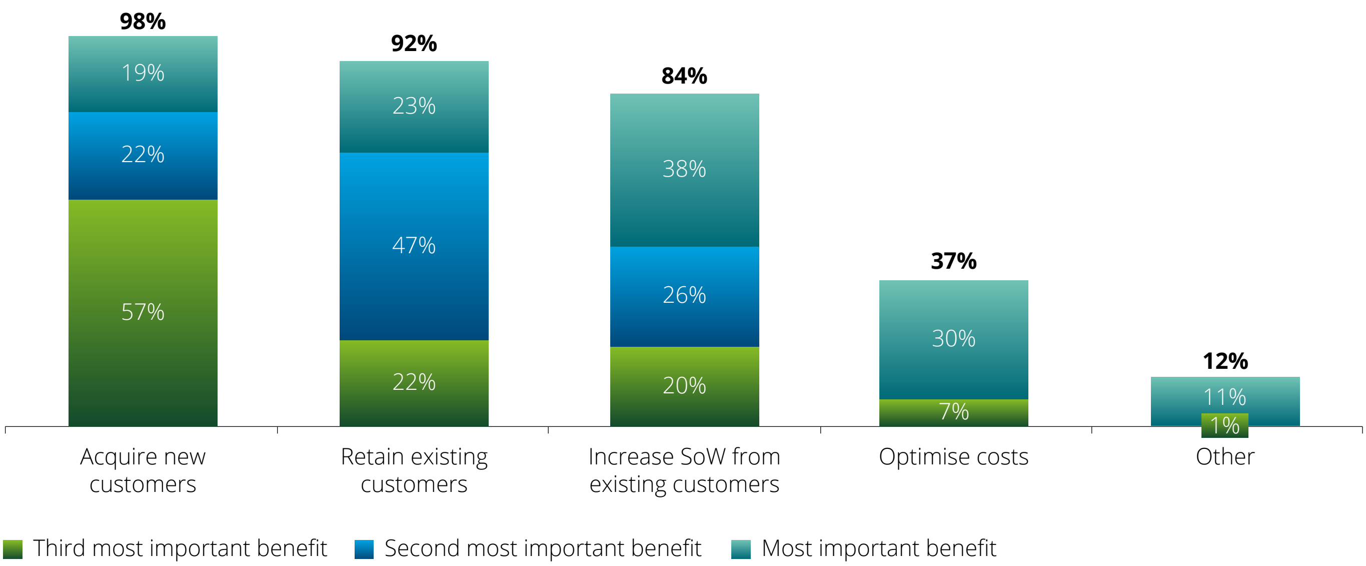
Deep customer insight allows companies to make more informed and targeted choices, in order to drive growth, whether developing a bestselling product or making a viral marketing video. This process starts with knowing what your customers want. Being more proactive than competitors in understanding customers and acting upon that knowledge can quickly create a first-mover advantage or more customer-centric solutions, leading to higher revenue growth.

Outcomes from customer understanding

Acquiring new customers, retaining existing ones, and increasing share of customer's wallet are significant growth drivers for the Fast 50 and understanding their behaviour is essential.

The cost and speed of acquiring new customers can significantly impact growth. 57% of the Fast 50 believe that the main benefit of customer insight is to fuel customer acquisition.

Figure 1: Main benefits of understanding customers
What do you see as the main benefits from understanding customers?



Innovation plays a significant role in acquiring new customers, from developing a new product/service, launching an effective marketing campaign, or identifying new distribution channels.

However, the ability to attract the correct type of customer, who will deliver the most outstanding value over their lifetime, is what's most important to driving sustainable growth. *AccountancyManager* (33rd place overall, a three year growth rate of 1,281%, Midland's winner) undertakes a marketing strategy by utilising a tool developed by the co-founders that extracts data from Companies House. This data can be filtered to match the characteristics of their ideal client and used to send direct marketing collateral through the post.

The depth of customer understanding can improve choices when acquiring new ones. Personalisation is one example of how companies can use data to drive higher quality messaging, products, or services to their customers. 63% of customers expect businesses to personalise messaging to their needs[1]. For example, Inflo (20th place overall, a three year growth rate of 1,983%, Northeast winner), a software company for audit and accountancy firms, can deeply understand their customers' wants. Justin Januszewski, its CFO, illustrated this by saying, "We've been able to build the platform configuration that clients needed to make possible the tailored solution they wanted."

New customers are the mainstay of growth, but retaining existing ones is necessary to secure longer-term growth. From a profit perspective, keeping customers is significantly more attractive as it is between 5 and 25 times less costly than acquiring new customers[2].

Additionally, customer acquisition costs (especially in relation to a customer's lifetime value) is an aspect that VC funds and other investors monitor closely, so growing businesses should continue to track and measure this.

When it comes to improving retention, the Fast 50 learn how customers use their different products and channels or motivations to maintain a connection to their audience. And they use this relationship to create new ways of keeping customers engaged with their brand and offerings, like loyalty schemes, updated or additional product/service features.

Opportunities to innovate can also be found by involving your customers in the design process. For instance, once onboarded, customers of *AccountancyManager* can submit requests specifying what additional features they would like the software to have—often using this as inspiration and supplementing it with surveys and demos to test the design and level of interest further.

Whether a company innovates to acquire new customers, retain existing ones, or increase their share of wallet, building a perspective of who the customer is, combined with rich data and actionable insight can only increase the chances of success.

1. Redpoint Global 2019 survey on *Revisiting the Gaps in Customer Experience*

2. Harvard Business Review, *The Value of Keeping the Right Customers* (2014) based on the research from Frederick Richfield, inventor of the "Net Promotion score."

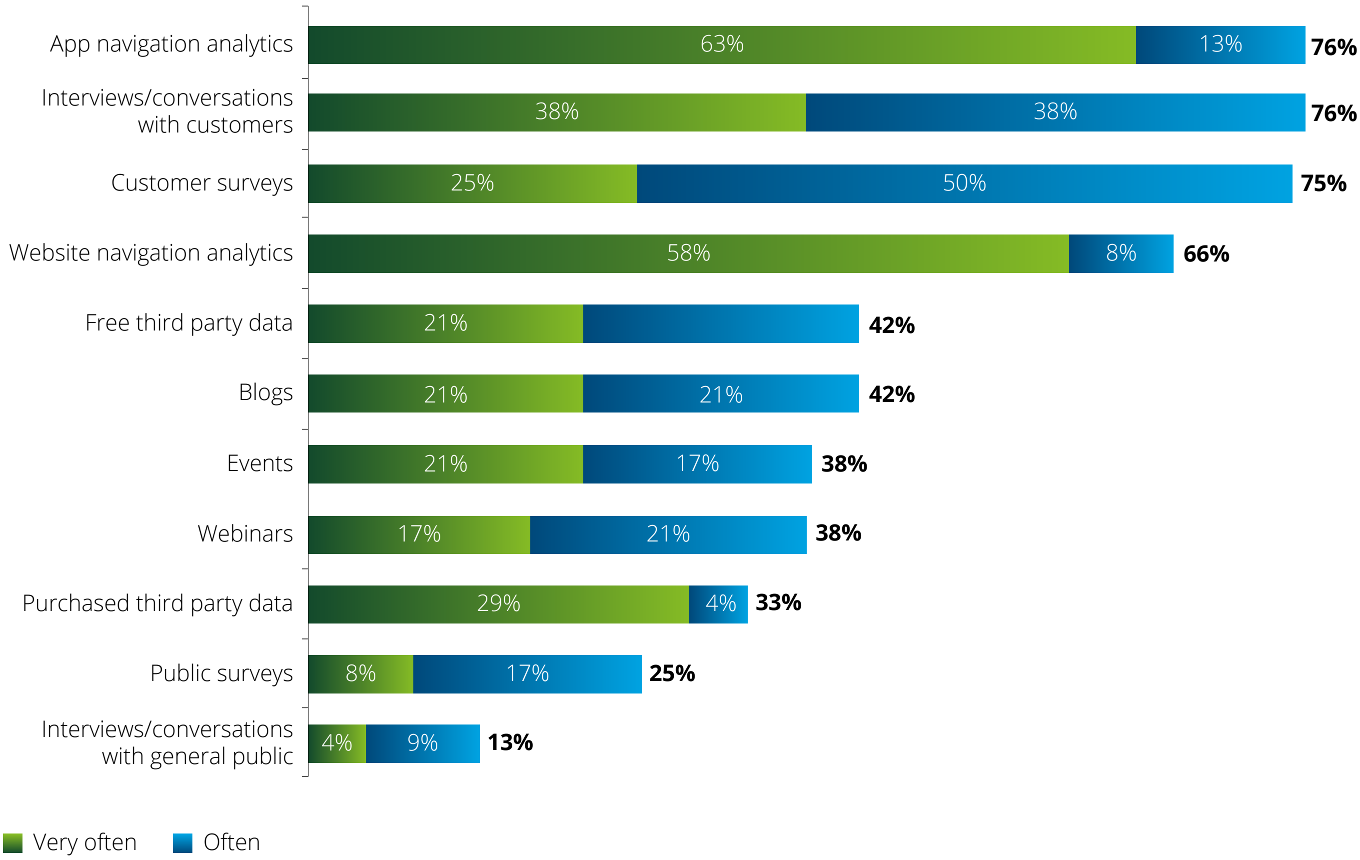
Ways to capture information

On average, the Fast 50 selling B2C use four channels to gather data regularly to understand customer behaviour: the most frequent being App and website analytics, customer surveys and direct customer interactions.

