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Uncovering the benefits of Open Source



Chris Eastham
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LOCATIONS

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OpenUK's annual Open Source Survey reveals the economic and social benefits of Open Source products and information to the UK.



OpenUK, the not for profit organisation representing the UK's Open Technology sector, has released the results of its 2023 State of Open Source Survey, revealing the major economic and social benefits of Open Source Software to the UK.

The headline findings of OpenUK's survey include:

Open Source contributed £13.59 billion in gross value add (GVA) to the UK economy in 2022;

Open Source made up 27% of the UK's tech sector economy in 2022;

Up to £326.6 million is earmarked for UK company investment in Open Source;

Skills development and collaboration have moved to the top of the benefits list for Open Source use, overtaking cost savings;

44% of companies will increase investment in Open Source in next 12 months; and

There has been a rise in company Open Source Program Offices (OSPOs), as more organisations increase their use of Open Source and manage contributions at scale.

The UK's Department of Culture, Media and Sport (DCMS) calculates the total tech sector contribution to the UK Economy was £50.71 billion last year. Open Source contributed £13.59 billion, amounting to over a quarter (27%) of the value of the UK's tech sector business contribution.

The £13.59 billion GVA assessment compiled by OpenSource covers the value generated by any unit engaged in the production of goods and services for a specific sector in the UK economy. GVA is often used as the equivalent of the output approach to the measurement of Gross Domestic Product (GDP).

Alongside the economic value that OpenUK estimates for the UK economy, the organisation also surveyed the industry to obtain data on how Open Source supports businesses.

The results include:

44% of respondents will increase their investment in open source, while 47% anticipate their investment will stay the same in the coming 12 months. Only 2% said they intend to decrease investment. This means the overall volume of investment will grow by £326.6 million.

The top benefits from open source were skills, development and knowhow (listed by 58% of respondents); collaboration (58%); community contributions (57%); and cost savings on licence fees (56%). Cost savings has moved to fourth on the list of priorities, compared to being first on the list in 2021 and 2022. The top three now reflect some of the central pillars of Open Source development.

The biggest challenges for Open Source were the costs of maintenance and security (i.e. ensuring the information issued by a company is up to date and has not been tampered with by malicious actors, listed by 27% of respondents); concerns around maintenance processes (24%); and security concerns (21%). Another significant challenge was the cost to participate in the Open Source community, according to 18% of respondents.

The share of respondents that stated they have an Open Source Program Office (OSPO) or other team for managing open source contributions and usage has gone up to 23% in 2023 from 11% in 2022.

The most popular Open Source software technologies are cloud and container infrastructure (68%); databases (65%); software tooling (65%); and operating systems (64%).

What do the findings tell us about Open Source in the UK?

OpenUK's research demonstrates the value and importance of Open Source to the UK economy and to the development of technology in general.

It also reveals that many businesses are yet to fully understand and maximise the benefits of Open Source, and there remain significant opportunities to embrace this resource and include it in corporate strategy.

Amanda Brock, CEO of OpenUK, suggests that the level of value being contributed to the UK economy from Open Source is "often overlooked", and better understanding of Open Source is needed across government to enable appropriate regulation and investment support around this sector.

Brock suggests that one of the main reasons why providers of Open Source are under-appreciated in the UK is that many are international businesses with UK headquarters, but are incorporated as Delaware corporations and have US investors. Therefore, they aren't recognised as UK businesses.

Alongside the research findings, OpenUK also looked at how company founders grow their businesses and choose to locate companies in the UK, even where their funding is from the US.

The organisation believes that better understanding of the pressures, opportunities and challenges around growing companies in the UK, versus the San Francisco Bay Area, will help create a more supportive regulatory and investment environment for Open Source-based businesses in the UK.

Brock also argues that Open Source will underlie the democratisation of AI as it becomes ubiquitous in business and society.

The OpenUK survey results are based on responses from 339 people, with respondents distributed across a range of industries and company sizes. The full report is available on [OpenUK's website](#).

Chris Eastham, is a Technology Partner at Fieldfisher and pro-bono Chief Legal Officer at OpenUK.

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