



Supporting innovation in the UK retail sector

**TARGETED CALL FOR KNOWLEDGE TRANSFER PARTNERSHIPS
FEBRUARY 2013**

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Summary

The Economic and Social Research Council (ESRC) is to invest up to £500k to establish new Knowledge Transfer Partnerships (KTPs) to stimulate innovation in the UK retail sector. It is seeking proposals that will help retail managers address the major economic, social and environmental challenges that they face, leading to new opportunities and tangible outcomes for business.

This targeted call, which is being run by the Technology Strategy Board on behalf of the ESRC, offers retailers the chance to work in partnership with the UK's world-leading social and economic scientists, to access skills, knowledge and technology and address sectoral challenges, helping to improve competitiveness, productivity and performance.

Through this investment we aim to:

- increase knowledge exchange between retailers and social scientists
- develop a greater understanding of the changing nature of the UK High Street and retail spaces, to drive growth, innovation and efficiency within the sector
- stimulate and support innovations in e-commerce, m-commerce and omni-commerce, to maintain and strengthen the UK's position as a global leader in internet retailing
- promote and enable innovations in the use of 'big data,' providing insights into consumer behaviour, increasing efficiency and growth within the retail sector.

The ESRC will part-fund KTPs. The competition opens on **25 February 2013** and the deadline for applications is noon on **21 August 2013**.

This targeted call for KTPs is running in parallel with a £2m ESRC knowledge exchange opportunities scheme, focused on the retail sector – for more information see www.esrc.ac.uk, under 'funding opportunities'.

Background

The retail sector forms an important part of the UK economy, and has a profound impact on the whole of society. Valued at over £300bn, it employs one in nine working people in the UK and accounts for one in 12 companies. Innovation is having a significant effect on the sector, and it is clear that retail managers face many economic, social and environmental challenges in ensuring that their businesses remain competitive.

The social sciences are essential to developing the international competitiveness of UK business, and improving the wellbeing of citizens in the UK and beyond. With a total budget of £205m for 2012/2013, the ESRC is the largest organisation funding research on social and economic issues in the UK. The ESRC focuses its activities on three strategic priority areas:

- improving economic performance and supporting sustainable growth
- influencing behaviour and informing interventions
- helping to create a vibrant and fair society.

The ESRC funds research across a number of economic and social research areas, including those that relate to these strategic priorities.

This targeted call builds on the findings of a strategic review of retail research capability and research agendas, which was undertaken by the ESRC Retail and Retail Data Knowledge Navigators in March 2012 (see www.esrc.ac.uk, under 'funding opportunities'). The review identified a number of significant challenges facing the retail sector, including:

- the changing nature of the UK High Street and changing physical retail spaces
- the growth in e-commerce, m-commerce and omni-channel retailing
- changing expectations among consumers.

The UK research base (including the higher education sector and research and technology organisations) has

world-leading knowledge and expertise in economic and social sciences which could help businesses address these challenges, for example in:

- demographic analysis
- behavioural psychology
- advanced quantitative methods, including the application of advanced tools and techniques to analyse large and complex datasets.

Through this targeted call we want to encourage retail businesses to work in partnership with the academic research base on innovative collaborative projects, and address the challenges facing the sector through the transfer of knowledge and skills.

What is KTP?

KTP helps businesses to improve their competitiveness, productivity and performance through better use of the knowledge, technology and skills that are available within the UK knowledge base. The programme is UK-wide, headed by the Technology Strategy Board, and supported by 12 other public sector funding organisations.

A KTP involves the formation of a partnership between a business, an academic institution (or knowledge base partner) and a recently qualified graduate, who is known as the Associate. The aim of the partnership is to facilitate the transfer of knowledge, and embed new capability within the business.

Through collaboration, these partnerships can:

- involve highly qualified people in spearheading new projects
- engage experts to help take organisations forward
- develop innovative solutions to help organisations grow
- develop the capacity and capability to innovate more effectively.



Scope

We want to support high-quality KTPs that will promote knowledge transfer, to help UK businesses in the retail sector address the challenges that they face.

These KTPs will involve businesses in the retail sector that:

- need further support to understand and respond to the challenges facing the sector
- are looking to access social and economic science skills and knowledge, to help them innovate in dealing with these challenges
- want to build and improve their capability in innovation.

Through this investment we aim to:

- promote increased knowledge exchange between retailers and social scientists
- develop a greater understanding of the changing nature of the UK High Street and retail spaces, to drive growth, innovation and efficiency within the sector
- stimulate and support innovation in e-commerce, m-commerce and omni-commerce to maintain and strengthen the UK position as a global leader in internet retailing
- promote innovation in the use of 'big data,' providing insights into consumer behaviour, driving efficiency and growth within the retail sector
- support other innovative projects, addressing one or more sectoral challenges.