Automating customer data acquisition and increasing the scale and depth of data gathered are trends that look here to stay. Three of the top five channels that the Fast 50 (B2C) businesses use to collect customer data do not involve direct contact with customers. Alongside this, 29% of the Fast 50 (B2C) purchase additional third-party data regularly to supplement their customer understanding, such as credit reports, market intelligence and other external data sources.

Three-quarters of the Fast 50 report regular interactions with their customers through surveys and direct conversations. These interactions are fundamental to capturing how customers feel about a product or a company. Ben Francis, the founder of the fitness apparel unicorn *Gymshark*, attends most of the 20 annual events the company hosts worldwide and credits conversations with customers at these events with some of the most important lessons he has learned.

Figure 2: Percentage of B2C TF50 companies that use channels regularly
How often do you use these channels to gather customer information?



Expanding current levels of customer understanding

To truly understand your customer, you need an accurate picture of who they are and what they want; not just what you assume to be true about them.

The Fast 50 are relatively mature regarding the customer data points they collect and use to innovate actively. They are generally consistent at collecting data on their customers' identities, such as name, key characteristics, and location. They also understand how their customers interact with their products, what they use their products for and how much they are willing to pay for them.

Despite the Fast 50's high level of customer understanding, there is still room to expand this knowledge further. The Fast 50 companies selling B2C are on a journey to better understand their customers' personal and lifestyle choices around hobbies. They can continue to learn from mature brands like BMW, who capture and analyse data points such as GPS navigation or music preferences to picture their customers' lifestyle, enabling them to launch fashion, biking, golf, or holiday planning products.

The Fast 50 who sell B2B, know their clients' internal policies or budget allocation in order to inform how they engage with them effectively. For example, they seek to understand their client's procurement steps and guidelines to provide insights which support the development of proposals, presenting bespoke solutions within their client's buying parameters.

Figure 3.1: Level of B2C customer understanding by category
How would you rate your understanding across these data points?

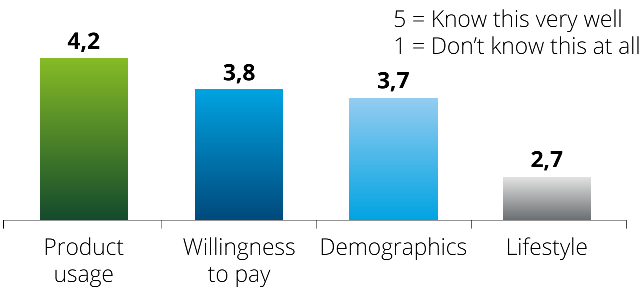
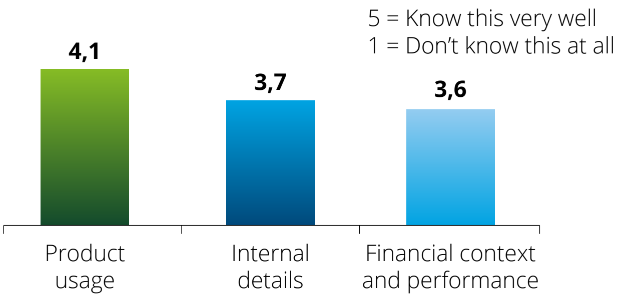


Figure 3.2: Level of B2B customer understanding by category
How would you rate your understanding across these data points?



The Fast 50 and in-house marketing

The Fast 50 tend to invest in sophisticated sales and marketing from the outset, focusing on the highest ROI channels, usually driven by in-house teams. These in-house teams are more likely to focus on SEO, social media, paid social and content management, using automation platforms and management dashboards in the process, and only resorting to external agencies for specialist needs such as influencer marketing or lead gen.

There tends to be a strong emphasis on paid social media advertising and influencer marketing to tap into the Gen Z pool, which now makes up 40% of consumers.

The days of innovative tech businesses prioritising product development with sales and marketing as an afterthought are long gone. Many B2C Fast 50 companies bring sophisticated approaches to marketing with an emphasis on high ROI activities such as demand generation and social media marketing. There is a 578% average ROI from influencer marketing campaigns.

Despite the average annual revenue for the Fast 50 being £90m (£103m for the broader applicant set), a significant proportion has a CMO or head of marketing amongst their senior executive team.

The Fast 50 stories demonstrate that understanding customers is not a tick in the box exercise but a continuous journey that businesses need to embark on to achieve and maintain sustainable growth. However, simply having access to the correct customer data is not enough. Companies need to ensure they actively use this data to influence timely decisions on what offerings to develop and for which customers.

Using data to drive sustainable growth

INSIGHTS FROM THE INSIDE: THE IMPORTANCE OF DATA IN DRIVING GROWTH

Foreword from our sponsor, Oracle NetSuite

Better decision-making is critical to success, and relevant, timely data is the critical foundation. Yet, a recent Oracle NetSuite study found that *95% of people are overwelmed by data at work*, despite believing they have the data they need to their job. With challenges and opportunities on the horizon we're seeing a growing trend of 'gut feel' decision-making hurting the bottom line and company culture at a time when businesses most need confidence in their insights and strategies for growth.

The Deloitte UK Technology Fast 50 want to be able improve their ability to extract valuable insights from their data, so they can rely less on their instincts. This is key for businesses that are looking to innovate and scale, like Red Sift, Oracle NetSuite's Rising Star.

Expanding into new markets, developing new products or revenue streams and increasing customer loyalty is achievable when the team has a complete view of their business. The right technology can help the team unify every aspect of their business across financials, project/service delivery, inventory, manufacturing, workforce, sales – to maximise operational performance.

Written by Oracle NetSuite (2021 sponsor)

ORACLE NETSUITE

USING DATA TO DRIVE SUSTAINABLE GROWTH

Although data can impact the way a business performs in many ways, the Fast 50 see it as a significant aid to decision-making. The majority also recognises the importance of a more intuitive use of data, especially when faced with strategic choices with hidden outcomes. With valuable data also comes data challenges. The Fast 50 are focused on improving their ability to generate insights from their data while sustaining the highest data security standards to protect it.

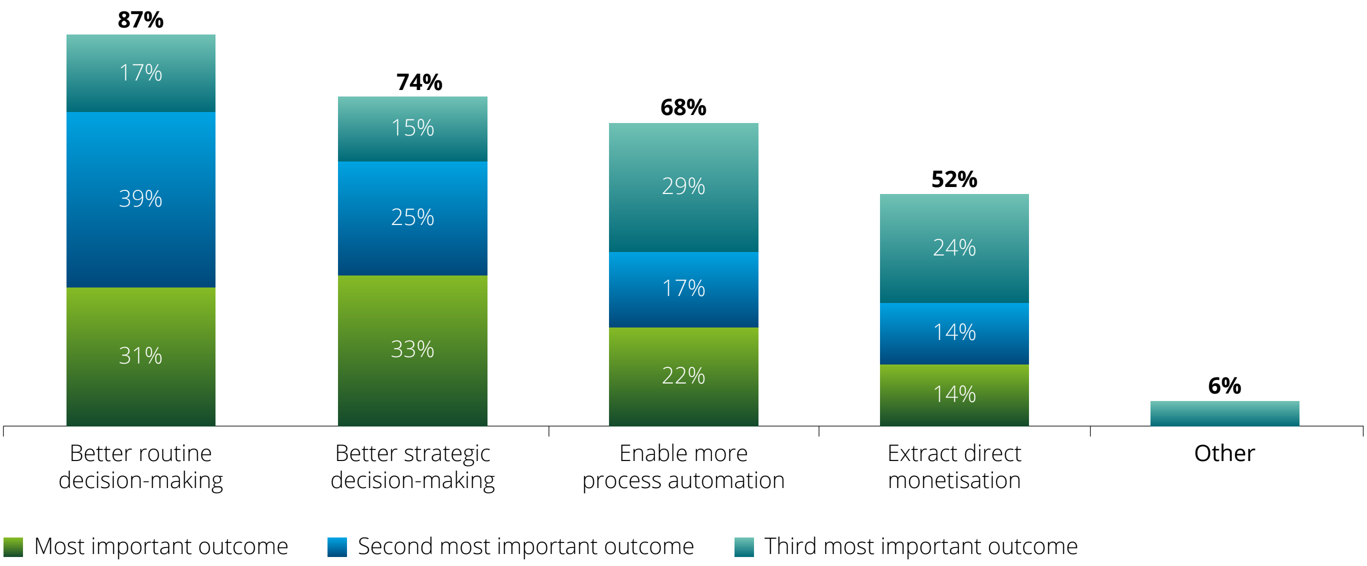
The Fast 50 have benefitted from significant revenue growth through developing new products, services, features, or customer channels. However, it is difficult to anticipate if product innovation will drive growth; it is an uncertain process due to factors such as human behaviour, which are hard to identify and even harder to predict.

While some innovators see their ideas emerge and quickly succeed, most require extensive validation and iteration, and data plays a crucial role in enabling this process.

Decisions, automation, and monetisation: How the Tech Fast 50 make the most of their data

Data is an important asset that businesses can use for various purposes. It can play an essential role in improving the quality and speed of a company's decisions, automating labour-intensive processes, or selling to third parties as a revenue stream on its own.

Figure 1: TF50 main outcomes enabled by data
What are the main outcomes you want enable by using data within your organisation?



Almost **one-third** of the Fast 50 sees data playing a more significant role in **driving routine decisions**. For instance, the most successful eCommerce platforms run behavioural analytics to constantly identify and test new ways to improve the customer experience on the platform (e.g., notifications, colours, fonts, or error messages).

A further third of the Fast 50 believe that data is most important to **making strategic decisions**. At Inflo – 20th place overall with a three year growth rate of 1,983% and the North East winner – the leadership team uses an array of data sets to make business decisions in a "healthy tension environment that helps us avoid mistakes", as their CFO Justin Januszewski puts it.

