

OUR QUESTIONS IN MORE DETAIL

In our [previous guide](#) we gave you a flavour of the sorts of questions we'll ask when you apply for Innovate UK funding (the number of questions will vary depending on which competition you enter) - but now we're going to get down to the nitty gritty.

We hope you'll find our more in-depth guide helpful. But remember, if you still don't understand something when you're making your application, please feel free to contact our customer service team at support@innovateuk.ukri.org or by calling **0300 321 4357**.

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BUSINESS OPPORTUNITY

This is normally the first section, so your opening sentences are particularly important. They need to make crystal clear what the need for your product or service is, and what you'll be talking about in the rest of your application.

Above all, the assessor is looking to understand what problem your idea addresses, and whether it's a credible business opportunity. An ideal response lays out these points before beginning to describe the idea - clearly spelling out the robust link between the proposed solution and its commercial outcomes.



2

THE MARKET

Here the assessor's looking to see that you understand the potential market for your project - and can relate it back to the need described within your 'business opportunity' section. The best responses use current market data references (not wildly optimistic projections) and describe the wider picture before focusing on the market share expected for your solution.

The dynamics of the market are also important... is it growing? How fast? What trends affect it? What is the competition? What are the barriers to entry? Once this has been made clear you need to outline your strategy to access the market. If you can't explain how your product will be made or retailed, you'll be marked down. Remember, the assessor wants to see a good investment for public money.

3

EXPLOITATION

This section focuses on how you will make money from your idea - taking the heart of your business plan and placing it in the context of market opportunity and market size.

Here it's important to emphasise which outputs of your project will be exploited and how, including your sales/ service model and plans. These need to appear credible, and projections for growth and market share must be robust, and on a realist timescale.

A badly defined market opportunity can often come unstuck here, with the assessor being wary your project is more 'technology push' than 'market pull'.





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BENEFITS

In this section you're describing benefits for the project partners, but also outside the project. You must provide benefits in all categories and explain how these can be achieved by your business strategy. These are likely to include:

Economic: to your customers, your supply chains and broader sector - perhaps through exports, raised visibility of the sector or competitiveness of the UK.

Social: these can include regional benefits, in terms of local employment and clustergrowth; customer benefits in terms of quality of life, education, empowerment etc; employee benefits such as safer working environment, skills development etc.

Environmental: this can cover emissions (to air, water and ground), raw material consumption (including water), energy efficiency, biodiversity, waste avoidance, recycling, or more sustainable business models or consumer behaviour.

Innovate UK have developed a practical tool that can help you develop your thinking around this question: <https://ktn-uk.co.uk/programmes/horizons>.

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PROJECT PLAN

Here it's important to explain what you will do in the project - i.e. how you'll address the critical success factors described in your 'business opportunity' section. The assessor wants to understand the technical approach, and although they tend to be knowledgeable in your sector, you shouldn't assume any familiarity with all the technical aspect - so please avoid jargon and acronyms.

A Gantt chart, with an appropriate level of detail, is the best way to summarise your project (which you should include in your appendix). The tasks should be clear on resource allocation, cost and interdependency with other tasks.

The assessor is looking to see if your plan is realistic, whether there is sufficient resource (and where it's coming from) and if management will be an issue - so please make clear the reporting lines, especially with multiple sub-contractors or partners.

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INNOVATION

A winning project needs to display both technical (pushing the boundaries or applying tech to a new problem) AND commercial (addressing a need in a novel way) innovation.

So, to score highly, you need to make it explicit to the assessor how your project does both. They'll be looking to see if the innovation levels are a radically different step-change, rather than an incremental improvement.

Without making wild, unsubstantiated claims, you need to make clear your idea comes across as genuinely novel. Does it have the potential to drive improvements in multiple applications across a wide scope?



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RISKS

Firstly, risk is not a bad thing, and rating risk overall as low will mark down your score - after all, radically innovative projects are always going to come with their fair share of risk.

The important thing here is to ensure you take a complete risk assessment across all the categories listed, describing mitigation strategies for each risk (and rating each one). It's not about coming up with reasons why the risk isn't a problem, but strategies to minimise and control it. Best practice is to provide a table with headings: Risk, Rating, Impact and Mitigation.

Commercial risks may include losing partners, sub-contractors, staff, changes in market or raw material costs. Environmental risks could include generation of new waste streams or emissions, increased energy use or demand from users.



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SKILLS/PROJECT CONSORTIUM

In this section the assessor wants to understand if project partners have the skills, experience, resource and facilities to carry out AND exploit the results themselves. They'll also be questioning what value they bring, and why they're core to the delivery of the project.

Many projects fall down here on the route to market, and don't demonstrate that they have engaged likely customers and manufacturers. The assessor wants evidence to give them confidence the project will proceed as described and will be likely to deliver the intended outcomes (as per your projections in your 'exploitation' section).

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FINANCES

Here the assessor is judging value for money and will scrutinise the compulsory finances form. Take time and care with this to make sure costs are specific (avoid vague figures) and in the right section (for example, don't put 'capital equipment' in 'materials').

Overheads need to be realistic - too low is as bad as too high. The assessor is likely to be thinking, is the budget right for the size and complexity of the project? And is it in line with the project plan?

You should also make clear where the commitment for the balance of the project costs is coming from. Use the response to address this and explain the costs (particularly if they're high) in the finances form - which is an Excel workbook, and should be distinct from the question section.



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ADDITIONALITY

Essentially, this section is asking you to explain why public money should be used on your project. Ideally by now you will have described a compelling and exciting project - now you need to show why commercial finance isn't available for it.

The kind of answer the assessors are looking for here usually relate to risk (too risky for commercial investors) or other factors, including: reducing the time to market in order to get ahead of competitors, to increase the amount of R&D taking place in the UK, or to facilitate a new R&D collaboration.

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