

## AI-ntrepreneurs assemble!: Britain poised for tech powered boom as AI inspires 35% of entrepreneurs to set up a new venture

- AI proves to be promising as equity investments in AI companies total £15.2bn as of May 2024
- Most leaders (63%) see AI as an opportunity for their business, surpassing the 17% who see it as a threat

Artificial Intelligence (AI) is sparking a wave of innovation among UK's high growth businesses according to new research from Charles Stanley's [Opportunities in Adversity](#) report. 35% of business owners and entrepreneurs are planning to harness AI to set up new business ventures.

The majority (63%) of business owners believe that the technology revolution will be spearheaded by entrepreneurs, and this is reflected in current usage where start-ups are more likely to be incorporating AI into their professional life (56%) than those who inherited a family business (43%).

Additional analysis from Beauhurst for Charles Stanley suggests confidence in AI has a positive impact on business' prospects of securing equity investment. Data on incorporations as of May 2024 shows there are currently 2,693 AI companies in the UK, of which 1,955 (73%) have received equity investment worth £15.2bn.

The value of equity investment in AI companies peaked in 2022 at £3,28bn, an increase of 10.4% from the previous year. While the high investment amounts seen in 2021 and 2022 were partly a result of the economic stimulus measures introduced to help companies recover from the COVID-19 pandemic, the volumes also reflect investors' wish to take a stake in the future of this emerging sector. And while investment amounts fell in 2023, in line with what we have seen in the high-growth tech industry, deal numbers remained consistent.

Almost two thirds of business owners (63%) see AI as an opportunity for their business, well outranking the 17% who view it as a threat. When delving deeper into the business benefits of using AI, most (63%) think AI will improve business productivity and efficiency, with a similar number (60%) seeing AI as a way to drive profits.

Currently, larger firms appear to benefit most from productivity gains, with 71% of companies with 250-999 employees agreeing with this sentiment. It increases steadily to this point. By comparison 43% of sole traders and, up to 60% with 1-9 employees said AI had boosted their productivity.

There is some apprehension towards AI, with a quarter (25%) of leaders considering exiting or selling their business as a result. And although most businesses feel excitement about the possibilities of AI (62%), half (50%) still worry about the impact of AI on the next generation, a concern felt equally across all age groups.

But whatever the sentiment, businesses increasingly realise they need to get comfortable with using AI in their business lives. Half of business owners questioned already use AI, both professionally (52%) and to help with their personal finances (50%). Here men are more likely than women to use AI overall, with 60% of men using it professionally, against 43% of women, and 54% using it personally, trumping the 46% of women who do the same.

**Louis Coke, Director of Private Clients at Charles Stanley, comments:** "Entrepreneurship drives innovation and the emergence of AI offers significant opportunities for businesses to propel in their sectors for those who can identify new ways to apply the technology. The growing confidence business leaders have in AI is evidence of its potential, as an investment and its use in both the public and private sphere to bolster productivity and efficiency.

**PRESS RELEASE**

“As entrepreneurs and owners navigate the evolving climate of AI and its implementation in business endeavours, Charles Stanley remains committed to supporting them at every stage of their journey. From wealth management and integrated client service to financial planning, it is imperative businesses are well-prepared and equipped in their processes to take on novel but fruitful ventures for the enrichment of the British economy.”

**ENDS**

**Methodology**

Research was carried out for Charles Stanley by Censuswide, surveying 500 Business Owners in the UK with a household income of £100k+. Survey conducted between 16/05/2024 and 23/05/2024.

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