Using data to **enable process automation and selling data to third parties** are secondary outcomes for most of the Tech Fast 50, yet in many cases, still highly relevant. Process automation can effectively drive efficiency, particularly suitable for businesses that handle high-volume, low-value transactions. It can also help accelerate go-to-market and increase the ability to scale. For example, Dayshape (37th place overall with a three year growth rate of 1,251%, Scotland winner) went from implementing software in six to nine months to around two to three months, largely due to speed efficiencies gained from using cloud technologies.

Monetising data can represent an additional source of income for many companies. A business can even derive most of its revenue selling data or insight in some instances. For example, the business model of credit bureaus, such as Experian, is to purchase data from furnishers, credit card issuers, banks and online lenders and sell it as credit reports to other lending entities, consumers, or government agencies.

Don't put all your eggs in one basket: Combining data and intuition

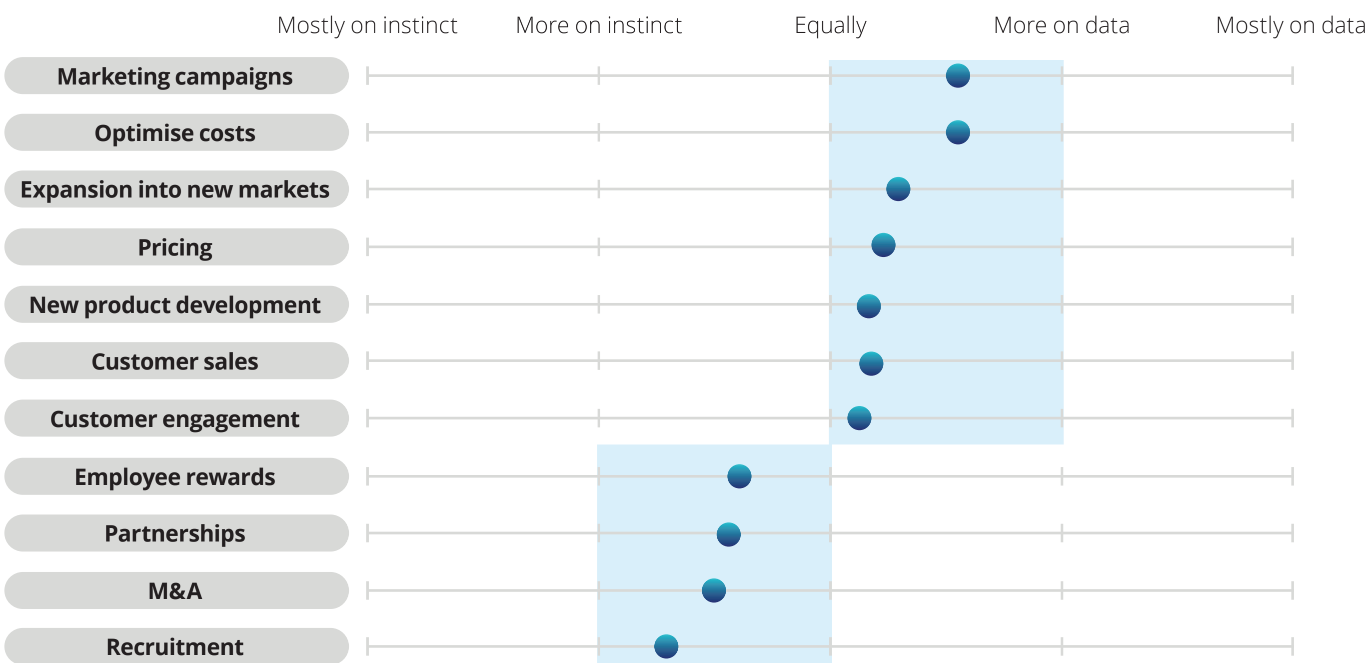
The use of analytics is necessary to compete in many industries, elevating data-driven decision making as a top priority for many businesses. However, to what extent does data provide everything needed to make the right decisions?

There has been extensive research in the 21st century around the role of intuition, informally referred to as 'gut feeling', in decision-making processes. The works of Daniel Kahneman on the risk of overconfidence, or Gary Klein, a pioneer in the study of quick decision-making, are some examples of highly relevant research in the field. Whilst there is still much debate, there is general agreement on combining data and intuition as the most effective approach to making decisions.

The Fast 50 also acknowledge the importance of combining data and intuition in decision-making. And how much they rely on data varies depending on the type of decision to be made.

Figure 2: Average of TF50 reliance on data and instinct by type of decision

For the following decision, do you rely more on data or expertise/instinct?



Data plays a significant role in running **marketing campaigns, optimising costs, or determining prices** amongst the Fast 50. Their performance results are relatively easy to observe and quantify over the short term through data. Furthermore, these decisions are frequent, meaning that the data is usually rich and comparable. Whilst data is valuable, focusing solely on the available data limits the ability to spot evident trends or behaviours.

The Fast 50 rely more on intuition when making **decisions with a long-term impact**, such as M&A, partnerships, or talent recruitment, where results are harder to observe and quantify with data. Airtime Rewards (2nd place overall, with a three year growth rate of 16,907%, North West winner) have vast amounts of granular consumption data. Still, they acknowledge that "in the end, we've been doing this for a long time and gut feeling always plays an important role in the key decisions we make". The downside of relying on intuition is that cognitive bias may influence decision-making.

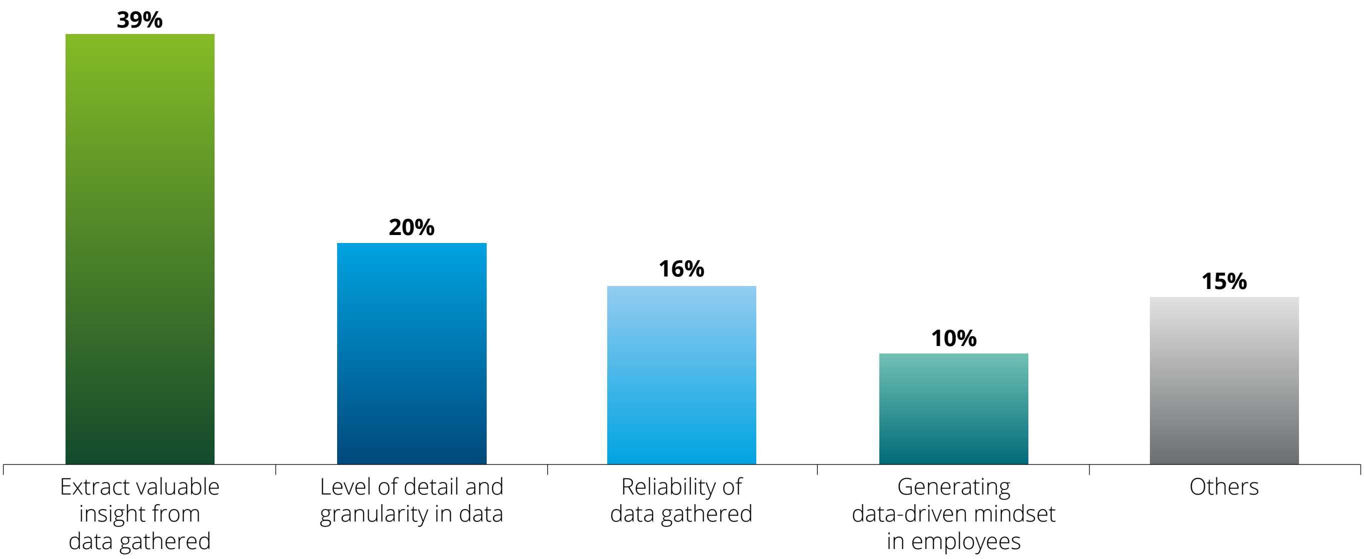
Finding the right balance is crucial. Although there is a need to prevent this bias (especially in areas like hiring and promotions), intuition still needs to be drawn upon where experience is extensive and highly relevant. Netflix's decision-making culture is "start with the data, but it's always down to gut call in the end. It is called informed intuition" (Reed Hastings, Netflix CEO). Each organisation ultimately needs to figure out what blend works best for them.

Addressing the challenges with data

Many large businesses face data integration issues as they transition their legacy systems to new ones. In addition, traditionally hierarchical and siloed organisations often face difficulties accessing and sharing the correct data internally and acting quickly on the insights they produce.

Unlike most large businesses, the Fast 50 are often not held back by these challenges, given their comparatively smaller size and digital native background. They tend to have high-performing systems built from scratch, a robust data sharing culture and agile data-driven mindsets. Instead, 39% want to **improve their ability to produce valuable insight** from the data they gather (Figure 3). For instance, Airtime Rewards see an opportunity to monetise their insights to create additional revenue streams; 20% of the Fast 50 want to acquire more granular data; and 16% want to gather more reliable data (Figure 3).

Figure 3: Main future data efforts
What will be the most important data aspect to focus in the next 5 years?