KTP projects can last between six and 36 months. We expect the KTP projects in this targeted call to last typically for 24 months, although shorter or longer timescales will be considered on their merit. We expect business outcomes to be realised in a timeframe appropriate to the sector.

The group of KTPs funded through this targeted call will be expected to engage, as a cohort, with the projects funded through the retail-focused knowledge exchange opportunities call mentioned above (**see www.esrc.ac.uk** under 'funding opportunities'). The ESRC will appoint a co-ordinator to encourage knowledge-sharing across projects, potentially giving the businesses involved access to knowledge and expertise held by a range of academic groups, with different perspectives on the high-level challenges facing the retail sector. A portfolio approach may be adopted in the selection of cohort members to achieve a spread of topic areas.

The ESRC and the Technology Strategy Board will support knowledge-sharing between the KTPs by:

- holding an initial knowledge-sharing event when the KTP projects are established, enabling the cohort of KTPs to meet and discuss matters of wider interest, such as generic challenges and shared aims
- holding a mid-way knowledge-sharing event while the KTP projects are running, enabling the cohort to meet and discuss breakthroughs and matters of wider interest
- holding a wrap-up knowledge-exchange event, involving Associates, business partners and knowledge base partners, to disseminate project findings, exchange best practice and discuss potential future projects
- setting up a dedicated group on the **_connect** site (**www.innovateuk.org/_connect**) for the partners to communicate and share information
- working to promote the success of the individual KTPs and of the whole cohort
- bringing the cohort together with participants in other relevant ESRC- and Technology Strategy Board-funded projects.

Funding

We will fund part of the cost of running the KTP project. The level of grant that the KTP can receive depends upon the size of the company involved. The grant is paid through the academic partner, and the level also depends on whether the academic partner uses a full economic cost model.

As an example, a small or medium-sized enterprise might contribute around a third of the project costs, with the remainder of the costs being paid as grant. Currently average annual project costs are around £60,000. Larger companies generally receive a lower level of funding. For this targeted call, previous involvement of the company in KTP will not be taken into account in determining the grant level.

Your regional KTP Adviser will be able to provide more details on funding levels (see below).

Application process

To take part in this targeted call, businesses should contact one of our KTP Advisers. The KTP Advisers provide advice on eligibility and timescales, and work with all the potential KTP partners to develop joint proposals.

The application process involves:

Stage 1: Expression of interest (EOI)

Stage 2: Businesses whose EOIs are approved are invited to submit a grant proposal and application form

Stage 3: Our Partnership Approvals Group (PAG) makes a funding recommendation

Stage 4: For this targeted call there is also a further assessment involving the ESRC.

Both the EOI and application must be agreed by a KTP Adviser before submission by the academic partner, for consideration by the Partnership Approvals Group.



KTP projects may be independent of, or complementary to, applications for funding from calls that run in parallel with this KTP targeted call. However, organisations applying for both KTP and knowledge exchange opportunities funding (see box above) should ensure that their proposals can stand alone, and are not dependent on both applications being successful.

KTP Advisers can help businesses to identify suitable academic partners. Visit www.ktponline.org.uk and go to 'contact us' to locate your local KTP Office and/or KTP Adviser.

High-quality KTP proposals that are not selected as part of the cohort may be funded as part of the wider KTP programme.

If you have a proposal that is not within the scope of this targeted call, you may still be eligible for a KTP grant. The scheme runs throughout the year and supports projects in many fields. You should contact your local KTP Adviser in the first instance (www.ktponline.org.uk).

This competition opens on **25 February 2013**. The deadline for applications is noon on **21 August 2013**.

Key dates

Competition opens	25 February 2013
Launch workshop	28 February 2013
Deadline for invited applications	21 August 2013 noon

A launch workshop will be held in London on **28 February 2013** to highlight the main features of the competition and explain the application process.

Further information

For more information about KTP or about eligibility or suitability of projects for this targeted call please contact your regional KTP Adviser. Adviser contact details are available on the KTP website – www.ktponline.org.uk under 'contact us'.

KTP Helpline:
0300 321 4357

Email:
ktp_companies@tsb.gov.uk

Publicity

As part of the application process all applicants are asked to submit a public description of the project. This should adequately describe the project but not

disclose any information that may impact on intellectual property, is confidential or commercially sensitive. The titles of successful projects, names of organisations, amounts awarded and the public description will be published once the award is confirmed as final. Information about unsuccessful project applications will remain confidential and will not be made public. E-mail pressoffice@tsb.gov.uk with any queries.

The Technology Strategy Board is a business-led executive non-departmental public body, established by the Government. Its role is to promote and support research into, and development and exploitation of, technology and innovation for the benefit of UK business, in order to increase economic growth and improve quality of life.

The Knowledge Transfer Partnerships Programme is part of the Government's Solutions for Business portfolio.

The Technology Strategy Board
North Star House
North Star Avenue
Swindon
SN2 1UE

Telephone: 01793 442700

www.innovateuk.org