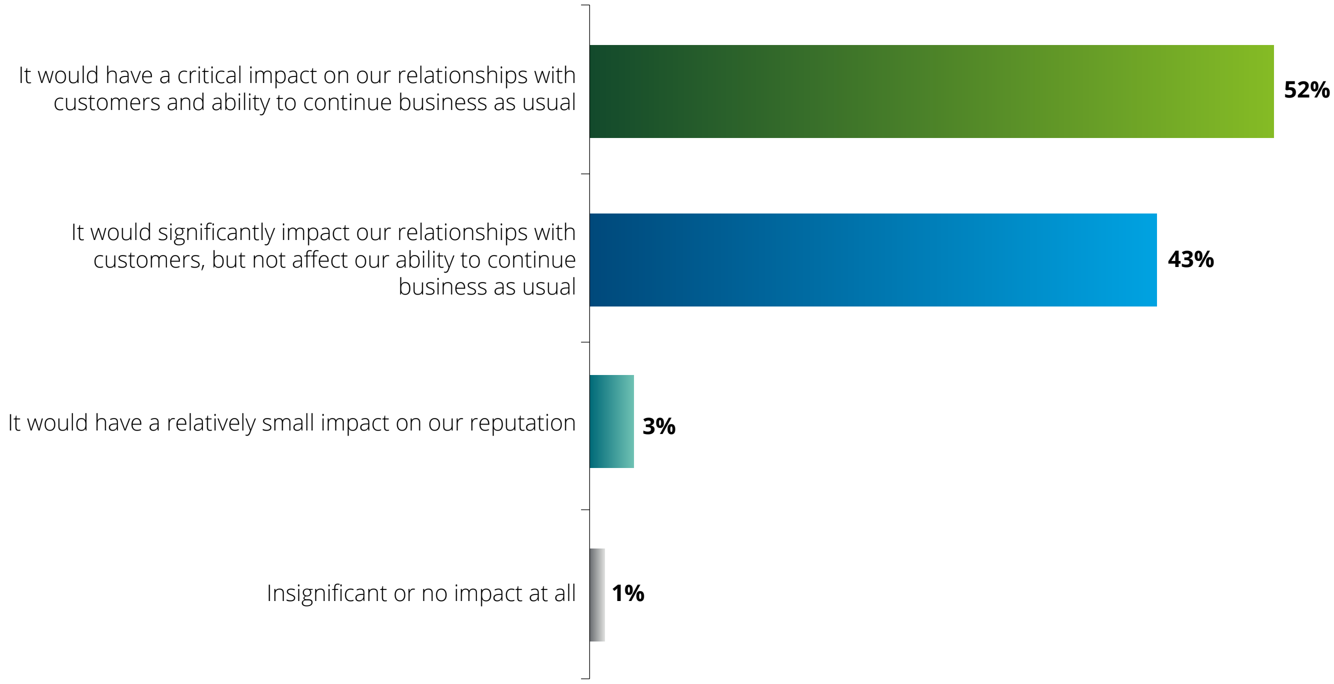
Data security threats are a genuine concern for organisations, and the Fast 50 take data security seriously, aware of the high risk it represents for their business. 95% of them believe that compromised data would significantly impact their relationship with customers (sum of 52% and 43% in Figure 4), whereas 52% also think it could affect their ability to continue business operations (Figure 4). Houseparty, a virtual meeting app that rose to popularity during the first pandemic lockdown, saw its user base reduce drastically in a matter of days based on a series of viral rumours about leaked passwords, which were later proven to be wrong.

In response to this, the Fast 50 invest significant effort into mitigating different risks. Their main priority is protection against external cyberattacks and reducing internal risks such as internal data leaks or unethical use of data. Inflo holds crucial financial information from their clients, and transmitting trust is a fundamental aspect of their business model. According to Justin Januszewski (CFO), "the very first conversation about Inflo was mostly about data security, which led us to invest in best-in-class infrastructure providers, encrypt all data storage and transmission, and chase safety certificates".

While most businesses today understand the *importance* of data, actually *utilising* it to all its strengths is a whole different story. The fact that the Fast 50 are digitally native and cloud-based from inception puts them ahead of the crowd in this category and they're already using their data to drive revenue growth and it is clear they will continue to iterate, explore and exploit the many uses of data.

Figure 4: Risk attached to consequences of compromised data

How would you rate the consequences of compromised data for your organisation?



Winning the war for talent

WINNING THE WAR FOR TALENT

In a world where company culture is increasingly scrutinised and on display with websites like Glassdoor, employees are increasingly making career decisions based on culture, values and ethics. For businesses trying to win the war for talent, communicating and acting on a clear purpose has never been more important. When designing your talent and workforce strategies, there are a few key areas identified by the Fast 50 for you to consider to support your business' growth journey, including: hiring candidates who are a cultural fit, designing careers instead of jobs, and spotting existing culture ambassadors within your organisation. As the competition over talent heats up, this report will explore these mechanisms to help organisations attract and retain top talent in this challenging climate.

To drive innovation and long-term growth, companies need to put the right people in the right place. A talented workforce is the foundation of the Fast 50. This report explores the impact of culture on talent and outlines relevant mechanisms used by the Fast 50 to stay competitive.

Think purpose, then talent

A company's purpose is its core tenet: what it does for its people, its clients, the market, society, and the planet. Driving revenue and profit should not be an end goal, but a natural result of a meaningful and evolving purpose. Deloitte's Global Human Capital Trends report for 2021 found that 86% of executives believe workers will increasingly value a meaningful mission and an opportunity to make an impact on that mission. The same report also found that half of millennials and Gen Zs make career choices based on the values and culture of a potential employer.

Though perhaps a tired cliché, it's important to remember that actions speak louder than words when building purpose. Many companies create purpose and values, only to use them as good PR and generate consumer and investor confidence, without actually acting on them. While the Fast 50 acknowledge that culture is dynamic and will evolve over time, they advise that once you establish your purpose, you must follow up with constant and transparent action towards those goals. Greenwashing is becoming increasingly easier to spot, and often employees are the first to pick up on insincere or overstated purpose statements. The risks of greenwashing are far greater than its potential benefits. According to new research by Adobe, 71% of UK customers will stop purchasing from brands they cannot trust, a trend in which younger generations are the least forgiving[1].

1. The Drum | Adobe study

The role of leadership is particularly crucial to creating a purpose-driven organisation. Leadership readiness is the number one internal barrier to achieving future strategies: purpose-driven leadership inspires employees to drive action.

For companies to communicate purpose throughout an organisation, there are choices for the Fast 50 and other scale-ups to consider:

Stand by your decisions

An organisation cannot meaningfully achieve its goals if it is fighting every fight at once. Choosing which causes are most important to your consumers, colleagues, and the community is essential.

Whilst reviewing choices along the way is wise, a company should stand by what it believes in to gain credibility.

Being clear about your values by communicating measurable goals and progress is particularly important for growing entities. Fast-paced change often makes maintaining the company's identity difficult.

Integrate purpose in talent

Purpose must feel real in everything an organisation does.

Companies need to ensure they reflect their commitment through the benefits, policies, performance measurement and incentives programmes they design for employees.

Leaders must be the first ones to champion a company's values. They must be honest in communicating success or failure and share their performance indicators.

Co-create purpose with your workforce

Purpose is most effective when employees have a voice in it, which leads to increased loyalty and connection to the company's mission, inspiring them to perform at their best.

Co-creating goes beyond collecting employees' input. It involves making employees part of many decision-making processes, enabling them to directly influence what a company does and what it stands for.

Creating and preserving the right culture

If purpose is the heart of a company, culture is the blood that flows through its veins, inherently impacting everything a company does. Culture is how purpose stays alive. Creating a vibrant, self-motivating and fun working culture for employees is not a new trend. However, it is still an initiative that over three-quarters of the Fast 50 agree is a differentiator to attract and retain talent. Peter Dabrowa, CEO of *Wonde* (5th place overall, a three-year growth rate of 10,792% South East winner), acknowledges their strong team culture helps sustain low churn rates.

"We are good at retaining quality people because we promote a relaxed and informal working culture that is both supportive and respectful. Our 90 employees all know each other, enjoy what they do, and team managers put a lot of effort into open communication and inclusivity".

However, creating and sustaining a strong culture is challenging, even more so for scale-up companies, some of which triple the size of their total workforce within a year. When revenues are skyrocketing, and investor pressure is high, the temptation to become more reactive to talent needs is understandable. However, talent demands care and proactivity to thrive. It is the most critical asset a company has and needs to be recognised by leadership. Cultural strengths and vulnerabilities become a reality over time, playing a pivotal role in a company's long-term success or failure.

There are a variety of actions the Fast 50 overall agree on as good practice to help their organisation respond to and prevent cultural challenges:

Start at hiring

Hiring managers should consider if a potential candidate is a cultural fit throughout all stages of the interview and selection process. Not only should employers be clear in communicating to candidates the company's culture and the expectation of how they will align and contribute to it, but they should also test their level of comfort with the represented values. Ensuring HR and recruitment teams can effectively do this is critical, given this is often the first impression a potential candidate will have about your business.

Design career life cycles, not jobs

When hiring and developing your workforce, be sure to think about the long-term. Companies need to be talking to existing employees and potential candidates about their career goals, which involves both discussing how their current role will evolve, as well as the future opportunities they may be interested in. In doing so, employees will feel motivated to set goals for themselves and work towards achieving these. This creates a happier and more satisfied workforce, while also helps to reduce churn rates.

Use culture ambassadors

identifying employees that embody and transmit the company's values best can allow you to promote culture more effectively. Positioning ambassadors in areas where culture is weakest can be highly beneficial. For instance, international expansion presents challenges for a company's culture given the high percentage of new foreign employees – using ambassadors to lead or participate in such expansions can help ensure the culture you've built in your company's nascent stages isn't lost as you grow and open more offices.

In order to maintain culture and purpose, businesses need to think about how their culture will evolve through each stage of their lifecycle. This is particularly important for the Fast 50, given many of these companies go from being start-ups to listed entities in just a few years. Amongst the Fast 50, there is usually a desire to diverge from corporate cultural norms and adopt a more informal and welcoming approach, where people are encouraged to get to know each other and have fun together.

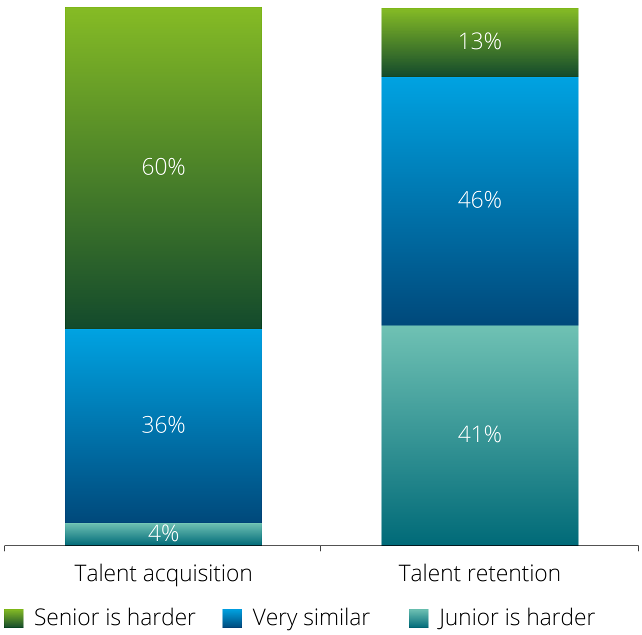
However, as a company grows, keeping some of these culture practices can become difficult.

Andrew Bone, CEO of *Dayshape* (37th place overall, a three year growth rate of 1,251%, Scotland winner), says that while they advocate building a fun and inclusive working culture, they also recognise that holding regular social events with the entire company becomes more challenging as they continue to grow nationally and internationally. In response, he has recently encouraged teams to hold events and develop their own identity.

Tools at hand

To foster a culture of innovation and growth, companies need talented people who are aligned to their business goals and ambitions. However the Fast 50 report that attracting and retaining top talent is becoming increasingly difficult. In fact, a recent Founders Circle survey found that the average tenure of employees in high-growth US start-ups is around two years, and have an average attrition rate of 25%, almost double the overall industry attrition rate of 13%. In the eyes of the Fast 50, senior talent is harder to attract but easier to retain than junior talent. However, in the case of junior talent the opposite is true. So, what can start-ups and scale-ups do to tackle this?

Figure 1: The Fast 50's perspectives on acquiring and retaining senior talent vs. junior talent
How does junior vs. senior compare in relation to talent acquisition and talent retention?



- **Build flexible employee value propositions (EVP)** – to support the promise of career development for employees throughout their lifecycle, scale-ups should consider creating flexible offerings for employees that go beyond ping pong in a breakout room and instead support a diverse workforce. Some examples of potential components of an EVP include:

  – *Distributed workforce* – Employees can choose to work from locations other than the office. Over half of the Fast 50 have acknowledged its growing relevance towards the future. Companies based outside of London find it particularly valuable to attract talent. Wonde sees it as an opportunity to access a wider talent pool than if they operated a fully office-based model, providing them with a more diverse range of candidates.

  – *International hybrid model* – Over half of the Fast 50 also believe in allowing employees to work abroad for limited periods. In April 2021, Revolut (25th place overall, a three year growth rate of 1,631% and 2019's winner) became one of the first companies to announce their employees would be allowed to work internationally for up to 60 days a year. However, it's important to be mindful of international taxation laws, which for many has proven a crucial regulatory barrier stopping them from implementing fully global hybrid models.

  – *Tailored learning programme* – Encouraging learning and development within an organisation is another way to attract and retain employees, but it is also an excellent way to nurture new skills and expertise within teams. The more adaptable learning programmes are for employees, and the more they feel in control of their development, the more likely they will join or remain with a company.

  – *Benefits adapted to evolving lifestyles* – Employees' needs can differ based on their life stage and personality traits. For instance, young employees may find gym memberships or tuition loan repayments more attractive than older employees, who in turn, may be more interested in life insurance or health care for their families. Knowing how employees' needs differ and evolve will both unveil opportunities for companies to serve their employees best throughout their career life cycle and will create a more diverse workforce.

- **Share option plans** – sharing equity is one of the most attractive incentives a fast-growing entity can offer to attract and retain employees. 32% of the Fast 50 see it as a key reason employees continue working with them. *Touchlight Genetics* (4th place overall, a three year growth rate of 11,441%), a company dedicated to producing DNA, requires specialist talent that is hard to find. To ensure it can recruit and retain the best, they offer generous share option plans to its managers, allowing them to keep attrition rates at a minimum. Furthermore, Jonny Ohlson (CEO) is committed to only collaborating with investors that respect this, "high-quality talent and high-quality capital are the pillars of this organisation".

- **Build individual adaptability** – fast-growing companies will inevitably be required to adapt their workforce faster and more regularly than the average company. An adaptable workforce means companies can quickly redeploy existing resources in the face of a new business challenge, such as entering a new product category where competitors are growing; or adapting a product or service's monetisation to match a competitor price drop. A flexible workforce also helps towards a more collaborative culture, which is ideal for most companies. Companies may want to consider rotation schemes at junior or senior level to nurture breadth of skills amongst workers, encouraging and supporting projects requiring high collaboration between teams or programmes that upskill employees in areas regarded as non-core to their existing function.

- **Reach out to investors** – often, many investors, particularly those with extensive experience working with start-ups, like Venture Capital and Angel investors, will have extensive expertise working with fast-growing companies. If they struggle to find suitable candidates to fill senior positions, companies can always drive conversations with existing or potential investors. *Tessian* (24th place overall, a three year growth rate of 1,703%), a cybersecurity company focussed on email protection, have acknowledged the benefits of referring to their US investors to find great talent for their most experienced roles.

Deciding which actions to prioritise will vary depending on the business context, ambition and talent needs of every company, but imitating what competitors are doing will not lead to creating a truly differentiating and attractive offering for employees. In trying to win the war for talent, companies must be willing to take risks and innovate their approach and build genuine purpose and culture within their organisation.

IN CONCLUSION

Remarks from our sponsor, Barclays

The Deloitte Tech Fast 50 Insight Report covers 4 key areas for business in a truly enlightening and thought provoking way:

- **Innovation & Growth** – is key to the success of this peer group. Alongside that, it has been interesting to see how the Covid crises has accelerated the adoption of creativity and 'calculated risk taking' and I hope that this will persist in the future. I don't think we would have ever achieved the amazing collaboration on vaccine development in normal times, or some banks move from wet signatures, as quickly as they have. More risk taking please….

- **Customers** – the perennial challenge of acquiring and retaining customers is what defines winners and losers. Understanding and anticipating their needs is crucial. Amazon have taken customer service expectations to a new level in my view. Doing the basics right is always fundamentally important and then overlaying value add through analytics and personalisation is where digital companies are adding so much value. Gymshark's mix of indirect and direct contact is a good blend. Does your C-Suite interact enough with clients directly?

- **Data driven decision making** – is quickly gathering pace as more immediate and quality data is provided by AI and agile digitally native businesses. The point around validation and iteration is well made and the absolute prerequisite for an intuition overlay is critical in my view. I have experienced many business plans and spreadsheets that seem to 'add up' but ultimately 2 + 2 doesn't always equal 4. Netflix's informed intuition sounds very sensible to me.

- **Talent** – high growth companies will always be attractive assuming the culture can be authentic and maintained. Our clients at Barclays are becoming increasingly sophisticated around how they recruit talent to avoid unconscious bias and to actively promote D&I (e.g. no CVs!), which we applaud and look to do ourselves. A diverse and geographically distributed workforce is the way forward and those who can get this right and run hybrid businesses, most effectively, will be the ones to watch.

Written by Ian Bain Head of Technology, Media and Telecoms – Large Corporate, Barclays (2021 sponsor)

BARCLAYS

Winners' case studies

01

ClearBank®

The UK was once home to 16 clearing banks. Six years ago, that number had fallen to four. "They were all using legacy technologies that couldn't manage instantaneous payments or API fluency," says Charles McManus, Chief Executive of ClearBank. "We're the first new, full-service clearing bank plugged directly into the UK's payment infrastructure for 250 years."

" We are growing quickly and now service around 1% of UK faster payments "

ClearBank is in the business of payments: helping to clear transactions faster and more securely using modern technology. "We enable our partners to do retail and business banking, and unlike other banks we don't use the funds we hold for lending, or compete with our clients for end customers," says McManus. "We are completely focused on providing the best embedded banking services to 5,500 regulated financial institutions, from banks and fintechs to credit unions."

The bank now has 170 financial service providers live on the platform, with over 150 more in the process of coming on-board. Tide, the SME banking disruptor, now runs on ClearBank's rails. "Open banking, banking-as-a-service, innovative clearing infrastructure, we have it all," says McManus. "We are growing quickly and now service around 1% of UK faster payments. We are powering forwards and see no reason why we won't be five or even ten times larger, and that's just in the UK."

ClearBank was founded by serial fintech entrepreneur Nick Ogden in 2015. Getting the necessary approvals for a new cloud-based clearing bank proved to be a challenge. "It had never been done before," says McManus. "We had to collaborate with 36 different stakeholders, from the Financial Conduct Authority to the Bank of England, so that we could build the bank. There was a huge amount of scepticism. Cloud based systems and API fluency were all new, and there hadn't been a new competitor in this market for so long." City grandee McManus was tempted out of retirement to join the bank during the first year. "I've been in investment banking all my life," he says. "But when the chance to change the very fabric of banking in the UK arrived, I couldn't let it pass. I think my wife has just about forgiven me for ditching the retirement idea!"

In the early days, there were just six people at ClearBank, and the start-up was based in the east end of London. "We had a small basement office," says McManus. "We have since moved to being a remote first business, with a flexible office in London, and a hub office in Bristol." Why Bristol? "Bristol made perfect sense for us because there was great talent there and the location was more affordable than central London," says James Hopkinson, ClearBank's Chief Financial Officer.

Technology is the cornerstone of ClearBank's offering, and out of the company's 362 employees today, 114 are Developers. "All of the IP we use is owned and built by us," says McManus. Finding Scrum Masters is far from straightforward in today's competitive market. "You have to look at a culture of innovation and overall employee proposition in order to keep the best players on your tech team, but they come to ClearBank for the opportunity to build something exciting. They want to work on something that has never been built before."

The technology underpinning financial transactions is in constant flux. This has become a competitive advantage for ClearBank: "There are significant costs associated with maintaining access to faster payments," says McManus. "From start-ups to major global brands, businesses are considering whether they want to go through the expense and challenge of building from scratch or changing legacy systems, and why would they when they can rely on ClearBank to take care of it for them?"

New banking entrants are flocking to ClearBank. "Most of the newly approved UK banks are partnering with us, and we have no doubt that we'll soon see that be 100% - because we know we are offering the best in-market service and experience out there."

FIRST PLACE OVERALL, LONDON REGIONAL WINNER, 21,569% GROWTH

"Most of the newly approved UK banks are partnering with us, and we have no doubt that we'll soon see that be 100%"

02

airtime rewards

"You don't leave your house without your phone," says Josh Graham. "People feel connected to their mobile. It really matters to them." He and Airtime Rewards co-founder Adam Ward have pegged their entire business model on our enduring love for our smartphones. Shoppers sign up and earn rewards as they spend, which are then converted into money off their phone bill.

> "Airtime Rewards will double its membership by next year"

There are no QR codes or loyalty cards required to access the Airtime Rewards benefits; the savings are all added up and applied automatically. "Points are so often pointless," says Ward. "So many customers never access the value from loyalty programmes, so we developed the technology to make it all seamless but more importantly to give something back to the shopper."

The concept has so far helped over 250 brands including Waitrose, Tesco, Greggs, Argos and Boots to incentivise new and retain loyal consumers. Airtime Rewards now boasts 1.7m members, who have collectively saved £9m on their mobile bills.

The pair launched Airtime Rewards after spending fifteen years working in mobile, launching Orange Wednesdays with Orange, and creating apps on behalf of big brands like Rightmove and The Guardian.

“We know what people are buying, where they are going, and more. We are just figuring out how to deliver that back into retailers as a proposition”

“We were building apps before apps were glamorous,” says Graham. They came up with the idea for Airtime Rewards during evenings out in Manchester and decided to take the plunge in 2015. “At that point, Josh was living in London, and I was in Manchester,” says Ward. “We have actually never worked together in the same office.”

Building a fast-growth business has meant sacrifices. “We didn’t take a salary for two years,” says Graham. “And even when we did pay ourselves, it was just a tiny wage to cover some of our living costs.” Luckily, Airtime Rewards hit its stride in 2016, after winning the Northern Stars programme. “Tech Nation ranked us in the 10 most exciting up-and-coming Northern businesses in 2016,” says Ward. “This gave us the platform to tell our story and led to us winning a place on the Telefonica owned Wayra Accelerator.” Both of these opportunities led to some seed funding to help further build the technology infrastructure and hire top talent.
To date, Airtime Rewards has raised £1.4m. “That’s small for a technology business,” says Ward. “But we have been profitable for two years now, and our relationships with the mobile networks allow for us to acquire new customers with partners like O2 promoting us across its whole customer base.” Airtime Rewards will double its membership by next year, he adds, and more than double turnover to hit £40m.

Airtime Rewards has no direct competitors, according to Graham, and any new entrants would struggle to get traction. “No one else can do what we do here in the UK,” he says. “You need longstanding relationships to make something like this. Global financial institutions won’t usually do business with a little Manchester start-up and network operators won’t be interested, but we have built relationships spanning 15 years with these organisations.”

The pair’s next big project is to leverage the incredible depth of data within Airtime Rewards. “We’re already connected to Open Banking, and we know more about people’s buying habits than the retailers themselves,” says Graham. “We know what people are buying, where they are going, and more. We are just figuring out how to deliver that back into retailers as a proposition.”

Airtime Rewards is now poised to begin its geographical expansion too. “The US, Spain and Germany are on the radar for next year,” says Ward. “There aren’t enough hours in the day to do everything we want to do. That’s the only barrier right now - that we have to sleep at some point.”

**2ND PLACE OVERALL,
NORTH WEST REGIONAL WINNER,
16,907% GROWTH**

03

"Being a serial entrepreneur means you are a serial idiot," says Ronnie Millar, laughing. "Every time you create a start-up, things always break or go wrong. But I find it exciting. In the early days, the CEO has to pick up the phones and order stationery. A start-up is not for everyone, but it is something I enjoy."

> "We saw the opportunity to disrupt an existing market that was not innovating"

Right now, Millar is building his sixth business - and his second fintech start-up. Paysend was created in 2017 to offer digital payments with a difference: it pioneered allowing consumers to send money from a credit or debit card to another credit or debit card globally. Paysend is also unique in that, unlike rivals, it does not rely on third parties for the infrastructure supporting its payments network – it owns the entire payment value chain. "We're a direct member of Mastercard, Visa, and China's UPI. This means we control the whole customer journey and experience, and crucially, have a lower cost base enabling greater savings for customers."

Paysend now boasts five million customers across the globe. The majority of these are in Europe, but Paysend is gaining traction in the US, Australia and Canada. "Our ambition is to be a truly global payments business, but we have to take it country by country," says Millar.

3RD PLACE OVERALL, 14,498% GROWTH

> “To be regulated in the US, you need to be regulated in 50 separate states”

CEO Millar has used strategic partnerships to enter new territories where going it alone would take too long, such as the US. “To be regulated in the US, you need to be regulated in 50 separate states,” he explains. “That’s not an easy process. It would take us two years to do it on our own so, in the meantime, we have found ourselves a partner to give us that speed to market. We’re copying that strategy in Latin America too.” Paysend’s accelerated growth has been achieved without compromising on service excellence, however. Paysend boasts an enviable 4.7 out of five rating on Trustpilot.

In August, Millar rolled out Paysend’s B2B offering, which he believes will help to iron out the payments wrinkles for small business owners worldwide. “Why is it more difficult to pay your bills than to send a text or a WhatsApp?” he asks. “It shouldn’t be.”

Paysend is now a “semi-virtual” company, explains Millar, with 500 staff based all over the world. Most developers are in Moscow and Millar recently gave up Paysend’s Edinburgh office, which once housed the finance team, and they all now work from home. “Our talent can be based anywhere and through a combination of virtual office tools and periodic physical office working we can create more working flexibility for our staff,” says Millar.

Millar says that gut instinct has helped him to build a thriving business. “Data can’t give you an answer on its own,” he explains. “You need that gut instinct. That’s where the idea for Paysend came from. Asking, ‘Why are businesses struggling to get cash from their customers for their online shop? Why is it so hard to send money to a friend on the other side of the world?’. We never lose focus on the ‘Why’ behind what we do.”

04

TOUCHLIGHT

"If there is a sector growing faster than ours, I would be surprised," says Touchlight founder Jonny Ohlson. "Genetic medicine is growing at a significant rate. We started developing our DNA platform in 2007 and the market is just now maturing. I'm delighted that our platform is being evaluated by most of the leading players."

> "Commerce in the 20th century was defined by the computer and we got there through the advent of coding"

Touchlight is in the business of DNA amplification. It synthesises the DNA that is required in large quantities to create new treatments and vaccines, and does it in a new and innovative way that avoids enormous fermentation tanks filled with bacteria. "We call our platform dbDNA and it is better, safer, quicker to create than traditional plasmid DNA," Ohlson claims."It outperforms plasmids in every way."

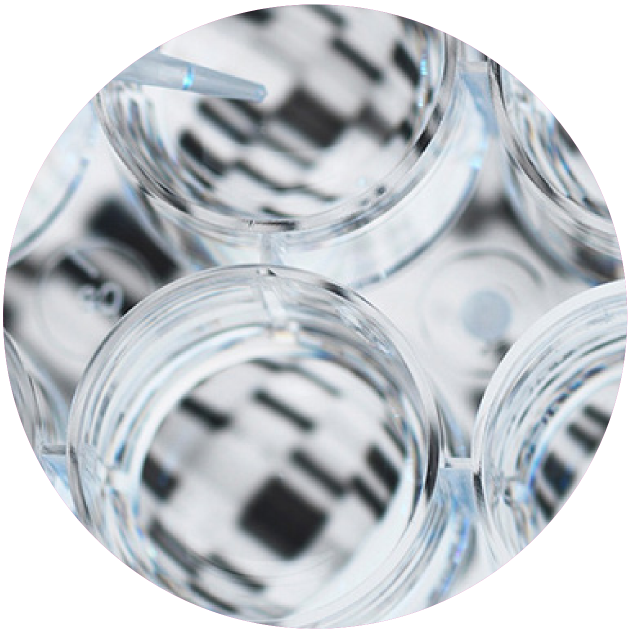
Serial entrepreneur Ohlson founded Touchlight following an epiphany around the time of the Millennium. "Commerce in the 20th century was defined by the computer and we got there through the advent of coding" says Ohlson. "But at the turn of the century we sequenced the human genome and unlocked a new coding system, DNA, and we believed it had the potential to be a key material of the 21st century." He began scouring the UK for DNA technologies, interviewing scientists at top universities. This is how he discovered the gap in the market for in vitro DNA amplification. "There was no one innovating in this space. No IP. Nothing. So, I put some money in, and raised the rest from people I knew. We hired four scientists and filed our first patents in 2009."

Life sciences, as an industry, is booming in 2021 as the pandemic shifted the investment community's gaze towards the sector. Private equity and venture capital inflows to life sciences exceeded $50bn during the nine months to September, surpassing 2020's previous record of $40bn for the same period[1].

One of the few barriers to growth, however, is access to top talent. "One of the biggest life sciences companies is reported to have 15,000 open vacancies," says Ohlson. "It's tough to recruit great scientists." Yet Touchlight has grown from 60 people to 125 over the past year. His secret? "I treat biotech like a creative industry," he explains. "We have incredible offices and have created an environment that fosters creative talent. We also have a generous share option scheme. And what could be more rewarding than working on cutting edge science? Our staff attrition rate is almost nil."

To fund research and development, Touchlight has raised a total of $125m in 2021 to date. "We have stayed away from venture capital and private equity, and instead have secured finance from high-net-worth individuals who understand our mission," he says. "Ours is truly patient capital."

Ohlson and his investors are seeing their patience rewarded after 13 years of painstaking research. "If you really knew the size and scale of the mountain you were setting out to climb, you'd never attempt it," he admits. "We set a target for every 18 months to show that we were making traction, and that was how we broke the climb down into bitesize chunks." Touchlight is now making industrial quantities of DNA – enough to create a new global vaccine, for example. "We are now totally focused on commercialisation and to become a pilar of the genetic medicine industry" says Ohlson. "Whether it is Messenger RNA vaccines, gene editing, or vaccine production, we are in discussion with most of the leading protagonists."



4TH PLACE OVERALL, 11,421% GROWTH

"We have stayed away from venture capital and private equity, and instead have secured finance from high-net-worth individuals who understand our mission"

05

wonde

"What about free school meals?" When Prime Minister Boris Johnson was asked how the government was going to help feed vulnerable children as the nation went into lockdown in March 2020, he had to react quickly. Peter Dabrowa, founder of Wonde, immediately engaged with the Department for Education (DfE). "We spoke to them on the Thursday to fully understand their requirements, and we started work on Friday," he recalls. "By Sunday, we were ready to help UK schools support their families."

> "We had over 4,000 schools register on the first day"

Serial EdTech entrepreneur Dabrowa was uniquely positioned to help thanks to Wonde's innovative school data management platform already providing schools with the ability to manage, maintain and control their data and their relationship with third-party applications. "Via our platform, schools have the capabilities to identify children eligible for free school meals and enable them to distribute supermarket vouchers so parents could still provide for their children."

Wonde sent out a single email, notifying schools they could now provide voucher support to their eligible families via their Wonde dashboard. The response was overwhelming.
"We thought that a few hundred schools would opt in," says Dabrowa. "But we underestimated how much this provision was needed.

“The whole 80-strong company had to pitch in, working through the night to ensure schools were fully supported in the purchase and distribution of vouchers.”

We had over 4,000 schools register on the first day resulting in millions of pounds worth of voucher orders ” The whole 80-strong company had to pitch in, working through the night to ensure schools were fully supported in the purchase and distribution of vouchers.

Whilst the voucher solution provided essential support for the most vulnerable families, Wonde were also instrumental in the ability for schools to manage the immense challenges facing them in the continuity of education during school closures. Remote learning was something schools needed to adopt overnight. Thanks to Wonde’s existing provision and the introduction of secure login protocols, staff and teachers could safely and securely access their systems no matter their location, ensuring they were present for pupils.

Dabrowa’s lightning-fast response to the significant problems facing schools in the UK, has helped the company to grow from an ambitious start-up to a profitable £200m-turnover technology superstar in just 12 months, “Our relationship with the supermarkets, enables us to provide the solution at no cost to schools or the DfE,” explains Dabrowa. He has continued to design and build several voucher solutions, helping local authorities distribute clothing vouchers to asylum seekers, for example.

Wonde was created in 2015 to address a challenge that Dabrowa had encountered in his previous start-up, the learning platform, eSchools. “We found that schools use multiple applications to manage data, and often have to send CSV files or input data manually into each application,” he explains. “We wanted to find a better way of accessing school data through an API, meaning a reduction in the administrative burden for schools as well as increased security, and no one in the UK was currently doing it, so I thought I’d give it a go.” Wonde now works with over 23,000 – “We’re the largest company in our sector by school penetration in the UK” - and Dabrowa has international ambitions. Wonde has expanded into Australia, where it holds 20% market share after launching there just 18 months ago. “Our API doesn’t care where you are in the world,” says Dabrowa. “If there’s a student, a parent, or a class, Wonde can add value to how schools support them.”

Dabrowa has always been entrepreneurial: “I used to pinch apples from the church orchard and sell them at the bottom of my road,” he says. He started his first business aged 18 and this venture grew to become the UK’s largest student website. “I’ve built many businesses and nothing beats the joy of creating something,” he says. “It’s never been about making money. I find the combination of growth and impact thrilling.”

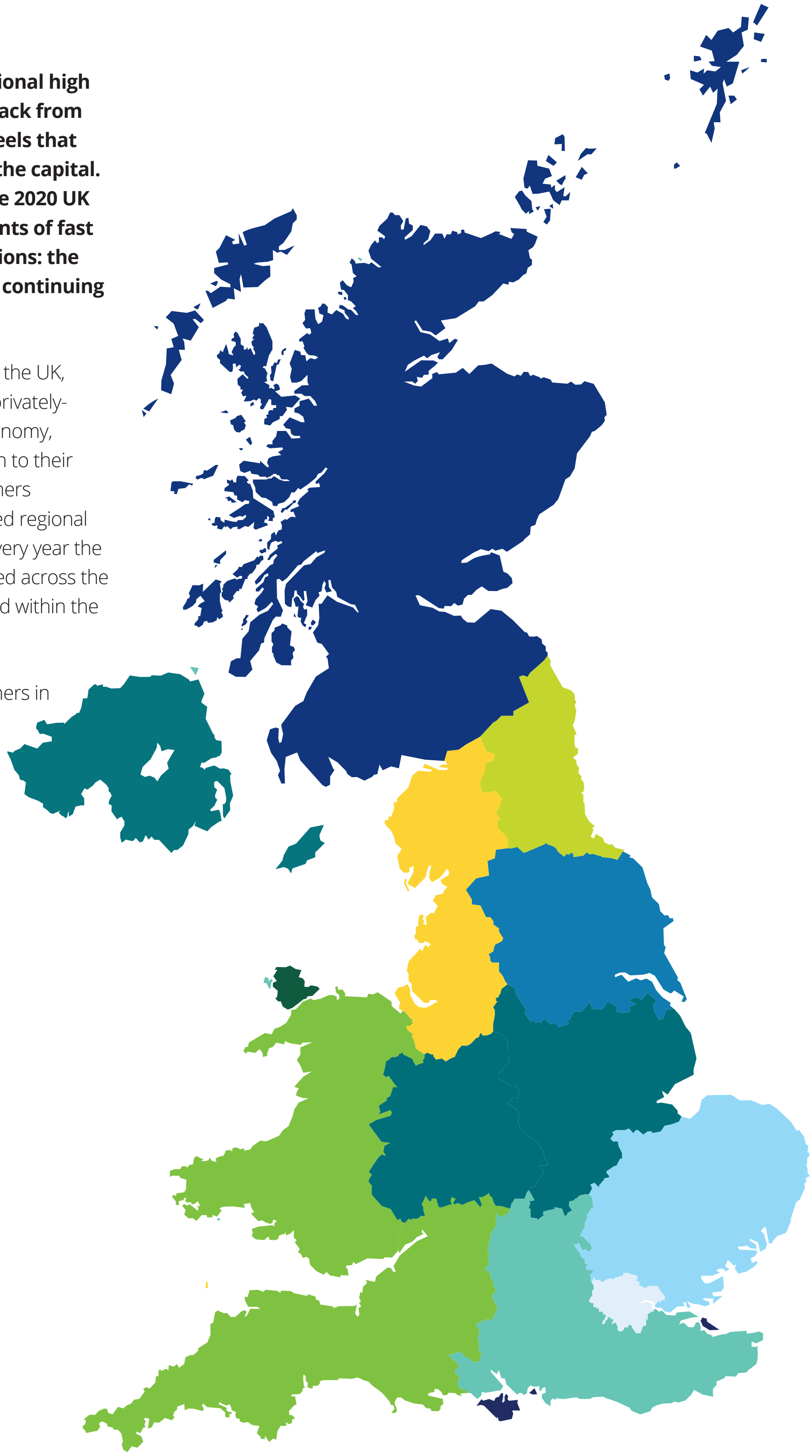
5TH PLACE OVERALL,
SOUTH EAST REGIONAL WINNER,
10,792% GROWTH

The Regional Winners

We are acutely aware of the strength of UK regional high growth businesses, and after listening to feedback from over the years, we know that our community feels that the Fast 50 list can look quite skewed towards the capital. As such, we created an additional ranking in the 2020 UK awards to specifically recognise the achievements of fast growth tech businesses from across the UK regions: the Regional Winners list and we're delighted to be continuing the ranking in 2021's programme as well.

The UK has 5.6 million privately owned businesses in the UK, and over 80% of those are in the regions[1]. Regional privately-owned business are hugely important for the UK economy, creating local jobs and making a broader contribution to their local communities. The purpose of the Regional Winners award is to mark the contribution that privately-owned regional businesses make to the economy and ensure that every year the achievements of high growth tech organisations based across the regions are appropriately represented and celebrated within the Fast 50 programme.

The following case studies explore our Regional Winners in more detail.



1. Federation of Small Businesses'

NORTH EAST REGIONAL WINNER
REGIONAL WINNER,
1,983% GROWTH

Inflo makes its debut in the Fast 50 this year and is one of several fast-growth companies offering support to the professional services sector. Former PwC accountants Mark Edmondson and Graham Clark founded Inflo in 2016 to help accountancy firms outside the Big Four leverage sophisticated tools such as data analytics and workflow management. Inflo's Cloud-based service is now used by more than 1,000 firms across 120 countries.

"Genuinely, from day one, our mission has been to transform the accounting profession," says Inflo Chief Financial Officer Justin Januszewski. "We are democratising technology for all audit firms."

Inflo's platform is comprehensive. It doesn't just offer data analytics - it includes structured collaboration, a proprietary data-driven audit methodology, workpapers documentation and an innovative data ingestion tool, which helps finance teams efficiently and securely extract raw data from their accounting systems to share with their advisors.

"Everyone stumbles at the first hurdle with data analytics: how do I get the data into a standardised and reliable format in order to analyse it?" says Januszewski. "We have developed a proprietary method, and, to date, there isn't a single accounting system that we haven't been able to extract data from. Even the largest firms have struggled with this challenge."

Crucially, this process is fast as well as robust: data loads are processed on average in half an hour. "That's a massive leap forward," says Januszewski.

Growth in the early days came from "selling the vision to early adopting firms", he says. Edmondson and Clark would drive up and down the A1 from the Inflo base in Houghton-le-Spring, outside Sunderland. But since then, worldwide expansion has been driven through international accounting firm network and affiliation partnerships. "Accounting firms are well connected and value referrals from peers. So once we delivered value to a firm in the UK, for instance, they shouted about the benefits of our technology and working with our team to their counterparts in the US or Australia. That spurred organic growth."

One of Inflo's strengths is its quite unique approach to platform configurability. "Accounting firms face the same buy versus build innovation dilemma you see in all sectors. That's an easy decision for the Big Four and the smaller firms, but the firms in the middle were left underserved – too big to buy, too small to build." says Januszewski. "But now these firms can leverage our core platform, layer their own configurations and capitalise on our hybrid approach."

The pace of change becomes harder to maintain as an organisation grows, admits Januszewski. "As you grow, you become less of a speedboat, and some of the more corporate working practices need to be implemented. We're just under 100 people now and so we need more processes and layers of structure within the company."

> “Growth in the early days came from i.e “selling the vision to early adopting firms” ”

ACCOUNTANCYMANAGER

MIDLANDS REGIONAL WINNER, 1,281% GROWTH

AccountancyManager was created by an accountant, for accountants. It offers a cloud-based onboarding and practice management solution to accountants and bookkeepers in the UK and Ireland, helping them to banish paperwork and inefficiencies.

The venture is the brainchild of James Byrne. "I joined my father's accountancy practice in 2010 and managed to quadruple the size of the business over four years," he says. "But I was frustrated with the inefficiencies of admin and wanted to revolutionise the way accountants work." He envisioned a solution where accountants could manage clients and deadlines, automate emails to clients, control workflow and onboard clients quickly all in one place. So he approached developer Alex Hawke to create a solution for accountants across the UK. There was only one problem: Hawke had already built a different piece of software for Byrne, which had failed to gain traction. "We'd worked on a lead generation tool together, and I had struggled to sell it," says Byrne. "We had gone our separate ways."

After a lot of "arm-twisting" and a promise to pay him for his time if the business flopped, Hawke agreed to build the software, and AccountancyManager was born.

The company has gone from one employee in 2017 to 36 today and has won multiple awards along the way. "When we first started, Alex and I were working seven days a week," says Byrne. "I was getting up at 5.30am and responding to support queries at 1am. Alex was developing new features through the night to present to customers in the morning. It almost broke us."

From zero direct competitors six years ago, there are now a few players. "I think we remain the frontrunner in terms of functionality," says Byrne. "But we need to keep innovating to stay ahead. A new competitor would struggle to come into this marketplace now because we have a five-year head start and have gained 6,000 users across the UK and Ireland" says Byrne.

AccountancyManager has now moved to a new home in Warwick, with a dart board, table football, and PlayStation. "When Alex and I started, we were in an office with no windows and just two desks," says Byrne. "When we hired our first person, Alex moved into a chair so that the new guy could take his desk. Now, we have larger offices which I renovated myself and everyone has their own desk! If I was looking for my dream job, it would be in this office."

> "The company has gone from one employee in 2017 to 36 today and has won multiple awards along the way."

Warwick was a natural choice for Byrne, who grew up in the town. "People said, 'Why here? Why not a city?'" he says. "Being in Warwick, we can attract the best talent from across the midlands and have employees from Leamington, Coventry, Stratford-upon-Avon, Banbury and Birmingham."

Byrne and Hawke are now focused on evolving their product in response to what accountants and bookkeepers need. Their roadmap is shared with users and their feedback is instrumental in the software's development.

Dayshape

SCOTLANDREGIONAL WINNER, 1,251% GROWTH

This is Dayshape's third consecutive year in the Technology Fast 50 rankings and as Scotland's fastest-growing company.

Edinburgh-based Dayshape, formerly Airts, has built an AI-powered platform for optimising project planning and resource management. Founded in 2013 by Andrew Bone and Dr Alastair Andrew, it works with some of the biggest professional services firms in the world to manage people and projects.

To date, most of Dayshape's growth has been achieved by increasing uptake within existing clients. Bone explains: "We will start with a client in one country and then we'll expand across all territories and departments."

Dayshape's international expansion is particularly focused on the US, and they have started to hire overseas to support this growth. "Dayshape was selected by a mid-sized US firm earlier this year," says Bone. "We still haven't met them – we did the whole deal remotely - so I'm excited to see what a team based out there can do."

The fast-growth firm is now moving to target smaller practices too. "We've worked hard on our implementation process," says Bone. "We can't afford to have massive implementations for every new customer and making the process more efficient makes it economically viable to work with smaller customers. What used to take us up to nine months now takes three."

The main barrier to adoption of the AI aspects of Dayshape's platform is human psychology, Bone reveals. People can be uncomfortable with automation, and afraid of the impact it could have on their role in future. "We have created functionality that helps build trust," he explains. "Rather than expecting users to delegate full control to the system, we now give them the option to start small and build trust in the system gradually."

"The success of a Dayshape implementation is all about winning hearts and minds," he continues. "People will find ways to work around new systems if they feel forced to use them, so it's vital that we engage users in the right way so that adoption is high and our customers get the maximum value from their investment."

Dayshape, like many technology companies, has moved to a virtual-first working model. Just a quarter of the company's 60 staff are in the Edinburgh office on any given day. "Being predominantly virtual has benefits as we can broaden our search for talent," Bone says. Everyone in the company has share options, one of the measures Dayshape has implemented this year to retain staff and give everyone a vested interest in the success of the company. "We try to treat people really well," adds Bone. "We are proud to say that we usually offer someone a raise before they come asking for one."

"We have created functionality that helps build trust"

Last year, Bone forecasted that Dayshape would hit a valuation of £200m by 2025. Has the enduring impact of the pandemic changed his view? "We lost at least 9 months of business development as our primary market focused on the immediate challenges of COVID. So we could still get there but it's more challenging," he admits. "However, in the long term the move to remote working is a positive as it creates more of a need for resource management products such as Dayshape."

OnBuy.com

SOUTH WEST AND WALES REGIONAL WINNER, 479% GROWTH

"Marketplaces are the hardest businesses to launch," says OnBuy founder Cas Paton. "On day one, you open your doors, and you have nothing to sell and no customers. And because you have no customers, no retailer will join you. Why would they?"

Despite these barriers, Paton has managed to turn his Bournemouth-based marketplace start-up into a genuine challenger, taking on the household names of online retail. OnBuy now boasts 11,000 brands and retailers, from Lego and Samsung to AO and Sports Direct. "We are attracting between 500 and 600 retailers a month," Paton claims.

> “This year, the business raised £35m to ramp up its expansion both in the UK and overseas.”

He launched OnBuy in November 2016 to bring further transparency and fair play to the industry. OnBuy treats all its brands and retailers equally, charging the same fees to all. It never competes with the companies listing products on its site or steer consumers toward specific products.

This approach has resonated with shoppers and brands alike. "It took 18 months to get to £100,000 in sales each month," he says. "Then another year to get to £1m a month. After that, it was only another year before we hit £10m a month, and this is only the beginning." The business now employs 100 staff – with 100 further roles currently advertised.

Being based in "a beautiful seaside town" has helped to attract top talent, Paton says. "Some people don't want to be in London but still want to be involved with a high-growth start-up. And for people who want city life, we also have an office in Manchester."

This year, the business raised £35m to ramp up its expansion both in the UK and overseas. "The other marketplaces out there are multibillion-dollar companies that have had, in some cases, a quarter of a century to optimise their product," says Paton. "The bar is set very high, and we have to catch up rapidly. We are launching new courier integrations, a new online checkout, new search functions, all kinds of things that will deliver the table stakes expected by today's consumer. That's a good start. Then we can become an alternative platform."

Shoppers have been crying out for a new marketplace, he says, and are tired of the same choices. "They are just waiting for us to meet expectations first."

Paton has always been entrepreneurial, launching his first business aged 14. He joined the Royal Navy at 17 and was selected as an officer but left to study law at university. "In the Navy, we would get up at 4am and go to bed at 11pm, so I found the pace at university very slow," says Paton. "Slowing right down was a shock, so I decided to start my own business. By my third year, I had 27 staff."

OnBuy is his most ambitious venture yet. "This is just the beginning," he says. "We'll grow 20 times over in the next few years. Nothing can slow us down now. Nothing! OnBuy is like a snowball rolling down the mountain – and this particular mountain is damn big."

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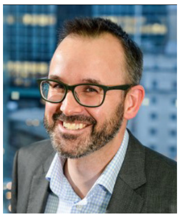

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Designed and produced by 368 at Deloitte. J21522